



Orange County Transportation Authority

Finance and Administration Committee Agenda

Wednesday, November 12, 2025 at 10:30 a.m.

Board Room, 550 South Main Street, Orange, California

Committee Members

Michael Hennessey, Chair
Patrick Harper, Vice Chair
Jamey M. Federico
William Go
Carlos A. Leon
Vicente Sarmiento
Mark Tettemer

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the Orange County Transportation Authority (OCTA) Clerk of the Board's office at (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

Agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or access live streaming of the Committee meetings by clicking this link: <https://octa.legistar.com/Calendar.aspx>

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of the Orange County Transportation Authority. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. If you wish to comment on a specific agenda item, please identify the item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Pledge of Allegiance

Director Sarmiento

Closed Session

There are no Closed Session items scheduled.

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 3)

All items on the Consent Calendar are to be approved in one motion unless a Committee Member or a member of the public requests separate action or discussion on a specific item.

1. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the October 22, 2025 Finance and Administration Committee meeting.

Attachments:

[Minutes](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

2. Orange County Transportation Authority Investment and Debt Programs Report - September 2025

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending September 30, 2025. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

3. Orange County Employees Retirement System Early Payment for Fiscal Year 2026-27

Robert Davis/Andrew Oftelie

Overview

The Orange County Employees Retirement System has offered an early payment discount of seven percent to member agencies if they elect to prepay their contributions for fiscal year 2026-27. Advance payments must be received by January 15, 2026. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$1,141,000. Board of Directors' authorization is requested for the early payment option.

Recommendation(s)

Authorize the early payment of approximately \$38.1 million by January 15, 2026, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2026-27.

Attachments:

[Staff Report](#)

Regular Calendar

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

4. **Fiscal Year 2024-25 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting**

Rima Tan/Andrew Oftelie

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on various financial statements and schedules. Crowe LLP, an independent accounting firm, has completed its annual audit of the Orange County Transportation Authority for fiscal year 2024-25. In addition, a report has been issued on the results of additional analysis performed by Crowe LLP to assist management in determining compliance with certain state requirements.

In connection with the annual audit of the Orange County Transportation Authority, Crowe LLP has issued its auditor's report on internal control over financial reporting with no deficiency.

Recommendation(s)

Receive and file the fiscal year 2024-25 audited financial statements and independent auditor's report on internal control over financial reporting as information items.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Attachment E](#)

[Attachment F](#)

[Attachment G](#)

Discussion Items

5. **Public Comments**

6. **Chief Executive Officer's Report**

7. **Committee Members' Reports**

8. **Adjournment**

The next regularly scheduled meeting of this Committee will be held:

10:30 a.m. on Wednesday, December 3, 2025

OCTA Headquarters

Board Room

550 South Main Street

Orange, California

**Committee Members Present**

Michael Hennessey, Chair
Patrick Harper, Vice Chair
Jamey M. Federico
William Go
Carlos A. Leon
Vicente Sarmiento
Mark Tettemer

Staff Present

Darrell E. Johnson, Chief Executive Officer
Sahara Meisenheimer, Clerk of the Board Specialist
Martin Browne, Employee Rotation Program
Andrea West, Clerk of the Board
James Donich, General Counsel
OCTA Staff

Committee Members Absent

None

Call to Order

The October 22, 2025 regular meeting of the Finance and Administration Committee was called to order by Committee Chair Hennessey at 10:30 a.m.

Consent Calendar (Items 1 through 11)**1. Approval of Minutes**

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to approve the minutes of the September 10, 2025 Finance and Administration Committee meeting.

Director Leon was not present to vote on this item.

2. Right-of-Way Maintenance, Internal Audit Report No. 25-515

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to direct staff to implement three recommendations provided in Right-of-Way Maintenance, Internal Audit Report No. 25-515.

Director Leon was not present to vote on this item.

3. Investments: Compliance, Controls, and Reporting, January 1 through June 30, 2025, Internal Audit Report No. 26-502

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to direct staff to implement the one recommendation provided in Investments: Compliance, Controls, and Reporting, January 1 through June 30, 2025, Internal Audit Report No. 26-502.

Director Leon was not present to vote on this item.



4. Warranty Administration, Internal Audit Report No. 25-516

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to direct staff to implement three recommendations provided in Warranty Administration, Internal Audit Report No. 25-516.

Director Leon was not present to vote on this item.

5. Fiscal Year 2025-26 Internal Audit Plan, First Quarter Update

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to receive and file the first quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan as an information item.

Director Leon was not present to vote on this item.

6. Orange County Transportation Authority Investment and Debt Programs Report - August 2025

Committee Chair Hennessey commented on the three KeyBank securities being downgraded and how the Orange County Transportation Authority will be okay by January of 2026.

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to receive and file as an information item.

Director Leon was not present to vote on this item.

7. Fiscal Year 2024-25 Fourth Quarter Budget Status Report

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to receive and file as an information item.

Director Leon was not present to vote on this item.

8. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Claims for Fiscal Year 2025-26

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to authorize the filing of SB 1 State of Good Repair claims, in the amount of \$7.542 million, or up to the actual allocation published by the State Controller's Office, to fund capital projects approved by the Orange County Transportation Authority Board of Directors.

Director Leon was not present to vote on this item.



9. State Transit Assistance Fund Claims for Fiscal Year 2025-26

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to adopt Resolution No. 2025-078 to authorize the filing of State Transit Assistance Fund claims, in the amount of \$43,487,476, or up to the actual allocation published by the State Controller's Office, to support public transportation.

Director Leon was not present to vote on this item.

10. Fiscal Year 2024-25 Fourth Quarter Grant Reimbursement Status Report

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to receive and file as an information item.

Director Leon was not present to vote on this item.

11. Update on the Loan Agreements with the Cities of Anaheim, Placentia, and the West Orange County Water Board

A motion was made by Director Sarmiento, seconded by Director Tettemer, and declared passed by those present to receive and file as an information item.

Director Leon was not present to vote on this item.

Regular Calendar

12. Agreements for Temporary Staffing Services

Karen DeCrescenzo, Senior Department Manager, Human Resources, provided a report on this item.

A motion was made by Director Federico, seconded by Director Tettemer, and declared passed by those present to:

- A. Approve the selection of APR Consulting, Inc. and Tryfacta, Inc. as the firms to provide temporary staffing services, in the aggregate amount of \$3,220,000, to be shared by both staffing firms.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4052 between the Orange County Transportation Authority and APR Consulting, Inc. to provide temporary staffing services for a three-year initial term through October 31, 2028, with two, two-year option terms.



- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4312 between the Orange County Transportation Authority and Tryfacta, Inc. to provide temporary staffing services for a three-year initial term through October 31, 2028, with two, two-year option terms.

Director Leon was not present to vote on this item.

13. 2025 Measure M2 Sales Tax Forecast Update

Sam Kaur, Department Manager, Revenue Administration, provided a report on this item.

No action was taken on this receive and file information item.

Discussion Items

14. Public Comments

There were no public comments received.

15. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, reported that there will be no Metrolink service on the Orange County and Inland Empire Lines this weekend, October 25-26, due to the construction of the new San Juan Creek Bridge.

16. Committee Members' Reports

There were no Committee Members' Reports.

17. Adjournment

The meeting adjourned at 10:56 a.m.

The next regularly scheduled meeting of this Committee will be held:

10:30 a.m. on Wednesday, November 12, 2025

OCTA Headquarters

Board Room

550 South Main Street

Orange, California

ATTEST:

Sahara Meisenheimer
Clerk of the Board Specialist



November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority Investment and Debt Programs Report – September 2025

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending September 30, 2025. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation

Receive and file as an information item.

Discussion

As of September 30, 2025, the Orange County Transportation Authority's (OCTA) outstanding investments totaled \$3.2 billion. The portfolio is divided into two portfolios: the liquid portfolio for immediate cash needs and the managed portfolio for future budgeted expenditures. In addition to these portfolios, OCTA has funds invested in debt service reserve funds for the 91 Express Lanes Program.

Portfolio Compliance and Liquidity Requirements for the Next Six Months: The portfolio is in full compliance with OCTA's Investment Policy and the State of California Government Code. Additionally, OCTA has reviewed the liquidity requirements for the next six months and anticipates that OCTA's liquidity will be sufficient to meet projected expenditures during the next six months.

The weighted average book yield for the OCTA's managed portfolio is 4.31 percent. The book yield measures the exact income, or interest, on a bond

without regard to market price change. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and market value.

OCTA's month-end balance in the Local Agency Investment Fund (LAIF), a pooled investment fund for California local agencies, was \$7,358,822, with an average monthly effective yield of 4.21 percent. The LAIF offers local agencies an opportunity to invest funds in a diversified portfolio of high-quality, short-term securities managed by the State Treasurer's Office. OCTA's month-end balance in the Orange County Investment Pool (OCIP), a collective investment fund for local government entities in Orange County, was \$96,807, with the monthly gross yield was 4.09 percent. The OCIP allows local government entities to invest funds in a diversified portfolio managed by the Orange County Treasurer-Tax Collector's Office, aiming for competitive returns while prioritizing safety and liquidity. Mandated by the Transportation Development Act (TDA), OCTA is required to participate in the OCIP. It serves as a temporary holding account for TDA funds until claimed by OCTA and then processed by the County of Orange. This framework ensures effective fund management and adherence to regulatory compliance.

During the month of September, no security held within OCTA's investment portfolio was downgraded or placed on Negative Credit Watch. Please refer to A-4 (Rating Downgrades and Negative Credit Watch) of Attachment A for further details.

OCTA's debt program is separate from its investment program and is comprised of Measure M2 (M2) Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and 2021 Transportation Infrastructure Finance and Innovation Act Loan. The debt program currently has an outstanding principal balance of \$1.2 billion as of September 30, 2025. Approximately 44 percent of the outstanding balance is comprised of M2 debt, three percent is associated with the 91 Express Lanes Program, and 53 percent is associated with the 405 Express Lanes.

Summary

The Treasurer is submitting a copy of the Orange County Transportation Authority Investment and Debt Programs report to the Finance and Administration Committee. The report is for the month ending September 30, 2025.

Attachments

- A. Orange County Transportation Authority Investment and Debt Programs
– For the Period Ending September 30, 2025
- B. Orange County Transportation Authority Portfolio Listing as of
September 30, 2025

Prepared by:



Robert Davis
Department Manager
Treasury/Public Finance
(714) 560-5675

Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
(714) 560-5649

**Treasury/Public Finance Department's
Report On**

**Orange County Transportation Authority
Investment and Debt Programs**



**Presented to the
Finance and Administration Committee**

**For The Period Ending
September 30, 2025**

INVESTMENT PROGRAM

OCTA Investment Dashboard

9/30/2025

Safety of Principal

Securities that fell below OCTA's minimum credit quality requirements during the month of September 2025:
N/A

Securities currently held within OCTA's portfolio that fell below OCTA's minimum credit quality requirements during prior reporting periods:

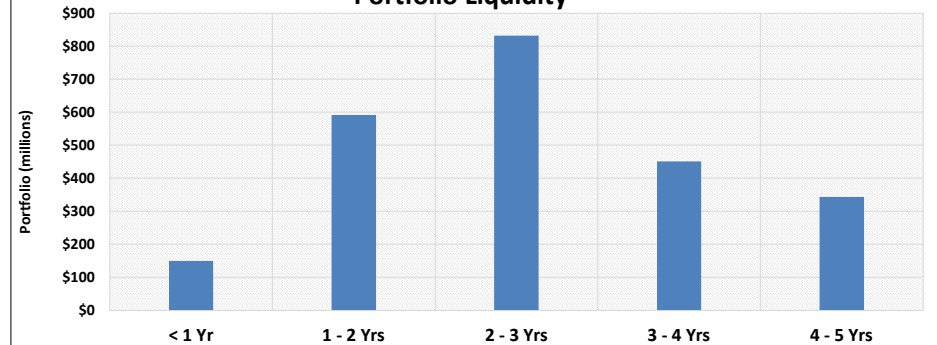
One Keybank security held within OCTA's investment portfolio was downgraded below minimum credit quality requirements for the month of October 2023

Securities downgraded or placed on Negative Credit Watch during the month of September 2025, but remain in compliance with OCTA's Investment Policy:

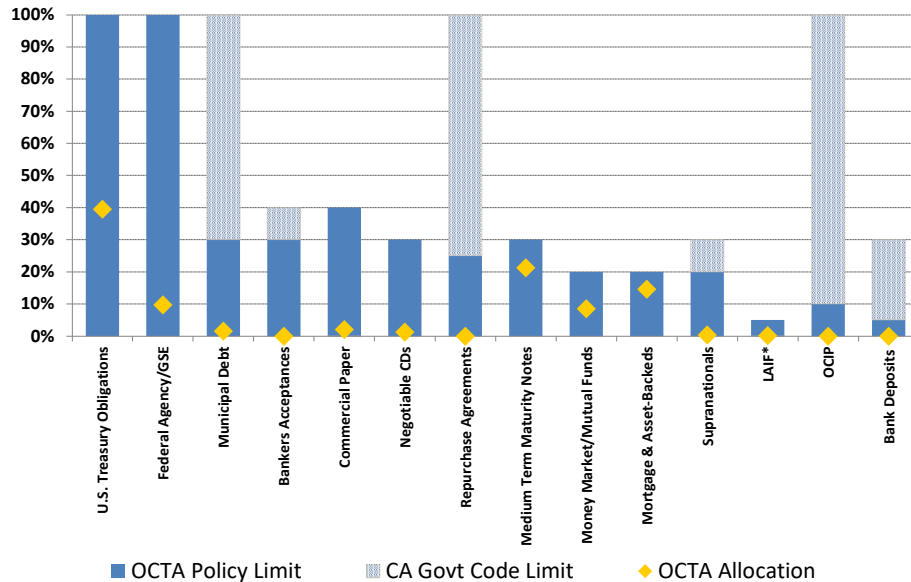
N/A

For further details please refer to A-4 of this report.

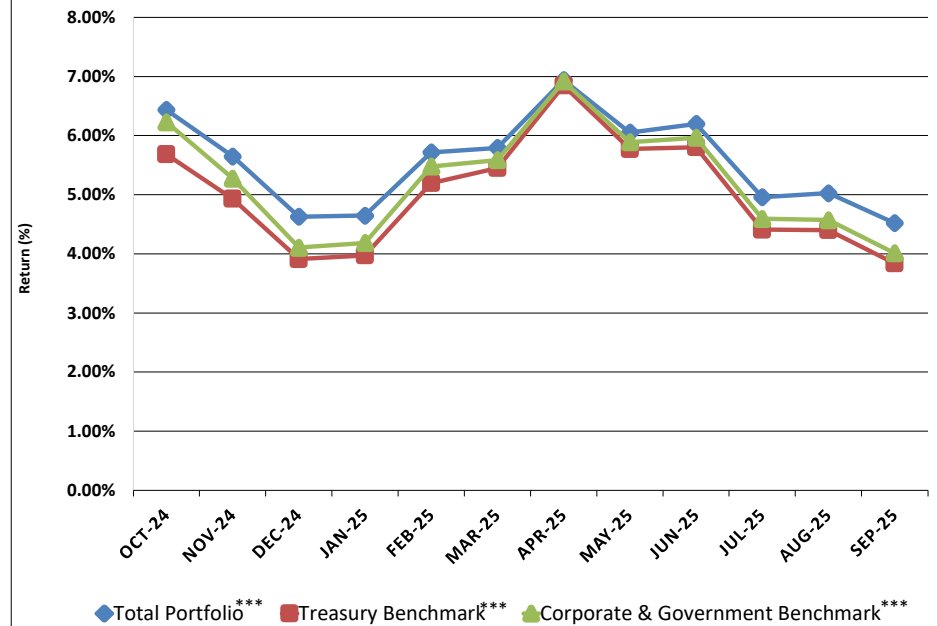
Portfolio Liquidity⁽¹⁾



Portfolio Diversification **



Total Return - 12 Month⁽¹⁾



1. Reflects Managed Portfolio.

* Per CA Government Code LAIF limit is \$75 million

** Per OCTA's Investment Policy the limit is 30% for variable and floating rate securities. As of September 30, 2025, 7.9% of the portfolio was invested in variable & floating rate securities.

*** Actual portfolio returns represent the aggregate performance of the managed portfolio.

The Treasury Benchmark is the 1-3 Year Treasury Index through September 2024 and transitions to a market value-weighted blend of the 1-3 Year and 1-5 Year Treasury Indices starting October 2024.

The Corporate & Government Benchmark is the 1-3 Year AAA-A U.S. Corporate & Government Index through September 2024 and shifts to a market value-weighted blend of the 1-3 Year and 1-5 Year AAA-A U.S. Corporate & Government Indices beginning October 2024.

Investment Compliance

9/30/2025

Portfolio Subject to Investment Policy			
Managed/Liquid Portfolio ¹	Dollar Amount Invested	Percent Of Portfolio	Maximum Percentages
U.S. Treasury Obligations	\$ 1,053,633,951	39.6%	100%
Federal Agency/GSE	260,806,811	9.8%	100%
Municipal Debt	43,501,263	1.6%	30%
Commercial Paper	57,827,326	2.2%	40%
Negotiable Certificates of Deposit	34,525,000	1.3%	30%
Repurchase Agreements	-	0.0%	25%
Medium Term Maturity Notes/Corporates	568,651,595	21.4%	30%
Money Market/Mutual Funds	228,996,456	8.6%	20%
Mortgage & Asset-Backed	390,699,816	14.7%	20%
Supranationals	11,786,289	0.4%	20%
Local Agency Investment Fund	7,358,822	0.3%	\$ 75 Million
Orange County Investment Pool	96,807	0.0%	10%
Bank Deposits	589,576	0.0%	5%
Total Managed/Liquid Portfolio ²	\$ 2,658,473,713		

1. Excludes portion of Liquid Portfolio subject to Indenture

2. Includes variable & floating rate securities invested in the amount of \$211,642,671 (7.9% of total Managed/Liquid portfolio) and subject to 30% limit per OCTA's Investment Policy.

Portfolio Subject to Indenture/Grant Funding Agreement					
Portfolio	Dollar Amount Invested	OCTA		Indenture/Funding Agreement Requirements	
		Credit Quality	Term	Min. Credit Quality	Max. Term
Liquid Portfolio*					
Government Obligations MMKT Fund	\$ 242,167,670	"AAAm"	N/A	AAA Category	N/A
Government Obligations MMKT Fund	17,756,275	"AAAm"/"Aammf"	N/A	AAA Category	N/A
Government Obligations MMKT Fund **	82,352,312	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **	25,000,000	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **	21,251,147	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **	27,749,504	"AAAm"/"Aammf"	N/A	N/A	N/A
Government Obligations MMKT Fund **	26,711,391	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **	26,500,000	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Bank Deposits **	474,934	N/A	N/A	N/A	N/A
Total Liquid Portfolio	\$ 469,963,232				
Reserve Funds Portfolio					
Government Obligations MMKT Fund	\$ 3,921,909	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Negotiable Certificates of Deposit	5,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Negotiable Certificates of Deposit	3,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Government Obligations MMKT Fund ***	34,610	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Government Obligations MMKT Fund ****	49,712,850	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Bank Deposits ****	43,566	N/A	N/A	N/A	N/A
Total Reserve Funds Portfolio	\$ 61,712,936				
Total Portfolio Subject to Indenture	\$ 531,676,168				

91EL and 405EL Operating Funds *****	
Money Market Funds	\$ 13,030,182
Bank Deposits	694,032
Total for EL Operating Funds	\$ 13,724,215
Portfolio Total	\$ 3,203,874,095

* Reflects portion of Liquid Portfolio subject to Indenture (OCTA Sales Tax Revenue) or Grant Funding Agreement

** Senate Bill (SB) 125 Grant Funding

*** 91 EL Debt Service Fund

**** Funds subject to 2021 TIFIA Loan Agreement

***** Reflects Express Lanes customers' prepaid balances held in the 91EL and 405EL operating accounts. These funds are invested by OCTA but represent customer liabilities and are therefore disclosed for transparency but excluded from investment policy compliance calculations.

Managed Portfolio
Sector Allocation and Performance Overview
9/30/2025

Book/Market Value	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
Book Value	\$ 586,474,596	\$ 589,819,112	\$ 591,649,297	\$ 597,428,139	\$ 2,365,371,145
Market Value with Accrued Interest	\$ 600,401,202	\$ 601,401,384	\$ 602,471,497	\$ 607,749,462	\$ 2,412,023,545
1-3 Year Portfolio:					
Book Value	\$ 386,395,456	\$ 393,499,395	\$ 417,557,882	\$ 397,181,703	\$ 1,594,634,436
Market Value with Accrued Interest	\$ 395,471,511	\$ 401,176,069	\$ 425,453,147	\$ 404,691,626	\$ 1,626,792,353
1-5 Year Portfolio:					
Book Value	\$ 200,079,140	\$ 196,319,717	\$ 174,091,415	\$ 200,246,437	\$ 770,736,709
Market Value with Accrued Interest	\$ 204,929,691	\$ 200,225,315	\$ 177,018,350	\$ 203,057,836	\$ 785,231,192

Sector Allocation	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
U.S. Treasury Obligations	36.3%	50.5%	40.3%	50.9%	44.5%
Federal Agency/GSE	24.4%	3.6%	14.1%	2.2%	11.0%
Municipal Debt	0.5%	4.8%	0.3%	1.8%	1.8%
Commercial Paper	0.8%	0.0%	0.0%	0.0%	0.2%
Negotiable Certificates of Deposit	0.0%	0.0%	1.6%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	24.3%	21.9%	25.1%	24.8%	24.0%
Money Market/Mutual Funds	1.7%	0.2%	0.1%	1.6%	0.9%
Mortg & Asset Backed Sec	9.9%	18.9%	18.5%	18.7%	16.5%
Supranationals	2.0%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-3 Year Portfolio:					
U.S. Treasury Obligations	39.9%	52.3%	41.4%	50.8%	46.1%
Federal Agency/GSE	19.1%	3.5%	12.6%	2.3%	9.4%
Municipal Debt	0.0%	4.5%	0.3%	1.8%	1.6%
Commercial Paper	1.3%	0.0%	0.0%	0.0%	0.3%
Negotiable Certificates of Deposit	0.0%	0.0%	1.6%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	26.0%	20.7%	24.7%	24.8%	24.1%
Money Market/Mutual Funds	1.3%	0.2%	0.2%	1.7%	0.8%
Mortg & Asset Backed Sec	10.3%	18.7%	19.3%	18.6%	16.8%
Supranationals	2.1%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-5 Year Portfolio:					
U.S. Treasury Obligations	29.4%	46.9%	37.6%	51.1%	41.3%
Federal Agency/GSE	34.8%	3.7%	17.7%	1.9%	14.5%
Municipal Debt	1.4%	5.6%	0.3%	1.7%	2.3%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%
Negotiable Certificates of Deposit	0.0%	0.0%	1.7%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	21.1%	24.2%	26.1%	24.7%	24.0%
Money Market/Mutual Funds	2.4%	0.4%	0.1%	1.5%	1.1%
Mortg & Asset Backed Sec	9.2%	19.3%	16.5%	19.0%	16.0%
Supranationals	1.7%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Portfolio Characteristics	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Weighted Average Life	2.24	2.41	2.11	2.27	2.26	n/a	n/a
Duration	2.08	2.17	1.97	2.08	2.07	2.00	2.00
Monthly Yield (Annualized)	3.83%	3.87%	3.85%	3.80%	3.84%	3.65%	3.81%
1-3 Year Portfolio:							
Weighted Average Life	1.94	2.14	1.87	2.00	1.99	n/a	n/a
Duration	1.82	1.92	1.76	1.84	1.83	1.77	1.75
Monthly Yield (Annualized)	3.82%	3.86%	3.84%	3.77%	3.82%	3.65%	3.79%
1-5 Year Portfolio:							
Weighted Average Life	2.81	2.94	2.67	2.80	2.81	n/a	n/a
Duration	2.58	2.67	2.46	2.57	2.57	2.48	2.51
Monthly Yield (Annualized)	3.84%	3.88%	3.87%	3.86%	3.87%	3.66%	3.84%

Portfolio Performance (Total Rate of Return)	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Monthly Return ***	0.32%	0.35%	0.37%	0.31%	0.34%	0.28%	0.31%
Three Months Return ***	1.26%	1.34%	1.29%	1.28%	1.29%	1.12%	1.19%
1-3 Year Portfolio:							
Monthly Return ***	0.32%	0.35%	0.39%	0.33%	0.35%	0.31%	0.32%
Three Months Return ***	1.22%	1.31%	1.28%	1.26%	1.27%	1.12%	1.17%
1-5 Year Portfolio:							
Monthly Return ***	0.30%	0.34%	0.32%	0.27%	0.31%	0.23%	0.27%
Three Months Return ***	1.33%	1.39%	1.32%	1.30%	1.34%	1.14%	1.23%

* Represents the ICE/BAML 1-3 Year U.S. Treasury Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year U.S. Treasury Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

** Represents the ICE/BAML 1-3 Year AAA-A U.S. Corporate & Government Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year AAA-A U.S. Corporate & Government Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

*** Reflects monthly return and three months only, as the 1-5 year portfolio was launched on October 1, 2024. Additional performance metrics will be reported once sufficient data becomes available.

Rating Downgrades & Negative Credit Watch

9/30/2025

Investment Manager / Security

Par Amount

Maturity

S&P

Moody's

Fitch Ratings

Rating Downgrades:

- Rating below minimum requirements:

KEYBANK NATIONAL ASSOCIATION

\$	355,000	01/26/2026	BBB+	Baa1	BBB+
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In October 2023, Moody's and Fitch each downgraded KeyBank one notch, citing profitability pressures from a higher-for-longer rate environment and a below-average capital ratio when adjusted for unrealized losses. These downgrades placed three KeyBank securities in the portfolio below the minimum credit quality requirements of the Investment Policy. The Treasurer recommended, and the Chief Executive Officer concurred, that the securities be held for the short term.

As of August 31, 2025, of the initial \$3.72 million in KeyBank holdings, \$355,000 remains outstanding, with maturity of January 26, 2026.

Negative Credit Watch:

N/A

DEBT PROGRAM

(M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, 2021 TIFIA Loan)

Outstanding Debt¹

As of 9/30/2025

Orange County Local Transportation Authority (OCLTA-M2)

2025 M2 Sales Tax Revenue Bonds

Issued:	\$	227,565,000
Outstanding:		227,565,000
Debt Service FY 2026:		17,662,394
All in True Interest Cost:		3.04%
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041

2019 M2 Sales Tax Revenue Bonds

Issued:	\$	376,690,000
Outstanding:		301,885,000
Debt Service FY 2026:		27,579,400
All in True Interest Cost:		3.14%
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041

Sub-total M2 Outstanding Debt	\$	529,450,000
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91 Express Lanes

2023 OCTA 91 Express Lanes Refunding Bonds

Issued:	\$	47,545,000
Outstanding:		35,610,000
Debt Service FY 2026:		8,048,375
All in True Interest Cost:		2.80%
Pledged Revenue Source:	91 Toll Road Revenues	
Ratings (Fitch/ Moody's/ S&P):		AA-/Aa3/AA-
Final Maturity:		2030

Sub-total 91 Express Lanes Outstanding Debt	\$	35,610,000
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405 Express Lanes

2021 TIFIA Loan

Amount Available	\$	628,930,000
Outstanding:		643,734,758
Capitalized Interest:		30,023,463
Interest Rate:		1.95%
Pledged Revenue Source:	405 Toll Road Revenues	
Ratings (Moody's):		Baa2
Final Maturity:		2058

Sub-total 405 Express Lanes Outstanding Debt	\$	643,734,758
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TOTAL OUTSTANDING DEBT:	\$	1,208,794,758
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1. Comprises OCTA's debt obligations (M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and 2021 TIFIA Loan) currently outstanding and irrespective of OCTA's investment program.

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	MARKET VALUE	***
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USDFIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	4.05	4.05	242,167,670	242,167,670	
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USDFEDG	FEDERATED GOVT OBLIG INSTL 5	N/A	N/A	4.03	4.03	17,756,275	17,756,275	
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	60934N500	FEDERATED TREASURY OBLIGATION FUND	N/A	N/A	4.06	4.06	88,422,776	88,422,776	
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USD023B0	FIRST AMERICAN GOV OBL P 4198	N/A	N/A	4.14	4.14	40,425,728	40,425,728	
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDDGCM3	DREYFUS GOVT CM INST 289	N/A	N/A	4.12	4.12	41,731,302	41,731,302	
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDISLQ9	INVESCO GOVT AGENCY INSTIL 1901	N/A	N/A	4.14	4.14	49,574,868	49,574,868	
LIQUID PORTFOLIO	SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND							480,078,618	480,078,618	
LIQUID PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2V5	BMO NEGOTIABLE CD	3/21/2025	10/20/2025	4.39	4.39	25,000,000	25,000,000	
LIQUID PORTFOLIO	SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT							25,000,000	25,000,000	
LIQUID PORTFOLIO	COMMERCIAL PAPER	US62479LZA6	MUFG BANK	7/10/2025	12/10/2025	4.44	4.44	27,039,499	27,328,895	
LIQUID PORTFOLIO	COMMERCIAL PAPER	US22533TZXT70	CREDIT AGRICOLE	9/3/2025	12/31/2025	4.17	4.17	25,893,372	25,977,162	
LIQUID PORTFOLIO	SUB-TOTAL FOR COMMERCIAL PAPER							52,932,870	53,306,057	
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - GENERAL	N/A	N/A	0.00	0.00	264,487	264,487	
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - HQ	N/A	N/A	0.00	0.00	325,090	325,090	
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 91EL	N/A	N/A	0.00	0.00	433,572	433,572	
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 405EL	N/A	N/A	0.00	0.00	260,461	260,461	
LIQUID PORTFOLIO	SUB-TOTAL FOR BANK DEPOSIT							1,283,609	1,283,609	
LIQUID PORTFOLIO	LAIF	N/A	LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	N/A	4.21	4.21	7,358,822	7,358,822	
LIQUID PORTFOLIO	SUB-TOTAL FOR LAIF							7,358,822	7,358,822	
LIQUID PORTFOLIO	OCIP	N/A	ORANGE COUNTY INVESTMENT POOL (OCIP)	N/A	N/A	4.09	4.09	96,807	96,807	
LIQUID PORTFOLIO	SUB-TOTAL FOR OCIP							96,807	96,807	
LIQUID PORTFOLIO - TOTAL								566,750,726	\$ 567,123,913	
MANAGED PORTFOLIO	MONEY MARKET/MUTUAL FUND	31846V567	FIRST AMER:GVT OBLG Z	N/A	9/30/2025	4.00	4.00	21,871,964	21,871,964	
MANAGED PORTFOLIO	SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND							21,871,964	21,871,964	
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	21684LGS5	COOPERATIVE RABOBANK U.A., NEW YORK BRANCH	7/20/2023	7/17/2026	5.08	3.56	2,200,000	2,226,158	
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	22536DWD6	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK	2/5/2024	2/1/2027	4.76	4.15	3,750,000	3,778,050	
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	63873QP65	NATIXIS, NEW YORK BRANCH	9/20/2023	9/18/2026	5.61	3.46	3,575,000	3,633,773	
MANAGED PORTFOLIO	SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT							9,525,000	9,637,981	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	5/17/2023	11/15/2027	3.59	3.62	3,778,750	3,888,760	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	9/27/2024	11/15/2027	3.49	3.62	4,817,578	4,860,950	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283W8	UNITED STATES TREASURY	9/30/2024	2/15/2028	3.51	3.63	7,320,703	7,351,500	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	4/19/2024	8/15/2028	4.73	3.63	9,283,594	9,795,700	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	8/16/2024	8/15/2028	3.85	3.63	1,928,359	1,959,140	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285J5	UNITED STATES TREASURY	6/3/2022	10/31/2025	2.87	4.09	8,032,813	7,992,320	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	3/15/2024	11/15/2028	4.28	3.64	4,757,617	4,923,850	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/4/2024	11/15/2028	3.56	3.64	2,065,219	2,068,017	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/22/2024	11/15/2028	3.87	3.64	2,333,063	2,363,448	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	5/15/2025	11/15/2028	4.06	3.64	7,272,363	7,385,775	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128286B1	UNITED STATES TREASURY	11/4/2024	2/15/2029	4.19	3.65	1,878,281	1,935,160	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828M56	UNITED STATES TREASURY	6/10/2022	11/15/2025	3.05	3.91	6,818,164	6,985,230	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828M56	UNITED STATES TREASURY	8/19/2022	11/15/2025	3.27	3.91	7,750,938	7,983,120	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828V98	UNITED STATES TREASURY	1/12/2023	2/15/2027	3.80	3.69	8,006,270	8,337,650	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	7/2/2024	10/31/2027	4.56	3.61	5,342,742	5,721,848	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	8/16/2024	10/31/2027	3.90	3.61	2,560,436	2,673,322	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	10/3/2024	10/31/2027	3.57	3.61	3,645,000	3,752,031	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	10/8/2024	10/31/2027	3.92	3.61	902,305	938,008	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	11/7/2024	10/31/2027	4.26	3.61	3,673,023	3,846,005	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	11/7/2024	10/31/2027	4.26	3.61	1,612,547	1,688,414	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	12/24/2024	10/31/2027	4.36	3.61	6,102,734	6,378,740	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	2/13/2025	10/31/2027	4.39	3.61	4,621,126	4,807,506	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	3/26/2025	10/31/2027	3.99	3.61	2,698,453	2,767,123	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/10/2025	10/31/2027	3.91	3.61	3,891,442	3,977,332	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.98	3.61	3,666,563	3,752,200	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.99	3.61	3,890,145	3,982,022	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	5/8/2025	10/31/2027	3.82	3.61	7,839,590	7,973,425	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	7/8/2025	10/31/2027	3.87	3.61	1,967,866	1,993,356	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/24/2022	3/31/2027	4.45	3.67	1,844,688	1,966,260	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/3/2024	3/31/2027	3.57	3.67	12,666,572	12,775,774	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/7/2024	3/31/2027	3.83	3.67	5,125,170	5,200,758	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEM9	UNITED STATES TREASURY	9/3/2024	4/30/2029	3.72	3.67	2,893,008	2,920,560	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEN7	UNITED STATES TREASURY	12/1/2022	4/30/2027	4.07	3.65	1,089,041	1,134,142	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	9/26/2024	5/31/2029	3.55	3.67	4,828,516	4,842,800	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	10/7/2024	5/31/2029	3.84	3.67	2,862,422	2,905,680	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	8/16/2024	6/30/2029	3.84	3.68	3,190,311	3,225,875	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/27/2024	6/30/2029	3.57	3.68	3,771,809	3,767,778	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	1/13/2025	6/30/2029	4.52	3.68	2,182,754	2,265,500	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	2/13/2025	6/30/2029	4.47	3.68	1,927,395	1,994,625	

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	5/5/2025	6/30/2029	3.89	3.68	1,926,705	1,945,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/10/2025	6/30/2029	3.89	3.68	498,069	502,350
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/16/2025	6/30/2029	3.99	3.68	1,960,932	1,984,775
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/26/2025	6/30/2029	3.71	3.68	6,493,546	6,501,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	9/19/2022	6/30/2027	3.71	3.63	294,035	298,056
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/6/2022	6/30/2027	4.01	3.63	3,870,781	3,974,080
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	12/21/2022	6/30/2027	3.85	3.63	2,925,820	2,980,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	1/11/2024	6/30/2027	4.11	3.63	6,514,965	6,656,584
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/8/2024	6/30/2027	3.91	3.63	6,635,830	6,706,260
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/8/2024	6/30/2027	3.91	3.64	1,376,320	1,390,867
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	11/5/2024	6/30/2027	4.13	3.63	1,887,637	1,917,494
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	12/24/2024	6/30/2027	4.33	3.63	7,308,398	7,451,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	3/26/2025	6/30/2027	3.97	3.64	1,575,193	1,589,563
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	5/6/2025	6/30/2027	3.81	3.63	7,760,154	7,799,132
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFB2	UNITED STATES TREASURY	5/17/2023	7/31/2027	3.62	3.64	3,865,469	3,937,520
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	2/10/2023	8/31/2027	3.92	3.63	7,737,813	7,925,920
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	5/6/2025	8/31/2027	3.83	3.63	9,746,859	9,808,326
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/3/2025	8/31/2027	3.78	3.63	8,774,431	8,812,632
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/7/2025	8/31/2027	3.87	3.63	4,924,219	4,953,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFJ5	UNITED STATES TREASURY	6/9/2025	8/31/2029	4.01	3.69	7,244,238	7,346,475
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFM8	UNITED STATES TREASURY	6/9/2023	9/30/2027	4.06	3.62	6,517,012	6,562,725
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFZ9	UNITED STATES TREASURY	12/18/2024	11/30/2027	4.21	3.62	3,839,429	3,895,421
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGC9	UNITED STATES TREASURY	11/12/2024	12/31/2027	4.19	3.62	3,963,125	4,022,040
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGH8	UNITED STATES TREASURY	11/15/2024	1/31/2028	4.32	3.62	7,317,480	7,480,050
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	8/16/2024	2/29/2028	3.86	3.61	2,008,984	2,017,660
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	3/27/2025	2/29/2028	4.02	3.61	3,997,656	4,035,320
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/3/2025	2/28/2030	4.02	3.71	2,742,855	2,776,842
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/12/2025	2/28/2030	4.08	3.71	1,494,668	1,517,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/25/2025	2/28/2030	4.09	3.71	746,953	758,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/27/2025	2/28/2030	4.09	3.71	996,172	1,011,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	8/16/2024	5/31/2028	3.86	3.62	4,115,146	4,150,324
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/3/2024	5/31/2028	3.73	3.62	2,989,102	3,000,480
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	1/13/2025	5/31/2028	4.45	3.62	7,629,050	7,831,253
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.62	790,378	800,063
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.62	3,951,576	4,000,640
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/8/2025	5/31/2028	3.82	3.62	19,270,988	19,383,101
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/14/2025	5/31/2028	4.02	3.62	6,523,688	6,600,516
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.62	3,920,036	3,945,631
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.62	2,355,002	2,370,185
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/29/2025	5/31/2028	3.66	3.62	2,847,672	2,850,456
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/26/2025	5/31/2028	3.66	3.62	12,488,281	12,502,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHK0	UNITED STATES TREASURY	12/20/2024	6/30/2028	4.37	3.62	7,409,473	7,573,575
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	10/25/2024	7/31/2028	4.01	3.63	3,513,809	3,546,480
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	11/27/2024	7/31/2028	4.24	3.63	3,983,750	4,053,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	3/7/2025	7/31/2028	4.04	3.63	7,519,629	7,599,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHX2	UNITED STATES TREASURY	10/9/2024	8/31/2028	3.88	3.63	1,883,025	1,887,648
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	10/17/2023	9/30/2028	4.72	3.63	1,245,068	1,285,163
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.63	3,241,673	3,360,957
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.63	3,044,609	3,157,387
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJN2	UNITED STATES TREASURY	12/1/2023	11/30/2028	4.29	3.65	3,919,034	3,989,348
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJN2	UNITED STATES TREASURY	12/1/2023	11/30/2028	4.31	3.65	2,496,809	2,543,784
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJP7	UNITED STATES TREASURY	1/9/2024	12/15/2026	4.11	3.70	1,007,266	1,007,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	8/16/2024	12/31/2028	3.84	3.64	11,160,625	11,235,875
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	10/3/2024	12/31/2028	3.57	3.64	2,316,262	2,307,367
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	3/27/2025	12/31/2028	4.06	3.64	2,472,860	2,508,008
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	5/5/2025	12/31/2028	3.86	3.64	1,942,383	1,956,246
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJS1	UNITED STATES TREASURY	4/30/2025	12/31/2025	4.07	3.93	8,009,063	8,005,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	1/19/2024	1/15/2027	4.14	3.70	2,241,123	2,258,438
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.71	1,301,561	1,306,728
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.71	5,304,793	5,324,045
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.70	3,788,704	3,803,209
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/4/2024	1/31/2029	3.62	3.65	3,298,750	3,285,165
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/29/2024	1/31/2029	4.13	3.65	2,238,750	2,274,345
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	11/27/2024	1/31/2029	4.23	3.65	7,929,375	8,086,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	2/16/2024	2/15/2027	4.46	3.69	2,476,758	2,514,450
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	2/20/2024	2/15/2027	4.46	3.69	847,185	859,942
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/1/2024	2/15/2027	4.43	3.69	5,934,502	6,019,593
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/1/2024	2/15/2027	4.44	3.69	10,633,251	10,786,991

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	MARKET VALUE	***
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/12/2024	2/15/2027	4.29	3.69	5,973,047	6,034,680	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	4/1/2024	2/28/2029	4.21	3.65	936,753	952,784	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	12/16/2024	2/28/2029	4.25	3.65	7,999,063	8,152,160	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/6/2025	2/28/2029	4.34	3.65	996,641	1,019,020	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/10/2025	2/28/2029	4.33	3.65	997,031	1,019,020	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/1/2024	3/15/2027	4.40	3.67	761,773	771,219	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/5/2024	3/15/2027	4.51	3.67	3,475,117	3,528,455	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/8/2024	3/15/2027	4.52	3.67	3,226,514	3,276,423	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	4/15/2024	4/15/2027	4.53	3.67	2,997,656	3,037,020	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	5/1/2024	4/15/2027	4.88	3.67	618,604	632,713	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	5/13/2024	4/15/2027	4.66	3.67	2,986,875	3,037,020	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	5/28/2024	5/15/2027	4.72	3.66	1,217,727	1,240,986	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/3/2024	5/15/2027	4.70	3.66	11,985,514	12,207,253	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/11/2024	5/15/2027	4.49	3.66	3,800,742	3,849,590	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/11/2024	5/15/2027	4.67	3.66	1,343,672	1,367,618	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/12/2024	5/15/2027	4.63	3.66	1,494,785	1,519,575	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/17/2024	5/15/2027	4.60	3.66	3,240,732	3,292,413	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	7/5/2024	5/15/2027	4.61	3.66	7,975,938	8,104,400	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKT7	UNITED STATES TREASURY	6/3/2024	5/31/2029	4.52	3.67	999,180	1,028,050	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	7/1/2024	6/15/2027	4.51	3.65	3,756,849	3,804,546	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	2/10/2025	6/15/2027	4.28	3.65	1,914,473	1,930,210	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/1/2024	7/15/2027	4.07	3.64	13,331,544	13,385,779	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/5/2024	7/15/2027	3.96	3.64	3,641,344	3,645,144	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/12/2024	7/15/2027	3.89	3.64	1,778,446	1,777,008	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	8/16/2024	7/31/2029	3.79	3.69	2,018,750	2,022,120	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	10/31/2024	7/31/2029	4.11	3.69	8,956,406	9,099,540	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.76	3.63	4,690,503	4,702,414	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.77	3.63	1,191,695	1,194,768	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/10/2024	8/15/2027	3.60	3.63	10,542,246	10,521,735	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/27/2024	9/15/2027	3.47	3.62	1,421,382	1,418,431	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/30/2024	9/15/2027	3.52	3.62	3,087,285	3,085,709	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/1/2024	9/15/2027	3.57	3.62	9,343,621	9,351,689	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.52	3.62	3,983,750	3,981,560	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.54	3.62	6,469,785	6,470,035	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.57	3.62	3,977,813	3,981,560	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	9/30/2024	9/30/2029	3.54	3.69	5,115,190	5,088,766	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	10/1/2024	9/30/2029	3.58	3.69	33,063,352	32,945,417	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	10/29/2024	10/15/2027	4.10	3.62	1,987,813	2,009,840	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.62	12,736,648	12,884,883	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.62	15,512,655	15,695,042	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/4/2024	10/15/2027	4.15	3.62	3,820,674	3,868,942	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/7/2024	10/15/2027	4.19	3.62	1,982,500	2,009,840	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/10/2025	10/15/2027	4.30	3.62	677,775	688,370	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/13/2025	10/15/2027	4.39	3.62	7,403,613	7,536,900	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLR0	UNITED STATES TREASURY	11/12/2024	10/31/2029	4.19	3.70	2,493,262	2,539,750	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	11/26/2024	11/15/2027	4.32	3.62	696,227	707,140	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.62	3,141,191	3,172,735	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.62	3,064,300	3,095,556	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/6/2024	11/15/2027	4.17	3.62	3,820,368	3,864,015	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/10/2024	11/15/2027	4.10	3.62	3,827,689	3,864,015	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/16/2024	11/15/2027	4.12	3.62	3,825,149	3,864,015	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/2/2024	11/30/2029	4.08	3.70	9,890,434	10,028,808	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/9/2024	11/30/2029	4.05	3.70	1,946,593	1,971,215	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/10/2024	11/30/2029	4.07	3.70	4,009,844	4,064,360	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	12/17/2024	12/15/2027	4.23	3.61	2,981,016	3,024,600	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.61	8,264,592	8,395,987	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.61	5,514,318	5,602,870	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/2/2025	12/31/2029	4.39	3.71	5,486,569	5,631,971	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/9/2025	12/31/2029	4.48	3.71	995,586	1,025,860	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/13/2025	12/31/2029	4.52	3.71	2,483,594	2,564,650	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CME8	UNITED STATES TREASURY	7/30/2025	12/31/2026	4.00	3.71	5,016,992	5,032,250	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	1/15/2025	1/15/2028	4.34	3.62	3,840,525	3,902,476	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/3/2025	1/15/2028	4.26	3.62	4,558,931	4,622,153	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/6/2025	1/15/2028	4.27	3.62	3,848,346	3,902,476	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/10/2025	1/15/2028	4.29	3.62	1,747,881	1,773,853	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMH1	UNITED STATES TREASURY	2/18/2025	1/31/2027	4.25	3.70	1,845,736	1,859,972	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/3/2025	2/15/2028	3.97	3.62	2,196,691	2,210,912	
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/6/2025	2/15/2028	4.01	3.62	840,480	846,840	

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/13/2025	2/15/2028	4.00	3.62	7,744,622	7,804,115
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/22/2025	2/15/2028	4.00	3.62	8,051,250	8,113,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	6/9/2025	2/15/2028	4.00	3.62	11,621,736	11,713,779
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/2/2025	2/15/2028	3.76	3.62	7,008,316	7,023,197
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/7/2025	2/15/2028	3.85	3.62	3,094,872	3,108,462
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	9/26/2025	2/15/2028	3.67	3.62	8,105,652	8,113,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/25/2025	3/15/2028	4.02	3.61	2,988,047	3,018,870
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/26/2025	3/15/2028	3.98	3.61	15,050,187	15,189,948
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/27/2025	3/15/2028	4.00	3.61	2,989,453	3,018,870
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/1/2025	3/15/2028	3.88	3.61	6,129,042	6,168,558
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/10/2025	3/15/2028	3.70	3.61	4,019,375	4,025,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/1/2025	3/31/2030	3.96	3.72	2,454,594	2,478,053
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/8/2025	3/31/2030	3.89	3.72	3,873,974	3,899,272
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.03	3.72	1,997,656	2,022,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.12	3.72	959,688	976,082
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	5/13/2025	3/31/2030	4.11	3.72	3,095,432	3,145,716
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/9/2025	3/31/2030	4.09	3.72	4,283,889	4,349,383
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/23/2025	3/31/2030	4.01	3.72	969,700	981,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	7/2/2025	3/31/2030	3.84	3.72	1,168,202	1,173,322
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/26/2025	3/31/2030	3.76	3.72	4,444,344	4,450,531
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/30/2025	3/31/2030	3.75	3.72	3,611,740	3,616,057
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMV0	UNITED STATES TREASURY	3/31/2025	3/31/2027	4.00	3.67	7,980,313	8,023,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.62	6,099,352	6,090,219
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.62	7,059,323	7,049,736
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMY4	UNITED STATES TREASURY	5/13/2025	4/30/2027	4.00	3.66	3,941,592	3,965,584
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMZ1	UNITED STATES TREASURY	5/1/2025	4/30/2030	3.73	3.72	3,805,102	3,803,927
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.77	3.62	2,998,125	3,009,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.78	3.62	1,249,121	1,254,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	4,590,778	4,619,535
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	1,670,230	1,680,761
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	4,590,410	4,619,535
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	3.90	3.62	3,162,102	3,185,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	4.01	3.62	4,864,781	4,915,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNG2	UNITED STATES TREASURY	6/2/2025	5/31/2030	3.96	3.72	4,568,194	4,613,443
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/1/2025	6/15/2028	3.69	3.62	8,281,844	8,294,054
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.74	3.62	4,165,400	4,177,224
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.84	3.62	6,851,417	6,889,903
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/9/2025	6/15/2028	3.74	3.62	4,014,375	4,026,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/1/2025	6/30/2030	3.80	3.73	1,570,380	1,574,593
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/7/2025	6/30/2030	3.87	3.73	1,750,410	1,760,728
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	7/15/2025	7/15/2028	3.84	3.63	2,101,969	2,113,608
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/6/2025	7/15/2028	3.90	3.63	1,998,594	2,012,960
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/1/2025	7/15/2028	3.88	3.63	2,920,181	2,939,827
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/1/2025	7/15/2028	3.89	3.63	2,708,253	2,726,655
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/25/2025	8/15/2028	3.74	3.62	3,239,463	3,250,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.70	3.62	2,494,824	2,500,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.73	3.62	747,861	750,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/5/2025	8/15/2028	3.62	3.62	4,225,165	4,225,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/2/2025	8/15/2028	3.58	3.62	13,893,428	13,875,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CDF5	UNITED STATES TREASURY	9/17/2025	10/31/2028	3.50	3.64	7,033,301	7,008,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNN7	UNITED STATES TREASURY	9/2/2025	7/31/2030	3.69	3.74	3,427,891	3,420,468
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNV9	UNITED STATES TREASURY	9/5/2025	8/31/2027	3.64	3.63	2,499,316	2,499,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/18/2025	8/31/2030	3.61	3.74	1,401,094	1,392,776
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/5/2025	8/31/2030	3.72	3.74	2,738,076	2,735,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/26/2025	9/15/2028	3.66	3.62	5,133,357	5,139,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/15/2025	9/15/2028	3.48	3.62	3,738,721	3,724,500
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.50	3.62	4,982,422	4,966,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.62	3,930,867	3,923,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.62	4,975,586	4,966,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	9/30/2025	9/30/2030	3.75	3.74	4,972,656	4,974,600
MANAGED PORTFOLIO	SUB-TOTAL FOR US TREASURY OBLIGATION							1,053,633,951	1,065,441,140
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297CAJ1	FRESB 2018-SB52 10F	11/18/2024	6/25/2028	4.69	4.26	551,095	560,850
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/9/2025	6/25/2028	4.41	4.06	331,019	333,956
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/18/2025	6/25/2028	4.37	4.06	343,077	345,798
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30308LAD1	FRESB 2018-SB57 A1F	7/10/2025	7/25/2028	4.30	4.50	1,594,106	1,586,426
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/24/2023	3/10/2028	4.01	3.69	5,108,250	5,093,450
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/27/2025	3/10/2028	4.04	3.69	4,050,320	4,074,760
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATUS4	FEDERAL HOME LOAN BANKS	2/1/2023	12/10/2027	3.77	3.74	5,105,600	5,052,800

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWB22	FEDERAL HOME LOAN BANKS	7/10/2025	6/11/2027	3.91	3.62	5,019,550	5,041,050
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWC24	FEDERAL HOME LOAN BANKS	6/30/2023	6/9/2028	4.04	3.64	1,996,120	2,018,340
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWN63	FEDERAL HOME LOAN BANKS	7/21/2023	6/30/2028	4.20	3.59	3,965,360	4,042,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTQ3	FEDERAL HOME LOAN BANKS	10/2/2023	9/11/2026	4.98	3.76	6,931,120	7,055,720
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTR1	FEDERAL HOME LOAN BANKS	9/8/2023	9/8/2028	4.49	3.65	3,979,600	4,080,480
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AXU63	FEDERAL HOME LOAN BANKS	1/23/2024	11/17/2026	4.19	3.70	3,539,865	3,535,385
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPC60	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/15/2023	11/15/2027	4.77	3.70	4,973,700	5,093,550
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPH81	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/11/2023	10/4/2027	4.42	3.62	4,012,000	4,067,680
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPK79	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/13/2023	12/7/2026	4.52	3.73	7,968,800	8,058,800
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.58	3.75	4,788,960	4,830,432
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.70	3.75	3,978,200	4,025,360
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPUW3	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/11/2023	9/1/2026	4.80	3.70	3,994,800	4,037,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPZY4	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/1/2023	7/30/2026	5.05	3.72	3,995,640	4,041,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERAK7	FEDERAL FARM CREDIT BANKS FUNDING CORP	4/15/2024	4/10/2029	4.64	3.57	4,942,000	5,132,750
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERDZ1	FEDERAL FARM CREDIT BANKS FUNDING CORP	5/30/2024	5/8/2026	5.04	3.83	7,957,920	8,043,600
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERP77	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/23/2024	8/16/2027	3.86	3.69	4,984,050	5,004,850
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.70	1,183,550	1,176,231
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.70	1,927,036	1,915,718
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ETQNO	FEDERAL FARM CREDIT BANKS FUNDING CORP	7/25/2025	7/22/2030	4.80	4.76	5,990,700	5,998,740
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136A9MS4	FNA 2012-M14 AL	4/26/2023	9/25/2027	5.87	5.30	3,508,352	3,612,077
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136ARTE8	FNA 2016-M03 A2	10/12/2022	2/25/2026	5.16	4.34	1,406,440	1,480,549
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	2/20/2024	6/25/2027	4.93	4.04	2,646,322	2,756,318
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	3/4/2024	6/25/2027	4.99	4.04	927,801	967,129
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AY7L1	FNA 2018-M1 A2	4/21/2023	12/25/2027	4.92	4.53	627,228	648,919
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136B0YM2	FNA 2018-M2 A2	4/8/2025	1/25/2028	4.60	4.55	2,526,785	2,541,815
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136BTGM9	FNA 2024-M6 A2	12/17/2024	7/25/2027	4.45	4.44	3,932,375	4,007,600
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137A47J0	FHR 3778 L	5/11/2022	12/15/2025	2.83	4.90	7,638	7,558
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137AGYW6	FHR 3806 L	4/9/2021	2/15/2026	0.56	4.80	7,781	7,343
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137AGYW6	FHR 3806 L	12/10/2021	2/15/2026	1.20	4.80	1,038	999
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137AGYW6	FHR 3806 L	5/5/2022	2/15/2026	2.71	4.80	54,637	53,531
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BN6G4	FHMS K-053 A2	8/9/2022	12/25/2025	3.33	4.22	2,210,232	2,226,361
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	2/21/2023	1/25/2026	4.64	4.06	4,049,743	4,240,763
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	3/6/2023	1/25/2026	4.99	4.06	1,305,284	1,378,248
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	5/15/2023	1/25/2026	4.17	4.06	4,030,461	4,155,947
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	3/7/2023	7/25/2026	4.94	3.97	1,623,700	1,726,662
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	5/23/2023	7/25/2026	4.31	3.97	2,075,322	2,158,327
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BSP72	FHMS K-058 A2	4/17/2023	8/25/2026	4.10	3.87	2,290,781	2,371,728
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BSRE5	FHMS K-059 A2	11/20/2023	9/25/2026	5.15	3.88	3,077,202	3,221,296
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BTUM1	FHMS K-061 A2	5/24/2023	11/25/2026	4.31	4.12	1,596,918	1,631,224
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BUX60	FHMS K-062 A2	11/13/2023	12/25/2026	5.08	3.83	1,904,297	1,986,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	12/9/2022	1/25/2027	4.28	3.82	3,872,656	3,974,520
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	10/20/2023	1/25/2027	5.40	3.82	1,720,633	1,813,375
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXR11	FHMS K-S08 A2	9/16/2022	3/25/2027	4.08	3.88	894,504	915,519
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXR11	FHMS K-S08 A2	1/13/2023	3/25/2027	4.31	3.88	456,260	470,131
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/1/2023	4/25/2027	4.10	3.86	1,162,125	1,187,280
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/14/2024	4/25/2027	4.97	3.86	2,716,963	2,819,790
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	7/15/2024	6/25/2027	4.76	3.87	2,055,770	2,121,921
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	4/11/2025	6/25/2027	4.20	3.87	1,221,777	1,233,675
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4D41	FHMS K-074 A2	3/4/2025	1/25/2028	4.36	3.85	1,712,471	1,737,418
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4X72	FHMS K-075 A2	3/10/2025	2/25/2028	4.24	3.86	2,308,967	2,335,031
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	4/18/2023	7/25/2027	4.09	3.87	3,858,125	3,947,800
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	6/9/2025	7/25/2027	4.19	3.87	1,957,656	1,973,900
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	5/17/2023	8/25/2027	3.98	3.81	2,912,461	2,964,840
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	6/21/2024	8/25/2027	4.81	3.81	2,575,758	2,668,356
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	8/19/2024	8/25/2027	4.17	3.81	778,531	790,624
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/14/2023	9/25/2027	4.41	3.87	3,722,565	3,849,593
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/21/2024	9/25/2027	4.83	3.87	2,508,612	2,598,475
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	12/31/2024	9/25/2027	4.65	3.87	940,023	962,549
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	3/11/2025	9/25/2027	4.27	3.87	712,883	721,799
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	8/1/2024	11/25/2027	4.55	3.87	1,851,685	1,900,514
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	12/31/2024	11/25/2027	4.65	3.86	1,118,131	1,145,428
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEBQ2	FHMS K-072 A2	3/28/2025	12/25/2027	4.29	3.85	640,263	648,463
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	5/30/2023	1/25/2028	4.28	3.85	6,511,410	6,692,210
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	3/28/2025	1/25/2028	4.29	3.85	5,604,453	5,679,735
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/7/2025	4/25/2028	4.23	3.83	1,977,969	1,999,720
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/31/2025	4/25/2028	4.33	3.83	2,219,590	2,249,685
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FG6X8	FHMS K-077 A2	6/11/2025	5/25/2028	4.31	3.86	1,824,057	1,846,356
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FGZT5	FHMS K-079 A2	4/22/2025	6/25/2028	4.21	3.87	2,475,098	2,499,225

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJEH8	FHMS K-081 A2	3/25/2024	8/25/2028	4.65	3.87	4,803,447	4,950,541
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJZ93	FHMS K-084 A2	12/12/2024	10/25/2028	4.35	3.88	3,916,250	3,982,160
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FKZ22	FHMS K-088 A2	5/7/2025	1/25/2029	4.17	3.87	1,965,234	1,985,840
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FL6P4	FHMS K-089 A2	7/3/2025	1/25/2029	4.11	3.89	328,653	331,154
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLMV3	FHMS K-090 A2	3/31/2025	2/25/2029	4.37	3.90	2,896,875	2,951,310
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLN34	FHMS K-734 A2	4/24/2023	2/25/2026	4.55	3.81	1,242,359	1,279,926
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLYV0	FHMS K-092 A2	9/24/2024	4/25/2029	3.83	3.91	1,954,531	1,957,820
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FMCR1	FHMS K-093 A2	10/21/2024	5/25/2029	4.15	3.91	2,828,143	2,878,002
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FNWX4	FHMS K-736 A2	10/11/2023	7/25/2026	5.30	3.97	2,183,915	2,323,417
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FPHK4	FHMS K-098 A2	3/31/2025	8/25/2029	4.31	3.93	1,852,344	1,893,060
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FQ3Y7	FHMS K-101 A1	12/31/2024	7/25/2029	4.96	4.37	665,099	678,197
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H5YC5	FHMS K-748 A2	8/22/2024	1/25/2029	4.19	3.94	1,847,109	1,897,000
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H9D71	FHMS K-750 A2	11/4/2024	9/25/2029	4.45	3.98	1,881,406	1,932,660
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HA4B9	FHMS K-751 A2	3/28/2025	3/25/2030	4.41	4.03	2,996,367	3,038,970
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAMS2	FHMS K-507 A2	10/15/2024	9/25/2028	4.35	3.98	1,267,578	1,274,813
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAST4	FHMS K-509 A2	10/15/2024	9/25/2028	4.34	3.93	1,524,492	1,534,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	9/30/2024	12/25/2028	3.92	4.01	1,645,875	1,630,304
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	7/8/2025	12/25/2028	4.15	3.98	2,032,188	2,039,327
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2C5	FHMS K-517 A2	9/30/2024	1/25/2029	3.95	3.97	1,579,863	1,560,300
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2L5	FHMS K-518 A2	9/30/2024	1/25/2029	4.00	4.02	1,605,301	1,585,299
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HCKV3	FHMS K-520 A2	9/30/2024	3/25/2029	4.02	4.02	1,405,262	1,391,322
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HFNZ4	FHMS K-528 A2	9/12/2024	7/25/2029	4.02	4.02	566,089	563,564
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HH6C0	FHMS K-529 A2	10/16/2024	9/25/2029	4.02	4.04	974,088	979,295
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHJL6	FHMS K-530 A2	11/27/2024	9/25/2029	4.64	4.04	1,201,222	1,225,544
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHUN9	FHMS K-531 A2	12/12/2024	10/25/2029	4.65	4.03	803,634	816,312
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HKXJ8	FHMS K-539 A2	4/24/2025	1/25/2030	4.34	4.05	444,984	450,660
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	11/4/2024	9/25/2027	4.46	3.82	4,336,304	4,498,521
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	3/28/2025	9/25/2027	4.26	3.82	668,782	683,022
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	880591FE7	TENNESSEE VALLEY AUTHORITY	8/8/2025	8/1/2030	3.97	3.82	597,558	601,410
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FTZQ3	FHMS K-110 A2	9/8/2025	4/25/2030	3.96	4.00	1,798,203	1,797,620
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN4R6	FHMS K-546 A2	9/18/2025	5/25/2030	3.97	4.06	842,438	839,105
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN6B9	FHMS K-547 A2	9/29/2025	5/25/2030	3.96	4.39	817,050	805,000
MANAGED PORTFOLIO	SUB-TOTAL FOR FEDERAL AGENCY/GSE							260,806,811	265,533,122
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CB83	COREBRIDGE GLOBAL FUNDING	8/22/2024	8/20/2027	4.66	4.03	1,859,702	1,880,702
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBD9	COREBRIDGE GLOBAL FUNDING	1/9/2025	1/7/2028	4.90	4.11	590,000	600,001
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBF4	COREBRIDGE GLOBAL FUNDING	6/6/2025	6/6/2030	4.88	4.44	973,801	991,897
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YBV0	ABBVIE INC	6/13/2024	11/21/2026	4.93	3.99	4,703,375	4,868,461
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YBX6	ABBVIE INC	4/29/2025	11/21/2029	4.40	4.13	1,902,080	1,929,500
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	9/19/2024	3/15/2029	3.99	4.08	1,197,468	1,186,288
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	3/27/2025	3/15/2029	4.53	4.08	287,693	291,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	8/28/2023	5/3/2026	5.19	4.07	1,651,406	1,722,751
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	12/29/2023	5/3/2026	4.60	4.07	2,207,530	2,260,489
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAA1	ACCENTURE CAPITAL INC	10/4/2024	10/4/2027	3.95	3.84	569,265	570,599
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAB9	ACCENTURE CAPITAL INC	10/4/2024	10/4/2029	4.09	4.08	544,046	544,482
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAE9	ADOBE INC	4/4/2024	4/4/2027	4.87	3.79	1,544,228	1,567,665
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAH2	ADOBE INC	1/17/2025	1/17/2028	4.77	3.84	2,398,728	2,445,864
MANAGED PORTFOLIO	MEDIUM TERM NOTE	007903BJ5	ADVANCED MICRO DEVICES INC	3/24/2025	3/24/2028	4.32	3.94	2,095,000	2,113,268
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158AY2	AIR PRODUCTS AND CHEMICALS INC	2/13/2024	5/15/2027	4.71	3.89	1,829,260	1,936,220
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BH8	AIR PRODUCTS AND CHEMICALS INC	9/3/2024	2/8/2029	4.11	4.01	509,605	509,005
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BN5	AIR PRODUCTS AND CHEMICALS INC	6/11/2025	6/11/2028	4.32	3.93	1,498,995	1,513,575
MANAGED PORTFOLIO	MEDIUM TERM NOTE	023135BC9	AMAZON.COM INC	7/15/2024	8/22/2027	4.73	3.75	3,819,680	3,956,440
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816CL1	AMERICAN EXPRESS CO	11/4/2021	11/4/2026	0.70	4.53	560,000	561,557
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DG1	AMERICAN EXPRESS CO	7/28/2023	7/28/2027	5.39	4.18	2,445,000	2,468,692
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DL0	AMERICAN EXPRESS CO	10/30/2023	10/30/2026	6.35	4.22	280,000	280,476
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DT3	AMERICAN EXPRESS CO	4/25/2024	4/23/2027	5.65	4.23	595,000	599,629
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DV8	AMERICAN EXPRESS CO	7/26/2024	7/26/2028	5.05	4.43	475,000	483,104
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816ED7	AMERICAN EXPRESS CO	4/25/2025	4/25/2029	4.73	4.47	3,140,000	3,189,486
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816EJ4	AMERICAN EXPRESS CO	7/25/2025	7/20/2029	4.35	4.37	4,190,000	4,214,721
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WEK3	AMERICAN HONDA FINANCE CORP	7/7/2023	7/7/2026	5.30	4.11	1,243,469	1,255,533
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFO9	AMERICAN HONDA FINANCE CORP	9/13/2024	9/5/2029	4.28	4.25	804,152	804,200
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFT3	AMERICAN HONDA FINANCE CORP	7/8/2025	10/22/2027	4.42	4.01	2,626,313	2,647,601
MANAGED PORTFOLIO	MEDIUM TERM NOTE	03073EAV7	CENCORA INC	12/9/2024	12/15/2027	4.69	4.06	419,223	424,746
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BD6	ANALOG DEVICES INC	6/16/2025	6/15/2028	4.29	3.97	2,292,521	2,311,065
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BE4	ANALOG DEVICES INC	6/16/2025	6/15/2030	4.52	4.19	1,273,878	1,291,256
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833BY5	APPLE INC	2/27/2023	2/23/2026	4.76	4.04	1,916,880	1,993,720
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833BY5	APPLE INC	3/23/2023	2/23/2026	4.39	4.04	1,938,220	1,993,720
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EY2	APPLE INC	5/12/2025	5/12/2028	4.07	3.72	1,746,570	1,761,813
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EZ9	APPLE INC	5/12/2025	5/12/2030	4.24	3.94	673,853	682,277

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04636NAK9	ASTRAZENECA FINANCE LLC	2/26/2024	2/26/2027	4.86	3.92	1,712,119	1,734,294
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04685A3T6	ATHENE GLOBAL FUNDING	3/26/2024	3/25/2027	5.52	4.24	2,555,000	2,601,475
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JA24	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	1/18/2024	1/18/2027	4.75	3.91	2,350,000	2,374,722
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JB75	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	6/18/2025	6/18/2028	4.36	3.94	1,850,000	1,869,795
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	4/2/2024	4/2/2027	4.94	4.04	2,447,085	2,480,405
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	8/13/2024	4/2/2027	4.51	4.04	964,149	966,918
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	3/27/2025	4/2/2027	4.59	4.04	246,465	248,058
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECW3	BMW US CAPITAL LLC	3/21/2025	3/21/2028	4.77	4.12	354,823	360,183
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECY9	BMW US CAPITAL LLC	3/21/2025	3/21/2030	5.06	4.38	284,926	292,564
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	8/13/2024	4/24/2028	4.75	4.13	1,757,601	1,793,387
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	11/5/2024	4/24/2028	4.81	4.13	3,820,040	3,894,716
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	3/26/2025	4/24/2028	4.63	4.13	476,188	481,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHG7	BANK OF AMERICA CORP	9/13/2024	3/5/2029	4.41	4.18	492,925	497,570
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHM4	BANK OF AMERICA CORP	11/12/2024	7/23/2029	4.79	4.14	1,965,280	2,006,920
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GLE7	BANK OF AMERICA CORP	1/20/2023	1/20/2027	5.08	4.43	1,425,000	1,427,622
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GLS6	BANK OF AMERICA CORP	3/26/2025	9/15/2029	4.70	4.16	2,070,900	2,091,400
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMK2	BANK OF AMERICA CORP	1/24/2025	1/24/2029	4.98	4.13	9,625,000	9,802,870
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMT3	BANK OF AMERICA CORP	5/9/2025	5/9/2029	4.81	4.12	3,980,000	4,029,312
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	4.05	3,030,000	3,079,783
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	4.01	895,000	910,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RAH0	BANK OF NEW YORK MELLON CORP	9/13/2024	4/28/2028	4.00	3.77	746,340	751,455
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBA4	BANK OF NEW YORK MELLON CORP	8/31/2022	1/26/2027	3.95	3.89	3,695,080	3,905,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBX4	BANK OF NEW YORK MELLON CORP	7/22/2024	7/21/2028	4.89	4.03	2,050,000	2,080,504
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RCH8	BANK OF NEW YORK MELLON CORP	6/10/2025	6/9/2028	4.45	4.30	1,785,000	1,797,245
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.55	3.80	2,002,720	2,026,620
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.57	3.80	3,002,580	3,039,930
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.60	3.80	2,234,933	2,264,748
MANAGED PORTFOLIO	MEDIUM TERM NOTE	10373QBY5	BP CAPITAL MARKETS AMERICA INC	5/17/2024	11/17/2027	5.02	3.93	2,700,000	2,757,105
MANAGED PORTFOLIO	MEDIUM TERM NOTE	110122EE4	BRISTOL-MYERS SQUIBB CO	2/22/2024	2/22/2027	4.94	3.87	859,071	871,206
MANAGED PORTFOLIO	MEDIUM TERM NOTE	127387AM0	CADENCE DESIGN SYSTEMS INC	9/10/2024	9/10/2027	4.21	3.97	1,539,738	1,546,406
MANAGED PORTFOLIO	MEDIUM TERM NOTE	133131BA9	CAMDEN PROPERTY TRUST	11/3/2023	11/3/2026	5.85	4.03	2,449,927	2,493,610
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/14/2024	5/14/2027	5.04	3.88	2,562,179	2,609,503
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/17/2024	5/14/2027	4.89	3.88	5,014,650	5,086,750
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAN0	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	10/16/2026	4.49	3.82	3,267,449	3,290,732
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAQ3	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	8/16/2029	4.44	3.99	728,022	740,059
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAR1	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	10/15/2027	4.42	3.84	1,319,340	1,334,375
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAS9	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2027	4.63	3.86	1,248,925	1,268,700
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2029	4.74	4.05	549,104	563,349
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAV2	CATERPILLAR FINANCIAL SERVICES CORP	1/8/2025	1/7/2027	4.52	3.88	999,550	1,007,500
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAX8	CATERPILLAR FINANCIAL SERVICES CORP	1/8/2025	1/8/2030	4.84	4.00	1,542,018	1,592,864
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BB1	CHEVRON USA INC	2/26/2025	2/26/2028	4.48	3.84	7,960,000	8,071,122
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17252MAR1	CINTAS CORPORATION NO 2	5/2/2025	5/1/2028	4.25	4.02	1,737,773	1,747,465
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	2/26/2024	2/26/2027	4.85	3.86	5,802,447	5,879,778
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	3/4/2024	2/26/2027	4.78	3.86	2,336,261	2,363,043
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	2/24/2025	2/24/2030	4.77	4.09	124,906	128,251
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	3/12/2025	2/24/2030	4.56	4.09	2,016,520	2,052,020
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967LW9	CITIGROUP INC	5/19/2025	4/23/2029	4.72	4.18	3,134,239	3,182,280
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PF2	CITIGROUP INC	7/16/2025	2/13/2030	4.74	4.33	1,926,942	1,949,801
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PZ8	CITIGROUP INC	5/7/2025	5/7/2028	4.64	4.19	3,735,000	3,760,846
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBB3	CITIBANK NA	8/6/2024	9/29/2028	4.51	4.01	722,692	723,748
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBC1	CITIBANK NA	12/4/2023	12/4/2026	5.49	3.99	1,440,000	1,462,810
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBL1	CITIBANK NA	11/19/2024	11/19/2027	4.88	4.16	1,925,000	1,939,996
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBN7	CITIBANK NA	5/29/2025	5/29/2027	4.58	3.99	955,000	963,452
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBP2	CITIBANK NA	5/29/2025	5/29/2030	4.91	4.25	1,000,000	1,027,430
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17327CAW3	CITIGROUP INC	3/4/2025	3/4/2029	4.79	4.22	2,805,000	2,841,128
MANAGED PORTFOLIO	MEDIUM TERM NOTE	194162AT0	COLGATE-PALMOLIVE CO	5/2/2025	5/1/2030	4.21	4.01	1,614,144	1,627,645
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20030NDK4	COMCAST CORP	11/5/2024	4/1/2027	4.46	3.97	3,812,544	3,877,377
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20030NEH0	COMCAST CORP	9/13/2024	6/1/2029	4.12	4.08	624,444	620,310
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20271RAV2	COMMONWEALTH BANK OF AUSTRALIA (NEW YORK BRANCH)	3/14/2025	3/14/2028	4.42	3.91	1,580,000	1,598,691
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABC5	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	9/3/2024	1/9/2029	4.28	4.05	510,175	511,405
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABM3	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	5/27/2025	5/27/2027	4.37	3.92	1,485,000	1,495,662
MANAGED PORTFOLIO	MEDIUM TERM NOTE	231021AY2	CUMMINS INC	5/9/2025	5/9/2028	4.28	3.93	299,790	302,253
MANAGED PORTFOLIO	MEDIUM TERM NOTE	23338VAU0	DTE ELECTRIC CO	2/29/2024	12/1/2026	4.85	3.93	3,459,446	3,496,019
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXF1	JOHN DEERE CAPITAL CORP	1/8/2024	1/8/2027	4.54	3.86	998,890	1,007,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXF1	JOHN DEERE CAPITAL CORP	1/17/2024	1/8/2027	4.52	3.86	3,997,840	4,031,520
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXM6	JOHN DEERE CAPITAL CORP	3/7/2024	3/5/2027	4.88	3.90	1,348,745	1,367,685
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXR5	JOHN DEERE CAPITAL CORP	6/11/2024	6/11/2027	4.95	3.89	574,287	584,396
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXT1	JOHN DEERE CAPITAL CORP	8/20/2024	6/11/2029	4.33	4.05	2,044,940	2,054,580

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MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXV6	JOHN DEERE CAPITAL CORP	9/6/2024	7/15/2027	4.21	3.82	1,734,757	1,746,364
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EYD5	JOHN DEERE CAPITAL CORP	6/5/2025	6/5/2028	4.28	3.92	1,163,963	1,174,623
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CAX2	DUKE ENERGY CAROLINAS LLC	12/12/2023	11/15/2028	4.90	3.96	3,653,676	3,809,086
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CBA1	DUKE ENERGY CAROLINAS LLC	2/28/2025	2/1/2030	4.69	4.18	1,804,900	1,864,300
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26875PAX9	EOG RESOURCES INC	7/1/2025	7/15/2028	4.43	4.04	984,035	994,042
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29379VCE1	ENTERPRISE PRODUCTS OPERATING LLC	1/11/2024	1/11/2027	4.64	3.98	2,562,358	2,583,468
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2A0	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2028	4.66	4.18	3,218,937	3,257,674
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2B8	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2030	4.97	4.47	1,418,566	1,448,389
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29449WAT4	EQUITABLE FINANCIAL LIFE GLOBAL FUNDING	3/27/2025	3/27/2030	5.05	4.39	434,108	445,714
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	8/16/2024	8/15/2029	4.29	3.95	1,595,750	1,614,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	3/27/2025	8/15/2029	4.40	3.95	403,315	409,941
MANAGED PORTFOLIO	MEDIUM TERM NOTE	31677QBU2	FIFTH THIRD BANK NA	1/28/2025	1/28/2028	4.97	4.17	1,015,000	1,025,252
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	7/24/2023	5/15/2028	4.78	3.92	3,935,680	4,045,080
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	9/19/2024	5/15/2028	3.96	3.92	862,019	859,420
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	3/27/2025	5/15/2028	4.45	3.92	229,646	232,549
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	1/16/2024	9/15/2029	4.67	4.12	1,762,476	1,827,517
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	3/27/2025	9/15/2029	4.65	4.12	446,234	459,247
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GC77	GOLDMAN SACHS GROUP INC	4/23/2025	4/23/2028	4.94	4.15	1,560,000	1,578,268
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GZR8	GOLDMAN SACHS GROUP INC	10/10/2024	3/15/2028	4.64	4.15	1,606,688	1,632,628
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GZR8	GOLDMAN SACHS GROUP INC	3/26/2025	3/15/2028	4.66	4.15	401,997	406,916
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38145GAH3	GOLDMAN SACHS GROUP INC	11/14/2023	11/16/2026	5.94	4.09	1,937,324	2,061,492
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAF7	GOLDMAN SACHS BANK USA	3/18/2024	3/18/2027	5.28	4.29	2,220,000	2,230,057
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAG5	GOLDMAN SACHS BANK USA	5/21/2024	5/21/2027	5.41	4.18	1,265,000	1,274,715
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40139LBK8	GUARDIAN LIFE GLOBAL FUNDING	4/28/2025	4/28/2030	4.80	4.26	1,500,000	1,533,075
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40428HR95	HSBC USA INC	6/3/2025	6/3/2028	4.67	4.08	764,640	775,817
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BK3	HERSHEY CO	2/24/2025	2/24/2028	4.58	3.83	779,462	792,379
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BL1	HERSHEY CO	2/24/2025	2/24/2030	4.79	4.14	628,891	645,152
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	4.92	3.83	2,796,304	2,846,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	5.00	3.83	2,860,500	2,917,499
MANAGED PORTFOLIO	MEDIUM TERM NOTE	438516BU9	HONEYWELL INTERNATIONAL INC	8/20/2024	8/15/2029	4.20	4.03	1,865,940	1,905,100
MANAGED PORTFOLIO	MEDIUM TERM NOTE	440452AK6	HORMEL FOODS CORP	3/8/2024	3/30/2027	4.84	3.98	2,282,784	2,310,683
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44644MAK7	HUNTINGTON NATIONAL BANK	2/26/2025	4/12/2028	4.87	4.15	1,265,000	1,278,460
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44891ADU8	HYUNDAI CAPITAL AMERICA	6/23/2025	6/23/2027	4.88	4.35	2,854,629	2,879,753
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PAX4	JPMORGAN CHASE & CO	3/27/2025	12/5/2029	4.74	4.17	2,476,000	2,520,700
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PBT2	JPMORGAN CHASE & CO	10/18/2023	11/19/2026	6.28	4.34	1,671,935	1,851,667
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PCJ3	JPMORGAN CHASE & CO	9/13/2024	6/1/2029	4.35	4.11	553,518	569,328
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PDW3	JPMORGAN CHASE & CO	10/23/2023	10/22/2027	6.07	4.13	1,205,000	1,228,955
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEA0	JPMORGAN CHASE & CO	1/23/2024	1/23/2028	5.04	4.14	1,490,000	1,506,897
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEA0	JPMORGAN CHASE & CO	6/13/2024	1/23/2028	5.15	4.14	3,934,033	3,989,736
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEE2	JPMORGAN CHASE & CO	4/22/2024	4/22/2028	5.57	4.11	240,000	245,242
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEL6	JPMORGAN CHASE & CO	7/22/2024	7/22/2028	4.98	4.10	950,000	964,469
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.49	4.07	195,098	196,665
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.51	4.07	895,000	902,643
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEU6	JPMORGAN CHASE & CO	1/24/2025	1/24/2029	4.92	4.09	2,485,000	2,529,805
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46849LUX7	JACKSON NATIONAL LIFE GLOBAL FUNDING	1/9/2023	1/9/2026	5.58	4.56	1,601,549	1,608,852
MANAGED PORTFOLIO	MEDIUM TERM NOTE	478160DH4	JOHNSON & JOHNSON	2/20/2025	3/1/2028	4.57	3.66	1,044,394	1,065,691
MANAGED PORTFOLIO	MEDIUM TERM NOTE	48125LRU8	JPMORGAN CHASE BANK NA	12/8/2023	12/8/2026	5.11	3.93	2,965,000	3,002,300
MANAGED PORTFOLIO	MEDIUM TERM NOTE	49327M3G7	KEYBANK NA	1/26/2023	1/26/2026	4.73	4.41	354,705	355,213
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CJ5	ELI LILLY AND CO	2/9/2024	2/9/2027	4.52	3.81	2,468,691	2,491,044
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	8/16/2024	2/9/2029	4.13	4.03	1,516,917	1,516,189
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	3/27/2025	2/9/2029	4.35	4.03	386,944	390,457
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CQ9	ELI LILLY AND CO	8/14/2024	8/14/2029	4.25	4.00	1,137,503	1,148,071
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CU0	ELI LILLY AND CO	2/12/2025	2/12/2028	4.57	3.86	664,574	674,915
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CV8	ELI LILLY AND CO	2/12/2025	2/12/2030	4.76	4.09	324,815	333,366
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAA9	LINCOLN FINANCIAL GLOBAL FUNDING	1/13/2025	1/13/2030	5.31	4.40	164,921	170,730
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.24	2,029,391	2,049,559
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.21	1,209,637	1,222,427
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	1/16/2024	2/15/2029	4.57	4.02	1,590,789	1,618,421
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	3/27/2025	2/15/2029	4.52	4.02	404,692	410,947
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55261FAU8	M&T BANK CORP	12/17/2024	1/16/2029	4.84	4.53	870,000	880,771
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55279HAV2	MANUFACTURERS AND TRADERS TRUST CO	1/27/2023	1/27/2026	4.71	4.28	2,430,763	2,436,948
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55279HAW0	MANUFACTURERS AND TRADERS TRUST CO	8/6/2024	1/27/2028	5.15	4.07	340,111	349,613
MANAGED PORTFOLIO	MEDIUM TERM NOTE	564760CC8	MANUFACTURERS AND TRADERS TRUST CO	6/17/2025	7/6/2028	4.76	4.19	520,000	525,008
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/12/2025	3/1/2027	4.50	4.00	1,593,565	1,604,771
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/12/2025	3/1/2027	4.50	3.93	3,796,580	3,826,790
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/27/2025	3/1/2027	4.44	4.00	425,094	427,604
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AX3	MARS INC	3/12/2025	3/1/2028	4.60	4.05	2,059,979	2,085,194
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AY1	MARS INC	3/12/2025	3/1/2030	4.83	4.32	739,201	753,897

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MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.97	1,009,303	1,021,241
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.96	429,703	434,912
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.97	2,357,310	2,386,267
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.96	599,316	606,854
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBV8	MASSMUTUAL GLOBAL FUNDING II	1/10/2025	1/10/2030	4.96	4.29	1,599,232	1,640,656
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBW6	MASSMUTUAL GLOBAL FUNDING II	3/27/2025	3/27/2028	4.49	4.03	3,670,627	3,711,419
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4S6	MASSMUTUAL GLOBAL FUNDING II	4/9/2024	4/9/2027	5.11	4.03	2,614,216	2,655,872
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	8/16/2024	5/30/2029	4.51	4.26	1,525,333	1,529,528
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	3/26/2025	5/30/2029	4.61	4.26	387,767	391,394
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBA1	MASTERCARD INC	9/5/2024	1/15/2028	4.12	3.85	1,199,340	1,206,360
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBF0	MASTERCARD INC	2/27/2025	3/15/2028	4.58	3.83	1,224,069	1,244,808
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAK3	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	8/23/2023	8/3/2026	5.47	4.06	1,340,348	1,362,515
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAL1	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	9/3/2024	8/3/2028	4.42	4.11	358,474	359,170
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAO0	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	1/11/2024	1/11/2027	4.84	4.07	1,698,266	1,715,232
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58989V2J2	MET TOWER GLOBAL FUNDING	10/1/2024	10/1/2027	4.02	4.02	494,708	494,777
MANAGED PORTFOLIO	MEDIUM TERM NOTE	592179KL8	METROPOLITAN LIFE GLOBAL FUNDING I	6/11/2024	6/11/2027	5.10	4.01	1,732,849	1,764,217
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GFT1	METROPOLITAN LIFE GLOBAL FUNDING I	1/9/2025	1/9/2030	4.95	4.24	1,317,281	1,353,436
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690DK72	MORGAN STANLEY BANK NA	1/21/2025	1/21/2029	5.02	4.18	1,315,000	1,338,552
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U7W4	MORGAN STANLEY BANK NA	11/1/2023	10/30/2026	5.88	3.87	2,340,000	2,385,747
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8A1	MORGAN STANLEY BANK NA	1/18/2024	1/14/2028	4.95	4.15	1,250,000	1,262,325
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8B9	MORGAN STANLEY BANK NA	5/30/2024	5/26/2028	5.50	4.11	680,000	694,987
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8E3	MORGAN STANLEY BANK NA	7/19/2024	7/14/2028	4.97	4.10	1,060,000	1,075,667
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8G8	MORGAN STANLEY BANK NA	10/18/2024	10/15/2027	4.45	4.21	2,325,000	2,330,557
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFA8	MORGAN STANLEY	8/6/2024	2/1/2029	4.70	4.14	349,595	352,435
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFH3	MORGAN STANLEY	5/19/2025	11/1/2029	4.72	4.21	3,917,160	3,953,876
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	4/19/2024	4/13/2028	5.65	4.13	1,530,000	1,564,257
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	8/13/2024	4/13/2028	4.73	4.12	1,825,680	1,825,186
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	3/26/2025	4/13/2028	4.63	4.12	530,234	531,707
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFY6	MORGAN STANLEY	4/17/2025	4/12/2029	4.99	4.16	2,250,000	2,294,933
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61776NVE0	MORGAN STANLEY PRIVATE BANK NA	7/21/2025	7/6/2028	4.47	4.13	2,125,000	2,136,921
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	11/21/2024	10/15/2029	5.09	4.34	1,596,575	1,644,112
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	3/26/2025	10/15/2029	4.91	4.34	452,052	461,772
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2G4	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	7/8/2025	6/9/2028	4.46	4.19	1,316,880	1,325,704
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CA7	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	11/26/2024	10/26/2027	4.61	3.92	967,177	981,068
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CJ8	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/13/2025	6/13/2028	4.31	3.95	2,275,000	2,295,634
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63253QAJ3	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/11/2024	6/11/2027	5.09	3.90	1,335,000	1,360,819
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.47	4.32	829,411	830,374
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	4.32	836,665	840,378
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	4.32	557,760	560,252
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFK3	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	11/2/2023	11/13/2026	5.61	3.98	1,734,393	1,763,211
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFR8	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	5/10/2024	5/6/2027	5.12	3.98	2,828,245	2,876,072
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFS6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	9/16/2024	6/15/2029	4.22	4.08	223,329	222,693
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFW7	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/7/2025	2/7/2028	4.77	4.06	864,619	877,750
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	3/27/2025	2/7/2030	4.78	4.17	2,014,320	2,060,160
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AK1	NATIONAL SECURITIES CLEARING CORP	8/6/2024	5/30/2028	4.32	3.98	353,035	353,584
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AN5	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2027	4.40	3.90	4,431,053	4,466,001
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AN5	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2027	4.40	3.91	1,703,483	1,716,696
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AQ8	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2030	4.71	4.17	1,364,154	1,394,661
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	8/16/2024	5/1/2029	4.51	4.21	1,579,361	1,607,539
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	3/27/2025	5/1/2029	4.60	4.21	401,230	408,030
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFI7	NEW YORK LIFE GLOBAL FUNDING	10/1/2024	10/1/2027	3.91	3.91	2,739,397	2,739,562
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFK4	NEW YORK LIFE GLOBAL FUNDING	12/5/2024	12/5/2029	4.61	4.19	1,334,239	1,355,906
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64953BBW7	NEW YORK LIFE GLOBAL FUNDING	4/25/2025	4/25/2028	4.43	3.98	2,693,114	2,722,408
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KCS7	NEXTERA ENERGY CAPITAL HOLDINGS INC	1/31/2024	1/29/2026	4.98	4.14	2,608,826	2,616,629
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDG2	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	4.85	4.05	464,986	473,198
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDH0	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	5.18	4.58	2,325,000	2,344,809
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	11/30/2022	5/10/2027	4.58	3.89	2,442,500	2,503,900
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	1/13/2023	5/10/2027	4.21	3.89	1,487,715	1,502,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	8/19/2024	6/12/2028	4.40	3.98	1,322,438	1,330,255
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/26/2025	6/12/2028	4.48	3.98	354,351	358,146
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2R9	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/25/2024	3/25/2027	5.07	3.98	1,209,867	1,228,888
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2T5	NORTHWESTERN MUTUAL GLOBAL FUNDING	9/12/2024	9/12/2027	4.11	3.99	819,975	821,894
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2U2	NORTHWESTERN MUTUAL GLOBAL FUNDING	1/13/2025	1/13/2030	4.96	4.30	1,594,936	1,635,800
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66989HAT5	NOVARTIS CAPITAL CORP	9/18/2024	9/18/2029	3.85	3.92	927,740	925,787
MANAGED PORTFOLIO	MEDIUM TERM NOTE	67080LAA3	NUVEEN LLC	10/2/2024	11/1/2028	4.10	4.11	796,880	797,480
MANAGED PORTFOLIO	MEDIUM TERM NOTE	677347CJ3	OHIO EDISON CO	5/23/2025	12/15/2029	4.95	4.36	429,948	439,404
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BL8	PNC FINANCIAL SERVICES GROUP INC	1/24/2023	1/26/2027	4.76	4.38	1,630,000	1,631,760
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BR5	PNC FINANCIAL SERVICES GROUP INC	3/26/2025	6/12/2029	4.64	4.15	2,055,340	2,072,460

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BT1	PNC FINANCIAL SERVICES GROUP INC	3/12/2024	10/20/2027	5.33	4.22	3,808,843	3,785,343
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BV6	PNC FINANCIAL SERVICES GROUP INC	1/22/2024	1/21/2028	5.30	4.70	490,000	497,262
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69353RFZ6	PNC BANK NA (DELAWARE)	7/21/2025	7/21/2028	4.63	4.39	1,380,000	1,386,983
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RS56	PACCAR FINANCIAL CORP	8/10/2023	8/10/2026	5.07	3.86	1,844,078	1,863,339
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT22	PACCAR FINANCIAL CORP	5/13/2024	5/13/2027	5.03	3.85	2,368,175	2,412,162
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT30	PACCAR FINANCIAL CORP	8/6/2024	8/6/2027	4.50	3.80	6,486,362	6,569,563
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT48	PACCAR FINANCIAL CORP	9/26/2024	9/26/2029	4.05	4.02	254,475	254,842
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT63	PACCAR FINANCIAL CORP	3/3/2025	3/3/2028	4.57	3.94	1,224,253	1,242,028
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT71	PACCAR FINANCIAL CORP	5/8/2025	5/8/2030	4.59	4.12	2,211,567	2,254,781
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.22	3.97	880,276	885,106
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.23	3.97	3,027,067	3,044,766
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/6/2024	7/18/2028	4.40	4.13	358,652	357,379
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/16/2024	7/18/2028	4.58	4.15	1,001,564	1,004,253
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	3/26/2025	7/18/2028	4.52	4.15	262,586	264,005
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2W8	PACIFIC LIFE GLOBAL FUNDING II	8/30/2023	8/28/2026	5.49	3.98	794,722	805,661
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL3F4	PACIFIC LIFE GLOBAL FUNDING II	2/10/2025	2/10/2030	4.86	4.35	824,711	841,228
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448FX1	PEPSICO INC	9/3/2024	7/17/2029	3.98	3.98	511,250	508,885
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GA0	PEPSICO INC	2/7/2025	2/7/2028	4.47	3.80	2,848,803	2,889,644
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GB8	PEPSICO INC	2/7/2025	2/7/2030	4.64	4.05	364,387	372,837
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GH5	PEPSICO INC	7/31/2025	7/23/2030	4.32	4.16	2,497,650	2,515,250
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GL6	PEPSICO INC	7/31/2025	1/15/2029	4.21	3.98	2,491,325	2,508,825
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	8/16/2024	3/15/2029	4.22	3.95	1,969,982	2,002,116
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	3/27/2025	3/15/2029	4.43	3.95	501,639	511,597
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCT4	PRICOA GLOBAL FUNDING I	8/28/2023	8/28/2026	5.57	3.98	149,849	152,084
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCW7	PRICOA GLOBAL FUNDING I	5/28/2025	5/28/2030	4.72	4.30	1,993,584	2,028,097
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LEX3	PRINCIPAL LIFE GLOBAL FUNDING II	1/16/2024	1/16/2027	5.01	4.10	474,815	480,334
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFA2	PRINCIPAL LIFE GLOBAL FUNDING II	8/19/2024	8/19/2027	4.63	4.07	789,384	797,521
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFB0	PRINCIPAL LIFE GLOBAL FUNDING II	11/27/2024	11/27/2029	4.95	4.38	519,979	531,092
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFC8	PRINCIPAL LIFE GLOBAL FUNDING II	1/9/2025	1/9/2028	4.83	4.19	1,938,506	1,965,123
MANAGED PORTFOLIO	MEDIUM TERM NOTE	742718GM5	PROCTER & GAMBLE CO	5/1/2025	5/1/2030	4.10	3.93	997,940	1,005,130
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO	7/26/2023	5/1/2028	4.86	3.93	1,929,762	2,017,455
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBX3	PUBLIC SERVICE ELECTRIC AND GAS CO	1/31/2024	9/1/2028	4.57	4.00	2,539,642	2,613,454
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74464AAC5	PUBLIC STORAGE OPERATING CO	7/2/2025	7/1/2030	4.44	4.26	1,994,660	2,009,220
MANAGED PORTFOLIO	MEDIUM TERM NOTE	771196CE0	ROCHE HOLDINGS INC	11/13/2023	11/13/2026	5.27	3.83	2,035,000	2,064,426
MANAGED PORTFOLIO	MEDIUM TERM NOTE	771196CP5	ROCHE HOLDINGS INC	9/18/2024	9/9/2029	3.96	4.08	757,913	753,173
MANAGED PORTFOLIO	MEDIUM TERM NOTE	79587J2B8	SAMMONS FINANCIAL GROUP GLOBAL FUNDING	1/10/2025	1/10/2028	5.08	4.26	794,364	808,467
MANAGED PORTFOLIO	MEDIUM TERM NOTE	842434CW0	SOUTHERN CALIFORNIA GAS CO	10/10/2024	4/15/2027	4.36	3.96	1,070,259	1,090,468
MANAGED PORTFOLIO	MEDIUM TERM NOTE	842434CW0	SOUTHERN CALIFORNIA GAS CO	3/27/2025	4/15/2027	4.60	3.96	266,241	270,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857449AE2	STATE STREET BANK AND TRUST CO	4/21/2025	11/23/2029	4.59	4.10	2,015,560	2,051,120
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477BX0	STATE STREET CORP	11/4/2022	11/4/2026	5.75	4.40	685,000	685,801
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CL5	STATE STREET CORP	3/18/2024	3/18/2027	4.99	3.84	5,775,000	5,863,877
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CU5	STATE STREET CORP	2/28/2025	2/28/2028	4.51	3.95	2,790,000	2,825,796
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477DA8	STATE STREET CORP	4/24/2025	4/24/2028	4.54	3.99	595,000	599,927
MANAGED PORTFOLIO	MEDIUM TERM NOTE	87612EBU9	TARGET CORP	6/10/2025	6/15/2028	4.35	3.95	739,993	747,363
MANAGED PORTFOLIO	MEDIUM TERM NOTE	882508CE2	TEXAS INSTRUMENTS INC	2/8/2024	2/8/2027	4.62	3.83	2,198,592	2,220,900
MANAGED PORTFOLIO	MEDIUM TERM NOTE	882508CK8	TEXAS INSTRUMENTS INC	5/23/2025	5/23/2030	4.51	4.09	599,652	610,158
MANAGED PORTFOLIO	MEDIUM TERM NOTE	883556CZ3	THERMO FISHER SCIENTIFIC INC	12/5/2023	12/5/2026	5.03	3.92	1,873,706	1,896,506
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89115A2W1	TORONTO-DOMINION BANK	4/12/2024	4/5/2027	5.41	4.00	4,942,150	5,071,050
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TLY9	TOYOTA MOTOR CREDIT CORP	3/21/2024	3/19/2027	5.04	3.89	724,123	736,375
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMK8	TOYOTA MOTOR CREDIT CORP	8/20/2024	8/9/2029	4.40	4.12	2,012,880	2,030,560
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMS1	TOYOTA MOTOR CREDIT CORP	10/10/2024	10/8/2027	4.36	3.91	219,914	221,866
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNG6	TOYOTA MOTOR CREDIT CORP	5/15/2025	5/14/2027	4.52	3.92	1,564,296	1,579,132
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788JAF6	TRUIST BANK	7/24/2025	7/24/2028	4.42	4.16	1,420,000	1,426,063
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788MAJ1	TRUIST FINANCIAL CORP	10/28/2022	10/28/2026	5.90	4.71	1,650,000	1,651,370
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90261AAD4	UBS AG (STAMFORD BRANCH)	1/10/2025	1/10/2028	4.86	4.17	4,605,000	4,644,004
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QD97	USAA CAPITAL CORP	6/3/2024	6/1/2027	5.36	3.91	2,213,584	2,267,508
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QDA4	USAA CAPITAL CORP	6/2/2025	6/1/2028	4.44	3.99	833,422	842,782
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPP2	US BANK NA	10/22/2024	10/22/2027	4.51	4.19	1,935,000	1,941,269
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPS6	US BANK NA	5/15/2025	5/15/2028	4.89	4.49	1,035,000	1,044,170
MANAGED PORTFOLIO	MEDIUM TERM NOTE	904764BU0	UNILEVER CAPITAL CORP	8/12/2024	8/12/2027	4.35	3.81	1,002,317	1,012,568
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJC5	US BANCORP	9/3/2024	1/27/2028	4.57	4.23	3,769,259	3,877,435
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	8/13/2024	7/22/2028	4.75	4.18	1,501,755	1,519,448
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	3/26/2025	7/22/2028	4.60	4.18	414,469	417,597
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PEH1	UNITEDHEALTH GROUP INC	7/31/2024	5/15/2029	4.59	4.10	3,411,485	3,488,485
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PEY4	UNITEDHEALTH GROUP INC	3/21/2024	4/15/2027	4.85	4.02	2,085,363	2,117,199
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PFF4	UNITEDHEALTH GROUP INC	7/25/2024	7/15/2026	4.84	4.02	603,984	608,370
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FL2	WALMART INC	4/28/2025	4/28/2027	4.11	3.65	874,886	880,950
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FN8	WALMART INC	4/28/2025	4/28/2030	4.39	3.95	549,049	559,026

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MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LBX6	WASTE MANAGEMENT INC	7/3/2024	7/3/2027	4.99	3.87	2,561,896	2,609,657	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.97	1,606,410	1,629,243	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.96	3,826,448	3,881,250	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	3/27/2025	3/15/2028	4.39	3.97	426,271	430,080	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94988J6F9	WELLS FARGO BANK NA	12/11/2023	12/11/2026	5.25	3.92	4,100,000	4,158,917	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3L5	WELLS FARGO & CO	4/22/2024	4/22/2028	5.71	4.15	995,000	1,018,124	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3R2	WELLS FARGO & CO	1/24/2025	1/24/2028	4.90	4.17	6,275,000	6,332,730	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.18	2,295,000	2,338,697	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.20	1,395,000	1,420,806	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95954A2B8	WESTERN-SOUTHERN GLOBAL FUNDING	7/16/2025	7/16/2028	4.52	4.25	1,674,297	1,685,904	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT97	PACCAR FINANCIAL CORP	8/8/2025	8/8/2028	4.02	3.90	3,248,083	3,258,645	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	7425APAD7	PRINCIPAL LIFE GLOBAL FUNDING II	8/18/2025	8/18/2028	4.27	4.16	1,714,091	1,718,927	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BH8	CHEVRON USA INC	8/13/2025	8/13/2028	4.05	3.86	2,794,776	2,808,975	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFZ0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	8/25/2025	8/25/2028	4.19	4.05	3,950,570	3,965,679	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UBB5	CATERPILLAR FINANCIAL SERVICES CORP	8/15/2025	8/15/2028	4.11	3.93	499,930	502,245	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565EDA0	BMW US CAPITAL LLC	8/11/2025	8/11/2027	4.20	4.08	1,248,938	1,251,525	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WCX9	NEW YORK LIFE GLOBAL FUNDING	8/27/2025	1/10/2028	4.04	4.00	1,953,440	1,956,960	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334LC3	GEORGIA POWER CO	9/29/2025	10/1/2028	4.02	4.00	1,874,044	1,874,963	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DH2	HOME DEPOT INC	9/15/2025	9/15/2028	3.77	3.88	504,672	503,177	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.03	4.14	2,844,751	2,830,447	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.04	4.14	1,001,030	996,357	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	476556DJ1	JERSEY CENTRAL POWER & LIGHT CO	9/4/2025	1/15/2029	4.18	4.19	1,798,452	1,797,714	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58933YBP9	MERCK & CO INC	9/9/2025	9/15/2027	3.90	3.73	1,748,338	1,753,868	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GCK3	METROPOLITAN LIFE GLOBAL FUNDING I	9/24/2025	9/19/2027	3.97	4.03	1,963,260	1,961,500	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	8426EPAJ7	SOUTHERN COMPANY GAS CAPITAL CORP	9/8/2025	9/15/2028	4.09	4.09	988,901	988,931	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNR2	TOYOTA MOTOR CREDIT CORP	9/5/2025	9/5/2028	4.09	3.95	1,273,432	1,278,341	
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U4A8	WELLS FARGO & CO	9/15/2025	9/15/2029	4.37	4.19	2,915,000	2,905,905	
MANAGED PORTFOLIO	SUB-TOTAL FOR MEDIUM TERM NOTE							568,651,595	576,650,035	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007NAC2	ALLYA 2024-2 A3	9/27/2024	7/16/2029	4.44	3.97	974,899	977,350	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007WAC2	ALLYA 2023-1 A3	7/19/2023	5/15/2028	5.53	4.32	1,116,707	1,126,626	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02008JAC0	ALLYA 2022-1 A3	5/18/2022	11/16/2026	3.53	4.31	1,158	1,158	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02008MAC3	ALLYA 2022-2 A3	10/12/2022	5/17/2027	5.30	4.40	217,631	217,855	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	023947AD6	AMCAR 2024-1 A3	5/29/2024	1/18/2029	5.83	-2.07	1,199,889	1,212,516	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JJZ4	AMXCA 2023-1 A	6/14/2023	5/15/2028	4.87	4.02	1,339,881	1,347,276	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKH2	AMXCA 2024-1 A	4/23/2024	4/16/2029	5.31	3.88	5,218,930	5,327,897	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	2/11/2025	12/17/2029	4.57	3.90	949,789	963,956	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	6/23/2025	12/17/2029	4.26	3.93	1,511,719	1,521,086	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKP4	AMXCA 2025-2 A	5/13/2025	4/15/2030	4.28	3.92	5,724,896	5,779,674	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKV1	AMXCA 2025-4 A	7/22/2025	7/15/2030	4.30	3.93	3,834,447	3,876,150	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02589BAE0	AMXCA 2024-3 A	10/11/2024	7/16/2029	4.34	3.86	1,614,500	1,622,665	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02589BAE0	AMXCA 2024-3 A	3/26/2025	7/16/2029	4.42	3.86	598,579	603,429	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	03065UAD1	AMCAR 2023-2 A3	9/20/2023	5/18/2028	5.89	4.38	4,344,557	4,377,864	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	5/21/2025	11/13/2029	4.62	4.07	674,984	681,480	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	6/4/2025	11/13/2029	4.52	4.07	1,320,239	1,327,624	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	5/16/2024	8/21/2028	5.56	4.23	1,906,563	1,988,320	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	7/17/2024	8/21/2028	5.19	4.23	1,906,492	1,963,466	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	8/15/2024	8/21/2028	4.81	4.26	1,756,125	1,788,599	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHL1	AESOP 2023-7 A	4/28/2025	8/21/2028	4.76	4.25	2,047,500	2,054,780	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.37	1,991,175	2,005,812	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.38	3,992,775	4,021,040	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	8/20/2024	10/20/2028	4.83	4.24	575,611	579,414	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	9/27/2024	10/20/2028	4.51	4.24	727,736	726,809	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDH8	BACCT 2023-2 A	12/14/2023	11/15/2028	4.99	3.90	1,334,821	1,351,380	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	6/13/2024	5/15/2029	4.93	3.88	2,544,857	2,588,138	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	7/5/2024	5/15/2029	4.94	3.88	399,859	406,780	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	3/27/2025	5/15/2029	4.39	3.87	3,035,156	3,051,422	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDK1	BACCT 2025-1 A	6/12/2025	5/15/2030	4.35	3.88	1,954,993	1,977,365	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05592XAD2	BMWOT 2023-A A3	7/18/2023	2/25/2028	5.47	4.37	451,470	454,738	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05594BAD8	BAAT 2025-1 A3	5/12/2025	11/20/2029	4.35	4.07	2,029,860	2,042,972	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05613MAD1	BMWLT 2024-2 A3	10/7/2024	10/25/2027	4.49	3.88	3,349,690	3,359,916	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06054YAC1	BAAT 232 A3	11/21/2023	6/15/2028	5.74	4.40	1,066,638	1,078,305	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06428AAC2	BAAT 231 A3	7/31/2023	2/15/2028	5.60	4.38	663,529	668,929	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096912AD2	BMWLT 2025-1 A3	6/10/2025	6/26/2028	4.82	3.93	5,539,878	5,582,326	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096919AD7	BMWOT 2024-A A3	6/11/2024	2/26/2029	5.18	4.21	3,864,413	3,910,568	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096924AD7	BMWOT 2025-A A3	2/12/2025	9/25/2029	4.56	4.07	864,915	873,027	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	09709AAC6	BAAT 2024-1 A3	5/22/2024	11/15/2028	5.35	4.35	549,910	555,407	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.92	3.89	3,694,279	3,699,286	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.89	999,297	1,001,160	

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	MARKET VALUE	***
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.83	2,498,242	2,505,483	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043GAD6	COPAR 2022-2 A3	8/10/2022	5/17/2027	4.18	4.09	370,737	370,270	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043QAC6	COPAR 2022-1 A3	5/4/2022	4/15/2027	3.15	4.06	240,401	239,946	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290DAC5	CARMX 2024-4 A3	11/5/2024	10/15/2029	4.85	4.09	1,099,794	1,110,714	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290FAD8	CARMX 2025-3 A3	7/23/2025	7/15/2030	4.58	4.06	3,799,219	3,831,046	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14317HAC5	CARMX 2022-2 A3	4/28/2022	2/16/2027	3.55	4.17	126,110	126,054	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318MAD1	CARMX 2022-3 A3	7/20/2022	4/15/2027	4.00	4.25	508,081	507,793	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318UAD3	CARMX 2022-4 A3	10/31/2022	8/16/2027	5.79	4.36	957,123	960,900	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14319GAD3	CARMX 2024-3 A3	7/30/2024	7/16/2029	4.94	4.19	5,699,743	5,766,690	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16144QAC9	CHAOT 245 A3	9/24/2024	8/27/2029	4.60	3.96	944,901	947,627	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16145NAC5	CHAOT 251 A3	7/30/2025	6/25/2030	4.29	4.04	2,684,738	2,702,963	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HT4	CHAIT 2023-1 A	9/15/2023	9/15/2028	5.17	3.91	6,538,187	6,618,807	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HV9	CHAIT 241 A	1/31/2024	1/16/2029	4.61	3.88	3,259,504	3,290,872	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	17305EHA6	CCCIT 2025-A1 A1	6/26/2025	6/21/2030	4.31	3.89	5,003,642	5,057,052	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLAA 251 A3	1/22/2025	9/20/2029	4.95	4.02	1,319,876	1,344,790	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLAA 251 A3	1/22/2025	9/20/2029	4.95	4.11	549,948	559,410	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29374MAC2	EFF 244 A3	10/16/2024	11/20/2028	4.56	4.05	7,829,054	7,896,790	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29375UAC3	EFF 253 A3	7/23/2025	9/20/2029	4.46	4.06	3,499,685	3,535,280	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	31680EAD3	FITAT 2023-1 A3	8/23/2023	8/15/2028	5.53	4.39	1,986,956	2,005,380	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	32113CCE8	FNMTT 2025-1 A	7/18/2025	2/15/2030	4.33	4.04	962,951	968,193	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	344930AD4	FORDO 2023-B A3	6/26/2023	5/15/2028	5.29	4.22	1,054,628	1,062,320	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJA3	FORDF 2024-1 A1	5/10/2024	4/15/2029	5.60	4.06	2,599,488	2,649,166	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJA3	FORDF 2024-1 A1	1/30/2025	4/15/2029	4.64	4.06	1,268,164	1,273,638	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	10/8/2024	9/17/2029	4.30	4.10	5,849,468	5,876,091	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	4.08	1,400,438	1,406,737	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	4.10	2,825,883	2,837,600	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	5/28/2025	4/15/2030	4.68	4.08	1,599,618	1,622,560	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	4.08	2,194,711	2,205,668	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	4.10	1,094,833	1,099,732	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34531QAD1	FORDO 2024-B A3	6/24/2024	4/15/2029	5.10	4.04	3,264,970	3,313,159	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532UAD1	FORDO 2024-C A3	9/20/2024	7/15/2029	4.81	3.95	1,524,990	1,528,691	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	4.31	1,974,762	1,985,408	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	4.37	984,881	989,029	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34535KAD0	FORDO 2025-A A3	3/25/2025	10/15/2029	4.45	3.98	2,929,715	2,959,329	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFOR 244 A1	7/22/2025	11/15/2029	4.31	4.07	631,348	633,800	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFOR 244 A1	7/23/2025	11/15/2029	4.33	4.07	176,695	177,464	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362549AD9	GMCAR 2025-2 A3	5/14/2025	4/16/2030	4.71	3.95	2,599,617	2,619,812	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362583AD8	GMCAR 2023-2 A3	4/12/2023	2/16/2028	4.51	4.19	360,047	360,705	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362585AC5	GMCAR 2022-2 A3	4/13/2022	2/16/2027	3.16	4.17	105,683	105,574	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36265WAD5	GMCAR 2022-3 A3	7/13/2022	4/16/2027	3.93	4.21	202,993	202,836	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36268GAD7	GMCAR 2024-1 A3	1/17/2024	12/18/2028	4.91	4.19	764,846	769,827	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36269FAD8	GMALT 2024-1 A3	2/15/2024	3/22/2027	5.09	4.14	1,421,024	1,425,763	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362955AD8	GMCAR 2025-1 A3	1/15/2025	12/17/2029	5.04	4.02	2,964,780	2,998,327	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362962AD4	GMALT 2025-2 A3	5/29/2025	5/22/2028	4.84	3.92	919,985	928,492	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379930AD2	GMCAR 2023-4 A3	10/11/2023	8/16/2028	5.86	4.42	821,599	831,235	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379931AD0	GMCAR 2024-2 A3	4/10/2024	3/16/2029	5.10	4.26	1,269,754	1,281,684	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38012QAD0	GMALT 2024-3 A3	10/2/2024	10/20/2027	4.61	4.01	439,948	440,788	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38013KAD2	GMCAR 2024-3 A3	7/10/2024	4/16/2029	5.13	4.17	1,894,708	1,919,029	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38014AAD3	GMCAR 2024-4 A3	10/16/2024	8/16/2029	4.32	4.00	2,639,492	2,658,163	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154GAJ5	GALC 251 A3	3/12/2025	4/16/2029	4.49	4.03	1,699,832	1,716,167	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TBW7	GALC 2022-1 A3	10/12/2022	9/15/2026	5.09	4.28	1,125,240	1,127,404	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TCJ5	GALC 241 A3	1/31/2024	1/18/2028	4.99	3.81	2,799,516	2,830,184	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	41285JAD0	HDMOT 2023-A A3	2/23/2023	12/15/2027	5.11	4.33	706,540	708,964	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	437921AD1	HAROT 252 A3	5/8/2025	10/15/2029	4.15	4.02	5,354,402	5,373,475	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	438123AC5	HAROT 2023-4 A3	11/8/2023	6/21/2028	5.74	4.29	525,075	531,381	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43813YAC6	HAROT 2024-3 A3	8/21/2024	3/21/2029	4.66	4.01	3,324,478	3,351,401	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43815PAC3	HAROT 2022-2 A3	8/24/2022	7/20/2026	3.87	3.96	93,250	93,220	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	446144AE7	HUNT 241 A3	2/22/2024	1/16/2029	5.23	4.24	1,599,940	1,617,696	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448976AD2	HART 2024-C A3	10/16/2024	5/15/2029	4.46	3.98	1,794,869	1,808,660	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448988AD7	HALST 2024-A A3	1/24/2024	3/15/2027	5.03	4.15	1,663,551	1,668,525	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44918MAD2	HART 2022-B A3	7/20/2022	11/16/2026	4.31	4.29	66,362	66,345	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44933DAD3	HART 2022-C A3	11/9/2022	6/15/2027	5.39	4.19	635,756	638,175	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44934FAD7	HALST 2024-B A3	5/22/2024	5/17/2027	5.41	4.07	1,964,945	1,978,971	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935CAD3	HART 2025-A A3	3/12/2025	10/15/2029	4.84	3.95	4,439,345	4,473,922	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAD1	HALST 2025-B A3	4/30/2025	4/17/2028	4.53	3.93	629,943	635,594	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAE9	HALST 2025-B A4	4/30/2025	4/16/2029	4.57	4.02	1,999,733	2,020,440	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAD4	HALST 25C A3	7/30/2025	7/17/2028	4.37	4.08	2,299,645	2,315,157	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAE2	HALST 25C A4	7/30/2025	6/15/2029	4.38	4.18	1,899,968	1,912,920	

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PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	MARKET VALUE	***
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAF9	HALST 25C B	7/30/2025	11/15/2029	4.57	4.38	5,739,579	5,772,843	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935WAD9	HALST 2025-A A3	1/22/2025	1/18/2028	4.83	3.87	809,939	819,129	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935XAD7	HART 2025-B A3	6/11/2025	12/17/2029	4.36	3.95	7,174,352	7,243,234	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47787JAC2	JDOT 2022 A3	3/16/2022	9/15/2026	2.34	4.31	50,181	50,151	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800DAD6	JDOT 2025 A3	3/11/2025	9/17/2029	5.09	3.99	2,644,834	2,659,521	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800RAD5	JDOT 2024 A3	3/19/2024	11/15/2028	5.12	3.97	1,254,930	1,268,642	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800UAD8	JDOT 2025-B A3	7/17/2025	12/17/2029	4.52	3.98	4,548,943	4,573,751	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	500945AC4	KCOT 2023-2 A3	7/26/2023	1/18/2028	5.29	4.13	1,170,451	1,180,476	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117BAC4	KCOT 241 A3	2/21/2024	7/17/2028	5.19	4.14	1,539,940	1,561,267	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117DAB2	KCOT 2024-2 A2	6/25/2024	4/15/2027	5.45	3.07	518,822	521,304	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117EAC8	KCOT 2022-1 A3	3/23/2022	10/15/2026	2.67	4.25	216,073	215,810	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117FAB7	KCOT 251 A2	2/19/2025	12/15/2027	4.62	4.13	899,888	903,744	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117JAC7	KCOT 222 A3	7/21/2022	12/15/2026	0.00	4.30	114,732	114,717	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117JAC7	KCOT 222 A3	7/21/2022	12/15/2026	4.10	4.30	331,969	331,927	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117KAC4	KCOT 2023-1 A3	3/31/2023	6/15/2027	5.41	4.20	1,043,762	1,048,205	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117LAC2	KCOT 252 A3	6/25/2025	9/17/2029	4.42	3.98	3,979,996	4,019,163	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	55340QAC9	MTLRF 25LEA1 A3	5/21/2025	9/17/2029	4.79	4.27	3,599,284	3,653,856	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768PAC8	MBART 2022-1 A3	11/22/2022	8/16/2027	5.28	4.32	1,107,616	1,111,979	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768YAD7	MBALT 2025-A A3	5/21/2025	4/16/2029	4.66	3.88	1,004,877	1,019,010	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58769GAD5	MBALT 2024-B A3	9/25/2024	2/15/2028	4.24	3.98	2,149,638	2,155,053	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770AAC7	MBART 2023-1 A3	1/25/2023	11/15/2027	4.57	4.19	271,594	272,110	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770JAD6	MBALT 2024-A A3	5/23/2024	1/18/2028	5.73	3.86	1,319,846	1,336,790	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58773DAD6	MBART 2025-1 A3	1/23/2025	12/17/2029	4.84	4.12	2,659,434	2,695,431	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KBZ8	NFMOT 241 A2	9/19/2024	3/15/2029	4.28	4.11	1,429,094	1,420,697	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	10/10/2024	9/17/2029	4.43	4.16	1,954,518	1,966,026	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	11/27/2024	9/17/2029	4.62	4.16	1,159,900	1,176,599	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCF1	NFMOT 251 A2	6/23/2025	2/15/2030	4.52	4.10	3,005,391	3,033,070	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479UAD0	NAROT 2024-A A3	5/22/2024	12/15/2028	5.85	4.18	2,629,754	2,660,692	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479VAB2	NMOTR 24B A	10/25/2024	2/15/2029	4.56	4.17	1,593,211	1,594,298	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.25	1,104,975	1,121,310	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.48	464,990	469,974	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65480JAC4	NAROT 2022-B A3	9/28/2022	5/17/2027	4.63	4.27	489,977	490,549	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481GAD7	NAROT 2025-A A3	5/27/2025	12/17/2029	4.74	3.98	3,529,322	3,572,113	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.37	2,679,639	2,694,070	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.40	1,334,820	1,341,141	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFE0	PFSFC 24B A	4/15/2024	2/15/2029	5.26	4.10	616,797	632,363	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFE0	PFSFC 24B A	9/20/2024	2/15/2029	4.21	4.14	1,526,602	1,516,907	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	73328AAD1	PILOT 241 A3	8/21/2024	11/22/2027	4.67	4.45	749,918	753,833	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	73329KAD8	PILOT 251 A3	5/21/2025	10/20/2028	4.61	3.92	5,359,426	5,421,426	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	78437PAC7	SBAT 24A A3	3/28/2024	12/15/2028	5.32	4.42	2,653,273	2,664,484	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AE4	SFUEL 25A A4	7/30/2025	3/20/2029	4.45	4.07	1,036,779	1,043,570	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AF1	SFUEL 25A B	7/30/2025	4/20/2029	4.66	4.31	777,028	781,913	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87166PAM3	SYNIT 2024-1 A	3/27/2025	3/15/2030	4.48	4.03	581,491	583,493	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268CAA5	TMUST 2024-2 A	10/9/2024	5/21/2029	4.77	4.02	5,338,980	5,360,506	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	872974AA8	TMUST 2025-1 A	4/1/2025	11/20/2029	4.54	4.09	1,915,957	1,924,244	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891940AC2	TAOT 2023-A A3	1/30/2023	9/15/2027	5.18	4.22	370,555	371,337	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891941AD8	TAOT 2023-B A3	5/23/2023	2/15/2028	5.15	4.18	1,292,679	1,297,431	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891943AD4	TLOT 2024-B A3	9/17/2024	9/20/2027	4.21	3.94	1,059,876	1,062,629	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231CAD9	TAOT 2022-C A3	8/16/2022	4/15/2027	3.80	4.21	230,406	230,175	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231HAD8	TAOT 2025-B A3	4/30/2025	11/15/2029	4.82	4.00	1,114,936	1,124,087	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89238FAD5	TAOT 2022-B A3	4/13/2022	9/15/2026	3.09	4.30	49,712	49,685	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89238VAD0	TAOT 2025-C A3	7/30/2025	3/15/2030	4.11	3.93	1,599,831	1,607,984	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239FAD4	TAOT 2023-D A3	11/14/2023	8/15/2028	6.30	4.26	1,947,557	1,970,166	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAD7	TLOT 2025-A A3	2/26/2025	2/22/2028	4.75	3.89	2,099,972	2,122,848	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAE5	TLOT 2025-A A4	2/26/2025	6/20/2029	4.81	4.02	1,199,960	1,215,924	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240JAD3	TAOT 2025-A A3	1/29/2025	8/15/2029	4.69	3.97	4,774,809	4,835,452	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90327VAC2	USAOT 2024-A A3	7/30/2024	3/15/2029	5.04	4.25	814,847	822,873	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90367VAC3	USCAR 251 A3	6/20/2025	6/17/2030	4.49	4.04	1,899,656	1,918,848	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92348KDY6	VZMT 2025-3 A1A	3/31/2025	3/20/2030	4.55	3.96	3,584,846	3,614,791	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868MAD1	VALET 2025-1 A3	3/25/2025	8/20/2029	4.97	4.03	2,429,917	2,454,349	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868RAD0	VALET 2024-1 A3	11/26/2024	7/20/2029	4.93	4.02	569,946	576,584	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	5/20/2024	2/15/2029	5.07	3.89	4,490,859	4,565,205	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	6/27/2024	2/15/2029	5.06	3.89	2,455,964	2,495,645	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.89	1,534,772	1,548,105	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.90	5,744,146	5,792,454	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	6/10/2025	5/15/2030	4.33	3.94	8,024,867	8,110,787	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.94	173,811	174,866	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.94	348,627	350,709	

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MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.94	187,716	189,016	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.94	374,428	376,987	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043GAA9	WFLOR 241 A1	2/29/2024	2/15/2028	5.43	4.42	999,872	1,003,850	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAC4	WLAKE 2025-P1 A3	5/29/2025	6/15/2029	4.58	4.12	2,099,723	2,116,884	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAC4	WLAKE 2025-P1 A3	8/19/2025	6/15/2029	4.41	4.12	467,761	468,739	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAD2	WLAKE 2025-P1 A4	5/29/2025	4/15/2030	4.67	4.18	1,999,600	2,024,980	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AD8	GMALT 2025-3 A3	8/13/2025	8/21/2028	4.18	3.96	894,864	898,356	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268MAA3	TMUST 2025-2 A	8/6/2025	4/22/2030	4.34	3.91	12,844,773	12,933,887	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	4.24	349,997	351,566	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	4.24	704,994	708,137	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858933AE4	SFUEL 25B B	8/20/2025	7/20/2029	4.47	4.56	3,874,529	3,883,101	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14319WAD8	CARMX 2025-1 A3	8/7/2025	1/15/2030	4.27	4.12	638,613	639,576	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGF2	COMET 2025-1 A	9/16/2025	9/16/2030	3.83	3.87	2,564,514	2,563,666	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14320BAC3	CMXS 2025-B A3	9/24/2025	3/15/2030	4.16	4.18	599,885	599,658	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	4.27	3.95	5,779,376	5,778,439	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	88162VAF7	TLEVS 25A B	9/29/2025	6/20/2029	4.80	4.80	5,089,114	5,097,075	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240NAD4	TLOT 25B A3	9/17/2025	11/20/2028	3.97	3.95	1,334,761	1,336,121	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868BAE3	VWALT 2025-B A4	9/16/2025	5/20/2030	4.49	4.06	2,499,804	2,498,750	
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	3.99	3.99	3,329,723	3,314,439	
MANAGED PORTFOLIO	SUB-TOTAL FOR MORTGAGE & ASSET-BACKED SECURITY							390,699,816	393,919,400	
MANAGED PORTFOLIO	MUNICIPAL DEBT	010268CP3	ALABAMA FED AID HWY FIN AUTH SPL OBLIG REV	9/6/2022	9/1/2027	3.85	3.88	98,611	105,299	
MANAGED PORTFOLIO	MUNICIPAL DEBT	120827EH9	BURBANK GLENDALE PASADENA ARPT AUTH CALIF ARPT REV	5/30/2024	7/1/2028	5.12	4.00	1,500,000	1,543,290	
MANAGED PORTFOLIO	MUNICIPAL DEBT	13063EGT7	CALIFORNIA ST	11/5/2024	8/1/2029	4.38	3.76	1,713,985	1,749,535	
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068KXC2	CALIFORNIA ST PUB WKS BRD LEASE REV	11/8/2023	11/1/2026	5.54	4.06	1,600,000	1,624,912	
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068XLJ6	CALIFORNIA ST PUB WKS BRD LEASE REV	4/11/2024	4/1/2027	4.92	4.07	1,510,000	1,528,392	
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZH5	CONNECTICUT ST	5/7/2025	3/15/2027	4.28	3.68	1,319,474	1,326,377	
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZL6	CONNECTICUT ST	5/7/2025	3/15/2030	4.59	3.89	700,000	719,922	
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.88	1,873,417	1,913,630	
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.85	1,613,220	1,648,741	
MANAGED PORTFOLIO	MUNICIPAL DEBT	485429Z49	KANSAS ST DEV FIN AUTH REV	11/22/2024	4/15/2029	4.60	3.95	1,318,473	1,349,912	
MANAGED PORTFOLIO	MUNICIPAL DEBT	54438CDT6	LOS ANGELES CALIF CMNTY COLLEGE DIST	2/14/2025	8/1/2029	5.07	-35.87	671,609	681,483	
MANAGED PORTFOLIO	MUNICIPAL DEBT	544445U98	LOS ANGELES CALIF DEPT ARPTS ARPT REV	9/25/2024	5/15/2029	3.96	4.18	821,894	832,617	
MANAGED PORTFOLIO	MUNICIPAL DEBT	5445872T4	LOS ANGELES CALIF MUN IMPT CORP LEASE REV	3/4/2021	11/1/2025	0.95	3.89	1,600,000	1,595,936	
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.74	3,825,000	3,865,851	
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.47	1,000,000	1,015,319	
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KY5	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2028	4.42	3.82	1,000,000	1,015,580	
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647LA6	LOS ANGELES CALIF UNI SCH DIST	7/9/2025	10/1/2027	4.22	3.79	490,000	494,008	
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582RK96	MASSACHUSETTS COMMONWEALTH	6/26/2023	11/1/2026	4.61	3.74	431,068	470,930	
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582TEA6	MASSACHUSETTS COMMONWEALTH	6/18/2025	6/1/2030	4.32	3.92	1,001,300	1,018,200	
MANAGED PORTFOLIO	MUNICIPAL DEBT	576004HD0	MASSACHUSETTS (COMMONWEALTH OF)	5/1/2024	7/15/2027	4.99	3.73	764,544	794,356	
MANAGED PORTFOLIO	MUNICIPAL DEBT	64990KHE6	NEW YORK STATE DORMITORY AUTHORITY	3/31/2025	3/15/2027	4.30	3.72	1,426,125	1,438,709	
MANAGED PORTFOLIO	MUNICIPAL DEBT	650036AX4	NEW YORK ST URBAN DEV CORP REV	9/25/2024	3/15/2029	3.94	4.04	525,642	534,353	
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PQZ3	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2027	4.56	3.89	540,000	545,843	
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRA7	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2028	4.64	3.96	455,000	462,740	
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRB5	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2029	4.72	4.06	1,500,000	1,533,637	
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	9/25/2024	5/1/2029	3.96	4.13	1,284,426	1,299,754	
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	7/25/2025	5/1/2029	4.57	4.13	173,245	176,622	
MANAGED PORTFOLIO	MUNICIPAL DEBT	757696AS8	REDONDO BEACH CALIF CMNTY FING AUTH LEASE REV	7/15/2021	5/1/2026	1.32	3.93	1,495,000	1,472,635	
MANAGED PORTFOLIO	MUNICIPAL DEBT	797356NZ1	SAN DIEGO UNIFIED SCHOOL DISTRICT	9/19/2024	7/1/2029	3.97	3.86	790,000	792,758	
MANAGED PORTFOLIO	MUNICIPAL DEBT	79766DSZ3	SAN FRANCISCO CALIF CITY & CNTY ARPTS COMMN INTL A	9/19/2024	5/1/2029	3.94	3.94	933,320	947,052	
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	7/31/2024	10/1/2027	4.66	3.86	4,230,000	4,291,843	
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	10/4/2024	10/1/2027	3.91	3.76	499,937	498,038	
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HN9	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	3/26/2025	5/1/2029	4.36	3.91	437,761	450,671	
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HT6	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	2/16/2023	5/1/2026	4.36	3.87	1,240,000	1,243,472	
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100JE7	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	5/17/2023	5/1/2027	4.12	3.70	2,276,950	2,281,741	
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100JF4	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	5/17/2023	5/1/2027	4.12	3.85	841,263	841,137	
MANAGED PORTFOLIO	SUB-TOTAL FOR MUNICIPAL DEBT							43,501,263	44,105,294	
MANAGED PORTFOLIO	SUPRANATIONAL	459058KL6	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	9/27/2024	9/21/2029	3.58	3.74	2,003,800	1,991,880	
MANAGED PORTFOLIO	SUPRANATIONAL	459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	10/16/2024	10/16/2029	3.93	3.73	1,481,124	1,492,811	
MANAGED PORTFOLIO	SUPRANATIONAL	459058LT8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	5/6/2025	5/5/2028	3.70	3.66	3,362,519	3,367,102	
MANAGED PORTFOLIO	SUPRANATIONAL	45950KDF4	INTERNATIONAL FINANCE CORP	12/6/2023	1/15/2027	4.49	3.68	4,938,847	4,997,613	
MANAGED PORTFOLIO	SUB-TOTAL FOR SUPRANATIONAL							11,786,289	11,849,406	
MANAGED PORTFOLIO	COMMERCIAL PAPER	62479MBS1	MUFG Bank, Ltd., New York Branch	8/26/2025	2/26/2026	4.22	4.06	4,894,456	4,917,350	
MANAGED PORTFOLIO	SUB-TOTAL FOR COMMERCIAL PAPER							4,894,456	4,917,350	
MANAGED PORTFOLIO - TOTAL								2,365,371,145	\$ 2,393,925,691	
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDIFIIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	4.14	4.14	21,251,147	21,251,147	
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDDGCM	DREYFUS GOV'T CM INST 289	N/A	N/A	4.12	4.12	25,000,000	25,000,000	
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDINVE	INVESCO TREASURY INSTL 1931	N/A	N/A	4.00	4.00	27,749,504	27,749,504	

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDMOR3	MORGAN STANLEY LIQ GOVT INST 8302	N/A	N/A	4.12	4.12	26,711,391	26,711,391
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDRBCG	RBC US GOVTT 1 1465	N/A	N/A	4.17	4.17	82,352,312	82,352,312
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDWAIG	WESTERN ASSET INSTL GOVT MM 4512	N/A	N/A	4.14	4.14	26,500,000	26,500,000
GRANT FUNDS	SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND							209,564,354	209,564,354
GRANT FUNDS	BANK DEPOSIT	N/A	BANK DEPOSIT	N/A	N/A	0.00	0.00	474,934	474,934
GRANT FUNDS	SUB-TOTAL FOR BANK DEPOSIT							474,934	474,934
**** GRANT FUNDS - TOTAL								210,039,288	\$ 210,039,288
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 91EL 2023 BONDS DSF/DSRF	N/A	N/A	3.73	3.73	3,956,519	3,956,519
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA DSRF	N/A	N/A	3.73	3.73	1,663,262	1,663,262
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA TRF/DLUF	N/A	N/A	3.73	3.73	40,257,133	40,257,133
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA ORF	N/A	N/A	3.73	3.73	7,792,456	7,792,456
DEBT SERVICE RESERVE FUNDS	SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND							53,669,369	53,669,369
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS MMRF	7/9/2025	4/1/2026	4.37	4.37	5,000,000	5,000,000
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS ORF	7/9/2025	4/1/2026	4.37	4.37	3,000,000	3,000,000
DEBT SERVICE RESERVE FUNDS	SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT							8,000,000	8,000,000
DEBT SERVICE RESERVE FUNDS	BANK DEPOSIT	N/A	BANK DEPOSIT - 2021 TIFIA TRF/DLUF	N/A	N/A	0.00	0.00	43,566	43,566
DEBT SERVICE RESERVE FUNDS	SUB-TOTAL FOR BANK DEPOSIT							43,566	43,566
DEBT SERVICE RESERVE FUNDS - TOTAL								61,712,936	\$ 61,712,936
TOTAL PORTFOLIO								3,203,874,095	\$ 3,232,801,828

* Yield at Cost represents the yield to maturity based on the acquisition cost, which refers to the internal rate of return of a security, calculated using its acquisition cost and the expected cash flows over the entire holding period.

** Yield at Market represents the yield to worst (the lowest yield based on maturity or earliest possible call date) calculated from the market value. It reflects the internal rate of return of a security given its market price as of the report date and its future expected cash flows.

*** Market Value does not include accrued interest.

**** SB125 Funding Agreement.

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF SEPTEMBER 2025

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
PURCHASE	14041NGF2	COMET 2025-1 A	9/16/2025	9/16/2030	PFM	3.82	2,565,000	(2,564,514)
PURCHASE	14320BAC3	CMXS 2025-B A3	9/24/2025	3/15/2030	P&R	4.12	600,000	(599,885)
PURCHASE	22533TZX7	CREDIT AGRICOLE	9/3/2025	12/31/2025	BNY INVESTMENT	4.11	26,250,000	(25,893,372)
PURCHASE	3137FTZQ3	FHMS K-110 A2	9/8/2025	4/25/2030	CAM	1.48	2,000,000	(1,798,778)
PURCHASE	3137HN4R6	FHMS K-546 A2	9/18/2025	5/25/2030	PFM	4.36	830,000	(844,148)
PURCHASE	3137HN6B9	FHMS K-547 A2	9/29/2025	5/25/2030	PFM	4.42	805,000	(819,818)
PURCHASE	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	P&R	3.91	5,000,000	(4,999,461)
PURCHASE	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	PFM	3.91	780,000	(779,916)
PURCHASE	373334LC3	GEORGIA POWER CO	9/29/2025	10/1/2028	P&R	4.00	1,875,000	(1,874,044)
PURCHASE	437076DH2	HOME DEPOT INC	9/15/2025	9/15/2028	PFM	3.75	505,000	(504,672)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	CAM	3.95	2,500,000	(2,490,663)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	P&R	3.95	1,170,000	(1,165,800)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	PFM	3.95	190,000	(189,318)
PURCHASE	476556DJ1	JERSEY CENTRAL POWER & LIGHT CO	9/4/2025	1/15/2029	P&R	4.15	1,800,000	(1,798,452)
PURCHASE	58933YBP9	MERCK & CO INC	9/9/2025	9/15/2027	PFM	3.85	1,750,000	(1,748,338)
PURCHASE	59217GCK3	METROPOLITAN LIFE GLOBAL FUNDING I	9/24/2025	9/19/2027	CAM	3.00	2,000,000	(1,964,093)
PURCHASE	8426EPAJ7	SOUTHERN COMPANY GAS CAPITAL CORP	9/8/2025	9/15/2028	P&R	4.05	990,000	(988,901)
PURCHASE	88162VAF7	TLEVS 25A B	9/29/2025	6/20/2029	MetLife	4.79	5,090,000	(5,089,114)
PURCHASE	89236TNR2	TOYOTA MOTOR CREDIT CORP	9/5/2025	9/5/2028	PFM	4.05	1,275,000	(1,273,432)
PURCHASE	89240NAD4	TLOT 25B A3	9/17/2025	11/20/2028	CAM	3.96	1,335,000	(1,334,761)
PURCHASE	91282CDF5	UNITED STATES TREASURY	9/17/2025	10/31/2028	CAM	1.38	7,500,000	(7,072,533)
PURCHASE	91282CEV9	UNITED STATES TREASURY	9/26/2025	6/30/2029	MetLife	3.25	6,600,000	(6,544,839)
PURCHASE	91282CHE4	UNITED STATES TREASURY	9/26/2025	5/31/2028	MetLife	3.63	12,500,000	(12,634,371)
PURCHASE	91282CHE4	UNITED STATES TREASURY	9/29/2025	5/31/2028	MetLife	3.63	2,850,000	(2,881,827)
PURCHASE	91282CMN8	UNITED STATES TREASURY	9/26/2025	2/15/2028	MetLife	4.25	8,000,000	(8,144,456)
PURCHASE	91282CMU2	UNITED STATES TREASURY	9/26/2025	3/31/2030	MetLife	4.00	4,400,000	(4,530,420)
PURCHASE	91282CMU2	UNITED STATES TREASURY	9/30/2025	3/31/2030	MetLife	4.00	3,575,000	(3,611,740)
PURCHASE	91282CNN7	UNITED STATES TREASURY	9/2/2025	7/31/2030	P&R	3.88	3,400,000	(3,439,705)
PURCHASE	91282CNU1	UNITED STATES TREASURY	9/5/2025	8/15/2028	PFM	3.63	4,225,000	(4,233,905)
PURCHASE	91282CNU1	UNITED STATES TREASURY	9/2/2025	8/15/2028	P&R	3.63	13,875,000	(13,918,029)
PURCHASE	91282CNV9	UNITED STATES TREASURY	9/5/2025	8/31/2027	PFM	3.63	2,500,000	(2,500,568)
PURCHASE	91282CNX5	UNITED STATES TREASURY	9/5/2025	8/31/2030	PFM	3.63	2,750,000	(2,739,453)
PURCHASE	91282CNX5	UNITED STATES TREASURY	9/18/2025	8/31/2030	PFM	3.63	1,400,000	(1,403,617)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/15/2025	9/15/2028	PFM	3.38	3,750,000	(3,738,721)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	CAM	3.38	5,000,000	(4,977,451)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	PFM	3.38	8,950,000	(8,916,627)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/26/2025	9/15/2028	PFM	3.38	5,175,000	(5,138,665)
PURCHASE	91282CPA3	UNITED STATES TREASURY	9/30/2025	9/30/2030	CAM	3.63	5,000,000	(4,972,656)
PURCHASE	92868BAE3	VWALT 2025-B A4	9/16/2025	5/20/2030	P&R	4.44	2,500,000	(2,499,804)
PURCHASE	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	MetLife	3.99	3,330,000	(3,329,723)
PURCHASE	95000U4A8	WELLS FARGO & CO	9/15/2025	9/15/2029	P&R	4.08	2,915,000	(2,915,000)
PURCHASE	9AMRTAPG1	METLIFE CREGIT AG REPO 7 4.470 09/16/2025	9/15/2025	9/16/2025	MetLife	4.47	2,000,000	(2,000,000)
PURCHASE - TOTAL							\$ 171,505,000	\$ (170,865,586)
DISPOSITION	025816DL0	AMERICAN EXPRESS CO	9/3/2025	10/30/2026	P&R	6.34	(485,000)	496,885
DISPOSITION	02582JKH2	AMXCA 2024-1 A	9/17/2025	4/16/2029	MetLife	5.23	(1,650,000)	1,686,380
DISPOSITION	05565ECP8	BMW US CAPITAL LLC	9/26/2025	8/13/2026	MetLife	4.65	(3,965,000)	4,006,451
DISPOSITION	14318WAD9	CARMX 2024-1 A3	9/17/2025	10/16/2028	P&R	4.92	(2,500,000)	2,519,824
DISPOSITION	14686TAC2	CRVNA 23P2 A3	9/16/2025	4/10/2028	P&R	5.42	(992,115)	997,313
DISPOSITION	166756AZ9	CHEVRON USA INC	9/26/2025	2/26/2027	MetLife	4.41	(2,365,000)	2,391,064
DISPOSITION	17325FBJ6	CITIBANK NA	9/25/2025	8/6/2026	P&R	4.93	(330,000)	334,663
DISPOSITION	21684LGS5	Coöperatieve Rabobank U.A., New York Branch	9/4/2025	7/17/2026	PFM	5.08	(1,250,000)	1,267,253

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF SEPTEMBER 2025

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
DISPOSITION	24422EXR5	JOHN DEERE CAPITAL CORP	9/9/2025	6/11/2027	P&R	4.90	(1,600,000)	1,651,260
DISPOSITION	3130ARAB7	FEDERAL HOME LOAN BANKS	9/26/2025	3/25/2027	MetLife	2.75	(5,150,000)	5,075,255
DISPOSITION	437076CZ3	HOME DEPOT INC	9/26/2025	6/25/2026	MetLife	5.15	(5,225,000)	5,340,044
DISPOSITION	44891ACT2	HYUNDAI CAPITAL AMERICA	9/29/2025	1/8/2027	MetLife	5.25	(1,735,000)	1,773,174
DISPOSITION	46625HRY8	JPMORGAN CHASE & CO	9/26/2025	2/1/2028	MetLife	3.78	(3,740,000)	3,740,666
DISPOSITION	46647PBT2	JPMORGAN CHASE & CO	9/3/2025	11/19/2026	P&R	1.05	(600,000)	597,449
DISPOSITION	58769JAT4	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	9/26/2025	7/31/2026	MetLife	4.88	(4,245,000)	4,305,336
DISPOSITION	63743HFM9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	9/29/2025	2/5/2027	MetLife	4.80	(2,855,000)	2,902,108
DISPOSITION	64953BBF4	NEW YORK LIFE GLOBAL FUNDING	9/25/2025	9/18/2026	P&R	5.45	(1,385,000)	1,407,132
DISPOSITION	66815L2R9	NORTHWESTERN MUTUAL GLOBAL FUNDING	9/29/2025	3/25/2027	MetLife	5.07	(1,450,000)	1,472,799
DISPOSITION	69371RT55	PACCAR FINANCIAL CORP	9/26/2025	11/25/2026	MetLife	4.50	(2,345,000)	2,396,649
DISPOSITION	74153WCT4	PRICOA GLOBAL FUNDING I	9/9/2025	8/28/2026	P&R	5.55	(660,000)	671,514
DISPOSITION	91282CEF4	UNITED STATES TREASURY	9/25/2025	3/31/2027	MetLife	2.50	(3,000,000)	2,985,840
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/5/2025	11/15/2026	PFM	4.63	(3,700,000)	3,788,535
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/9/2025	11/15/2026	PFM	4.63	(1,650,000)	1,692,180
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/16/2025	11/15/2026	PFM	4.63	(75,000)	76,969
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/19/2025	11/15/2026	PFM	4.63	(2,425,000)	2,489,566
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/11/2025	11/15/2026	PFM	4.63	(3,150,000)	3,230,211
DISPOSITION	91282JP7	UNITED STATES TREASURY	9/19/2025	12/15/2026	PFM	4.38	(6,000,000)	6,120,755
DISPOSITION	91282JP7	UNITED STATES TREASURY	9/26/2025	12/15/2026	PFM	4.38	(4,000,000)	4,079,717
DISPOSITION	91282JP7	UNITED STATES TREASURY	9/2/2025	12/15/2026	P&R	4.38	(10,360,000)	10,534,319
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/5/2025	5/15/2027	PFM	4.50	(4,100,000)	4,213,029
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/15/2025	5/15/2027	PFM	4.50	(225,000)	231,575
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/16/2025	5/15/2027	PFM	4.50	(100,000)	103,024
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/18/2025	5/15/2027	PFM	4.50	(1,025,000)	1,055,928
DISPOSITION	91282CKZ3	UNITED STATES TREASURY	9/26/2025	7/15/2027	PFM	4.38	(1,275,000)	1,301,106
DISPOSITION	91282CKZ3	UNITED STATES TREASURY	9/18/2025	7/15/2027	PFM	4.38	(50,000)	51,062
DISPOSITION	91282CLG4	UNITED STATES TREASURY	9/18/2025	8/15/2027	PFM	3.75	(1,000,000)	1,007,293
DISPOSITION	91282CMS7	UNITED STATES TREASURY	9/24/2025	3/15/2028	P&R	3.88	(5,100,000)	5,143,363
DISPOSITION	91282CNH0	UNITED STATES TREASURY	9/9/2025	6/15/2028	P&R	3.88	(2,145,000)	2,187,908
DISPOSITION	91282CNM9	UNITED STATES TREASURY	9/4/2025	7/15/2028	P&R	3.88	(970,000)	982,560
DISPOSITION	91282CNM9	UNITED STATES TREASURY	9/3/2025	7/15/2028	P&R	3.88	(550,000)	556,698
DISPOSITION	928668CK6	VOLKSWAGEN GROUP OF AMERICA FINANCE LLC	9/26/2025	8/14/2026	MetLife	4.90	(4,505,000)	4,552,873
DISPOSITION	92866EAD1	VWALT 2024-A A3	9/10/2025	6/21/2027	P&R	5.21	(3,600,000)	3,642,904
DISPOSITION - TOTAL							\$ (103,532,115)	\$ 105,060,632
MATURITY & CALL REDEMPTION	437076CR1	HOME DEPOT INC	9/15/2025	9/15/2025	CAM	4.00	(1,700,000)	1,700,000
MATURITY & CALL REDEMPTION	912797MH7	UNITED STATES TREASURY	9/4/2025	9/4/2025	CAM	0.00	(10,000,000)	10,000,000
MATURITY & CALL REDEMPTION	9128285C0	UNITED STATES TREASURY	9/30/2025	9/30/2025	CAM	3.00	(9,150,000)	9,150,000
MATURITY & CALL REDEMPTION	931142EW9	WALMART INC	9/9/2025	9/9/2025	CAM	3.90	(1,275,000)	1,275,000
MATURITY & CALL REDEMPTION	9AMRTAPG1	METLIFE CREGIT AG REPO 7 4.470 09/16/2025	9/16/2025	9/16/2025	MetLife	4.47	(2,000,000)	2,000,000
MATURITY & CALL REDEMPTION - TOTAL							\$ (24,125,000)	\$ 24,125,000

Note: Transaction activity is based on the settle date.



November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Employees Retirement System Early Payment for Fiscal Year 2026-27

Overview

The Orange County Employees Retirement System has offered an early payment discount of seven percent to member agencies if they elect to prepay their contributions for fiscal year 2026-27. Advance payments must be received by January 15, 2026. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$1,141,000. Board of Directors' authorization is requested for the early payment option.

Recommendation

Authorize the early payment of approximately \$38.1 million by January 15, 2026, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2026-27.

Background

The Orange County Employees Retirement System (OCERS) provides retirement benefits to Orange County Transportation Authority (OCTA) employees. The majority of OCTA employees and retirees are covered by the OCERS plan. OCERS is a defined benefit plan with benefits determined by a formula based on years of service, age at retirement, and highest average salary over a consecutive three-year period. OCERS is administered by a ten-member Board of Retirement. The OCERS Board of Retirement serves as fiduciary and has administrative authority over investments and benefits. As of June 30, 2025, the plan had approximately \$25.8 billion in net assets. OCERS operates under the state statutory requirements of the County Employees Retirement Act of 1937, a section of the California Government Code.

Employer contributions to OCERS are calculated each pay period by OCTA and paid electronically every two weeks. During fiscal year (FY) 2026-27, based on preliminary estimates, OCTA will contribute approximately \$41 million to OCERS, based upon wages of approximately \$141.3 million. OCTA's employer rate is 29.24 percent, and the Public Employees' Pension Reform Act (PEPRA) contribution rate is 28.77 percent during this period.

Discussion

On July 21, 2025, the OCERS Board of Retirement voted to offer an early payment discount on employer contribution payments made by January 15, 2026, for the succeeding FY. OCERS is offering to discount the contributions for FY 2026-27 by seven percent. If the early payment option is exercised, OCERS will reconcile the projected payroll wages for the FY and collect appropriate additions or provide credits against future payments from OCTA for FY 2026-27.

The OCTA Board of Directors approved a similar action in previous years where the early payment option was offered. By using available cash now, OCTA will reduce the overall cost of future budgeted expenditures.

For FY 2026-27, OCERS decreased OCTA's employer rates to 29.24 percent from the FY 2025-26 rate of 30.91 percent. The PEPRA contribution rate decreased to 28.77 percent for FY 2026-27 from the 30.26 percent rate in FY 2025-26. OCTA's estimated wages for FY 2026-27 are \$141.3 million. Applying the FY 2026-27 rates to the estimated wages for the year translates into an approximate contribution value of \$41 million for FY 2026-27.

Under the early payment option, OCTA may either:

- Pay OCERS \$38.1 million (representing a seven percent discount on \$41 million, totaling \$38.3 million, less a \$195,509 credit from a prior year overpayment) by January 15, 2026, or
- Continue making regular biweekly payments of approximately \$1,568,177 (for a total of \$40.8 million) during FY 2026-27.

Given these assumptions, OCTA estimates total savings of approximately \$1,141,000, representing the net of \$2.6 million in guaranteed savings from the OCERS prepayment and \$1.5 million in estimated interest earnings that OCTA would otherwise retain.

Based upon this analysis, it is financially prudent and advantageous for OCTA to exercise this early payment option. If this option were to be exercised, these funds would be deposited into OCERS on behalf of OCTA and credited to OCTA's account. The funds will be paid from the General Fund (37 percent) and the Orange County Transit District Fund (63 percent).

Summary

The Orange County Employees Retirement System has offered an early payment of contributions to member agencies for the upcoming fiscal year. Under this early payment option, a seven percent discount will be applied to the amounts due for employer contributions. The Orange County Transportation Authority has calculated the potential savings of approximately \$1,141,000. Staff recommends exercising this early payment option.

Attachment

None.

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Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
714-560-5649



November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Fiscal Year 2024-25 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on various financial statements and schedules. Crowe LLP, an independent accounting firm, has completed its annual audit of the Orange County Transportation Authority for fiscal year 2024-25. In addition, a report has been issued on the results of additional analysis performed by Crowe LLP to assist management in determining compliance with certain state requirements.

In connection with the annual audit of the Orange County Transportation Authority, Crowe LLP has issued its auditor's report on internal control over financial reporting with no deficiency.

Recommendation

Receive and file the fiscal year 2024-25 audited financial statements and independent auditor's report on internal control over financial reporting as information items.

Background

Pursuant to Section 28770 of the Public Utilities Code, the Orange County Transportation Authority (OCTA) prepares an annual set of financial statements presenting its results of operations and financial position at fiscal year (FY)-end. These financial statements are included in OCTA's Annual Comprehensive Financial Report (ACFR). OCTA staff also prepares stand-alone financial statements for various funds. In connection with the audit of these financial statements, Crowe LLP (Crowe) provided opinions on financial reports and various stand-alone funds and conducted additional analysis to assist management in determining compliance with certain state requirements.

The audits were performed under generally accepted auditing standards, the standards set forth for financial audits in the Government Accountability Office's Government Auditing Standards and State of California Transportation Development Act.

Discussion

Crowe has completed its annual audit of OCTA's financial records and systems and has issued its opinion on OCTA's financial statements for the FY ended June 30, 2025. The auditors have issued an unmodified (also known as "clean") opinion on the financial statements, indicating that the statements present fairly, in all material respects, the financial position of OCTA as of June 30, 2025, and the results of its operations and cash flows of the proprietary funds for the FY-end (Attachment A). Fund financial statements for the Orange County Local Transportation Authority as a component unit of OCTA (Attachment B), 91 Express Lanes (Attachment C), 405 Express Lanes (Attachment D), Local Transportation Fund (Attachment E), and the State Transit Assistance Fund (Attachment F) were also prepared and an unmodified opinion on each fund's financial statements was issued.

The ACFR will be submitted to the Government Finance Officers Association (GFOA) for consideration of the Certificate for Excellence in Financial Reporting for FY 2024-25. The GFOA awards certificates only to those governments whose annual financial reports are deemed in conformance with the highest standards of public financial reporting. OCTA has been awarded the GFOA certificate for each year of its existence, commencing with the FY ended June 30, 1992. Such recognition has a positive effect on OCTA's ability to borrow at favorable interest rates. The ACFR is a useful tool in business dealings with outside organizations. The 91 and 405 Express Lanes Fund financial statements will be forwarded to rating agencies, investors, and insurance companies.

In connection with the audit of these financial statements, Crowe has issued its auditor's report on internal control over financial reporting with no deficiency.

The auditor's report on internal control over financial reporting for FY 2024-25 is included herewith as Attachment G.

Summary

Staff has prepared OCTA's ACFR and various stand-alone fund financial statements for the FY ended June 30, 2025. Crowe has audited these financial statements and schedules and has issued unmodified opinions as to fair presentation of the financial statements and schedules.

In connection with the annual audit of OCTA's financial statements for FY 2024-25, Crowe has issued its independent auditor's report on internal control over financial reporting with no deficiency.

Attachments

- A. 2025 Annual Comprehensive Financial Report for fiscal year ended June 30, 2025
- B. Orange County Local Transportation Authority (A Component Unit of the Orange County Transportation Authority) Annual Financial and Compliance Report Year Ended June 30, 2025
- C. 91 Express Lanes Fund (An Enterprise Fund of the Orange County Transportation Authority) Financial Statements For the Year Ended June 30, 2025
- D. 405 Express Lanes Fund (An Enterprise Fund of the Orange County Transportation Authority) Financial Statements Year Ended June 30, 2025
- E. Orange County Transportation Authority Local Transportation Fund Financial Statements Year ended June 30, 2025
- F. Orange County Transportation Authority State Transit Assistance Fund Financial Statements Year ended June 30, 2025
- G. Independent Auditor's Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Prepared by:

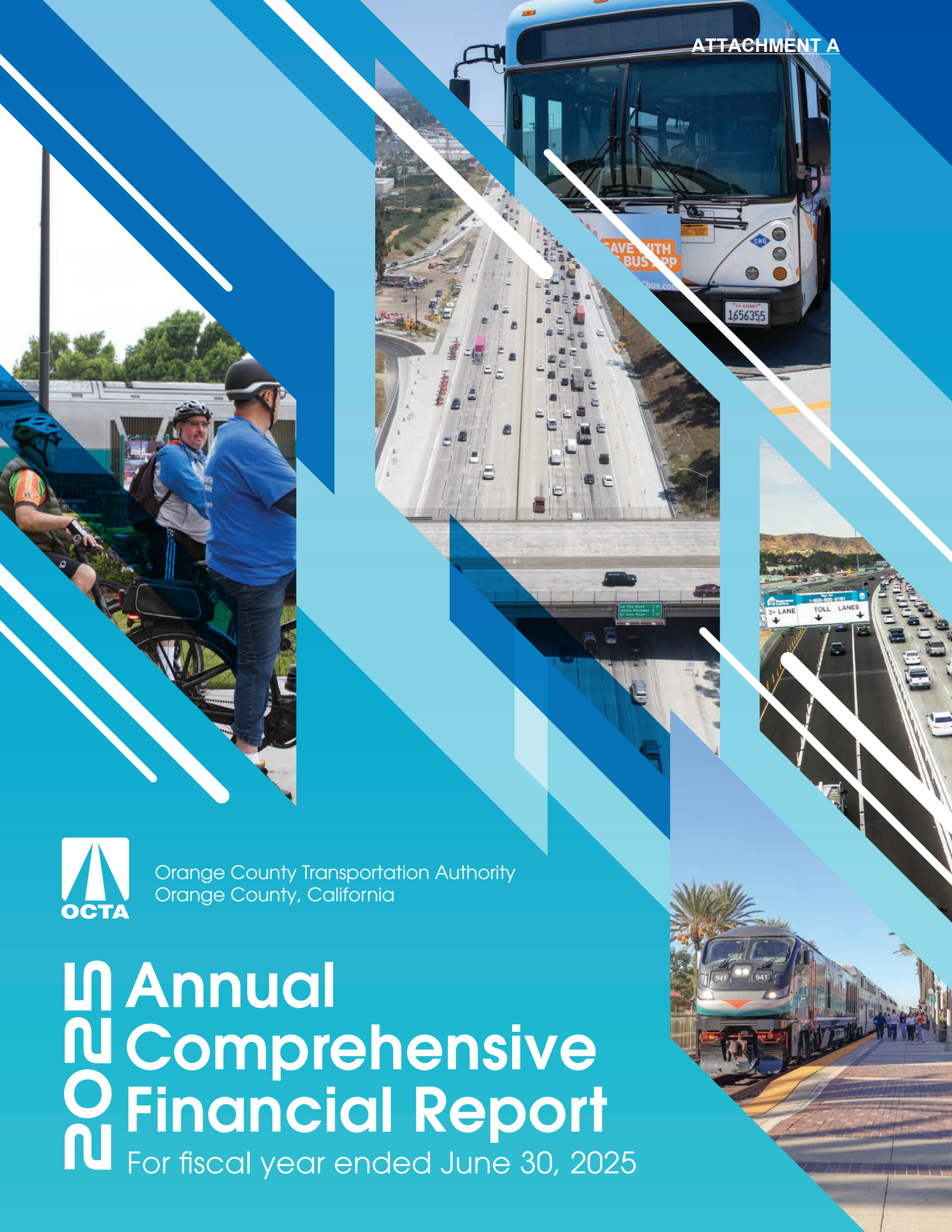


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Andrew Oftelie
Chief Financial Officer,
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Orange County Transportation Authority
Orange County, California

Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025

2025 Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025

Submitted by:

Darrell E. Johnson

Chief Executive Officer

Finance and Administration Division

Andrew Offelie

Chief Financial Officer

Orange County Transportation Authority
Orange County, California



ORANGE COUNTY TRANSPORTATION AUTHORITY
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

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FREEWAYS



Orange County Transportation Authority
Orange County, California

STREETS AND ROADS



Orange County Transportation Authority
Orange County, California





*AFFILIATED
AGENCIES*

*Orange County
Transit District*

*Local
Transportation
Authority*

*Service Authority
for
Freeway
Emergencies*

*Consolidated
Transportation
Service Agency*

*Congestion
Management
Agency*

November 24, 2025

To the Board of Directors and Citizens of Orange County
Orange County Transportation Authority
550 South Main Street
Orange, CA 92863

We are pleased to present the Annual Comprehensive Financial Report of the Orange County Transportation Authority (OCTA) for the fiscal year (FY) ended June 30, 2025. The financial statements are presented in conformity with generally accepted accounting principles and were audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility for the complete and fair presentation of financial information, including all disclosures, rests with OCTA's management. A comprehensive framework of internal controls has been designed and implemented to ensure that the assets of OCTA are protected from loss, theft, or misuse, and to ensure that financial information is accurate and complete. Because the cost of internal controls should not outweigh the benefits, OCTA's system of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Crowe, LLP has audited OCTA's financial statements and issued an unmodified ("clean") opinion thereon for the FY ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of OCTA was also designed to meet the broader, federally mandated single audit of federal grantee agencies. A separately issued single audit report of OCTA provides the results of compliance with these federal requirements.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Profile of OCTA

OCTA was established by state law and began serving the public on June 20, 1991. An 18-member Board of Directors (Board) governs OCTA and consists of five members of the Orange County Board of Supervisors, ten city representatives selected by all of the cities within the County, two public members selected by these 15 Board Members, and a representative appointed by the Governor of California serving in a non-voting capacity. A Chief Executive Officer manages OCTA and acts in accordance with the directions, goals, and policies approved by the Board.

OCTA serves Orange County residents and commuters by providing countywide bus and paratransit service, Southern California Regional Rail Authority (Metrolink) commuter rail service, freeway improvements, streets and roads improvements, Express Lanes, and motorist aid services. In addition, OCTA is the managing agency for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

Annually, OCTA develops a balanced budget for the upcoming FY. The budget details the expected sources and uses of funds. The Board adopts the budget before the beginning of each FY. On June 9, 2025, the Board approved the FY 2025-26 budget. During the FY, all major budget revisions are presented to the Board for consideration and adoption. On a quarterly basis, financial results are provided to the Board, including all significant variances between actual performance and budget in the areas of revenue, staffing, operating expenditures, and capital expenditures.

Orange County Economy

Unemployment Rates

The unemployment rate in Orange County slightly increased from June 2024 and was less than the statewide rate as of June 2025. The unemployment rate in Orange County was 4.5 percent in June 2025, compared to 4.1 percent in June 2024. Statewide unemployment was 5.4 percent, and national unemployment was 4.1 percent as of June 2025.

Between June 2024 and June 2025, total nonfarm employment grew by 11,900 jobs, or 0.7 percent. The largest increase occurred in private education and health services, which added 13,500 jobs. This growth was mainly driven by a rise of 11,900 jobs in healthcare and social assistance, while private educational services added 1,600 jobs. Additionally, three other sectors contributed a combined 7,500 payroll jobs, together accounting for 63 percent of the total year-over-year increase. Among these, leisure and hospitality grew by 3,200 jobs, with the gain

coming from arts, entertainment, and recreation, which saw a boost of 5,100 jobs. However, this was offset by a loss of 1,900 jobs in accommodation and food services. Six industry sectors experienced employment declines, losing a total of 9,100 jobs. Mining and logging showed no payroll changes over the year.

Residential Sector

According to the Census Bureau, the number of single-family building permits in Orange County decreased by 6.5 percent in FY 2024-25 compared to FY 2023-24, while multi-family building permits increased significantly by 58 percent (total permits increased by 28 percent). The median single family home price increased by 4.6 percent in FY 2024-25 compared to FY 2023-24 (the increase was 12.6 percent in FY 2023-24). The median price reached a new high of \$1,470,000 in June 2025. Listings of homes for sales have currently reached over 5,000 units but are still much lower than the three-year average that existed before the Coronavirus (COVID) pandemic due to mortgage rates hovering between 6.7 percent and 7 percent in FY 2024-25. Sales of existing homes increased by 3.1 percent in FY 2024-25 compared to the previous year according to Redfin but continue to be low due to higher prices and high mortgage rates. Listings and sales are expected to be higher in FY 2025-26 as the 30-year mortgage rate edges closer to 6.4 percent.

Sales Tax

According to the forecast from MuniServices, LLC presented to the Finance and Administration Committee in May 2025, sales tax revenue is expected to rise by 0.8 percent for Measure M2 (M2) and 0.5 percent for the Local Transportation Fund (LTF) in FY 2025-26. However, OCTA is taking a conservative approach and projecting no growth for both M2 and LTF in FY 2025-26. Other major revenue sources are expected to increase, such as farebox and Express Lanes revenues.

Long-Term Financial Planning

In an effort to ensure long-term sustainability of transportation programs and services, OCTA updates the Comprehensive Business Plan (CBP) annually and seeks Board approval every two years. The FY 2024-25 CBP was approved by the Board at the December 9, 2024, meeting. The CBP is a financially constrained business planning tool providing a 20-year cash flow for each of OCTA's transportation programs and serves as the baseline for developing the annual budget. The CBP details a comprehensive, multimodal approach ensuring the financial viability of each of OCTA's major programs and is developed consistent with the goals of OCTA's Strategic Plan, Long-Range Transportation Plan, and Next 10 Delivery Plan (Next 10 Plan).

Relevant Financial Policies

OCTA utilizes several financial policies in guiding day-to-day operations and

ensuring long-term financial sustainability. While there are overriding agency-wide financial policies, some financial policies are program-specific.

A brief description of the major financial policies follows below:

Budget Policy

OCTA's Budget Policy articulates that an annual budget will be prepared in accordance with the CBP, will be subject to a public hearing, and expenses will be controlled at the "Major Object" level. The three Major Objects for expenses at OCTA are: 1) salaries and benefits; 2) services and supplies; and 3) capital expenditures.

Position Control Policy

OCTA's Position Control Policy includes the control, maintenance, and reporting of OCTA's annual allocation of full-time equivalent (FTE) positions as approved by the Board. The Position Control Policy ensures that OCTA does not actively employ more FTEs than approved by the Board.

Reserve Policy

OCTA has a Board-adopted Reserve Policy that formalizes OCTA's reserve policies and practices with the goal of keeping programs and projects funded in times of economic uncertainty. This policy was updated in March 2022 to add a long-term operating reserve for the bus program, June 2024 to add three administrative fund reserves, and June 2025 to increase the general liability reserve.

Bus Program

Short-Term Operating Reserve (STOR) Policy

OCTA maintains a 60-day STOR for bus operations. This reserve is in place to accommodate normal fluctuations in revenues and expenditure and protects against significant changes in funding or major expense items.

Long-Term Operating Reserve (LTOR) Policy

The LTOR is to be funded after both the short-term operating reserve and Capital Replacement Fund (CRF) are fully funded. There is no target for the LTOR, and the funds are to be drawn solely to support bus operations unless needed to fully fund the STOR or Capital Replacement Fund.

CRF Reserve Policy

OCTA also maintains a CRF for the Bus Program, which is used to fund the rehabilitation and replacement of its capital assets without the need for debt financing. The CRF allows OCTA to avoid debt service expenditures and instead

maximize the amount of revenue available for service. Funding for the CRF is determined through OCTA's CBP and executed through the annual budget and ensures Orange County Transit District's future capital expenditures are fully funded.

91 Express Lanes

The 91 Express Lanes (EL) has five reserve accounts which include two reserve accounts internal to OCTA and three reserve accounts required as part of the 91 EL outstanding debt. The two reserve accounts internal to OCTA include a 91 EL CRF and a 91 EL Excess Revenue Fund (ERF). The 91 EL CRF is fully funded and used to fund the rehabilitation and replacement of the 91 EL capital assets without the need for additional debt financing. Similar to the Bus Program, funding for the 91 EL CRF is determined through OCTA's CBP on an annual basis. The 91 EL ERF is to be used to fund future State Route 91 (SR-91) corridor improvements. The 91 EL excess revenues are to be allocated 80 percent for freeway projects and 20 percent for transit projects.

Three reserve accounts are required as part of the 91 EL outstanding debt to protect bondholders. The three reserve accounts are held in trust for the benefit of the repayment of the bonds and include a debt service reserve fund, an operating reserve, and a capital reserve. Each of the reserve accounts is fully funded and will remain so until the debt is retired.

405 Express Lanes

The 405 Express Lanes (EL) maintains five reserve accounts, consisting of two internal reserves established by OCTA and three reserves required under the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement. The type and funding level of the internal reserve accounts will be determined by OCTA after evaluating available revenues following satisfaction of all debt-related funding requirements.

Three reserve accounts are mandated under the TIFIA loan agreement with the United States Department of Transportation. These reserves, the Debt Service Reserve, Operations and Maintenance Reserve, and Major Maintenance Reserve, are held in trust for the benefit of loan repayment. Each reserve account has a required balance determined in accordance with formulas specified in the loan agreement and the governing bond indenture.

Major Initiatives

Orange County voters originally endorsed Measure M (M1), a one-half cent sales tax for transportation improvements, in 1990 with a sunset in 2011. On November 7, 2006, by a margin of 69.7 percent, voters approved the renewal of M2. With the approval of M2, local tax dollars will continue to be invested in Orange County's transportation infrastructure for another 30 years until 2041.

The OCTA Board has continued to advance implementation of M2 through the adoption of a series of delivery plans. These delivery plans are designed to ensure the delivery of projects and programs through 2041 as promised to the voters, bring transportation improvements earlier to residents and commuters of Orange County, and, as appropriate, address slower growth in sales tax revenue projections through strategic financing and by successfully capturing and augmenting the program with external revenues. To date, there have been three delivery plans. The most recent is the Next 10 Plan, which spans the timeframe FY 2024-25 through FY 2033-34.

In FY 2024-25, OCTA continued to move Orange County forward with M2 projects and other notable accomplishments, including:

- In November 2024, the Board approved the 2024 Next 10 Plan, which incorporated the 2024 M2 sales tax revenue forecast of \$14 billion, updated programmed external revenues, revised bonding assumptions, and refined project schedules and costs. The 2024 update confirmed that the Next 10 Plan and the overall 30-year M2 Program remain deliverable.
- The Measure M2 Taxpayer Oversight Committee determined that OCTA is delivering Measure M2 projects and programs as promised to Orange County voters for the 34th consecutive year.
- Design for both segments of the Interstate 5 (I-5) between Interstate 405 (I-405) and State Route 55 (SR-55) Improvement Project were completed. Both segments are being prepared for construction which is anticipated to begin in early 2026.
- The I-5 (State Route 73 to El Toro Road) South County Improvement Project is one project split into three segments for construction. The middle segment was completed in December 2024, with the remaining two segments anticipated to be complete by fall
- Preparation of the environmental document and project report for the I-5, El Toro Road Interchange Project continued and is anticipated to be complete in December 2026.
- Construction on the SR-55 (I-405 to I-5) Improvement Project continued and is anticipated to be complete in 2027.
- Design for the SR-55 (I-5 to SR-91) Improvement Project began in August 2022 and is anticipated to be complete at the end of 2025.
- Design for State Route 57 (SR-57) Northbound from Orangewood Avenue to Katella Avenue Improvement Project was completed in August 2024 and is being

prepared for construction which is anticipated to begin at the end of 2025.

- The SR-91 (SR-57 to SR-55) Improvement Project is one project split into three segments for the design and construction phases. The easterly segment began construction in February 2025. The westerly segment was advertised for construction in May 2025 and is anticipated to begin construction in late 2025. Design for the middle segment was completed in January 2025 and is being prepared for construction which is anticipated to begin in fall 2026.
- Efforts continued on the Interstate 605, Katella Avenue Interchange to prepare the project for construction. The project was advertised in November 2024, bid opening occurred in January 2025, and the construction contract was awarded and approved in April 2025.
- The 2025 Regional Capacity Program calls for projects approved funding for nine projects totaling more than \$25 million. Since 2011, OCTA has awarded 195 projects totaling more than \$432 million, including \$24 million in leveraged external funding.
- In 2025, \$12 million in funding for six projects was awarded through the Regional Traffic Signal Synchronization Program. To date, OCTA has funded 143 projects totaling nearly \$197 million, including \$40 million in leveraged external funding.
- Through the Local Fair Share Program, 18 percent of M2 net revenues are allocated by formula to eligible local jurisdictions. Over \$73 million was distributed in FY 2024-25 to local jurisdictions to help improve the streets and roads network in addition to local transportation priorities.
- Construction continued on the San Juan Creek Bridge Replacement Project to replace a railroad bridge over San Juan Creek. Construction is anticipated to be completed in 2027.
- Construction on the OC Streetcar continued in the cities of Garden Grove and Santa Ana. Seven of the eight vehicles have been delivered to the Maintenance and Storage Facility, and the streetcar will be open to revenue service in the summer of 2026.
- Allocated approximately \$14.4 million in M2 funds in FY 2024-25 to expand mobility choices for seniors and persons with disabilities under Project U.
- Awarded approximately \$10.7 million through the Environmental Cleanup Program to fund 15 projects focused on removing transportation-related pollutants from roads before they reach waterways and the ocean. Since 2011, OCTA has been awarded 259 projects totaling more than \$75 million.

- Continued evaluation of Battery Electric Bus and Fuel Cell Electric Bus programs.
- Achieved an average weekday boarding amount of more than 127,000 for fixed-route bus ridership.
- Secured a total of \$305 million from state and federal sources to advance immediate coastal stabilization efforts on the rail corridor along sections of the coastline through San Clemente.
- Traffic volumes and toll revenues for the 91 Express Lanes reached record levels, reflecting increased demand and efficiency in corridor management.

Awards and Acknowledgments

For the 15th consecutive year, the National Procurement Institute awarded OCTA the Achievement of Excellence in Procurement® award based on outstanding innovation, professionalism, productivity, e-procurement, and leadership attributes.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to OCTA for its Annual Comprehensive Financial Report for the FY ended June 30, 2024. This was the 42nd consecutive year OCTA or its predecessor agency received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe the Annual Comprehensive Financial Report for the FY ended June 30, 2025, continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA, expecting it to be eligible for another certificate.

Respectfully submitted,



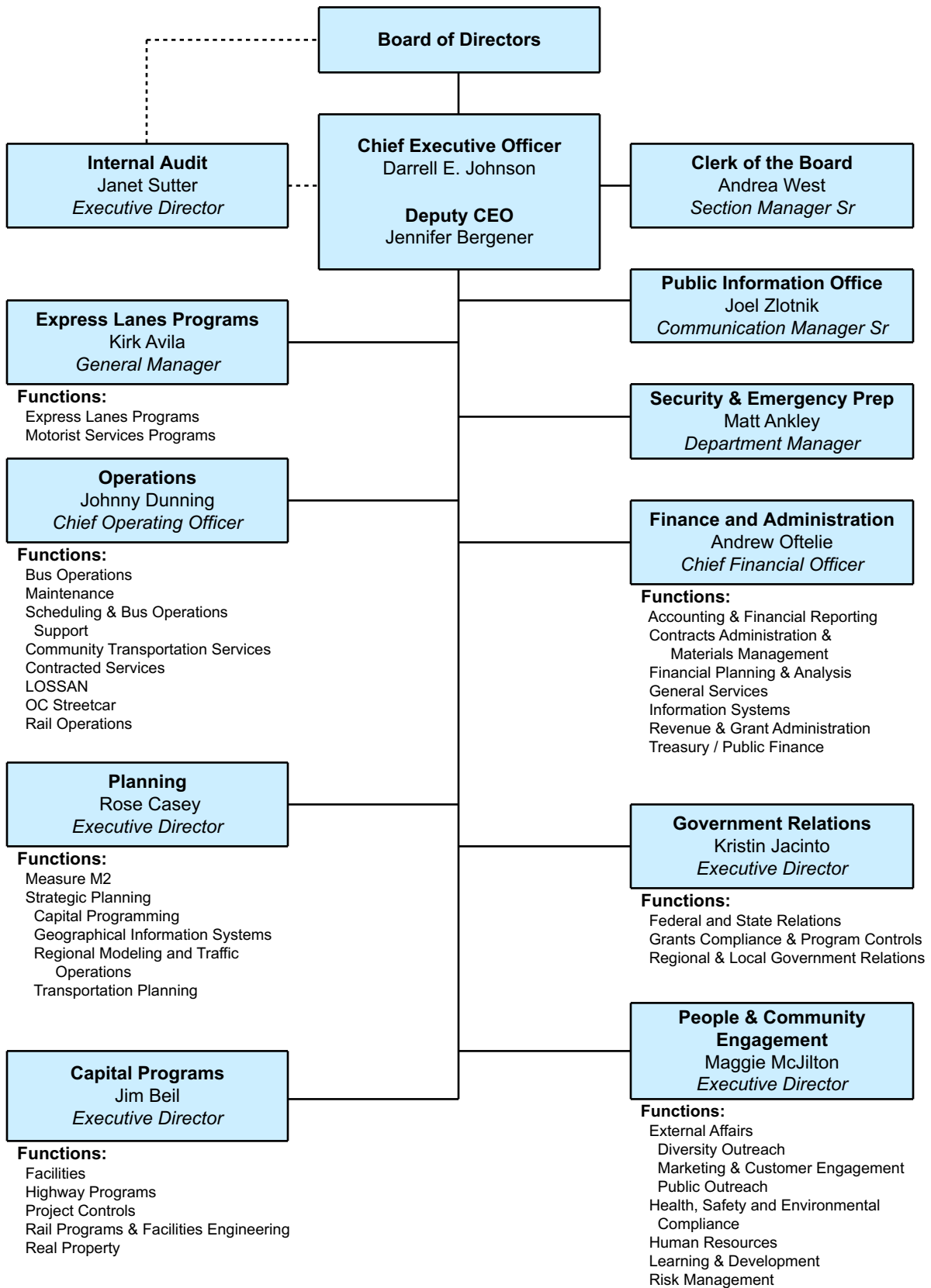
Darrell E. Johnson
Chief Executive Officer



Andrew Oftelie
Chief Financial Officer

ORANGE COUNTY TRANSPORTATION AUTHORITY

ORGANIZATION CHART



2025 BOARD OF DIRECTORS

Doug Chaffee
Chair
Supervisor, 4th District



Jamey M. Federico
Vice Chair
City Member, 5th District



Valerie Amezcua
Director
City Member, 2nd District



Katrina Foley
Director
Supervisor, 5th District



William Go
Director
City Member, 3rd District



Patrick Harper
Director
City Member, 1st District



Michael Hennessey
Director
Public Member



Fred Jung
Director
City Member, 4th District



Stephanie Klopfenstein
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Donald P. Wagner
Director
Supervisor, 3rd District



Lan Zhou
Governor's Ex-Officio Member
Caltrans District 12
District Director

ORANGE COUNTY TRANSPORTATION AUTHORITY

MANAGEMENT STAFF

Darrell E. Johnson	Chief Executive Officer
Jennifer Bergener	Deputy Chief Executive Officer
Andrea West	Section Manager Sr, Clerk of the Board
James Donich	General Counsel

Matt Ankley	Department Manager, Security and Emergency Preparedness
Kirk Avila	General Manager, Express Lanes Programs
Jim Beil	Executive Director, Capital Programs
Rose Casey	Executive Director, Planning
Johnny Dunning	Chief Operating Officer Operations
Kristin Jacinto	Executive Director, Government Relations
Maggie McJilton	Executive Director, People & Community Engagement
Andrew Oftelie	Chief Financial Officer, Finance and Administration
Janet Sutter	Executive Director, Internal Audit
Joel Zlotnik	Strategic Communication Manager Sr, Public Information Office

Sara Belovsky	Section Manager, General Services
Lydia Bilynsky	Department Manager, Contracts Administration and Material Management
Robert Davis	Department Manager, Treasury and Public Finance
Josh Duke	Department Manager, Information Systems Technical Services
Dylan Hack	Department Manager, Cyber Security
Sam Kaur	Department Manager, Revenue Administration
Georgia Martinez	Department Manager, Contracts Administration and Material Management
Sean Murdock	Director, Finance and Administration
Lloyd Sullivan	Director, Information Systems Administration
Rima Tan	Department Manager, Accounting and Financial Reporting
Pia Veasapen	Director, Contracts Administration and Materials Management
Victor Velasquez	Department Manager, Financial Planning and Analysis
Eden Wang	Department Manager, Enterprise Business Solutions



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Orange County Transportation Authority
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

BUS



Orange County Transportation Authority
Orange County, California

RAIL



Orange County Transportation Authority
Orange County, California



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Transportation Authority (OCTA), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCTA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of OCTA, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 21 to the financial statements, during the year ended June 30, 2025, OCTA adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, which resulted in a restatement of the July 1, 2024 net position for the following opinion units and related amounts: governmental activities \$5,450,000, business-type activities \$3,875,000, General Fund \$1,591,000, and Orange County Transportation District (OCTD) \$3,875,000. Our opinions are not modified with respect to the above matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OCTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OCTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, Local Transportation Authority Special Revenue Fund, and Local Transportation Special Revenue Fund, and supplemental pension plan trend data and other postemployment benefit data, as listed in the table of contents be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OCTA's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance.


Crowe LLP

Costa Mesa, California
October 31, 2025

**ORANGE COUNTY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(unaudited)
For the Fiscal Year Ended June 30, 2025**

As management of the Orange County Transportation Authority (OCTA), we offer readers of OCTA's financial statements this narrative overview and analysis of OCTA's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented here in conjunction with the transmittal letter on pages iii-x and OCTA's financial statements that begin on page 16. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- As of June 30, 2025, OCTA's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$3,506,266, resulting in a net position. Of this amount, \$1,149,686 or 33% represents net investment in capital assets; \$1,487,497 or 42% is restricted for specific purposes; and the remaining portion represents unrestricted net position of \$869,083 or 25%.
- OCTA's total net position increased \$782,788 during fiscal year 2024-25. The increase in net position from governmental activities of \$661,913 was primarily driven by State capital assistance received through the Transit and Intercity Rail Capital Program (TIRCP) for the OC Streetcar project, along with one-time funding under Senate Bill (SB) 125, which provided additional appropriations to support transit infrastructure, operations, and capital improvements. The net position from business-type activities increased by \$120,875, reflecting the impact of the aforementioned capital and operating grants and contributions, as well as a full year of 405 Express Lanes operations in fiscal year 2024–25 compared to seven months in fiscal year 2023–24. The increase also reflected higher average gross revenue per trip on both the 91 and 405 Express Lanes, resulting in greater charges for services revenue.
- OCTA's governmental funds reported combined ending fund balances of \$1,933,142, an increase of \$557,654 or 40% compared to fiscal year 2023-24. Approximately 69% of the governmental fund balances represent Local Transportation Authority (LTA) amounts available for the Measure M program, including debt service. The increase of governmental fund balances was primarily attributable to the capital and operating grants and contributions described above, as well as interfund transfer to the LTA Fund related to the allocation of TIFIA loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.
- Long-term debt decreased by \$33,308, compared to the prior fiscal year, primarily due to the refunding of 2010 Series A bonds through the issuance of the Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, and partially offset by the current year's accreted interest added to the TIFIA loan principal.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to OCTA's basic financial statements. The basic financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains required supplementary information and other supplementary information.

▪ **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of OCTA's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of OCTA's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether OCTA's financial position is improving or deteriorating.

ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of activities presents information showing how OCTA's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements distinguish functions of OCTA that are principally supported by taxes and intergovernmental revenues, or governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, or business-type activities. The governmental activities of OCTA include general government, the Measure M program, motorist services and commuter rail. The business-type activities of OCTA include fixed route transit services, paratransit services, toll road operations and local rail. The government-wide financial statements include only OCTA and its blended component units and can be found on pages 16-17 of this report.

▪ **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of OCTA's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and related statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

OCTA maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the related statement of revenues, expenditures and changes in fund balances for OCTA's major governmental funds comprised of the General fund; LTA and LTF, which are special revenue funds; LTA Debt Service fund; and General Capital Project fund. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements in the other supplementary information section of this report.

OCTA adopts an annual budget for all funds. Budgetary comparison schedules have been provided for the General fund and the LTA and LTF special revenue funds as required supplementary information to demonstrate compliance with the annual appropriated budgets. The governmental fund financial statements can be found on pages 18-21 of this report.

Proprietary Funds consist of enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. OCTA uses enterprise funds to account for its transit, toll road, and streetcar operations. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally to the departments benefiting from OCTA's risk management activities, which

ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

include general liability and workers' compensation. Since these risk management activities predominantly benefit business-type rather than governmental functions, they have been included within business-type activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Orange County Transit District (OCTD), the 91 Express Lanes, and the 405 Express Lanes which are considered as major enterprise funds of OCTA. Data from the other nonmajor enterprise funds such as OC Streetcar are presented separate. Additionally, data from the General Liability and Workers' Compensation internal service funds are combined into a single, aggregated presentation. The proprietary fund financial statements can be found on pages 22-28 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-70 of this report.

Other Information is in addition to the basic financial statements and accompanying notes. This report also presents certain required supplementary information concerning OCTA's budgetary results for the General fund and major special revenue funds with appropriated budgets. Additionally, trend data for OCTA's pension plans and other postemployment benefits are included. Required supplementary information can be found on pages 71-76 of this report.

The combining statements of nonmajor governmental funds, nonmajor enterprise fund and internal service funds are presented immediately following the required supplementary information. In addition, budgetary results for the LTA Debt Service fund and nonmajor governmental funds are located in this section. This other supplementary information can be found on pages 77-92 of this report.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2025, OCTA's assets and deferred outflows exceeded liabilities and deferred inflows by \$3,506,266. Our analysis on the following pages focuses on net position (Table 1) and changes in net position (Table 2) of OCTA's governmental and business-type activities.

OCTA's net investment in capital assets was \$1,149,686, compared to \$1,051,734 in fiscal year 2023-24. This net position represents OCTA's investment in capital assets (i.e., construction in progress; land; buildings and improvements; infrastructure, machinery, equipment and furniture; transit vehicles; intangible assets; and transponders), net of any outstanding debt used to finance those assets. These capital assets are essential for providing transit services to the residents and business community of Orange County. The increase of \$97,952 was primarily driven by the acquisition of the OCTA's headquarters building and progress on the OC Streetcar project.

Restricted net position, representing resources subjected to external restrictions on how they may be used, were 42% and 29% of the total net position at June 30, 2025 and 2024, respectively. In fiscal year 2024-25, the restricted net position increased by \$700,265 primarily due to the combination of the increase in the restricted net position from governmental activities of \$598,376 and the increase of \$101,889 for business-type activities. The increase for governmental activities was contributed by the increased in funds restricted to Measure M projects, while the increase in business-type activities was mainly attributable to funds restricted under the SB 125 state grant.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. At the end of fiscal year 2024-25, OCTA's unrestricted net position was \$869,083, a decrease of \$6,104 from the prior fiscal year. This decrease was mainly due to the recognition of revenues previously reported as unavailable in the governmental funds, which were recognized as revenue under the accrual basis in the government-wide financial statements.

**Table 1
Orange County Transportation Authority
Net Position**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	\$ 1,421,743	\$ 1,026,450	\$ 1,237,507	\$ 1,268,769	\$ 2,659,250	\$ 2,295,219
Restricted assets	730,628	549,037	154,464	37,135	885,092	586,172
Prepaid retirement	14,798	14,145	25,681	24,589	40,479	38,734
Assets held for resale	15,965	20,615	—	—	15,965	20,615
Capital assets, net	753,785	702,868	940,130	894,267	1,693,915	1,597,135
Total assets	2,936,919	2,313,115	2,357,782	2,224,760	5,294,701	4,537,875
Deferred outflows of resources	45,707	29,372	209,773	153,951	255,480	183,323
Liabilities						
Current liabilities	156,033	162,682	117,711	111,905	273,744	274,587
Long-term liabilities	686,320	714,322	974,446	983,877	1,660,766	1,698,199
Total liabilities	842,353	877,004	1,092,157	1,095,782	1,934,510	1,972,786
Deferred inflows of resources	19,587	12,160	89,818	22,099	109,405	34,259
Net position						
Net investment in capital assets	734,535	681,639	415,151	370,095	1,149,686	1,051,734
Restricted	1,353,926	755,550	133,571	31,682	1,487,497	787,232
Unrestricted	32,225	16,134	836,858	859,053	869,083	875,187
Total net position	\$ 2,120,686	\$ 1,453,323	\$ 1,385,580	\$ 1,260,830	\$ 3,506,266	\$ 2,714,153

OCTA's total revenues increased by 40%, while the total costs of all programs increased by 11%. Major contributing factors for the increase of \$494,041 in total revenues were an increase of \$47,215 in charges for services resulting from toll road revenues, an increase of \$412,012 in grants and contributions, driven largely by the TIRCP funding of \$149,841 for OC Streetcar project reimbursement, and \$262,838 of SB 125 one-time grant funding. In addition, investment earnings increased by \$33,146 due to higher available cash balance and favorable investment performance.

During fiscal year 2024-25, OCTA's total expenses increased \$91,111, primarily due to higher toll road operating costs related to the 405 Express Lanes. The increase reflected a full year of operations in fiscal year 2024–25 compared to only partial months in the prior year and higher management and operational

**ORANGE COUNTY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

services, professional services, and depreciation and amortization expenses. Approximately 87% of OCTA's program costs were funded either by those who directly benefited from the programs or by other governments providing grants and contributions. The remaining net costs were largely financed through sales tax revenues and investment earnings. Table 2 provides a separate analysis of the operations of governmental and business-type activities.

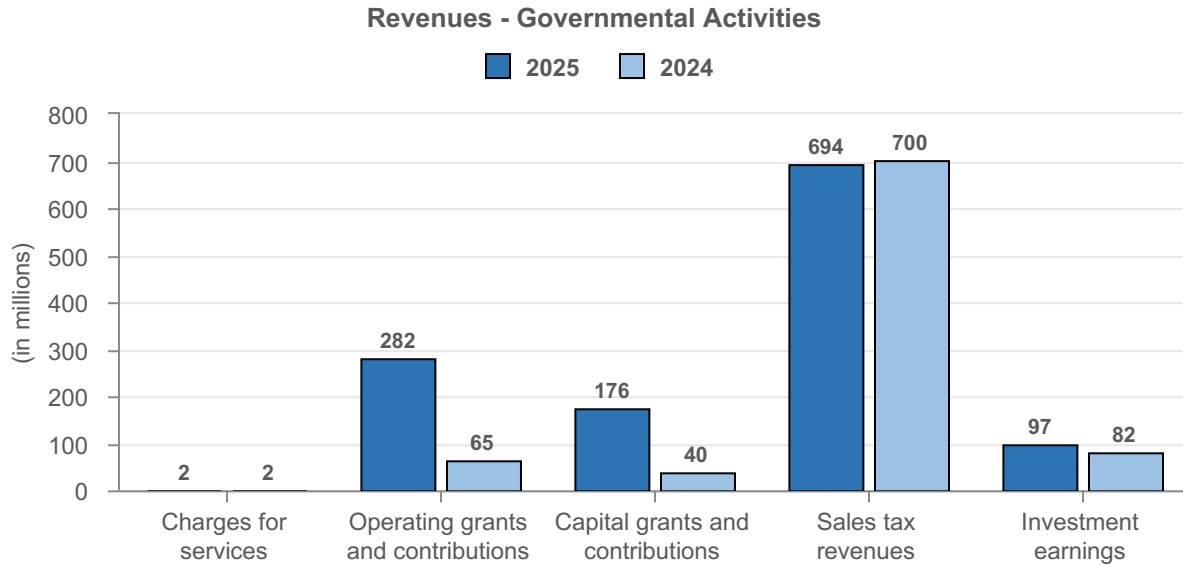
**Table 2
Orange County Transportation Authority
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	\$ 1,746	\$ 1,740	\$ 188,010	\$ 140,801	\$ 189,756	\$ 142,541
Operating grants and contributions	281,847	65,287	116,474	62,937	398,321	128,224
Capital grants and contributions	175,563	40,085	54,794	48,357	230,357	88,442
General revenues:						
Sales tax revenues	694,186	700,434	23,585	22,281	717,771	722,715
Investment earnings	97,463	81,699	70,872	53,490	168,335	135,189
Other miscellaneous revenues	7,791	1,064	9,675	9,790	17,466	10,854
Total revenues	1,258,596	890,309	463,410	337,656	1,722,006	1,227,965
Expenses						
General government	119,244	111,528	—	—	119,244	111,528
Measure M program	392,256	371,900	—	—	392,256	371,900
Motorist services	9,977	9,772	—	—	9,977	9,772
Fixed route	—	—	228,591	209,916	228,591	209,916
Paratransit	—	—	127,724	115,153	127,724	115,153
Toll road	—	—	61,243	29,764	61,243	29,764
Local rail	—	—	183	74	183	74
Total expenses	521,477	493,200	417,741	354,907	939,218	848,107
Indirect expense allocation	(65,651)	(61,325)	65,651	61,325	—	—
Increase (decrease) in net position before transfers	802,770	458,434	(19,982)	(78,576)	782,788	379,858
Transfers	(140,857)	(367,030)	140,857	367,030	—	—
Changes in net position	661,913	91,404	120,875	288,454	782,788	379,858
Net position - 6/30/2024, as previously reported	1,453,323	1,361,919	1,260,830	972,376	2,714,153	2,334,295
Change in accounting principle - GASB No. 101	5,450	—	3,875	—	9,325	—
Net position - 6/30/2024, as restated	1,458,773	1,361,919	1,264,705	972,376	2,723,478	2,334,295
Net position - ending	\$2,120,686	\$1,453,323	\$1,385,580	\$1,260,830	\$3,506,266	\$2,714,153

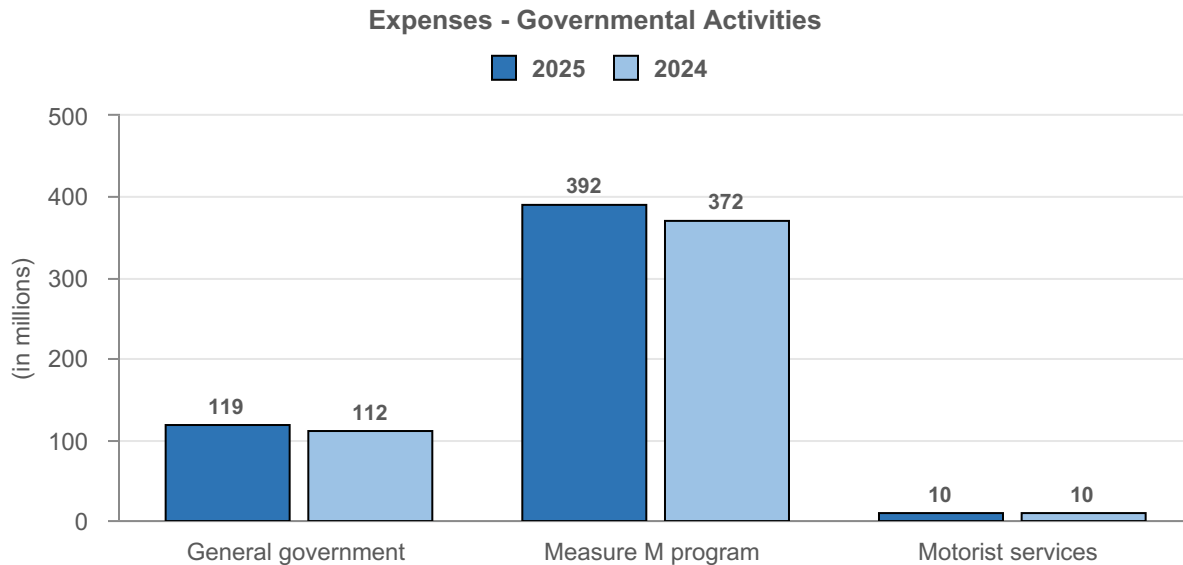
ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Total revenues for OCTA's governmental activities increased \$368,287 primarily due to the TIRCP funding of \$149,841 for OC Streetcar project reimbursement and \$208,765 of SB 125 grant for transit infrastructure, operations, and capital improvements. In addition, an increase of \$15,764 in investment earnings was due to higher available cash balance and favorable investment performance.



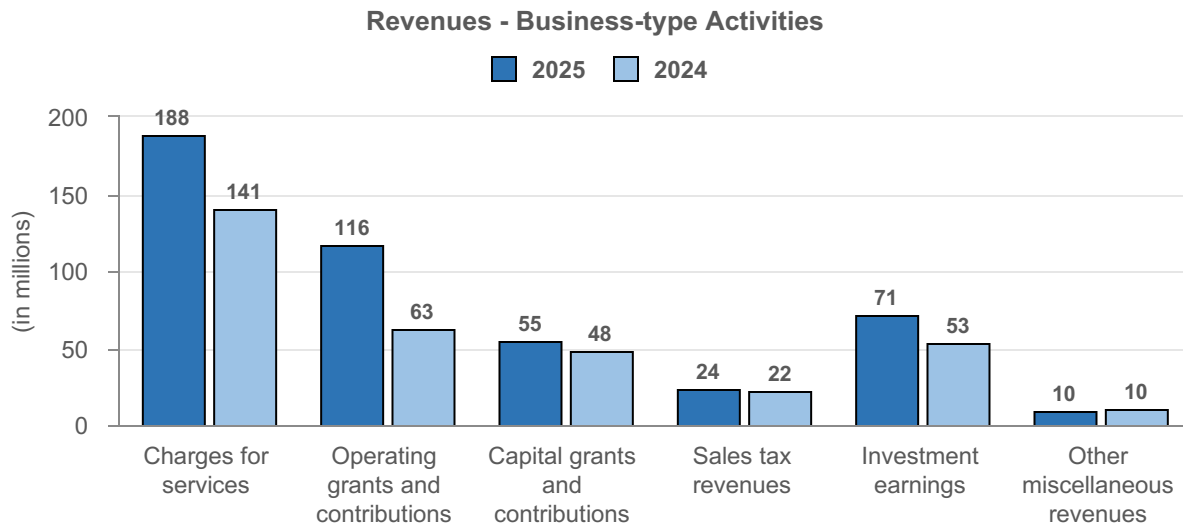
Total expenses for OCTA's governmental activities increased by \$28,277, primarily due to higher contributions to other agencies for reimbursement of transportation projects under the Measure M streets and roads program.



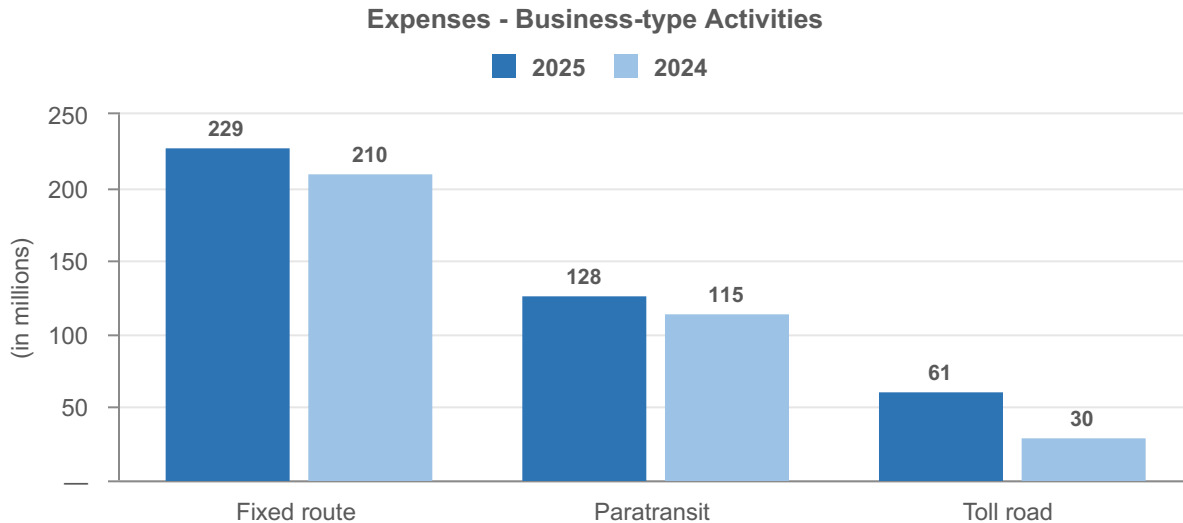
ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type Activities

Revenues of OCTA's business-type activities increased by \$125,754 primarily due to an increase of \$17,382 in investment earnings due to the favorable investment performance, an increase of \$47,209 in charges for services from toll road revenues. This was further supported by an increase of \$53,537 in operating grants and contributions relating to transit operations and an increase of \$6,437 in capital grants and contributions.



Total expenses related to business-type activities increased \$62,834 or 18%, primarily due to higher toll road operating costs associated with the 405 Express Lanes. These costs included management and operational services, professional services, and depreciation and amortization expenses, reflecting a full year of operations compared to only partial months in the prior year. In addition, fixed-route and paratransit operating costs also contributed to the increase.



ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of OCTA's Funds

As noted earlier, OCTA uses fund accounting to ensure and demonstrate compliance with financial and legal requirements.

Governmental Funds

As of June 30, 2025, OCTA's governmental funds reported combined ending fund balances of \$1,933,142, an increase of \$557,654 from the prior fiscal year. Approximately 98% of the total fund balance or \$1,749,453 of this amount was restricted, largely for Measure M projects and other transportation-related purposes. Nonspendable fund balance totaled \$26,700, representing amounts not available for spending, such as prepaid retirement costs, other deposits, and prepaid items. The remaining \$813 was unassigned and available for general use.

Key changes in the fund balances of OCTA's major governmental funds are summarized below:

- The General fund increased by \$22,133, primarily due to an interfund transfer of OCTA's reserve balance for the Additional Retiree Benefit Account (ARBA) from the Workers' Compensation fund (Internal Service fund).
- The LTA fund increased by \$484,339, driven by TIRCP reimbursements for the OC Streetcar project, the allocation of TIFIA loan proceeds for general purpose lane construction, and grant funding under SB 125 state grant.
- The LTF fund increased by \$99,048, primarily from sales tax revenues generated under the provisions of the Transportation Development Act (TDA), offset by interfund transfers to the OCTD fund to support transit operations.
- The LTA Debt Service fund decreased by \$5,194, mainly due to the transfer of excess funds to the LTA fund.

Proprietary Funds

The net position of the enterprise funds totaled \$1,352,017 at June 30, 2025 compared to \$1,224,069 at June 30, 2024. Key changes in the net position of OCTA's major proprietary funds are summarized below:

- The OCTD fund net position at June 30, 2025 was \$1,046,206. During fiscal year 2024-25, the total net position increased by \$91,824 or 10%. This growth was primarily driven by higher investment earnings due to favorable market performance, increased operating grants and contributions for transit operations, and higher capital grants and contributions.
- The 91 Express Lanes fund net position for fiscal year 2024-25 increased \$64,087 or 17%. The increase was mainly attributable to operating revenues exceeding expenses, favorable investment earnings, and reduced interfund transfers to the LTA fund related to the SR-91 Improvement Project.
- In contrast, the 405 Express Lanes fund net position for fiscal year 2024-25 decreased \$51,491. The decrease primarily resulted from an interfund transfer to the LTA fund for the allocation of TIFIA loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

General Fund Budgetary Highlights

Revenues

The primary sources of revenues for the general fund are from federal, state, and local sources. Actual revenues were \$7,252 higher than the final budget of \$13,977. This variance was largely attributable to higher-than-budgeted grants and contributions, as well as increased investment earnings resulting from favorable market performance during the fiscal year. The combination of these positive revenue results has strengthened General fund's overall fund balance.

Expenditures

Actual expenditures were \$322 higher than the final budget of \$38,591, reflecting a close alignment with the projected General fund expenditures.

Capital Assets

As of June 30, 2025, OCTA had \$1,693,915, net of accumulated depreciation, invested in a broad range of capital assets including: land, improvements, infrastructure, transit vehicles, machinery, equipment, intangible right-to-use assets, toll facility franchise, and construction in progress (Table 3). During fiscal year 2024-25, OCTA's capital assets increased by \$96,780. Capital assets related to governmental activities increased by \$50,917, primarily attributable to the ongoing construction activities for the OC Streetcar project. Capital assets related to business-type activities increased by \$45,863, largely due to the acquisition of the OCTA's headquarters building.

**Table 3
Orange County Transportation Authority
Capital Assets, net of depreciation**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 172,236	\$ 172,236	\$ 92,452	\$ 57,106	\$ 264,688	\$ 229,342
Land - PPP assets	—	—	29,764	27,438	29,764	27,438
Right-of-way improvements	7,300	7,300	—	—	7,300	7,300
Buildings and improvements	616	538	65,741	51,192	66,357	51,730
Leasehold improvements	—	—	1,416	1,590	1,416	1,590
Infrastructure - PPP assets	—	—	392,395	401,682	392,395	401,682
Transit vehicles	—	—	182,825	182,117	182,825	182,117
Machinery, equipment and furniture	2,222	2,321	37,136	40,975	39,358	43,296
Lease asset - building	15,122	19,343	7,282	7,989	22,404	27,332
Lease asset - equipment	108	209	—	—	108	209
Subscription asset - SBITA	4,157	954	145	341	4,302	1,295
Toll facility franchise	—	—	104,761	107,348	104,761	107,348
Construction in progress	552,024	499,967	26,213	16,489	578,237	516,456
Total capital assets, net	\$ 753,785	\$ 702,868	\$ 940,130	\$ 894,267	\$ 1,693,915	\$ 1,597,135

ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

During the fiscal year, major capital asset additions amounted to \$51,457 for the OC Streetcar project and \$54,570 for the acquisition of the OCTA's headquarters building. Significant capital asset deletions consisted of \$29,398 related to retirement of revenue vehicles and \$2,246 for the retirement of Transponders (T21) associated with 91 Express Lanes.

OCTA had outstanding capital expenditure commitments; the most significant of which were \$93,650 for zero-emission and CNG buses, \$191,347 for the I-5 freeway widening construction project, \$116,201 for SR91 and I-405 express lanes toll collection project, \$279,538 for SR-57 improvement projects.

More detailed information about OCTA's capital assets is presented in note 7 to the financial statements.

Long-term Debt Administration

As of June 30, 2025, OCTA had \$1,215,907 in long-term debt outstanding compared to \$1,249,215 on June 30, 2024, as presented in Table 4. The decrease of \$33,308 was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025. This reduction was offset by an increase resulting from the current year's accreted interest being added to the TIFIA loan principal.

Table 4
Orange County Transportation Authority
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Sales tax revenue bonds	\$ 529,450	\$ 569,315	\$ —	\$ —	\$ 529,450	\$ 569,315
Toll road revenue refunding bonds	—	—	41,725	47,545	41,725	47,545
TIFIA loan	—	—	644,732	632,355	644,732	632,355
Total long-term debt	\$ 529,450	\$ 569,315	\$ 686,457	\$ 679,900	\$ 1,215,907	\$ 1,249,215

OCTA's long-term debt is rated by Standard & Poor's, Moody's, and Fitch. As of June 30, 2025, the ratings are as follows:

	Standard & Poor's	Moody's	Fitch
Sales tax revenue bonds	AAA	N/A	AA+
Toll road revenue refunding bonds	AA-	Aa3	AA-
TIFIA loan	N/A	Baa2	N/A

More detailed information about OCTA's long-term debt is presented in note 11 to the financial statements.

Economic and Other Factors

The Board of Directors (Board) adopted the fiscal year 2025-26 budget on June 9, 2025. The \$1.74 billion budget was developed in accordance with the goals of the Board and the Chief Executive Officer. This balanced budget is a result of OCTA's ongoing effort to furnish innovative, equitable, and sustainable transportation solutions for the residents and visitors of Orange County.

ORANGE COUNTY TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

For the FY 2025-26 budget, OCTA is taking a conservative approach to sales tax assumptions and assuming no growth in the coming year. Sales tax for the Measure M2 (M2) Program is forecasted to be \$432.1 million. Similarly, the quarter-cent Local Transportation Fund sales tax revenue, primarily supporting the bus program, is anticipated to be \$220.2 million.

The M2 Program budget provides a clear path to enhance transportation across our cities and County. The M2 Program supports a balanced system across freeways, transit, streets, roads, and environmental initiatives. The FY 2025-26 budget for the M2 Program includes \$464 million for freeway improvement projects and \$166 million for the maintenance and enhancement of streets and roads. The budget also allocates \$100 million for M2 Transit Programs, which comprises \$38 million to support regional rail services and \$37 million to support local rail.

The FY 2025-26 budget outlines a robust plan for transit services, with a clear focus on enhancements, sustainability, and resilient operations. The budget allocates \$574 million to support the OC Bus Program, supporting up to 1.62 million service hours. Sustainability and resiliency focus is also a cornerstone of the budget, with ongoing investments in zero-emission buses and infrastructure. A capital budget of \$110 million is included for the procurement of seven zero-emission 60-foot buses, bus base and transit center improvements, as well as a communications system upgrade. Additionally, the budget supports ongoing Metrolink service and the launch of the OC Streetcar.

OCTA's express lanes continue to demonstrate solid performance with the 91 Express Lanes effectively moving traffic through the corridor. The budget anticipates traffic volumes to increase by three million trips in FY 2025-26, reaching 23 million trips based on demand. In addition, the 405 Express Lanes are forecasted to reach 67.8 million transactions over the five ingress/egress points in the 405 corridor.

The FY 2025-26 budget is a testament to the Board's Strategic Initiatives and OCTA's dedication to delivering a balanced and sustainable transportation network, ensuring Orange County keeps moving safely and efficiently.

Contacting OCTA's Management

This financial report is designed to provide a general overview of OCTA's finances for all those with an interest in the government's finances and to demonstrate OCTA's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Net Position
June 30, 2025

<i>(amounts expressed in thousands)</i>	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 1,188,155	\$ 1,144,997	\$ 2,333,152
Receivables:			
Interest	10,508	9,858	20,366
Operating grants	58,761	5,889	64,650
Capital grants	5,025	20,415	25,440
Other	1,663	27,367	29,030
Internal balances	(4,067)	4,067	—
Due from other governments	137,859	5,817	143,676
Condemnation deposits	7,883	136	8,019
Lease receivable	2,778	12,013	14,791
Notes receivable	1,402	—	1,402
Inventory	—	5,923	5,923
Restricted cash and investments	730,628	154,464	885,092
Prepaid retirement	14,798	25,681	40,479
Other assets	11,776	1,025	12,801
Assets held for resale	15,965	—	15,965
Capital assets, net:			
Nondepreciable	731,560	148,429	879,989
Depreciable and amortizable	22,225	791,701	813,926
Total assets	2,936,919	2,357,782	5,294,701
Deferred outflows of resources			
Deferred outflows - refunding	23,004	3,655	26,659
Deferred outflows - pensions	22,585	99,683	122,268
Deferred outflows - OPEB	118	—	118
Deferred outflows - PPP	—	106,435	106,435
Total deferred outflows of resources	45,707	209,773	255,480
Liabilities			
Accounts payable	98,413	63,661	162,074
Accrued payroll and related items	3,164	6,044	9,208
Accrued interest payable	8,537	818	9,355
Due to other governments	44,864	7,899	52,763
Unearned revenue	872	38,588	39,460
Total OPEB liability - due within one year	64	138	202
Other liabilities	119	563	682
Noncurrent liabilities:			
Due within one year	27,443	15,510	42,953
Due in more than one year	616,170	824,205	1,440,375
Net pension liability	41,896	132,991	174,887
Total OPEB liability - due in more than one year	811	1,740	2,551
Total liabilities	842,353	1,092,157	1,934,510
Deferred inflows of resources			
Deferred inflows - refunding	—	3,515	3,515
Deferred inflows - pensions	16,908	74,493	91,401
Deferred inflows - OPEB	51	144	195
Deferred inflows - leases	2,628	11,666	14,294
Total deferred inflows of resources	19,587	89,818	109,405
Net position			
Net investment in capital assets	734,535	415,151	1,149,686
Restricted for:			
Measure M projects	596,139	—	596,139
Debt service	18,306	37,178	55,484
Capital and operating reserves	—	15,716	15,716
Capital projects	2,977	—	2,977
Transportation programs	525,163	—	525,163
Pension benefits	55,165	—	55,165
Federal and state grants	156,176	80,677	236,853
Unrestricted	32,225	836,858	869,083
Total net position	\$ 2,120,686	\$ 1,385,580	\$ 3,506,266

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)

Functions/Programs	Program Revenues					Net Revenues (Expenses) and Changes in Net Position		
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government								
Governmental activities:								
General government	\$ 119,244	\$ (97,783)	\$ 291	\$ 7,494	\$ 175,563	\$ 161,887	\$ —	\$ 161,887
Measure M program	392,256	31,022	1,455	266,279	—	(155,544)	—	(155,544)
Motorist services	9,977	1,110	—	8,074	—	(3,013)	—	(3,013)
Total governmental activities	521,477	(65,651)	1,746	281,847	175,563	3,330	—	3,330
Business-type activities:								
Fixed route	228,591	57,231	44,233	96,748	54,794	—	(90,047)	(90,047)
Paratransit	127,724	—	8,356	—	—	—	(119,368)	(119,368)
Tollroad	61,243	7,278	135,421	971	—	—	67,871	67,871
Local rail	183	1,142	—	18,755	—	—	17,430	17,430
Total business-type activities	417,741	65,651	188,010	116,474	54,794	—	(124,114)	(124,114)
Total primary government	\$ 939,218	\$ —	\$ 189,756	\$ 398,321	\$ 230,357	\$ 3,330	\$ (124,114)	\$ (120,784)

	Governmental Activities	Business-type Activities	Total
General revenues			
Property taxes	\$ —	\$ 23,585	\$ 23,585
Sales tax revenues	694,186	—	694,186
Investment earnings	97,463	70,872	168,335
Loss on sale of capital assets	(414,550)	(143,578)	(559,000)
Other miscellaneous revenues	8,206	9,819	18,025
Transfers	(140,857)	140,857	—
Total general revenues and transfers	658,583	244,989	903,572
Changes in net position	661,913	120,875	782,788
Net position - 6/30/2024, as previously reported	1,453,323	1,260,830	2,714,153
Change in accounting principle - adoption of GASB No. 101	5,450	3,875	9,325
Net position - 6/30/2024, as restated	1,458,773	1,264,705	2,723,478
Net position - ending	\$ 2,120,686	\$ 1,385,580	\$ 3,506,266

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Balance Sheet - Governmental Funds
June 30, 2025

<i>(amounts expressed in thousands)</i>	General	LTA	LTF	LTA Debt Service	General Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	\$ 40,073	\$ 663,401	\$ 438,110	\$ 18,254	\$ 5,484	\$ 22,833	\$ 1,188,155
Receivables:							
Interest	—	6,814	3,386	52	2	255	10,509
Operating grants	1,559	57,202	—	—	—	—	58,761
Capital grants	129	—	—	—	4,896	—	5,025
Other	616	1,047	—	—	—	—	1,663
Due from other funds	389	8,848	—	—	6,425	88	15,750
Due from other governments	3,525	84,489	37,087	—	—	12,758	137,859
Condemnation deposits	—	7,883	—	—	—	—	7,883
Lease receivable	—	2,778	—	—	—	—	2,778
Notes receivable	—	1,147	—	—	—	255	1,402
Restricted cash and investments	40,367	690,261	—	—	—	—	730,628
Prepaid retirement	14,798	—	—	—	—	—	14,798
Other assets	248	794	—	—	2,977	—	4,019
Total assets	101,704	1,524,664	478,583	18,306	19,784	36,189	2,179,230
Liabilities							
Accounts payable	6,074	71,622	67	—	19,722	929	98,414
Accrued payroll and related items	3,164	—	—	—	—	—	3,164
Compensated absences	1,087	—	—	—	—	—	1,087
Due to other funds	—	8,712	389	—	—	12,258	21,359
Due to other governments	163	44,355	244	—	62	40	44,864
Unearned revenue	654	270	—	—	—	—	924
Other liabilities	48	71	—	—	—	—	119
Total liabilities	11,190	125,030	700	—	19,784	13,227	169,931
Deferred inflows of resources							
Deferred inflows - leases	—	2,628	—	—	—	—	2,628
Unavailable revenue - grants	4,409	61,403	—	—	2,584	—	68,396
Unavailable revenue - others	—	5,133	—	—	—	—	5,133
Total deferred inflows of resources	4,409	69,164	—	—	2,584	—	76,157
Fund balances							
Nonspendable:							
Prepaid retirement	14,798	—	—	—	—	—	14,798
Other deposits and prepaid items	248	8,677	—	—	2,977	—	11,902
Restricted for:							
Measure M projects	—	1,165,617	—	—	—	—	1,165,617
Debt service	—	—	—	18,306	—	—	18,306
Transportation programs	24,318	—	477,883	—	—	17,514	519,715
Motorist services	—	—	—	—	—	5,448	5,448
Pension benefits	40,367	—	—	—	—	—	40,367
SB 125 grant	—	156,176	—	—	—	—	156,176
Unassigned	6,374	—	—	—	(5,561)	—	813
Total fund balances	86,105	1,330,470	477,883	18,306	(2,584)	22,962	1,933,142
Total liabilities, deferred inflows of resources, and fund balances	\$ 101,704	\$ 1,524,664	\$ 478,583	\$ 18,306	\$ 19,784	\$ 36,189	\$ 2,179,230

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Net Position (page 18) are different because:

Total fund balances (page 18)	\$ 1,933,142
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	753,785
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Deferred outflows and inflows of resources related to pensions are not available to pay or due in current period expenditures and, therefore, are not reported in the governmental funds.	
Deferred outflows - pensions	22,585
Deferred inflows - pensions	(16,908)

Deferred outflows and inflows of resources related to OPEB are not available to pay or due in current period expenditures and, therefore, are not reported in the governmental funds.	
Deferred outflows - OPEB	118
Deferred inflows - OPEB	(51)

Long-term debt related liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Deferred outflows - refunding	23,004
Long-term debt and premium	(614,624)
Accrued interest payable	(8,537)

Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Net pension liability	(41,896)
Total OPEB liability	(875)
Lease liabilities	(16,632)
Subscription liabilities	(2,617)
Compensated absences	(5,410)
Other liabilities	4,565

Receivables that are measurable, but not available within the availability period, are reported as deferred inflows of resources in the governmental funds.	73,529
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The effect of the elimination entries between the governmental and the business-type activities and the governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund.	1,543
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Net position of governmental activities (page 16)	<u>\$ 2,120,686</u>
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See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	General	LTA	LTF	LTA Debt Service	General Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Sales tax revenues	\$ —	\$ 431,843	\$ 218,645	\$ —	\$ —	\$ 43,699	\$ 694,187
Transportation improvement fee	—	—	—	—	—	7,446	7,446
Vehicle registration fees	—	—	—	—	—	3,003	3,003
Fines	124	—	—	—	—	—	124
Contributions from other agencies	6,738	245,622	—	—	—	5,071	257,431
Interest and investment earnings	7,665	61,875	22,395	4,721	504	1,558	98,718
Capital assistance grants	1,990	—	—	—	165,061	—	167,051
Miscellaneous	1,500	1,621	—	—	6,565	—	9,686
Total revenues	18,017	740,961	241,040	4,721	172,130	60,777	1,237,646
Expenditures							
Current:							
General government	13,348	142,492	2,033	—	778	11,130	169,781
Transportation:							
Contributions to other local agencies	973	119,733	3,072	—	—	—	123,778
Capital outlay	3,170	134,598	—	—	52,631	106	190,505
Debt service:							
Principal	—	—	—	21,950	—	—	21,950
Interest	—	—	—	32,906	—	—	32,906
Bond issuance costs	—	816	—	—	—	—	816
Total expenditures	17,491	397,639	5,105	54,856	53,409	11,236	539,736
Excess (deficiency) of revenues over (under) expenditures	526	343,322	235,935	(50,135)	118,721	49,541	697,910
Other financing sources (uses)							
Transfers in	21,607	245,942	—	58,966	28,536	4,910	359,961
Transfers out	—	(105,305)	(136,887)	(14,025)	(149,841)	(94,539)	(500,597)
Proceeds from sale of capital assets	—	4,169	—	—	—	—	4,169
Bond issuance	—	227,565	—	—	—	—	227,565
Bond premium	—	36,413	—	—	—	—	36,413
Payment to refunded bond escrow agent	—	(267,767)	—	—	—	—	(267,767)
Total other financing sources (uses)	21,607	141,017	(136,887)	44,941	(121,305)	(89,629)	(140,256)
Net changes in fund balances	22,133	484,339	99,048	(5,194)	(2,584)	(40,088)	557,654
Fund balances - 6/30/2024, as previously reported	65,563	846,131	378,835	23,500	—	63,050	1,377,079
Change in accounting principle - GASB No. 101	(1,591)	—	—	—	—	—	(1,591)
Fund balances - 6/30/2024, as restated	63,972	846,131	378,835	23,500	—	63,050	1,375,488
Fund balances - ending	\$ 86,105	\$ 1,330,470	\$ 477,883	\$ 18,306	\$ (2,584)	\$ 22,962	\$ 1,933,142

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Activities (page 17) are different because:

Net change in fund balances - total governmental funds (page 20)	\$	557,654
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Capital assets related expenses or revenues are not included as financial resources or uses in the governmental funds.

Capital outlays		56,108
Proceeds sale of fixed assets		(4,169)
Depreciation and amortization expense		(7,143)

Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.

Issuance of new debt		(227,565)
Principal and interest payments		296,474
Premium and deferred loss of refunding amortization		(36,413)

Revenues that are earned but not collected within the availability period have not been recognized in the governmental funds.		(79,188)
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Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		40,724
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The effect of the elimination entries between the governmental and the business-type activities and the governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund.		65,431
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Change in net position of governmental activities (page 17)	\$	661,913
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See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Statement of Net Position

Proprietary Funds

June 30, 2025

<i>(amounts expressed in thousands)</i>	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor- OC Streetcar	Total Enterprise Funds	Internal Service Funds
Assets						
Current assets						
Cash and investments	\$ 702,356	\$ 365,037	\$ 20,964	\$ —	\$ 1,088,357	\$ 56,641
Receivables:						
Interest	5,995	2,671	722	44	9,432	424
Operating grants	5,889	—	—	—	5,889	—
Capital grants	20,415	—	—	—	20,415	—
Violations, net	—	5,653	3,606	—	9,259	—
Farebox	419	—	—	—	419	—
Other	1,636	1,796	1,488	—	4,920	604
Due from other funds	14,936	—	—	—	14,936	—
Due from other governments	5,678	77	—	62	5,817	—
Condemnation deposits	—	—	136	—	136	—
Lease receivable	4,740	—	—	—	4,740	—
Inventory	5,923	—	—	—	5,923	—
Prepaid retirement	25,681	—	—	—	25,681	—
Other assets	144	—	52	—	196	829
Total current assets	793,812	375,234	26,968	106	1,196,120	58,498
Noncurrent assets						
Restricted cash and investments	83,355	13,403	38,355	19,350	154,463	—
Violations receivable, net	—	7,886	4,280	—	12,166	—
Lease receivable	7,273	—	—	—	7,273	—
Capital assets, net:						
Nondepreciable	112,975	5,625	29,765	65	148,430	—
Depreciable and amortizable	257,637	110,838	423,008	217	791,700	—
Total noncurrent assets	461,240	137,752	495,408	19,632	1,114,032	—
Total assets	1,255,052	512,986	522,376	19,738	2,310,152	58,498
Deferred outflows of resources						
Deferred outflows - refunding	—	3,655	—	—	3,655	—
Deferred outflows - pensions	99,683	—	—	—	99,683	—
Deferred outflows - OPEB	—	—	—	—	—	—
Deferred outflows - PPP	—	—	106,435	—	106,435	—
Total deferred outflows of resources	99,683	3,655	106,435	—	209,773	—

ORANGE COUNTY TRANSPORTATION AUTHORITY

Statement of Net Position Proprietary Funds June 30, 2025

<i>(amounts expressed in thousands)</i>	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor- OC Streetcar	Total Enterprise Funds	Internal Service Funds
Liabilities						
Current liabilities						
Accounts payable	\$ 40,234	\$ 8,241	\$ 14,076	\$ 85	\$ 62,636	\$ 1,027
Accrued payroll and related items	6,044	—	—	—	6,044	—
Accrued interest	1	787	30	—	818	—
Due to other funds	479	8,848	—	—	9,327	—
Claims payable	—	—	—	—	—	4,309
Due to other governments	4,463	2,367	1,068	—	7,898	—
Unearned revenue	27,240	10,075	1,272	—	38,587	—
Other liabilities	255	291	46	—	592	—
Compensated absences, current	4,475	—	—	—	4,475	—
Total OPEB liability, current	138	—	—	—	138	—
Long-term debt, current	—	6,115	—	—	6,115	—
Lease liabilities, current	—	411	84	—	495	—
Subscription liabilities, current	87	—	—	—	87	—
Total current liabilities	83,416	37,135	16,576	85	137,212	5,336
Noncurrent liabilities						
Claims payable	—	—	—	—	—	18,057
Compensated absences	3,925	—	—	—	3,925	—
Net pension liability	132,991	—	—	—	132,991	—
Total OPEB liability	1,740	—	—	—	1,740	—
Long-term debt	—	39,000	755,518	—	794,518	—
Lease liabilities	—	1,874	5,676	—	7,550	—
Subscription liabilities	154	—	—	—	154	—
Total noncurrent liabilities	138,810	40,874	761,194	—	940,878	18,057
Total liabilities	222,226	78,009	777,770	85	1,078,090	23,393
Deferred inflows of resources						
Deferred inflows - refunding	—	3,515	—	—	3,515	—
Deferred inflows - pensions	74,493	—	—	—	74,493	—
Deferred inflows - OPEB	144	—	—	—	144	—
Deferred inflows - leases	11,666	—	—	—	11,666	—
Total deferred inflows of resources	86,303	3,515	—	—	89,818	—
Net position						
Net investment in capital assets	365,517	66,837	(17,420)	217	415,151	—
Restricted for:						
Debt service	—	4,576	32,602	—	37,178	—
Capital reserves	—	5,000	—	—	5,000	—
Operating reserves	—	3,000	7,716	—	10,716	—
SGR program	27,684	—	—	—	27,684	—
SB 125 grant	33,643	—	—	19,350	52,993	—
Unrestricted	619,362	355,704	(171,857)	86	803,295	35,105
Total net position	\$1,046,206	\$ 435,117	\$ (148,959)	\$ 19,653	\$1,352,017	\$ 35,105

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Net Position of Proprietary Funds
to the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for business-type activities in the Statement of Net Position (page 16) are different because:

Total net position (page 23)	\$ 1,352,017
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Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the general liability and workers' compensation internal service funds are included in Business-type activities. Additionally, the effect of the elimination entries between the Governmental and the Business-type activities and the Governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund is included in this difference.

33,563

Net position of business-type activities (page 16)	\$ 1,385,580
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See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor- OC Streetcar	Total Enterprise Funds	Internal Service Funds
Operating revenues						
User fees and charges	\$ 33,612	\$ 75,960	\$ 57,823	\$ —	\$ 167,395	\$ —
Charges for services	3,302	—	—	—	3,302	10,338
Total operating revenues	36,914	75,960	57,823	—	170,697	10,338
Operating expenses						
Wages, salaries and benefits	131,017	—	—	—	131,017	—
Maintenance, parts and fuel	23,239	—	—	—	23,239	—
Contracted operations	116,734	6,878	6,699	—	130,311	—
Administrative services	56,909	4,070	3,209	1,142	65,330	323
Other	8,211	149	16	2	8,378	570
Insurance claims and premiums	—	253	48	—	301	8,886
Professional services	27,118	5,997	10,146	171	43,432	1,883
General and administrative	4,826	331	1,159	3	6,319	—
Depreciation and amortization	33,333	4,981	15,288	6	53,608	—
Total operating expenses	401,387	22,659	36,565	1,324	461,935	11,662
Operating income (loss)	(364,473)	53,301	21,258	(1,324)	(291,238)	(1,324)
Nonoperating revenues (expenses)						
State transit assistance	10,516	—	—	18,755	29,271	—
Federal operating assistance grants	86,184	—	—	—	86,184	—
Property taxes allocated by the County of Orange	23,585	—	—	—	23,585	—
Investment earnings	42,592	19,515	5,494	702	68,303	2,569
Interest expense	(10)	(1,581)	(6,079)	—	(7,670)	—
Other	13,727	968	8	—	14,703	739
Total nonoperating revenues (expenses)	176,594	18,902	(577)	19,457	214,376	3,308
Income (loss) before contributions and transfers	(187,879)	72,203	20,681	18,133	(76,862)	1,984
Capital contributions	54,833	—	—	222	55,055	—
Transfers in	238,946	—	—	1,298	240,244	11,300
Transfers out	(14,076)	(8,116)	(72,172)	—	(94,364)	(16,545)
Changes in net position	91,824	64,087	(51,491)	19,653	124,073	(3,261)
Net position - 6/30/2024, as previously reported	950,507	371,030	(97,468)	—	1,224,069	38,366
Change in accounting principle - GASB No. 101	3,875	—	—	—	3,875	—
Net position - 6/30/2024, as restated	954,382	371,030	(97,468)	—	1,227,944	38,366
Net position - ending	\$1,046,206	\$ 435,117	\$ (148,959)	\$ 19,653	\$1,352,017	\$ 35,105

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenses and
Changes in Net Position of Proprietary Funds to the Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for business-type activities in the Statement of Activities (page 17) are different because:

Net change in fund net position - total enterprise funds (page 25)	\$ 124,073
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Internal service funds are used by management to charge the costs of risk management to individual funds. The net revenue of the general liability and workers' compensation internal service funds are included in business-type activities in the Statement of Net Position. Additionally, the effect of allocating the workers' compensation Internal Service Fund loss to the governmental activities is included in this difference.	(3,198)
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Change in net position of business-type activities (page 17)	<u>\$ 120,875</u>
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See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor- OC Streetcar	Total	Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 32,682	\$ 73,073	\$ 61,103	\$ —	\$ 166,858	\$ —
Receipts from interfund services provided	—	—	—	—	—	10,347
Payments to suppliers	(189,404)	(11,076)	(20,325)	(166)	(220,971)	(1,817)
Payments to claimants	—	—	—	—	—	(8,902)
Payments to employees	(140,984)	—	—	—	(140,984)	—
Payments for interfund services used	(56,909)	(4,070)	(3,209)	(1,142)	(65,330)	(323)
Advertising revenues received	3,375	—	—	—	3,375	—
Miscellaneous revenues received	15,338	968	9	—	16,315	739
Net cash provided by (used for) operating activities	(335,902)	58,895	37,578	(1,308)	(240,737)	44
Cash flows from noncapital financing activities						
Operating assistance grants received	94,239	—	—	—	94,239	—
Reimbursement from other governments	—	6	—	—	6	—
Property taxes received	23,388	—	—	—	23,388	—
State transit assistance funds received	10,179	—	—	18,693	28,872	—
Transfers from other funds	235,555	—	—	1,307	236,862	11,300
Transfers to other funds	(13,655)	(8,449)	(72,172)	—	(94,276)	(16,545)
Net cash provided by (used for) noncapital financing activities	349,706	(8,443)	(72,172)	20,000	289,091	(5,245)
Cash flows from capital and related financing activities						
Capital grants for acquisition and construction of capital assets	38,064	—	—	—	38,064	—
Receipts from lease agreements	3,420	—	—	—	3,420	—
Arbitrage rebate payment	—	—	(449)	—	(449)	—
Principal payment on long-term debt	—	(5,820)	—	—	(5,820)	—
Interest paid on long-term debt	—	(2,232)	(56)	—	(2,288)	—
Acquisition and construction of capital assets	(86,875)	(964)	(909)	—	(88,748)	—
Net cash used for capital and related financing activities	(45,391)	(9,016)	(1,414)	—	(55,821)	—
Cash flows from investing activities						
Investment earnings	43,123	19,686	5,620	658	69,087	2,802
Net cash provided by investing activities	43,123	19,686	5,620	658	69,087	2,802
Net increase (decrease) in cash and cash equivalents	11,536	61,122	(30,388)	19,350	61,620	(2,399)
Cash and cash equivalents at beginning of year	774,175	317,318	89,707	—	1,181,200	59,040
Cash and cash equivalents at end of year	\$ 785,711	\$ 378,440	\$ 59,319	\$ 19,350	\$1,242,820	\$ 56,641
Reconciliation of cash and cash equivalents to statement of net position:						
Cash and investments	\$ 702,356	\$ 365,037	\$ 20,964	\$ —	\$1,088,357	\$ 56,641
Restricted cash and investments	83,355	13,403	38,355	19,350	154,463	—
Total cash and cash equivalents	\$ 785,711	\$ 378,440	\$ 59,319	\$ 19,350	\$1,242,820	\$ 56,641

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Cash Flows
Proprietary Funds, Continued
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor- OC Streetcar	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	\$(364,473)	\$ 53,301	\$ 21,258	\$ (1,324)	\$(291,238)	\$ (1,324)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation and amortization expense	33,333	2,395	15,288	6	51,022	—
Amortization of toll road franchise agreement	—	2,586	—	—	2,586	—
Other nonoperating revenues	13,727	968	9	—	14,704	—
Insurance recoveries	—	—	—	—	—	739
Change in assets and liabilities:						
Receivables	611	(2,839)	2,434	—	206	(139)
Due from other governments	(144)	—	—	—	(144)	—
Inventory	(281)	—	—	—	(281)	—
Prepaid retirement	(1,092)	—	—	—	(1,092)	—
Other assets	82	10	(18)	—	74	9
Deferred outflows of resources - pensions	(52,707)	—	—	—	(52,707)	—
Accounts payable	(11,185)	1,776	(2,819)	10	(12,218)	66
Accrued payroll and related items	(1,812)	—	—	—	(1,812)	—
Compensated absences	3,203	—	—	—	3,203	—
Claims payable	—	—	—	—	—	693
Due to other governments	2,142	746	581	—	3,469	—
Unearned revenue	—	(220)	820	—	600	—
Other liabilities	253	172	25	—	450	—
Total OPEB liability	(26)	—	—	—	(26)	—
Net pension liability	(17,192)	—	—	—	(17,192)	—
Deferred inflows of resources - pensions	59,635	—	—	—	59,635	—
Deferred inflows of resources - OPEB	24	—	—	—	24	—
Total adjustments	28,571	5,594	16,320	16	50,501	1,368
Net cash provided by (used for) operating activities	\$(335,902)	\$ 58,895	\$ 37,578	\$ (1,308)	\$(240,737)	\$ 44
Noncash capital, financing and investing activities:						
Amortization of bond premium	\$ —	\$ 618	\$ —	\$ —	\$ 618	\$ —
Amortization of deferred loss on refunding 2003 series	—	670	—	—	670	—
Amortization of deferred gain on refunding 2013 series	—	644	—	—	644	—
Addition in other long-term liabilities related to PPP	—	—	2,395	—	2,395	—
Amortization of deferred outflows related to PPP	—	—	2,771	—	2,771	—
Amortization of deferred inflows on refunding	—	—	7,110	—	7,110	—
Capital assets accrued in payables	4,854	2,365	2,191	65	9,475	—
Change in fair value of investments	520	160	125	44	849	235
Interest accretion on TIFIA loan	—	—	12,377	—	12,377	—
Interfund capital assets transfer	—	—	—	222	222	—

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025
(amounts expressed in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

On June 20, 1991, under the authority of Senate Bill 838, the Orange County Transportation Authority (OCTA) was formed as a special district by merging the following agencies and funds:

- Orange County Transportation Commission (OCTC)
- Orange County Transit District (OCTD)
- Orange County Local Transportation Fund (LTF)
- Orange County Unified Transportation Trust (OCUTT)
- Transit Development Reserve
- Orange County Local Transportation Authority (LTA)
- State Transit Assistance Fund (STAF)
- Orange County Service Authority for Freeway Emergencies (SAFE)
- Orange County Consolidated Transportation Services Agency (CTSA)
- Orange County Congestion Management Agency

On January 3, 2003, OCTA purchased from the California Private Transportation Company (CPTC) its interest in a franchise agreement for a toll facility (see note 7).

The OCTA Board of Directors (Board) consists of 18 members. Five members are the Orange County Board of Supervisors, 10 members are city representatives (one per supervisorial district selected by population-weighted voting, and one per supervisorial district selected on a one-city, one-vote method), two public members (neither of whom can be an elected official or have been an elected official during the previous four years), and one is a non-voting ex-officio member appointed by the governor (Caltrans District Director).

The accompanying financial statements present the government and its component units, entities for which OCTA is considered accountable. Blended component units are, in substance, part of the government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The Orange County Local Transportation Authority (LTA), a blended component unit of OCTA, was created pursuant to the provisions of the Local Transportation Authority and Improvement Act commencing with Section 180000 of the California Public Utilities Code and pursuant to Ordinance No. 2, adopted by the Board of Directors of the LTA on August 2, 1989. The Board also serves as the Board of Directors for the LTA. Management of OCTA is responsible for the operations of LTA. Separate financial statements for the LTA are prepared and available from the OCTA Finance and Administration Division.

The Orange County Service Authority for Freeway Emergencies (SAFE), a blended component unit of OCTA, was created by Senate Bill 1199 which authorized the County Board of Supervisors, upon approval from a majority of the cities with a majority of the population, to establish SAFE. In 1986, SAFE began the implementation and operation of a freeway system of call boxes to help with motorist emergencies. SAFE is funded by a \$1.00 (absolute dollars) fee paid at the time of vehicle registration. The Board also serves as the Board of Directors for SAFE. Management of OCTA is responsible for the operations of SAFE. Separate financial statements are not issued for SAFE.

The Orange County Transit District (OCTD), a blended component unit of OCTA, was created by an act of the California State Legislature in 1965 and approved by the voters of Orange County in November 1970. OCTD commenced operating a public transportation system in Orange County in August 1972. OCTD is

ORANGE COUNTY TRANSPORTATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

primarily funded by the Local Transportation Fund (LTF), which is derived from a one-quarter cent of the general sales tax collected statewide. The Board also serves as the Board of Directors for OCTD. Management of OCTA is responsible for the operations of OCTD. Separate financial statements are not issued for OCTD.

There are many other governmental agencies, including the County of Orange (County), providing service within the area served by OCTA. These other governmental agencies have independently elected governing boards and are, therefore, not under the direction of OCTA. Financial information for these agencies is not included in the accompanying financial statements.

OCTA is funded primarily by sales taxes, farebox collections, tolls, property taxes, gasoline sales tax and various federal and state grant programs. OCTA oversees most Orange County bus and rail transit and the 91/405 Express Lanes operations, administers the Measure M program (one-half percent sales tax revenues), coordinates freeway and regional road projects, and serves as the local advocate and facilitator of state and federal transportation funding programs.

Basis of Presentation

OCTA's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements that provide a more detailed level of financial information.

Government-wide Statements: The statement of net position and the statement of activities report information for all of the nonfiduciary activities of OCTA. The effect of interfund activity, except for internal service fund activity provided and used, has been eliminated from these statements. Internal service fund activity predominately serves the OCTD Enterprise Fund and, therefore, the net balances are included in the business-type activities. Indirect costs have been allocated to the functions/programs on the statement of activities in a separate column entitled "Indirect Expense Allocation." Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on charges and fees for support.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Interest expense related to the sales tax revenue bonds and commercial paper, the taxable bonds, and advances from OCTA funds is reported as a direct expense of the Measure M program, fixed route, and toll road functions, respectively, as it would be misleading to exclude the interest from direct expenses and the borrowings are considered essential to the creation or continuing existence of these programs. For the year ended June 30, 2025, interest expense (income) of \$26,149 and \$7,670, was included in Measure M and toll road program costs, respectively. Program revenues include: charges to customers or applicants who purchase, use, directly benefit from services or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Sales tax and other revenues are not reported as program revenues and instead, are reported as general revenues.

Fund Financial Statements: The fund financial statements provide information about OCTA's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

OCTA reports the following major governmental funds:

- **General Fund** – This fund is the general operating fund of OCTA. It is used to account for the financial resources of the general government as well as the transit operations of OCTA, except for those required to be accounted for in another fund. Due to the implementation of GASB Statement No. 84, Fiduciary Activities, the Additional Retiree Benefit Account (ARBA) fund and the Scholarship fund, previously reported as fiduciary funds, are reported as part of the General fund effective fiscal year 2020-21.
- **Local Transportation Authority (LTA) Fund** – This special revenue fund accounts for revenues received and expenditures made and is restricted for the implementation of the Orange County Traffic Improvement and Growth Management Plan (Measure M). Funding is provided by a one-half percent sales and use tax assessed for twenty years pursuant to Measure M, which became effective April 1, 1991, and more recently was renewed for an additional 30 years from April 1, 2011 to March 31, 2041. The Measure M ordinance, as approved in an election by the voters of Orange County, requires that sales tax revenues only be expended on projects included in the ordinance. In addition to sales tax proceeds, the LTA fund is supported by other funding sources, including investment income, state and federal grants, other contributions, and miscellaneous revenues. Effective fiscal year 2023-24, the Common Urban Rail Endowment (CURE) fund previously reported under the General fund is presented as part of LTA fund.
- **Local Transportation Fund (LTF)** – This special revenue fund accounts for revenues received and expenditures made and is restricted for use on certain transit projects within Orange County. Funding is generated from a one-quarter percent state sales and use tax pursuant to the California Transportation Development Act (TDA). Expenditures of these monies must be made in accordance with TDA provisions.
- **LTA Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the LTA.
- **General Capital Project Fund** – This fund is used to account for transportation capital projects.

OCTA reports the following major enterprise funds:

- **Orange County Transit District (OCTD) Fund** – This fund accounts for the transit operations of OCTA. The primary sources of funding for transit operations are the TDA one-quarter percent sales tax, farebox collections and federal/state grants.
- **91 Express Lanes Fund** – This fund accounts for the operations of the 91 Express Lanes. The primary source of funding for the operations is toll revenues and related fees.
- **405 Express Lanes Fund** – This fund accounts for the operations of the 405 Express Lanes. The primary source of funding for the operations is toll revenues and related fees.

Additionally, OCTA reports the following fund types:

- **Internal Service Funds** – These funds account for the risk management activities of OCTA, which are managed through a combination of purchased insurance and self-insurance. OCTA's internal services funds are the General Liability fund and the Worker's Compensation fund.

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

Measurement Focus and Basis of Accounting

The government-wide and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Tolls are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenues are recognized when customers utilize the toll road facility. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, OCTA considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt and compensated absences of governmental funds are recorded only when payment is due.

Revenues susceptible to accrual are sales and gas taxes collected and held by the state at year-end on behalf of OCTA, intergovernmental revenues, interest revenue, charges for services, and fines and fees. In applying the susceptible to accrual concept to intergovernmental revenues, there are two types of revenues. For one, monies must be expended for the specific purpose or project before any amounts will be paid to OCTA; therefore, revenues are recognized when the relevant expenditures incurred and availability criteria met. In the other, monies are unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of OCTA's proprietary funds are charges to customers for services. Operating revenues relating to the 91 and 405 Express Lanes are presented net of discounts and allowances. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Investments

OCTA maintains cash and investments in accordance with the Investment Policy (Policy) originally adopted by the Board on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). The majority of OCTA's investments are managed by four private sector investment managers. At June 30, 2025, the investment portfolios were held by U.S. Bank as custodial bank. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes, with investment earnings allocated to the different accounts based on average daily account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

assets in markets that are not active; Level 3 inputs are unobservable inputs. Most of OCTA's leveled investments are measured using Level 2 inputs.

Investments in U.S. government and U.S. agency securities, medium-term notes, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value. The Orange County Investment Pool (OCIP) is carried at fair value based on the value of each participating dollar as provided by the OCIP. The state managed Local Agency Investment Fund (LAIF) is carried at amortized cost.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market mutual funds, mortgage or asset-backed securities, supranationals, LAIF, OCIP, investment pools, variable and floating rate securities, bank deposits and derivatives.

Investment of debt proceeds held by trustees are governed by provisions of the indentures for each obligation, rather than the general provisions of the California Government Code or OCTA's investment policy. The investment of these debt proceeds is in accordance with the Permitted Investments section and applicable account restrictions outlined in the indenture of each debt obligation. Under certain indentures, guaranteed investment contracts are allowed.

LAIF is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. Investments in OCIP are limited to those funds legally required to be deposited in the County Treasury. Oversight of the OCIP is conducted by the County Treasury Oversight Committee.

All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy. Outside portfolio managers must review, on an ongoing basis, the portfolio they manage (including bond proceeds portfolios) to ensure compliance with OCTA's diversification guidelines.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, certificates of deposit, commercial paper, money market funds, and the proprietary funds' share of OCTA's commingled investment pool represent cash and cash equivalents for cash flow purposes.

Receivables

Receivables include an estimate for outstanding unpaid violations of the 91 and 405 Express Lanes that OCTA anticipates to collect. For violations less than 90 days old, the receivable is based on a 12-month average of violations collected during that time and is recorded net of an allowance for uncollectible accounts. For those violations in excess of 90 days, the receivable is estimated using a three-year average of violations collected and is recorded net, as the majority is not considered probable of collection. Additionally, the 91 and 405 Express Lanes records a receivable for amounts owed from customers net of an allowance.

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

Since the 405 Express Lanes has only been in operation for less than two years, there is no sufficient collection history to determine the collection percentage. Due to the similarities between the 91 and 405 Express Lanes, OCTA used the collection percentage from the 91 Express Lanes to estimate the outstanding unpaid violations for the 405 Express Lanes for fiscal year 2024-25.

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered. There are also numerous transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances, including internal financing balances, are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

As a centralized transportation planning and administration agency, OCTA allocates costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, administrative services of \$100,136 were charged to other OCTA funds from the general fund. These charges for services are reported as general government expenditures in governmental fund types and as administrative services expenses in the proprietary fund types.

Internal service funds are utilized by OCTA to account for risk management activities in the areas of general liability and workers' compensation. Charges for risk management services are reported as general government expenditures in the governmental funds receiving the services and as wages, salaries and benefits or other operating expenses in the proprietary funds. The risk management internal service funds charged \$10,338 to OCTA's operating funds.

Inventory

All inventory is valued at cost using the average cost method, which approximates market.

Prepaid Retirement

Orange County Employee Retirement System (OCERS) provides a 7.00% discount to employers for early payment of employer contributions. OCTA elected to prepay employer contributions for fiscal year 2025-26 in order to benefit from this discount. Since OCERS records the prepaid retirement as a liability (unearned contributions) and recognizes them over the periods of the related payroll, the prepaid retirement is reported by OCTA as a prepaid asset in the governmental fund financial statements (modified accrual).

Restricted Cash and Investments

Certain proceeds of OCTA's long-term debt, as well as certain resources set aside for their repayment or capital maintenance, are classified as restricted investments, because they are maintained in separate investment accounts and their use is limited by applicable debt covenants.

In addition, OCTA has restricted investments held by the California Community foundation (CCF). The amount invested in the CCF investment pool is a restricted asset as approved for funding by the OCTA Board of Directors in October of 2014. The CCF is headquartered in Los Angeles, California. CCF is a community foundation and holds a 501(c)3 status, which meets California State Government Code requirements for community foundations. Legislation providing for OCTA to use a qualified organization to hold and manage the endowment is provided in Government Code §§65965-65968. An investment committee is responsible for oversight of the foundation's investment pools. The Endowment Pool is a diversified pool invested for long-term growth and appreciation while providing a relatively predictable

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

stream of distributions that keeps the pace with inflation over time. The pool includes a mix of asset classes including equities, fixed income, hedge funds, real assets and venture capital. The target asset allocation is approximately 50% public equity, 20% fixed income, 15% hedge funds, 10% real assets and 5% private equity and venture capital.

The purpose of the agreement between CCF and OCTA is to provide for the establishment of a fund within the CCF to receive and hold M2 Environmental Mitigation Program contributions made by OCTA during the endowment funding period for use in establishing the permanent endowment pursuant to the conservation plan. OCTA is the beneficiary of the fund and, therefore, has reported a restricted asset in the financial statements.

The CCF shall hold, administer, invest, and reinvest the fund in accordance with the CCF's proposal and the objectives set forth in the Scope of Work of the Request for Proposal, each of which is incorporated into the agreement by reference, and in compliance with all applicable state and federal laws, including, but not limited to, Sections 65965, 65966, 69667, and 65968 of the California Government Code and the Uniform Prudent Management of Institutional Funds Act, California Probate Code Section 18501 et seq. The agreement shall remain in place in full force and effect through December 31, 2029.

With the implementation of GASB Statement No. 84, Fiduciary Activities, the assets related to Additional Retiree Benefit Account (ARBA) supplemental pension plan through OCERS, previously reported in fiduciary fund, are reported in General fund effective fiscal year 2020-21. The assets are held in a revocable trust and are classified as restricted investments.

Starting fiscal year 2024-25, restricted cash and investments include amounts received pursuant to Senate Bill (SB) 125. In accordance with the provisions of SB 125, these resources are restricted for the support of transit infrastructure, operations, and capital improvements. Accordingly, such funds are not available to finance the general operating activities and classified as restricted cash and investments

Assets Held for Resale

OCTA holds title to property in connection with the purchase of rights-of-way for infrastructure not held by OCTA. These assets are reported as assets held for resale in the governmental activities column in the government-wide financial statements except in cases in which OCTA has entered into a sales contract prior to the issuance of the financial statements. In these cases, the assets held for resale are reported in the governmental funds financial statements. Proceeds received will be reimbursed to the fund in which the initial expenditure was recorded.

Capital Assets

Capital assets include land, construction in progress, buildings and improvements, infrastructure, machinery, equipment and furniture, transit vehicles, toll facility franchise, transponders, intangible right-to-use lease assets, and intangible right-to-use subscription-based information technology arrangements (SBITA) assets, and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by OCTA as assets with an initial, individual cost of more than \$5 and a useful life exceeding one year. OCTA also capitalizes non-sticker transponder purchases, as they are considered a significant class of assets even though individually their cost is less than \$5. OCTA also capitalizes assets whose individual acquisition costs are less than the threshold for an individual asset, but are significant in aggregate.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the donation date. OCTA also records the

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year over the shorter of lease term or useful life of the asset. In addition, OCTA records the value of intangible right-to-use subscription assets in accordance with GASB Statement No. 96, SBITAs. The subscription asset is amortized year over the shorter of the subscription term or the useful life of the underlying IT assets.

Freeway construction and certain purchases of right-of-way property, for which title vests with Caltrans, are included in capital outlay. Infrastructure consisting primarily of freeway construction and right-of-way acquisition is not recorded as a capital asset in those instances where OCTA does not intend to maintain or operate the property when complete.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Buildings and improvements	10-30 years
Leasehold improvements	Lease term
Infrastructure - PPP assets	40-50 years
Machinery, equipment and furniture	3-10 years
Transit vehicles	3-18 years
Transponders	5-7 years
Lease assets - building	20-30 years
Lease assets - equipment	3 years
Subscription assets - SBITA	3 years
Toll franchise facility	63 years

Leases

OCTA is a lessee for a noncancellable lease of buildings and equipment. OCTA recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. OCTA recognizes lease liabilities with an initial, individual value of \$5 or more.

At the commencement of a lease, OCTA initially measures the lease liabilities at the present value of payments expected to be made during the lease term. Subsequently, the lease liabilities are reduced by the principal portion of the lease payments made. The lease assets are initially measured as the initial amount of the lease liabilities, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease assets are amortized on a straight-line basis over the shorter of its useful life or the lease term.

Key estimates and judgments related to lease include how OCTA determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. OCTA uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, OCTA generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liabilities are composed of fixed payments and purchase option price that OCTA is reasonably certain to exercise.

OCTA monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect

ORANGE COUNTY TRANSPORTATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

the amount of the lease liabilities. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

OCTA is the lessor under a noncancellable land lease. Beginning in fiscal year 2024–25, OCTA also became the lessor of office spaces in its newly acquired headquarters building. OCTA recognizes lease receivable and deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, OCTA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable are reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how OCTA determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. OCTA uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

OCTA monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

OCTA recognizes subscription assets (intangible right-to-use asset) and a corresponding subscription liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges OCTA, when available, or estimated incremental borrowing rate as the discount rate for SBITAs. OCTA recognizes amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods.

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. OCTA recognizes amortization of the subscription asset as an outflow of resources over the subscription term.

Compensated Absences

Vacation, sick leave, and other compensated absences are earned in accordance with OCTA policies and collective bargaining agreements. Effective fiscal year 2024–25, OCTA implemented GASB Statement No. 101, Compensated Absences. Under this guidance, compensated absences are recognized as a liability when earned, provided the leave is attributable to services already rendered, accumulation is permitted, and it is probable that the leave will be used for time off or otherwise paid or settled. The compensated absences liability is measured using the first-in, first-out (FIFO) assumption for leave usage. Under this approach, leave is assumed to be used in the order earned. The liability is calculated based on the pay rates in effect at the financial statement date and includes applicable salary-related payments.

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

In the governmental funds, only the portion of compensated absences expected to be liquidated with expendable available financial resources is reported as a fund liability. The long-term liability is reported in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements include a separate section for deferred outflows of resources. This separate financial statement element; deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. OCTA has four items that qualify for reporting in this category, which are reported in the government-wide statement of net position. The first item is a deferred outflow related to loss on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred outflow related to pensions, which represents OCTA's pension contributions made subsequent to the measurement date, change of assumptions, difference between expected and actual experience, and the net difference between projected and actual earnings on plan investments. The third item is the deferred outflow related to other postemployment benefits (OPEB), which represents the change of assumptions and difference between expected and actual experience. The fourth item is the deferred outflow related to Public-Private Partnerships (PPP) which is measured based on the estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. This amount is deferred and amortized over the shorter of the PPP term or the useful life of the underlying PPP asset. Refer to note 12 for information related to amortization of deferred outflows of resources related to PPP.

In addition to liabilities, the financial statements include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. On the modified accrual basis of accounting, OCTA has one type of deferred inflow, unavailable revenue. The governmental funds report unavailable revenue from multiple sources for grant reimbursements. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, OCTA has four deferred inflow of resources reported in the government-wide statement of net position. These items are the deferred inflow related to leases, which represent value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods; deferred inflows related to gain on refunding; and pensions and OPEB, which represent the change of assumptions, difference between expected and actual experience, or the net difference between projected and actual earnings on plan investments. Refer to note 8 for information related to amortization of deferred inflows of resources related to leases, note 14 for information related to amortization of the deferred outflows/inflows of resources related to pensions, and note 15 for the amortization of the deferred outflows/inflows related to OPEB.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the OCTA's Orange County Employees Retirement System (OCERS) pension plan, and additions to/ deductions from the plan's fiduciary net position have been determined on the same basis as it is reported by OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

ORANGE COUNTY TRANSPORTATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

Other Postemployment Benefits (OPEB)

OPEB expense, deferred outflows/inflows of resources related to OPEB, and an implied subsidy payment were used to measure the total OPEB liability. OCTA does not provide any cash subsidy towards the benefit, and there are no assets accumulated in a trust for the plan.

Long-Term Debt

In the government-wide financial statements and proprietary fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Risk Management

OCTA accounts for its risk management activities in internal service funds. Separate internal service funds are used for general liability and workers' compensation. Charges by internal service funds to the general fund, certain special revenue funds, and OCTD enterprise fund are based on historical cost information and are adjusted over time, so that internal service fund revenues and expenses are approximately equal. Expenses for the actual or estimated loss from claims are recorded when it is probable that a loss will be incurred and the amount can reasonably be determined. OCTA's risk management activities are a combination of purchased insurance coverage and self-insured risk retention. OCTA's real and personal property, including revenue and non-revenue vehicles, are covered under a commercial property insurance policy. The 91 and 405 Express Lanes enterprise funds have purchased commercial property insurance, including business interruption, earthquake and flood coverage related to the toll facility.

Property Taxes

Property taxes are allocated to OCTA from the County based upon a percentage of real property taxes levied by the County. Following is the property tax calendar:

Lien Date	January 1
Levy Date	4th Monday in September
Due Dates	November 1 and February 1
Collection Dates	December 10 and April 10

Contributions to Other Agencies

Contributions to other agencies primarily represent sales tax revenues received in the LTA fund and disbursed to cities for competitive projects, the local fair share, the senior mobility program, and to other outside agencies for projects which are in accordance with the Measure M ordinance. Additionally, contributions are made to Southern California Regional Rail Authority (SCRRA) by the LTA fund.

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources and is classified into three categories.

- **Net investment in capital assets** – This balance reflects the net position of OCTA that is invested in capital assets, net of related debt. This net position is generally not accessible for other purposes.
- **Restricted net position** – This balance represents net position that is not accessible for general use because their use is subject to restrictions enforceable by third parties. The government-wide statement of net position reports \$1,487,497 of net position restricted by enabling legislation for Measure M projects, debt service, capital/operating reserves, capital projects, transportation programs, pension benefits, and federal/state grants.
- **Unrestricted net position** – This balance represents net position that is available for general use.

Fund Balance Classifications

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which OCTA is bound to honor constraints on the specific purposes for which amounts can be spent.

The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable** – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board, as the highest level of decision making authority, has the ability to commit fund balances through the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the Board removes or modifies the use through the adoption of a subsequent resolution.
- **Assigned** – amounts that are constrained by OCTA's intent to be used for specific purposes and that do not meet the criteria to be classified as restricted or committed. This classification also includes residual amounts in governmental funds, other than the General fund. The Board establishes and modifies assignments of fund balances through the adoption of the budget and subsequent budget amendments. The Board retains the authority to assign fund balances.
- **Unassigned** – this classification includes the residual fund balances for the General fund. It also includes the negative residual fund balances of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

ORANGE COUNTY TRANSPORTATION AUTHORITY

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When both restricted and unrestricted resources are available for use, it is OCTA's policy to use restricted resources first and then unrestricted resources as they are needed. When using unrestricted fund balance amounts, OCTA's Board approved policy is to use committed amounts first, followed by assigned and then unassigned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that “Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.” The details of this \$753,785 difference are as follows:

Capital assets	\$ 783,124
Less accumulated depreciation	(29,339)
Net adjustment to increase fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$ 753,785</u>

Another element of that reconciliation explains that “Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.” The details of this \$(62,865) difference are as follows:

Net pension liability	\$ (41,896)
Total OPEB liability	(875)
Lease liabilities	(16,632)
Subscription liabilities	(2,617)
Compensated absences	(5,410)
Other assets and liabilities	4,565
Net adjustment to decrease fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$ (62,865)</u>

Explanation of certain differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position - governmental activities as reported in the government-wide statement of activities.

ORANGE COUNTY TRANSPORTATION AUTHORITY
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One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense, or allocated to the appropriate functional expense when the cost does not meet the capitalization criteria based on the ownership of the assets.” The details of this \$44,796 difference are as follows:

Capital outlays	\$ 56,108
Proceeds sale of fixed assets	(4,169)
Depreciation and amortization expense	(7,143)
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position – governmental activities	\$ 44,796

Another element of that reconciliation states that “Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.” Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.” The details of this \$32,496 difference are as follows:

Issuance of new debt	\$ (227,565)
Principal and interest payments	296,474
Premium and deferred charge amortization	(36,413)
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position – governmental activities	\$ 32,496

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash	
Deposits	\$ 37,275
Petty cash	7
Total cash	37,282
Investments	
Orange County Treasurer	17,543
LAIF	7,288
Trustee	758,632
Custodian	2,363,414
CA Community Foundation (CCF)	34,085
Total investments	3,180,962
Total cash and investments	\$ 3,218,244

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

Total cash and investments are reported in the following funds:

Unrestricted cash and investments

Governmental funds	\$ 1,188,155
Proprietary funds:	
Enterprise funds	1,088,357
Internal service funds	56,641

Total unrestricted cash and investments	2,333,153
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Restricted cash and investments

Governmental funds	730,628
Proprietary funds:	
Enterprise funds	154,463

Total restricted cash and investments	\$ 885,091
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Total cash and investments	\$ 3,218,244
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As of June 30, 2025, OCTA had the following investments along with weighted average maturity (WAM) information:

Investments	Fair Value	Interest Rate Range (Rounded)	Maturity Range	WAM (Years)
Orange County Investment Pool*	\$ 17,543	3.960% - 4.280%	1 day - 5 years	0.748
Local Agency Investment Fund*	7,288	4.269% - 4.480%	217 - 248 Days	0.679
U. S. Treasuries	1,032,437	0.250% - 4.625%	07/31/25 - 05/31/30	2.512
U. S. Agency Notes	217,584	0.375% - 5.000%	07/01/25 - 01/25/30	1.890
Medium Term Notes	443,691	1.850% - 5.882%	07/01/25 - 06/15/30	2.256
Variable Rate Notes	221,597	1.045% - 6.615%	07/22/26 - 06/25/28	2.775
Mortgage & Asset Backed Securities	331,464	0.680% - 5.900%	05/15/26 - 06/21/30	3.645
Money Market Funds *	717,020	3.960% - 4.250%	07/01/2025	0.003
Municipal Debt	50,286	0.947% - 5.540%	07/01/25 - 06/01/30	2.223
Commercial Paper *	52,220	4.330% - 4.390%	07/07/25 - 08/22/25	0.081
Negotiable CD*	43,915	4.250% - 5.610%	07/07/25 - 02/01/27	0.500
CCF Investment Fund	34,085	NA	NA	NA
Supranational	11,832	3.625% - 4.375%	01/15/27 - 10/16/29	2.712
Total investments	\$ 3,180,962			

Portfolio Weighted	1.892
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* Money market funds, commercial paper, negotiable CD, OCIP, and LAIF are measured at amortized cost which approximates fair value.

OCTA holds investments that are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs - other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

As of June 30, 2025, most of OCTA's investments, categorized within the fair value hierarchy, are classified as Level 2. These investments are valued using the market valuation approach based on quoted prices for similar assets with exception of the investment in the CA Community Foundation Investment Fund (CCF) which is valued by the CCF using significant unobservable inputs and, therefore, classified as Level 3. Unobservable inputs used by CCF include the foundations own assumptions, market comparable rates, capitalization and occupancy rates.

		Fair Value Measurement	
		Significant Observable Inputs	Significant Unobservable Inputs
Investments by fair value level	Total	(Level 2)	(Level 3)
U.S. Treasuries	\$ 1,032,437	\$ 1,032,437	\$ —
U.S. Agency Notes	217,584	217,584	—
Medium Term Notes	443,691	443,691	—
Mortgage & Asset Backed Securities	331,464	331,464	—
Variable Rate Notes	221,597	221,597	—
Municipal Debt	50,286	50,286	—
CCF Investment Fund	34,085	—	34,085
Supranationals	11,832	11,832	—
Total	\$ 2,342,976	\$ 2,308,891	\$ 34,085

Investments not subject to the fair value hierarchy

Money Market Funds	\$ 717,020
Orange County Investment Pool	17,543
Local Agency Investment Fund	7,288
Commercial Paper	52,220
Negotiable Certificate of Deposit	43,915
Total	837,986
Total investments	\$ 3,180,962

Interest Rate Risk

OCTA manages exposure to declines in fair value from increasing interest rates by having an investment policy that limits maturities to five years while also staggering maturities across the portfolio. OCTA maintains a low duration strategy, targeting an estimated average portfolio duration of two to three years or less, with the intent of reducing interest rate risk. Portfolios with low duration are less volatile, therefore, less sensitive to interest rate changes. In accordance with the Policy, amounts restricted for debt service reserves are invested in accordance with the maturity provision of their specific indenture, which may extend beyond five years.

ORANGE COUNTY TRANSPORTATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

As of June 30, 2025, mortgage and asset-backed securities totaled \$331,464. The underlying assets are consumer receivables that include credit cards, auto and home loans. The securities have a fixed interest rate and are rated AA or higher by a nationally recognized statistical rating organizations (NRSROs).

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk in terms of investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Policy requires that a third- party bank custody department hold all securities owned by OCTA. All trades are settled on a delivery versus payment basis through OCTA's safekeeping agent. At June 30, 2025, OCTA did not have any deposits or securities exposed to custodial credit risk and there was no securities lending.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three NRSROs: Standard & Poor's (S&P), Moody's Investor Service (Moody's), and Fitch Rating's (Fitch).

For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt shall be rated no less than an "A" by an NSRSO.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2025 (NR means Not Rated, US means obligation of the United States (U.S.) government or obligations explicitly guaranteed by the U.S. government):

Investments	S&P	Moody's	% of Portfolio
CA Community Foundation Fund	NR	NR	1.07%
Orange County Investment Pool	NR	NR	0.55%
Local Agency Investment Fund	NR	NR	0.23%
U.S. Treasuries	NR	NR	32.46%
U.S. Agency Notes	NR	NR	6.84%
Medium Term Notes			
Johnson & Johnson	AAA	Aaa	0.03%
Apple Inc.	AA	Aaa	0.20%
Corporate Notes	AA	Aa	3.20%
Corporate Notes	AA	A	0.45%
Corporate Notes	A	Aa	1.75%
Corporate Notes	A	A	7.68%
Sammons Financial Group	A	NR	0.03%
Corporate Notes	BBB	A	0.19%
Corporate Notes	BBB	Baa	0.33%
National Rural Utilities	NR	A	0.09%

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

Investments	S&P	Moody's	% of Portfolio
Mortgage and Asset-Backed Securities			
Securities	AAA	Aaa	2.58%
Securities	AAA	NR	4.34%
Verizon	AA	NR	0.02%
Securities	NR	Aaa	3.37%
Nissan	NR	Aa	0.05%
Autonation	NR	NR	0.06%
Variable Rate Notes			
Federal Home Loan Mortgage Corp	AAA	Aa	0.26%
Federal Home Loan Mortgage Corp	AA	Aaa	0.32%
Notes	AA	Aa	1.67%
Notes	A	Aa	0.69%
Notes	A	A	2.83%
Notes	A	Baa	0.15%
Notes	BBB	A	0.90%
Notes	BBB	Baa	0.10%
Federal Home Loan Mortgage Corp	NR	NR	0.05%
Money Market Funds	AAAm	Aaa	22.54%
Municipal Bonds			
Alabama Federal Aid Hwy	AAA	Aa	0.00%
Los Angeles CA Community College	AA	Aaa	0.10%
Various Agencies	AA	Aa	0.22%
San Francisco City & County Arpts	AA	A	0.03%
Various Agencies	AA	NR	0.17%
Various Agencies	A	Aa	0.18%
Various Agencies	A	A	0.16%
Los Angeles California Municipal	A	NR	0.05%
Various Agencies	NR	Aa	0.67%
Commercial Paper			
Barclays	A-1	P-1	1.64%
Certificate of Deposit			
Bank of Montreal	A	P-1	1.04%
Cooperative Rabobank	A	Aa	0.11%
Various	A	A	0.23%
Supranational			
International Bank	AAA	Aaa	0.37%
Total investments			100%

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the OCTA's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the OCTA's investment portfolio at June 30, 2025.

Investment in State Investment Pool

OCTA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code. The Investment Advisory Board provides oversight for LAIF, consisting of five members as designated by statute, which includes the Treasurer of the State of California. The value of OCTA's investment in this pool is reported on an amortized cost basis in the accompanying financial statements, based upon OCTA's pro-rata share of the entire LAIF portfolio.

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Deposits and withdrawals are made on the basis of \$1.00 (absolute dollars) and not fair value.

Investment in Orange County Investment Pool

The TDA guidelines require the California Department of Tax and Fee Administration (CDTFA) to deposit State Transit Assistance and Local Transportation funds with the OCIP until claimed by OCTA. OCIP is monitored by the Treasury Oversight Committee (TOC) established by the County of Orange Board of Supervisors on December 19, 1995 by Resolution No. 95-946. The TOC reviews and monitors the annual investment policy prepared by the Treasurer in accordance with Government Code §27133. The value of OCTA's investment in this pool is reported on an amortized cost basis in the accompanying financial statements, based upon OCTA's pro-rata share of the entire OCIP portfolio, which is adjusted by the application of a fair value factor provided by OCIP. Deposits and withdrawals are made on the basis of \$1.00 (absolute dollars) and not fair value.

Investment in CA Community Foundation Investment Pool

The fair value of OCTA's investment in this pool is reported in the accompanying financial statements at amounts based upon OCTA's pro-rata share of the fair value provided by CCF for the entire CCF portfolio (in relation to the amortized cost of that portfolio).

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

4. GRANTS AND STATE ASSISTANCE

Operating Assistance Grants

Under provisions of the Federal Transit Administration (FTA), funds are available to OCTA for Americans with Disabilities Act (ADA) paratransit operating assistance, preventive maintenance, capital cost of contracting, demonstration projects, transportation planning, and related services. The appropriations for fiscal year 2024-25 total \$68,274. A receivable of \$64,650 is outstanding as of June 30, 2025.

Capital Grants

Under the provisions of FTA, appropriations are available for the development and capital investments for a public transportation system including the acquisition and construction of facilities, transit vehicles and related support equipment. The appropriations for fiscal year 2024-25 related to capital investments total \$5,793. A receivable of \$25,440 is outstanding as of June 30, 2025.

Local Transportation Fund

In fiscal year 2024-25, LTF received revenues from a one-quarter percent state sales and use tax through provisions of the TDA, as amended. Under TDA, revenues are to be made available to OCTD for planning, paratransit, and for operating expenses. In fiscal year 2024-25, OCTA became entitled to \$136,887 in LTF revenues. The remaining revenues received by LTF were contributed to other claimants for administration, planning, and operations.

State Transit Assistance Program

State Transit Assistance (STA) revenue is generated by the state sales tax on diesel fuel as specified under the gas tax swap enacted in March 2010. The Road Repair and Accountability Act of 2017, signed into law April 2017, provided additional funding under the State of Good Repair (SGR) Program. This program is funded from a portion of Transportation Improvement Fee on vehicle registrations and provides transit operators in California funding for eligible transit maintenance, rehabilitation, and capital projects. OCTA received \$43,699 and \$7,446 in STA and SGR respectively, in fiscal year 2024-25.

The Low Carbon Transit Operations Program

The Low Carbon Transit Operations Program (LCTOP) is used to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. In fiscal year 2024-25, OCTA received LCTOP funds allocation of \$10,350, which are held in an interest-bearing account. Grant revenue is recognized when all eligibility requirements have been met. As of June 30, 2025, unspent amounts of \$22,028 are reported as unearned revenue until program conditions are satisfied.

State of California under Senate Bill (SB) 125

OCTA receives grant funding from the State of California under Senate Bill (SB) 125, which provides additional appropriations to support transit infrastructure, operations, and capital improvements. These funds are administered through the California State Transportation Agency (CalSTA) and allocated to eligible transit agencies for the purpose of enhancing mobility, reducing greenhouse gas emissions, and improving the state's public transportation systems. In fiscal year 2024-25, OCTA was awarded \$262,838 in SB 125 funding, and these funds are held in an interest-bearing account. As of June 30, 2025, remaining amounts of \$209,171 are reported as restricted cash and investments.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

5. DUE FROM/TO OTHER GOVERNMENTS

Amounts due from other governments as of June 30, 2025 in the fund financial statements are as follows:

	Governmental Funds				Enterprise Funds				
Due From	General	LTA	LTF	Nonmajor Gov Funds	OCTD	91 EL	Nonmajor Enterprise	Total	
Sales taxes	\$ —	\$ 74,525	\$ 37,087	\$ 12,258	\$ —	\$ —	\$ —	\$ 123,870	
Projects	610	8,184	—	—	337	—	—	9,131	
Other	2,915	1,780	—	500	5,341	77	62	10,675	
Total	\$ 3,525	\$ 84,489	\$ 37,087	\$ 12,758	\$ 5,678	\$ 77	\$ 62	\$ 143,676	

Amounts due to other governments as of June 30, 2025 are as follows:

Due To	Governmental Funds				Enterprise Funds				Total
	General	LTA	LTF	General Capital Project	Nonmajor Gov Funds	OCTD	91 EL	405 EL	
Projects	\$ 155	\$ 34,777	\$ —	\$ 62	\$ 40	\$ 4,314	\$ 152	\$ 1,025	\$ 40,525
Other	8	9,578	244	—	—	149	2,215	43	12,237
Total	\$ 163	\$ 44,355	\$ 244	\$ 62	\$ 40	\$ 4,463	\$ 2,367	\$ 1,068	\$ 52,762

6. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The composition of interfund balances at June 30, 2025 is as follows:

Due to/from other funds

Payable Funds	Receivable Funds					Total
	General	LTA	General Capital Project	Nonmajor Gov Funds	OCTD	
LTA	\$ —	\$ —	\$ 5,946	\$ 88	\$ 2,678	\$ 8,712
LTF	389	—	—	—	—	389
Nonmajor Gov Funds	—	—	—	—	12,258	12,258
OCTD	—	—	479	—	—	479
91 EL	—	8,848	—	—	—	8,848
Total	\$ 389	\$ 8,848	\$ 6,425	\$ 88	\$ 14,936	\$ 30,686

The due to/from other funds arise due to short-term funding for certain projects, operations, and temporary cash deficit.

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

Interfund transfers

Transfers Out	Transfers In								
	General	LTA	LTA Debt Service	General Capital Project	Nonmajor Gov Funds	OCTD	Nonmajor Enterprise	Internal Service	Total
LTA	\$ —	\$ —	\$ 58,966	\$ 27,547	\$ 4,910	\$ 12,584	\$ 1,298	\$ —	\$ 105,305
LTF	5,062	—	—	—	—	131,823	—	—	136,885
LTA Debt Service	—	14,025	—	—	—	—	—	—	14,025
General Capital Project	—	149,841	—	—	—	—	—	—	149,841
Nonmajor Gov Funds	—	—	—	—	—	94,539	—	—	94,539
OCTD	—	1,788	—	989	—	—	—	11,300	14,077
91 EL	—	8,116	—	—	—	—	—	—	8,116
405 EL	—	72,172	—	—	—	—	—	—	72,172
Internal Service	16,545	—	—	—	—	—	—	—	16,545
Total	\$21,607	\$245,942	\$ 58,966	\$ 28,536	\$ 4,910	\$238,946	\$ 1,298	\$ 11,300	\$611,505

Interfund transfers reflect a flow of assets between funds and blended component units of the primary governments without an equivalent flow of assets in return. The purpose of these transfers were primarily to: 1) relay cash from LTA fund to LTA Debt Service fund for the payment of long-term obligations, 2) provide resources to fund various project costs such as SR-91 Improvement Project, I-405 Improvement Project, Transportation Security Operations Center (TSOC) construction project and OC Streetcar project 3) to provide funding for operating and capital costs for OCTA bus program, 4) transfer Measure M sales tax revenues to support various services/programs such as fare stabilization program, stationlink services rail feeder, and i-Shuttle project.

7. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 172,236	\$ —	\$ —	\$ —	\$ 172,236
Right-of-way improvements	7,300	—	—	—	7,300
Construction in progress	499,967	52,559	—	(502)	552,024
Total capital assets, not being depreciated	679,503	52,559	—	(502)	731,560
Capital assets, being depreciated:					
Buildings and improvements	2,003	14	—	144	2,161
Machinery, equipment and furniture	10,270	468	(23)	358	11,073
Lease assets - building	32,006	—	—	—	32,006
Lease assets - equipment	244	—	—	—	244
Subscription asset - SBITA	2,060	5,149	(1,129)	—	6,080
Total capital assets, being depreciated	46,583	5,631	(1,152)	502	51,564

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Less accumulated depreciation for:					
Buildings and improvements	\$ (1,465)	\$ (80)	\$ —	\$ —	\$ (1,545)
Machinery, equipment and furniture	(7,949)	(925)	23	—	(8,851)
Lease assets - building	(12,663)	(4,221)	—	—	(16,884)
Lease assets - equipment	(35)	(101)	—	—	(136)
Subscription assets - SBITA	(1,106)	(1,816)	999	—	(1,923)
Total accumulated depreciation	(23,218)	(7,143)	1,022	—	(29,339)
Total capital assets, being depreciated, net	23,365	(1,512)	(130)	502	22,225
Governmental activities capital assets, net	702,868	51,047	(130)	—	753,785
Business-type activities					
Capital assets, not being depreciated:					
Land	57,106	35,346	—	—	92,452
Land - PPP assets	27,438	2,326	—	—	29,764
Construction in progress	16,489	18,960	—	(9,236)	26,213
Total capital assets, not being depreciated	101,033	56,632	—	(9,236)	148,429
Capital assets, being depreciated and amortized:					
Buildings and improvements	157,364	19,352	—	758	177,474
Leasehold improvements	6,039	2	—	—	6,041
Infrastructure - PPP assets	406,287	—	(1,186)	—	405,101
Transit vehicles	415,013	15,765	(29,398)	8,318	409,698
Machinery, equipment and furniture	116,796	8,651	(5,485)	160	120,122
Lease assets - building	9,601	—	—	—	9,601
Subscription assets - SBITA	680	32	—	—	712
Toll facility franchise	205,264	—	—	—	205,264
Total capital assets, being depreciated and amortized	1,317,044	43,802	(36,069)	9,236	1,334,013
Less accumulated depreciation and amortization for:					
Buildings and improvements	\$ (106,172)	\$ (5,561)	\$ —	\$ —	\$ (111,733)
Leasehold improvements	(4,449)	(176)	—	—	(4,625)
Infrastructure - PPP assets	(4,605)	(8,101)	—	—	(12,706)
Transit vehicles	(232,896)	(23,069)	29,092	—	(226,873)
Machinery, equipment and furniture	(75,821)	(10,408)	3,243	—	(82,986)
Lease assets - building	(1,612)	(707)	—	—	(2,319)
Subscription assets - SBITA	(339)	(228)	—	—	(567)
Toll facility franchise	(97,916)	(2,587)	—	—	(100,503)
Total accumulated depreciation and amortization	(523,810)	(50,837)	32,335	—	(542,312)
Total capital assets, being depreciated and amortized, net	793,234	(7,035)	(3,734)	9,236	791,701
Business-type activities capital assets, net	894,267	49,597	(3,734)	—	940,130
Total capital assets, net	\$1,597,135	\$ 100,644	\$ (3,864)	\$ —	\$1,693,915

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 7,073
Measure M program	20
Motorist services	50
Total depreciation expense - governmental activities	7,143
Business-type activities	
Fixed route	30,365
Paratransit	2,968
Tollroad	17,499
Local rail	5
Total depreciation expense - business-type activities	50,837
Total depreciation expense	\$ 57,980

Toll Facility Franchise

On January 3, 2003, OCTA acquired from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the operation of a 10-mile toll facility on State Route (SR) 91 between the Orange/Riverside County line and SR-55. This acquisition was authorized by Assembly Bill (AB) 1010 (Correa), enacted in September 2002, which granted OCTA the authority to collect tolls and finance related costs through 2030, while eliminating non-compete provisions that restricted improvements along SR-91. The Franchise Agreement, originally between CPTC and the California Department of Transportation (Caltrans), provided CPTC with the right to develop, construct, and operate the toll facility under a 35-year lease; Caltrans retains legal title to the real property, and no franchise fees or installment payments are owed to Caltrans.

In September 2008, Senate Bill (SB) 1316 (Correa) updated AB 1010, authorizing OCTA to assign its franchise rights and obligations in the Riverside County portion of SR-91 to the Riverside County Transportation Commission (RCTC). This legislation permitted RCTC to expand the corridor by adding toll and general-purpose lanes and extended the maximum franchise term to December 31, 2065. SB 1316 also required OCTA and RCTC to coordinate tolling operations in the event of such an assignment. In December 2011, OCTA Board approved the assignment of franchise rights, interests, and obligations in the Riverside County portion to RCTC, along with the extension of the expiration date to 2065. The Board also approved a cooperative agreement with RCTC governing the joint operation of the 91 Express Lanes extension.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

8. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, OCTA, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, OCTA is required to recognize a lease receivable and a deferred inflow of resources.

Lease receivable

OCTA is a lessor in several lease agreements for the use of land and office spaces. The terms of these non-cancellable leases include the contractually specified lease period along with any extension options or termination options OCTA is reasonably certain to exercise.

In FY 2024-25, OCTA maintained 28 active lease agreements. The terms of these leases range from 3 to 20 years with interest rates between 1.91% to 3.69%. As of June 30, 2025, the total lease receivable was \$14,791 and the total deferred inflow of resources was \$14,294. During the fiscal year, OCTA recognized cash receipts of \$4,049 in principal and \$381 in interest.

The following is a schedule of future minimum lease receivable as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	\$ 5,174	\$ 368	\$ 5,542
2027	3,336	235	3,571
2028	2,360	156	2,516
2029	1,714	94	1,808
2030	1,153	47	1,200
2031-2035	1,048	23	1,071
2036-2040	6	—	6
Total lease receivable	\$ 14,791	\$ 923	\$ 15,714

Lease liabilities

OCTA has entered into non-cancelable lease agreements with various vendors as a lessee for office facilities and leased equipment. The lease terms include the non-cancelable contract periods as well as any extension options that OCTA is reasonably certain to exercise. As of June 30, 2025, the right-to-use lease asset balance was \$41,851 with accumulated amortization of \$19,339.

In FY 2024-25, OCTA had five (5) active leases agreements. The terms of these leases range from 5 to 25 years with interest rates between 1.57% to 6.28%. OCTA recognized \$4,686 and \$719 in principal and interest payments. As of June 30, 2025, the total lease liabilities was \$24,677.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

The following is a schedule of future minimum lease liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	\$ 4,942	\$ 636	\$ 5,578
2027	5,087	548	5,635
2028	5,331	459	5,790
2029	3,477	370	3,847
2030	601	337	938
2031-2035	1,315	1,449	2,764
2036-2040	2,182	924	3,106
2041-2043	1,742	160	1,902
Total lease liabilities	\$ 24,677	\$ 4,883	\$ 29,560

9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

OCTA adopted GASB Statement No. 96, SBITAs, effective fiscal year 2022-23. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

In fiscal year 2024-25, OCTA recorded subscription payable comprised of five agreements, which OCTA is a lessee for the use of IT arrangements. As of June 30, 2025, OCTA had a subscription liability in the amount of \$2,858. The value of the right-to-use subscription assets as of the end of the current fiscal year was \$6,792 with accumulated amortization of \$2,490.

The following is a schedule of future minimum subscription liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	\$ 1,601	\$ 84	\$ 1,685
2027	1,177	36	1,213
2028	80	2	82
Total subscription liabilities	\$ 2,858	\$ 122	\$ 2,980

10. CLAIMS LIABILITY

OCTA is self-insured for workers' compensation and general liability claims. Workers' compensation claims are self-insured with a maximum amount of \$750,000 per claim with statutory limits. For fiscal year 2023-24 and fiscal year 2024-25, general liability claims are fully self-insured with an adequate funding reserve as required by the OCTA Board of Directors. Actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards. The process used in computing claims liability may not result in an exact amount but are actuarially determined on a yearly basis. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. There are no claims or settlements exceeded insurance coverage for each of the past three fiscal years. Management is of the opinion that the recorded liabilities for OCTA's self-insured claims are adequate.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

OCTA's liability for claims where it has retained the risk of loss, as recorded in the appropriate internal service funds, is as follows:

	2025	2024
General Liability		
Unpaid claims as of July 1	\$ 6,350	\$ 6,102
Incurred claims (including claims incurred but not reported)	237	143
Payments	(1,538)	(469)
Increase in provision for prior years' events	947	574
Unpaid claims at June 30	5,996	6,350
Workers' Compensation		
Unpaid claims as of July 1	15,323	14,725
Incurred claims (including claims incurred but not reported)	1,157	1,165
Payments	(5,043)	(5,534)
Increase in provision for prior years' events	4,933	4,967
Unpaid claims at June 30	16,370	15,323
Total unpaid claims at June 30	22,366	21,673
Less current portion of unpaid claims	(4,309)	(4,181)
Total long-term portion of unpaid claims	\$ 18,057	\$ 17,492

11. LONG-TERM DEBT

Sales Tax Revenue Bonds

On December 23, 2010, LTA issued \$293,540 of Measure M2 Sales Tax Revenue Bonds, 2010 Series A (Taxable Build America Bonds) and \$59,030 of 2010 Series B (Tax-Exempt Bonds), to finance transportation projects, restructure the Tax-Exempt Commercial Paper Program, and fund capitalized interest and issuance costs. A total of \$75,000 was used to retire outstanding commercial paper.

On February 26, 2019, LTA issued \$376,690 of Measure M2 Sales Tax Revenue Bonds, Series 2019, to finance the I-405 Improvement Project, refund \$43,540 of the 2010 Series A Bonds, and pay issuance costs. The refunding generated net present value savings of \$2,584.

On March 26, 2025, LTA issued \$227,565 of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds under the extraordinary optional redemption provision. The refunding generated gross cumulative cash flow savings of \$13,002 and net present value savings of \$10,505.

The OCTA's outstanding sales tax revenue bonds are limited obligations of the Authority, payable solely from pledged Measure M2 sales tax revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences. The sales tax revenue bonds are rated AA+ by Fitch and AAA by Standard & Poor's.

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A summary of the bonds outstanding is as follows:

	2019 Series B (Tax-Exempt Bonds)	2025 Series (Limited Tax Bonds)
Issuance date	2/12/2019	3/4/2025
Original issue amount	\$ 376,690	\$ 227,565
Original issue premium	69,342	36,413
Net bond proceeds	\$ 446,032	\$ 263,978
Issuance costs	\$ 970	\$ 490
Interest rates	3.00%-5.00%	6.908%
Maturity range	2021-2041	2026-2041
Final maturity	2041	2041
Bonds outstanding	\$ 301,885	\$ 227,565
Plus unamortized premium	49,360	35,814
Total	\$ 351,245	\$ 263,379

Annual debt service requirements on the sales tax revenue bonds as of June 30, 2025, are as follows:

Year ending June 30,	Principal	Interest
2026	\$ 20,395	\$ 24,847
2027	23,650	25,123
2028	24,835	23,940
2029	26,075	22,699
2030	27,380	21,395
2031-2035	158,800	85,074
2036-2041	248,315	44,333
Total	\$ 529,450	\$ 247,411

Toll Road Revenue Refunding Bonds

On August 8, 2013, OCTA issued \$124,415 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2013, to refund the outstanding Series 2003-A, 2003-B-1, and 2003-B-2 Bonds. The refunding reduced total debt service payments and addressed the mandatory tender of the Series 2003-B Bonds.

On July 6, 2023, OCTA issued \$47,545 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2023, to refund the outstanding Series 2013 Bonds. The refunding lowered total debt service payments and generated net present value savings of \$5,521.

OCTA's outstanding Toll Road Revenue Refunding Bonds are limited obligations of the Authority, payable solely from pledged toll revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences. The Toll Road Revenue Refunding Bonds are rated Aa3 by Moody's, AA- by Fitch, and AA- by Standard & Poor's.

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A summary of the terms of the Toll Road Revenue Refunding Bonds is as follows:

	2023 Series (Toll Road Revenue Bonds)
Issuance date	7/6/23
Closing date	7/6/23
Original issue amount	\$ 47,545
Cash reserve requirements*	\$ 12,576
Cash reserve balance	\$ 13,403
Interest rate range	5 %
Maturity	August 2030
Principal payment date	August 15
Bonds outstanding	\$ 41,725
Unamortized premium	\$ 3,391
Gain on refunding (2013 Series)	\$ 3,515
Loss on refunding (2003 Series)	\$ (3,655)

*Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the following three reserve funds are required to be maintained: Senior Lien Reserve Fund \$4,576, Major Maintenance Reserve Fund \$5,000 and Operating Reserve Fund \$3,000. At June 30, 2025, all reserve requirements have been satisfied.

Annual debt service requirements on the toll road revenue bonds as of June 30, 2025, are as follows:

Year ending June 30,	Principal	Interest
2026	\$ 6,115	\$ 1,933
2027	6,430	1,620
2028	6,760	1,290
2029	7,105	943
2030	7,465	579
2031	7,850	196
Total	\$ 41,725	\$ 6,561

TIFIA Loan

On September 9, 2021, OCTA and the Department of Transportation Build America Bureau Credit Programs Office (Bureau) executed a TIFIA loan for \$628,930 as a direct borrowing with an interest rate of 1.95%. The proceeds financed a portion of the costs for the I-405 Improvement Project.

During the construction of the I-405 Improvement Project, and for a period of up to five years following the substantial completion, interest on the TIFIA loan is accreted and added to the initial TIFIA loan. The loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent that additional funds are available. Annual debt service payment will commence on June 1, 2028 through June 1, 2058.

The TIFIA loan is secured solely by toll revenues of the I-405 Express Lanes, which commenced operations in December 2023. The loan is non-recourse debt and is issued on a senior lien basis. The

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credit rating on the TIFIA loan is Baa2 (Moody's). The legal documents for the TIFIA loan contain provisions with finance-related consequences, that if an event of default occurs and continues, the trust estate shall be under the control of the trustee. Also, under the TIFIA Loan Agreement interest increases to the Default Rate, and the US Department of Transportation has the option of holding up loan disbursements. The OCTA's legal documents also contain acceleration clauses, whereas the OCTA's obligations shall automatically become due and payable.

In accordance with the projected TIFIA loan maturity schedule, the annual debt service requirements from fiscal year 2028 to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30,	Principal	Interest	Total
2028	—	6,589	6,589
2029	—	13,159	13,159
2030	—	13,177	13,177
2031-2035	23,603	65,435	89,038
2036-2040	75,106	60,130	135,236
2041-2045	101,791	51,514	153,305
2046-2050	133,743	40,093	173,835
2051-2055	171,839	25,248	197,087
2056-2058	169,671	6,367	176,038
Total	\$ 675,753	\$ 281,712	\$ 957,464

*Total reflects future accreted interest capitalized to the principal balance.

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
Sales tax revenue bonds	\$ 569,315	\$ 227,565	\$ (267,430)	\$ 529,450	\$ 20,395
Unamortized premium	52,512	36,412	(3,750)	85,174	—
Total governmental activities	621,827	263,977	(271,180)	614,624	20,395
Business-type activities:					
Toll road revenue bonds	47,545	—	(5,820)	41,725	6,115
Unamortized premium	4,009	—	(618)	3,391	—
Subtotal for toll road revenue refunding bonds	51,554	—	(6,438)	45,116	6,115
TIFIA loan principal	613,711	—	—	613,711	—
TIFIA loan accreted interest	18,644	12,377	—	31,021	—
Subtotal for TIFIA loan	632,355	12,377	—	644,732	—
Total business-type activities	\$ 683,909	\$ 12,377	\$ (6,438)	\$ 689,848	\$ 6,115

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Arbitrage Rebate

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. In general, arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Failure to follow the arbitrage regulations could result in the interest paid to bondholders being retroactively rendered taxable.

In accordance with the arbitrage regulations, if excess earnings were calculated, 90% of the amount calculated would be due to the Internal Revenue Service (IRS) at the end of each five-year period. The remaining 10% would be recorded as a liability and paid after all bonds had been redeemed. During the current year, no excess earnings were calculated, therefore, no payments were made.

Pledged Revenue

OCTA has a number of debt issuances outstanding that are repaid and secured by the pledging of certain revenues. The amount and term of the remainder of these commitments are indicated in the summary of bonds outstanding tables. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions.

Debt service payments as a ratio of the pledged gross revenue, less certain expenditures/expenses as required by the debt agreement, for the year ended June 30, 2025, are indicated in the following table and OCTA is in compliance with the ratio per the debt agreement:

Pledged Revenues	Annual Amount of Net Pledged Revenues	Annual Debt Service Payments	Pledged Revenue Coverage
Measure M2 net sales tax revenues	\$ 335,762	\$ 54,856	6.12
91 EL net toll road revenues	77,270	8,052	9.60
405 EL net toll road revenues	41,692	—	—

12. PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENTS (PPP)

In fiscal year 2023, OCTA assessed GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and determined that 91 Express Lanes agreement was not applicable to this standard, wherein exchange or exchange-like transactions does not exist between OCTA and Caltrans pertaining to this arrangement.

In March 2017, OCTA entered into an agreement with the State of California, Department of Transportation (Caltrans), under which OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 Toll Facility for 40 years commencing as of the first day on which the Toll Facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the term of this agreement, all property owned by OCTA and which is related to the Toll Facility, shall automatically become the property of Caltrans.

With the implementation of GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, OCTA has identified this arrangement as a PPP. On December 1, 2023, the I-405 Improvement Project reached substantial completion and the 405 Express Lanes opened to public use. The value of the Toll Facility associated with the PPP arrangement recognized on December 1, 2023 was \$431,959. As of June 30, 2025, OCTA has recognized a liability measured based

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on the estimated carrying value of the Toll Facility at the end of the 40-year term for \$110,815 and deferred outflows of resources related to the I-405 Improvement Project in the amount of \$106,435.

13. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities					
Compensated absences*	\$ 8,898	\$ —	\$ (2,402)	\$ 6,496	\$ 1,087
Rent holiday	3,839	4,436	(5,031)	3,244	—
Lease liabilities	20,872	—	(4,240)	16,632	4,447
Subscription liabilities	357	4,057	(1,797)	2,617	1,514
Long-term debt - sales tax revenue bonds	621,827	263,977	(271,180)	614,624	20,395
Total governmental activities	655,793	272,470	(284,650)	643,613	27,443
Business-type activities					
Claims payable	21,673	7,274	(6,581)	22,366	4,309
Compensated absences*	9,072	—	(672)	8,400	4,475
Lease liabilities	8,492	(781)	334	8,045	495
Subscription liabilities	253	33	(45)	241	87
PPP and other long-term liabilities	108,391	2,424	—	110,815	29
Long-term debt - toll road revenue bonds	51,554	—	(6,438)	45,116	6,115
Long-term debt - TIFIA loan	632,355	12,377	—	644,732	—
Total business-type activities	\$ 831,790	\$ 21,327	\$ (13,402)	\$ 839,715	\$ 15,510

*The change in the compensated absences liability is presented as a net of change.

14. PENSION PLAN

OCTA participates in the Orange County Employees Retirement System (OCERS) and also contributes to 401(a) plan which are subject to GASB Statement No. 68, Accounting and Financial Reporting for Pensions.

A summary of pension amounts for OCTA's plan at June 30, 2025 is presented below:

	OCERS
Deferred outflows of resources – pensions	\$ 122,268
Net pension liability	174,887
Deferred inflows of resources – pensions	91,401
Pension expenses	23,559

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Orange County Employees Retirement System

Plan Description: OCTA participates in OCERS Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by OCERS. The County Employees Retirement Law of 1937 and other applicable statutes grant the authority to establish and amend the benefit terms to the OCERS. OCERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost sharing plans administered by OCERS. This report is issued for each year ending December 31 and can be obtained online at www.ocers.org, or from its executive office: 2223 Wellington Avenue, Santa Ana, CA 92701.

Benefits Provided: OCERS provides for service retirement, death, disability, survivor benefits and annual cost-of-living benefits to plan members, who must be public employees and beneficiaries. Service retirement benefits are based on Plan Type, years of service, age at retirement and final average salary. The benefit formulas are an annual annuity equal to 2% of the employee's one-year final average salary for each year of service rendered at age 57 for Plan A members who were hired prior to September 21, 1979 and 1.67% of the employee's three year final average salary for each year of service rendered at age 57.5 for Plan B members who were hired after September 21, 1979.

Contributions: Per Government Code sections 31453.5 and 31454, participating employers are required to contribute a percentage of covered salary to the Plan. The contribution requirements of participating active members and employers are established and may be amended by the OCERS' Board of Retirement. Employee contributions are established by the OCERS' Board of Retirement and guided by state statute (Government Code sections 31621, 31621.5, 31621.8, 31639.25 and 31639.5) and vary based upon employee age at the time of entering OCERS membership. Participating employers may pay a portion of the participating active employees' contributions through negotiations and bargaining agreements.

Funding contributions for the OCERS plan are determined annually on an actuarial basis by OCERS. The contribution requirement for the year ended June 30, 2025 was 33.41% of total covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. OCTA's contributions to OCERS were \$33,339 for the year ended June 30, 2025.

Long-term liabilities for pensions are not reported in the governmental fund financial statements because they are not expected to be liquidated with expendable available financial resources. In prior years, these liabilities have typically been liquidated by the General Fund, through the recognition of expenditures for employer contributions as they become due, and by the OCTD proprietary fund, consistent with where payroll expenditures are recorded.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2025, OCTA reported a liability of \$174,887 for its proportionate share of the net pension liability (NPL). The NPL was measured as of June 30, 2025, and determined by rolling forward the total pension liability (TPL) as of December 31, 2024 actuarial valuation date. OCTA's proportionate share of the TPL has been determined by OCERS' actuary based upon employer contributions within each rate group. While OCERS is comprised of many rate groups, and certain rate groups may have multiple employer participants, OCTA is the only employer within its own individual rate group. Legally required employer contributions for each year less any amounts of those legally required contributions that are paid by the employees are used as the basis for determining each participating employer's proportion of total contributions. Contributions made by the employer on behalf of employees under Government Code

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Section 31581.2 are considered employee contributions and are not included in the proportionate share calculation.

At December 31, 2024, OCTA's proportion was 4.36%, which was a decrease of 0.02% from its proportion measured as of December 31, 2024. For the year ended June 30, 2025, OCTA recognized pension expense of \$23,559. At June 30, 2025, OCTA reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 18,869	\$ —
Net difference between projected and actual earnings on plan investments	66,477	—
Difference between expected and actual experience	31,060	75,888
Changes of assumptions	5,862	15,513
Total	\$ 122,268	\$ 91,401

Deferred outflows of resources related to contributions subsequent to the measurement date but before reporting period of \$18,869 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows/outflows of resources related to changes of assumptions and difference between expected and actual experience will be recognized as pension expense over the average of the expected remaining service lives of all employees that are provided with pensions through OCERS which is 5.41 years determined as of December 31, 2024. In addition, the net difference between projected and actual investment earnings on pension plan investments is amortized over a five-year period on a straight-line basis beginning with the year in which they occur.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30,	Increase (Decrease) in Pension Expense
2026	\$ 1,714
2027	21,001
2028	(8,021)
2029	(3,182)
2030	486
Total	\$ 11,998

Actuarial Assumptions

Following are the key methods and assumptions used for the TPL as of December 31, 2024:

Actuarial Experience Study	Three year period ending December 31, 2022
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Investment Rate of Return	7.00% net of plan investment expenses, including inflation
Discount Rate	7.00%
Inflation Rate	2.50%
Cost of Living Adjustment	2.75% of retirement income
Projected Salary Increases	3.90% to 10.25%; vary by service, including inflation

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Mortality Assumptions: The underlying mortality assumptions used in the TPL at December 31, 2024 were based on the results of the actuarial experience study for the period January 1, 2020 through December 31, 2022 using the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021, with age adjustments, and adjusted separately for healthy and disabled.

Long-term Expected Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rate of return (expected returns, net of inflation, beginning with December 31, 2024, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return by weighting the expected arithmetic real rate of return by the target asset allocation percentage and by adding expected inflation and deducting expected investment expenses (beginning with December 31, 2024, including only investment consulting fees, custodian fees, and other miscellaneous investment expenses).

For the prior year, these rates are before deducting investment management expenses while beginning December 31, 2024, they are after deducting applicable investment management expenses. The target allocation and projected arithmetic real rate of return for each major asset class, after deducting inflation, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table as of December 31, 2024:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bond	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	1.50%	8.96%
Total	100.00%	

Discount Rate: The discount rate used to measure the TPL was 7.00% as of December 31, 2024. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected

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future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024.

Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate: The following table represents the net pension liability of calculated using the discount rate of 7.00%, as well as what the NPL would be if it was calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease	Current Rate	1% Increase
OCTA's Proportionate Share of the NPL	\$ 347,541	\$ 174,887	\$ 33,694

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OCERS financial report.

OCTA 401(a) Defined Contribution Plan

OCTA contributes to the 401(a) Plan, a defined contribution pension plan, 1) for its full-time administrative employees, 2) for employees represented by the Transportation Communications International Union/ International Association of Machinists and Aerospace Workers (TCU/IAM-AW), and 3) for coach operators represented by Teamsters Local 952. The 401(a) Plan is administered by Nationwide Retirement Solutions.

Per provision of Personnel and Salary Resolution adopted by the Board, OCTA provides 401(a) matching contributions to Administrative employees who meet the following criteria:

- 1% of base pay for employees from 0 but less than 3 years of service
- 2% of base pay for employees with 3 but less than 5 years of service
- 3% of base pay for employees with 5 or more years of service

In addition, certain administrative employees are eligible, upon hire or promotion, to receive an additional matching contribution of up to 2% of base salary to their 401(a) account, provided employees are making contributions of at least that amount to the OCTA 457(b) plan.

According to provision of Agreement with TCU/IAM-AW, OCTA provides employer-paid contributions to represented employees who meet the following criteria:

- 1% of base pay for employees with 5 to 14 years service
- 2% of base pay for employees with 15 to 19 years service
- 3% of base pay for employees with 20 years or more of service

Per provision of Coach Operator Agreement, OCTA provides employer-paid contributions to coach operators who meet the following criteria:

- 1% of base pay for employees with 5 years to 9 years of service
- 2% of base pay for employees with 10 years or more of service
- 2% plus matching up to 1% of base pay for employees with 15 to 19 years or more of service
- 2% plus matching up to 3% of base pay for employees with 20 years or more of service

The 401(a) Plan is entirely funded by employer contributions. For the year ended June 30, 2025, OCTA contributed \$2,468 to the 401(a) Plan.

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15. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description: OCTA sponsors and administers a single-employer defined-benefit postemployment healthcare plan (Plan) to provide medical insurance benefits to eligible retired employees. Benefit provisions are established and may be amended by the Board of Directors of OCTA. OCTA reports the financial activity of the Plan in its basic financial statements. No separate benefit plan report is issued.

Effective July 1, 2018, Coach Operators became eligible to participate in the Other Postemployment Benefits (OPEB) plan sponsored and administered by OCTA. Previously, only Unrepresented Administrative Employees and Transportation Communications International Union Employees were eligible to continue participating in the group healthcare insurance program after retirement until age 65 for retirees who retire directly from OCTA. Unrepresented Administrative Employees and Transportation Communications International Union Employees in OCERS Plan A and B must be at a minimum of age 50 with at least ten years of OCTA service and OCERS Plan U members must be at a minimum of age 52 with at least five years of OCTA service to meet eligibility requirements. Coach Operators in OCERS Plan A and B must be at a minimum of age 55 with at least ten years of OCTA service and OCERS Plan U members must be at a minimum of age 55 with at least five years of OCTA service for eligibility.

Funding Policy: Because of the nature of the implied subsidy, OCTA funds the benefits on a pay-as-you-go basis. No assets are accumulated in a GASB-compliant trust.

OCTA allows retirees to participate in the same medical plan as active employees at the same premium rates. The retiree pays the full premium for retiree, spouse and dependents. OCTA does not provide any cash subsidy towards retiree medical benefits. Because the rate is a "blended rate", payments for the active employees include an implied subsidy of what would normally be a higher rate for retirees if the retirees were in a stand-alone health plan. For fiscal year ended June 30, 2025, the implied subsidy was determined as part of the June 30, 2025 actuarial valuation. The estimated implied subsidy at June 30, 2025 was \$184.

GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit.

Employees covered by benefit terms: As of January 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	24
Active employees	1,008
Total participants covered by OPEB Plan	1,032

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Total OPEB liability

OCTA's total OPEB liability (TOL) of \$2,753 was measured as of June 30, 2025 and was determined by an actuarial valuation as of January 1, 2024. Standard actuarial update procedures were used to project/discard from valuation to measurement dates.

Actuarial assumptions and other inputs: The TOL of \$2,753 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	5.20 %
Healthcare Cost Trend Rates:	
2024 – 2025 Current Year Trend	7.00 %
2029 Trend	5.40 %
Decrement	0.10 %
Ultimate Trend	4.00 %
Year Ultimate Trend is Reached	2029
Salary Increases	3.25 %
Inflation Rate	2.50 %

Actuarial assumptions used in the January 1, 2024 valuation were based on a review of plan experience during the period January 1, 2022 to December 31, 2023. The discount rate was based on the index provided by Fidelity General Obligation AA 20 Years Municipal Index based on the 20 year AA municipal bond rate as of June 30, 2025, an increase from the discount rate used for fiscal year ended June 30, 2024 of 3.97%. Mortality rates were based on the PUB-2010 Mortality Tables, projected generationally with the two-dimensional mortality MP-2021 improvement scale.

Changes in the total OPEB liability:

	Total OPEB Liability
Balance at 6/30/2024	\$ 2,791
Changes for the current year:	
Service cost	219
Interest	116
Differences between expected and actual experience	—
Changes in assumptions or other inputs	(189)
Benefit payments	(184)
Net changes	(38)
Balance at 6/30/2025	\$ 2,753

Long-term liabilities for OPEB are not reported in the governmental fund financial statements because they are not expected to be liquidated with expendable available financial resources. In prior years, these liabilities have typically been liquidated by the General fund, through the recognition of expenditures for employer contributions as they become due, and by the OCTD proprietary fund, consistent with where payroll expenditures are recorded.

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Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the TOL of OCTA, calculated using the discount rate of 5.20%, as well as what OCTA's TOL would be if it was calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 2,906	\$ 2,753	\$ 2,603

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the TOL of OCTA, calculated using an initial trend rate of 7.00%, as well as what OCTA's TOL would be if it was calculated using a trend rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 2,467	\$ 2,753	\$ 3,085

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, OCTA recognized OPEB expense of \$243. At June 30, 2025, OCTA reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 42	\$ 25
Changes of assumptions or other inputs	76	170
Total	\$ 118	\$ 195

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Increase/(Decrease) in OPEB Expense
2026	\$ (11)
2027	(16)
2028	(12)
2029	(8)
2030	(24)
Thereafter	(6)
Total	\$ (77)

16. PURCHASE COMMITMENTS

OCTA has various long-term outstanding contracts that extend over several years and rely on future years' revenues.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

Total commitments at June 30, 2025 are as follows:

	Total Purchase Commitments	Reserve for Encumbrances	Unencumbered Purchase Commitments
Governmental funds			
General	\$ 118,726	\$ 21,713	\$ 97,013
LTA	1,119,434	112,642	1,006,792
LTF	96	—	96
Nonmajor governmental funds	122,830	31,315	91,515
Total governmental funds	1,361,086	165,670	1,195,416
Proprietary funds			
OCTD	655,142	184,988	470,154
91 EL	62,975	402	62,573
405 EL	260,328	1,673	258,655
Nonmajor enterprise fund	48,115	804	47,311
Internal service funds	568	214	354
Total proprietary funds	1,027,128	188,081	839,047
Total	\$ 2,388,214	\$ 353,751	\$ 2,034,463

17. OTHER COMMITMENTS AND CONTINGENCIES

Litigation

In March 2022, Walsh Construction Company filed a claim related to the construction of the OC Streetcar Project. The plaintiff alleges that unforeseen soil conditions, unforeseen utility conflicts, inadequate design, and other actions attributable to OCTA and its consultants resulted in construction delays and damages. During fiscal year 2023–24, OCTA made a partial settlement payment. The remaining exposure was estimated to be \$40,000, and trial has been set for May 2026.

In August 2025, Siemens Mobility filed a claim arising from a contract dispute related to the delivery of streetcar vehicles. Siemens has alleged contractual damages for unplanned costs associated with delays on the OC Streetcar project and unpaid change orders for additional scope. The potential exposure is estimated to be up to \$3,000. As of June 30, 2025, no litigation has been filed.

Federal Grants

OCTA receives federal grants for capital projects and other reimbursable activities which are subject to audit by the grantor agency. Although the outcome of any such audits cannot be predicted, it is management's opinion that these audits would not have a material effect on OCTA's financial position or results of operations.

18. JOINT VENTURE

OCTA is one of five members of the Southern California Regional Rail Authority (SCRRA), a joint powers authority (JPA) created in 1992. The SCRRA's board consists of one member from the Ventura County Transit Commission (VCTC); two each from OCTA, the San Bernardino County Transportation Authority (SBCTA) and the Riverside County Transportation Commission (RCTC); and four members from the Los

ORANGE COUNTY TRANSPORTATION AUTHORITY NOTES TO THE FINANCIAL STATEMENTS

Angeles County Metropolitan Transportation Authority (LACMTA). SCRRA is responsible for maintaining and operating a regional commuter rail system (Metrolink) in five southern California counties. As a member of the agency, OCTA makes annual capital and operating contributions for its pro rata share of rail lines serving Orange County. OCTA made \$50,904 contributions during fiscal year 2024-25 for its share of Metrolink capital and operating costs since SCRRA received awards directly from the FTA for OCTA's share. Separate financial statements are prepared by, and available from, SCRRA, which is located at 900 Wilshire Blvd., Ste. 1500, Los Angeles, CA 90017.

OCTA is one of 11 members of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency, a JPA created in 1989 and amended in 2013. The purpose of the JPA is to oversee passenger rail service and improvements in the rail corridor between San Diego, Los Angeles and San Luis Obispo. The LOSSAN's board consists of two members appointed by the LACMTA; two members appointed by OCTA; one member appointed by RCTC; one member appointed by VCTC; one member appointed by the Santa Barbara County Association of Governments; one member appointed by the San Luis Obispo Council of Governments and the following three agencies receive one member appointment but only two votes – the San Diego Metropolitan Transit System, the North County Transit District, and the San Diego Association of Governments. OCTA was selected as the managing agency for LOSSAN and is responsible for the ongoing coordination and service integration efforts. Administrative support is funded by the member agencies. OCTA charged \$5,039 to LOSSAN for administrative support during fiscal year 2024-25. Separate financial statements are prepared by, and available from, LOSSAN at the Orange County Transportation Authority located at 550 South Main Street, Orange, CA 92868.

19. FUNDS DEFICIT

The construction of the I-405 Express Lanes, including two new general purpose lanes, was completed, and the Express Lanes were opened to the public in December 2023. As of June 30, 2025, the 405 Express Lanes Fund, an enterprise fund, reported a net position deficit of \$(148,959). The deficit primarily resulted from interfund transfers to the LTF fund for the I-405 Improvement Project related to the general purpose lane construction, which were financed through the TIFIA loan held by the 405 Express Lanes fund. In addition, during the construction period and for up to five years following substantial completion, interest on the TIFIA loan is accreted and added to the principal balance. This accretion further contributed to the fund deficit. The deficit is expected to be funded through toll revenues and related fees.

The net investment in capital assets of \$(17,420) represents the portion of net position related to I-405 Express Lanes capital assets, offset by associated liabilities and deferred inflows of resources arising from construction, acquisition, or improvements. The unrestricted net position of \$(171,857) represents the remainder of net position not classified as net investment in capital assets and relates to non-capital assets and liabilities.

At June 30, 2025, the General Capital Project fund reported a deficit fund balance of \$(2,584). The deficit resulted from project expenditures made in advance of reimbursements. The deficit is expected to be eliminated upon receipt of financing sources from the LTA Fund in the subsequent fiscal year.

20. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is

**ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The provisions of this Statement are effective for fiscal years beginning after December 15, 2023. OCTA implemented the requirements of this standard in fiscal year 2024–25 and reported the adoption as a change in accounting principle. Additional information is presented in note 21 to the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

21. CHANGE IN ACCOUNTING PRINCIPLE - GASB NO. 101

In fiscal year 2024-25, OCTA implemented the provisions of GASB Statement No. 101, Compensated Absences, which establishes recognition and measurement requirements for certain types of leave benefits provided to employees. Prior to the adoption of GASB Statement No. 101, OCTA recognized compensated absences liability primarily for leave balances that were payable upon termination. Under GASB Statement No. 101, the government is required to recognize a liability for compensated absences that are attributable to services already rendered, are accumulated, and are more likely than not to be used for time off or otherwise paid to employees.

The adoption of GASB Statement No. 101 represents a change in accounting principle, which has been applied retrospectively in accordance with GASB Statement No. 100, Accounting Changes and Error Corrections. Beginning balances for the government-wide financial statements as of July 1, 2024 have been restated to reflect the cumulative effect of applying GASB Statement No. 101.

The effect of this change resulted in adjustments to and restatements of beginning net position and fund balance, as follows:

	6/30/2024		6/30/2024	
	As Previously Reported	Change in Accounting Principle	As Restated	
Government-wide				
Governmental activities	\$ 1,453,323	\$ 5,450	\$ 1,458,773	
Business-type activities	1,260,830	3,875	1,264,705	
Total primary government	\$ 2,714,153	\$ 9,325	\$ 2,723,478	
Governmental funds				
General	\$ 65,563	\$ (1,591)	\$ 63,972	
Proprietary funds				
OCTD	\$ 950,507	\$ 3,875	\$ 954,382	

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines	\$ 162	\$ 162	\$ 124	\$ (38)
Contributions from other agencies	10,589	10,589	9,058	(1,531)
Interest and investment earnings	2,872	2,872	7,665	4,793
Capital assistance grants	275	275	2,882	2,607
Miscellaneous	79	79	1,500	1,421
Total revenues	13,977	13,977	21,229	7,252
Expenditures				
Current:				
General government:				
Salaries and benefits	80,896	80,995	74,644	6,351
Supplies and services	62,890	63,014	55,101	7,913
Interfund reimbursements	(115,678)	(115,678)	(100,136)	(15,542)
Transportation:				
Contributions to other local agencies	1,478	1,423	1,027	396
Capital outlay	8,687	8,837	8,277	560
Total expenditures	38,273	38,591	38,913	(322)
Deficiency of revenues under expenditures	(24,296)	(24,614)	(17,684)	6,930
Other financing sources (uses)				
Transfers in	5,115	5,115	21,607	16,492
Total other financing sources	5,115	5,115	21,607	16,492
Net change in fund balances	\$ (19,181)	\$ (19,499)	\$ 3,923	\$ 23,422
Reconciliation to GAAP:				
Net change in fund balances (budgetary basis)			\$ 3,923	
Less: Estimated revenues for encumbrances outstanding at June 30				3,212
Add: Current year encumbrances outstanding at June 30				21,422
Net change in fund balances (GAAP basis)			\$ 22,133	

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
Local Transportation Authority Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales tax revenues	\$ 441,875	\$ 441,875	\$ 431,843	\$ (10,032)
Contributions from other agencies	152,502	152,502	254,830	102,328
Interest and investment earnings	41,376	41,376	61,875	20,499
Miscellaneous	3,327	3,327	1,621	(1,706)
Total revenues	639,080	639,080	750,169	111,089
Expenditures				
Current:				
General government: supplies and services	218,115	218,861	176,592	42,269
Transportation:				
Contributions to other local agencies	214,082	213,006	119,742	93,264
Capital outlay	431,484	540,180	217,662	322,518
Debt service:				
Bond issuance costs	—	—	816	(816)
Total expenditures	863,681	972,047	514,812	457,235
Excess (deficiency) of revenues over (under) expenditures	(224,601)	(332,967)	235,357	568,324
Other financing sources (uses)				
Transfers in	61,697	61,697	245,942	184,245
Transfers out	(134,026)	(134,026)	(105,305)	28,721
Proceeds from sale of capital assets	—	—	4,169	4,169
Bond issuance	—	—	227,565	227,565
Bond premium	—	—	36,413	36,413
Payment to refunded bond escrow agent	—	—	(267,767)	(267,767)
Total other financing sources (uses)	(72,329)	(72,329)	141,017	213,346
Net change in fund balances	\$ (296,930)	\$ (405,296)	\$ 376,374	\$ 781,670
Reconciliation to GAAP:				
Net change in fund balances (budgetary basis)			\$ 376,374	
Less: Estimated revenues for encumbrances outstanding at June 30				9,208
Add: Current year encumbrances outstanding at June 30				117,173
Net change in fund balances (GAAP basis)			\$ 484,339	

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
Local Transportation Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales tax revenues	\$ 222,153	\$ 222,153	\$ 218,645	\$ (3,508)
Interest and investment earnings	1,891	1,891	22,395	20,504
Total revenues	224,044	224,044	241,040	16,996
Expenditures				
Current:				
General government: supplies and services	2,545	2,545	2,033	512
Transportation:				
Contributions to other local agencies	3,105	3,105	3,072	33
Total expenditures	5,650	5,650	5,105	545
Excess of revenues over expenditures	218,394	218,394	235,935	17,541
Other financing uses				
Transfers out	(218,394)	(218,394)	(136,887)	81,507
Total other financing uses	(218,394)	(218,394)	(136,887)	81,507
Net change in fund balances	\$ —	\$ —	\$ 99,048	\$ 99,048

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Supplemental Pension Plan and OPEB Plan Trend Data
June 30, 2025

(amounts expressed in thousands)

Schedule of OCTA Proportionate Share of the Net Pension Liability
Orange County Employees Retirement System (OCERS) Pension Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the NPL	4.400 %	4.288 %	3.842 %	3.581 %	4.415 %	4.419 %	4.353 %	4.283 %	4.436 %	4.377 %
Proportionate share of the NPL	\$174,887	\$207,825	\$207,133	\$73,424	\$186,024	\$ 224,285	\$ 230,261	\$ 230,261	\$ 230,261	\$ 250,193
Covered payroll	\$119,099	\$111,089	\$105,542	\$97,538	\$102,500	\$ 101,980	\$ 97,230	\$ 94,528	\$ 94,507	\$ 93,110
Proportionate share of the NPL as a percentage of its covered payroll	146.84 %	187.08 %	196.26 %	75.28 %	181.49 %	219.93 %	277.48 %	224.40 %	243.64 %	268.71 %
Plan fiduciary net position as a percentage of the total pension liability	86.21 %	82.82 %	81.45 %	91.45 %	81.69 %	76.67 %	70.03 %	74.93 %	71.16 %	67.10 %

Note: The amounts presented for each fiscal year were determined as of December 31.

Schedule of OCTA Contributions
Orange County Employees Retirement System Pension Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 36,996	\$ 32,883	\$ 33,932	\$ 31,794	\$ 29,175	\$ 27,801	\$ 24,690	\$ 24,811	\$ 23,900	\$ 26,347
Contributions in relation to the actuarially determined contributions	36,996	32,883	33,932	31,794	29,175	27,801	24,690	24,811	23,900	26,347
Contribution excess (deficiency)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 93,110	\$111,089	\$ 98,906	\$ 95,163	\$ 92,887	\$ 92,496	\$ 87,887	\$ 86,117	\$ 86,925	\$ 97,616
Contributions as a percentage of covered payroll	39.73%	29.60%	34.31%	33.41%	31.41%	30.06%	28.09%	28.81%	27.50%	26.99%

Change of assumptions

For fiscal year 2024-25, the inflation rate remained unchanged at 2.50% (retiree cost-of-living assumption maintained at 2.75%). Projected salary increases changed to 4.00% - 11.00%. Mortality assumptions were based on the Pub-2010 General Health Employee Amount-Weighted Above-Median Mortality Table.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Supplemental Pension Plan and OPEB Plan Trend Data
June 30, 2025

(amounts expressed in thousands)

Schedule of the Changes in Total OPEB Liability and Related Ratios
Other Post Employment Benefit Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$ 2,791	\$ 2,516	\$ 2,508	\$ 2,414	\$ 2,301	\$ 2,927	\$ 1,432	\$ 745
Changes for the year:								
Service cost	219	213	189	192	185	152	112	40
Interest	116	102	94	48	58	104	48	28
Differences between expected and actual experience	—	62	—	—	—	(869)	12	651
Changes in assumptions or other inputs	(189)	85	(94)	35	60	172	(4)	40
Plan change	—	—	—	—	—	—	1,419	—
Benefit payments	(184)	(187)	(181)	(181)	(190)	(185)	(92)	(72)
Total OPEB liability - ending	\$ 2,753	\$ 2,791	\$ 2,516	\$ 2,508	\$ 2,414	\$ 2,301	\$ 2,927	\$ 1,432
Covered employee payroll	\$ 104,568	\$ 86,100	\$ 94,180	\$ 85,148	\$ 82,937	\$ 82,050	\$ 70,204	\$ 42,366
Total OPEB liability as a percentage of covered employee payroll	2.63%	3.24%	2.67%	2.95%	2.91%	2.80%	4.17%	3.38%

* OCTA will be presenting information for those years for which information is available until a full 10-year trend is compiled.

Notes to the schedule for OPEB Plan

Funding policy: OCTA funds the benefits on a pay-as-you-go basis. No assets are accumulated in a GASB-compliant trust.

The amounts presented for fiscal year 2018 were measured as of December 31, 2017, and the amounts for fiscal year 2019 and thereafter were measured as of June 30 of the preceding year.

Plan Change: Effective July 1, 2018 for fiscal year ended June 30, 2019, Coach Operators became eligible to participate in the OPEB plan. Previously, only Unrepresented Administrative and Transportation Communications International Union employees were eligible for OPEB benefits.

Change of assumptions: For fiscal year 2024-25, the discount rate used to measure the TOL was 5.20%, an increase from the discount rate of 3.97% for fiscal year 2023-24.

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025
(amounts expressed in thousands)

1. BUDGETARY DATA

OCTA establishes accounting control through formal adoption of an annual budget for all governmental funds. The budget is prepared in a basis consistent with accounting principles generally accepted in the United States (GAAP) except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget can be amended by the Board to increase both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services includes Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, for budgeted funds, is at the major object level for the budgeted governmental funds. A Fourth Quarter Budget Status Report, June 2025 is available from the OCTA Finance and Administration Division. With the exception of accounts which have been encumbered, appropriations lapse at year end.

EXCESS EXPENDITURES OVER APPROPRIATIONS

There were no excess of expenditures over appropriations for fiscal year 2024-25 for the General fund and the major special revenue funds. In the Local Transportation Authority (LTA) and Local Transportation Fund (LTF), sales tax revenues fell short of budget by \$10,032 and \$3,508, respectively, due to economic slowdown in consumer spending.

In fiscal year 2014-15, the CURE fund was consolidated with the General fund as it no longer met the definition of a special revenue fund. In fiscal year 2023-24, the CURE fund was closed out and the remaining balances were transferred to the LTA fund.

Beginning fiscal year 2020-21, the Additional Retiree Benefit Account (ARBA) fund and the Scholarship fund were consolidated with the General fund, as they no longer met the definition of a fiduciary fund upon implementation of GASB Statement No. 84, Fiduciary Activities. A reconciliation is included on the General fund budgetary schedule for the consolidation.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025
(amounts expressed in thousands)**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Orange County Unified Transportation Trust (OCUTT) – This fund is used to account for the revenues received and expenditures made for disbursements to OCTA, California Department of Transportation and cities within Orange County for various transportation projects. The source of revenue is the interest earned by the general capital project fund. Expenditures of monies in this fund must be made in accordance with provisions of the California Transportation Development Act (TDA).

Service Authority for Freeway Emergencies (SAFE) – This fund is used to account for revenues received and expenditures made for the implementation and maintenance of the motorist emergency aid system. Funding is provided from a one dollar per vehicle registration fee on vehicles registered in Orange County. Expenditure of monies in this fund must be made in accordance with the provisions of Chapter 14 of the California Streets and Highways Code.

State Transit Assistance Fund (STAF) – This fund is used to account for revenues received and expenditures made for OCTD transit operations and fare assistance for seniors and disabled persons. Funding is provided by sales taxes on gasoline and use taxes on diesel fuel. Expenditure of these funds is governed by the provisions of the TDA.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

<i>(amounts expressed in thousands)</i>	Special Revenue			Total Nonmajor Governmental Funds
	OCUTT	SAFE	STAF	
Assets				
Cash and investments	\$ 15,543	\$ 5,820	\$ 1,470	\$ 22,833
Receivables:				
Interest	156	64	35	255
Due from other funds	88	—	—	88
Due from other governments	—	501	12,257	12,758
Notes receivable	255	—	—	255
Total assets	16,042	6,385	13,762	36,189
Liabilities				
Accounts payable	32	897	—	929
Due to other funds	—	—	12,258	12,258
Due to other governments	—	40	—	40
Total liabilities	32	937	12,258	13,227
Fund balances				
Restricted for:				
Transportation programs	16,010	—	1,504	17,514
Motorist services	—	5,448	—	5,448
Total fund balances	16,010	5,448	1,504	22,962
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,042	\$ 6,385	\$ 13,762	\$ 36,189

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	Special Revenue			Total Nonmajor Governmental Funds
	OCUTT	SAFE	STAF	
Revenues				
Sales tax revenues	\$ —	\$ —	\$ 43,699	\$ 43,699
Transportation improvement fee	—	—	7,446	7,446
Vehicle registration fees	—	3,003	—	3,003
Contributions from other agencies	—	5,071	—	5,071
Interest and investment earnings	948	233	377	1,558
Total revenues	948	8,307	51,522	60,777
Expenditures				
Current:				
General government: supplies and services	88	11,036	6	11,130
Capital outlay	—	106	—	106
Total expenditures	88	11,142	6	11,236
Excess (deficiency) of revenues over (under) expenditures	860	(2,835)	51,516	49,541
Other financing sources (uses)				
Transfers in	—	4,910	—	4,910
Transfers out	—	—	(94,539)	(94,539)
Total other financing sources (uses)	—	4,910	(94,539)	(89,629)
Net change in fund balances	860	2,075	(43,023)	(40,088)
Fund balances - beginning	15,150	3,373	44,527	63,050
Fund balances - ending	\$ 16,010	\$ 5,448	\$ 1,504	\$ 22,962

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Local Transportation Authority Debt Service Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest and investment earnings	\$ 6,658	\$ 6,658	\$ 4,721	\$ (1,937)
Total revenues	6,658	6,658	4,721	(1,937)
Expenditures				
Debt service:				
Principal payments on long-term debt	21,950	21,950	21,950	—
Interest on long-term debt	32,924	32,924	32,906	18
Total expenditures	54,874	54,874	54,856	18
Deficiency of revenues under expenditures	(48,216)	(48,216)	(50,135)	(1,919)
Other financing sources (uses)				
Transfers in	54,874	54,874	58,966	4,092
Transfers out	(6,658)	(6,658)	(14,025)	(7,367)
Total other financing sources	48,216	48,216	44,941	(3,275)
Net change in fund balances	\$ —	\$ —	\$ (5,194)	\$ (5,194)

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Orange County Unified Transportation Trust Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest and investment earnings	\$ 94	\$ 94	\$ 948	\$ 854
Total revenues	94	94	948	854
Expenditures				
Current:				
General government: supplies and services	1,135	1,135	88	1,047
Total expenditures	1,135	1,135	88	1,047
Excess (deficiency) of revenues over (under) expenditures	(1,041)	(1,041)	860	1,901
Net change in fund balances	\$ (1,041)	\$ (1,041)	\$ 860	\$ 1,901

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Service Authority for Freeway Emergencies Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Vehicle registration fees	\$ 2,900	\$ 2,900	\$ 3,003	\$ 103
Contributions from other agencies	10,579	10,579	5,071	(5,508)
Interest and investment earnings	88	88	233	145
Miscellaneous	3	3	—	(3)
Total revenues	13,570	13,570	8,307	(5,263)
Expenditures				
Current:				
General government: supplies and services	12,265	12,265	11,076	1,189
Capital outlay	805	805	132	673
Total expenditures	13,070	13,070	11,208	1,862
Excess (deficiency) of revenues over (under) expenditures	500	500	(2,901)	(3,401)
Other financing sources				
Transfers in	5,863	5,863	4,910	(953)
Total other financing sources	5,863	5,863	4,910	(953)
Net change in fund balances	\$ 6,363	\$ 6,363	\$ 2,009	\$ (4,354)
Reconciliation to GAAP:				
Net change in fund balances (budgetary basis)			\$ 2,009	
Less: Estimated revenues for encumbrances outstanding at June 30				—
Add: Current year encumbrances outstanding at June 30				66
Net change in fund balances (GAAP basis)			\$ 2,075	

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
State Transit Assistance Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			
	Original	Final	Actual Amounts	Variance with Final Budget
<i>(amounts expressed in thousands)</i>				
Revenues				
Sales tax revenues	\$ 50,986	\$ 50,986	\$ 43,699	\$ (7,287)
Transportation improvement fee	7,084	7,084	7,446	362
Interest and investment earnings	628	628	377	(251)
Total revenues	58,698	58,698	51,522	(7,176)
Expenditures				
Current:				
General government: supplies and services	24	24	6	18
Total expenditures	24	24	6	18
Excess of revenues over expenditures	58,674	58,674	51,516	(7,158)
Other financing uses				
Transfers out	(58,674)	(58,674)	(94,539)	(35,865)
Total other financing uses	(58,674)	(58,674)	(94,539)	(35,865)
Net change in fund balances	\$ —	\$ —	\$ (43,023)	\$ (43,023)

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
General Capital Project Fund (Budgetary Basis)
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ —	\$ —	\$ 504	\$ 504
Capital assistance grants	24,209	24,209	166,256	142,047
Miscellaneous	—	—	6,565	6,565
Total revenues	24,209	24,209	173,325	149,116
Expenditures				
Current:				
General government: supplies and services	33,145	33,143	3,170	29,973
Transportation:				
Contributions to other local agencies	1,945	1,947	—	1,947
Capital outlay	91,540	117,844	84,421	33,423
Total expenditures	126,630	152,934	87,591	65,343
Excess (deficiency) of revenues over (under) expenditures	(102,421)	(128,725)	85,734	214,459
Other financing sources				
Transfers in	59,770	59,770	28,536	(31,234)
Total other financing sources	59,770	59,770	(121,305)	(181,075)
Net change in fund balances	\$ (42,651)	\$ (68,955)	\$ (35,571)	\$ 33,384
Reconciliation to GAAP:				
Net change in fund balances (budgetary basis)				\$ (35,571)
Less: Estimated revenues for encumbrances outstanding at June 30				1,195
Add: Current year encumbrances outstanding at June 30				34,182
Net change in fund balances (GAAP basis)				\$ (2,584)

**ORANGE COUNTY TRANSPORTATION AUTHORITY
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025
(amounts expressed in thousands)**

NONMAJOR ENTERPRISE FUND

OC Streetcar Fund – This fund is established to account for the operations of the OC Streetcar which is planned to be operative in fiscal year 2025-26. The funding sources for the operation will be Measure M program, Congestion Mitigation and Air Quality (CMAQ) program, fare collections, and local city match.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Net Position
Nonmajor Enterprise Fund
June 30, 2025

<i>(amounts expressed in thousands)</i>	OC Streetcar	Total Nonmajor Enterprise Funds
Assets		
Current assets		
Receivables:		
Interest	\$ 44	\$ 44
Due from other governments	62	62
Total current assets	106	106
Noncurrent assets		
Restricted cash and investments	19,350	19,350
Capital assets, net:		
Nondepreciable	65	65
Depreciable and amortizable	217	217
Total noncurrent assets	19,632	19,632
Total assets	19,738	19,738
Liabilities		
Current liabilities		
Accounts payable	85	85
Total current liabilities	85	85
Total liabilities	85	85
Net position		
Net investment in capital assets	282	282
Restricted	19,350	19,350
Unrestricted	21	21
Total net position	\$ 19,653	\$ 19,653

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenses and Charges in Net Position
Nonmajor Enterprise Fund
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	OC Streetcar	Total Nonmajor Enterprise Funds
Operating revenues		
Charges for services	\$ —	\$ —
Total operating revenues	—	—
Operating expenses		
Administrative services	1,142	1,142
Other	2	2
Professional services	171	171
General and administrative	3	3
Depreciation and amortization	6	6
Total operating expenses	1,324	1,324
Operating loss	(1,324)	(1,324)
Nonoperating revenues (expenses)		
State transit assistance	18,755	18,755
Investment earnings	702	702
Total nonoperating revenues	19,457	19,457
Income before contributions and transfers	18,133	18,133
Transfers in	1,298	1,298
Change in net position	19,653	19,653
Total net position - beginning	—	—
Total net position - ending	\$ 19,653	\$ 19,653

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Cash Flows
Nonmajor Enterprise Fund
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	OC Streetcar	Total Nonmajor Enterprise Funds
Cash flows from operating activities		
Payments to suppliers	\$ (166)	\$ (166)
Payments for interfund services used	(1,142)	(1,142)
Net cash used for operating activities	(1,308)	(1,308)
Cash flows from noncapital financing activities		
State transit assistance funds received	18,693	18,693
Transfers from other funds	1,307	1,307
Net cash provided by noncapital financing activities	20,000	20,000
Cash flows from capital financing activities		
Acquisition and construction of capital assets	—	—
Net cash used for capital financing activities	—	—
Cash flows from investing activities		
Investment earnings	658	658
Net cash provided by investing activities	658	658
Net increase in cash and cash equivalents	19,350	19,350
Cash and cash equivalents at beginning of year	—	—
Cash and cash equivalents at end of year	\$ 19,350	\$ 19,350
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	\$ (1,324)	(1,324)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	6	6
Change in assets and liabilities:		
Accounts payable	10	10
Total adjustments	16	16
Net cash used for operating activities	\$ (1,308)	\$ (1,308)

ORANGE COUNTY TRANSPORTATION AUTHORITY
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025
(amounts expressed in thousands)

INTERNAL SERVICE FUNDS

General liability - This fund is used to account for OCTA's risk management activities related to public liability, property damage and automobile liability.

Workers' compensation - This fund is used to account for OCTA's risk management activities related to workers' compensation.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

<i>(amounts expressed in thousands)</i>	General Liability	Workers' Compensation	Total Internal Service Funds
Assets			
Current assets			
Cash and investments	\$ 33,470	\$ 23,171	\$ 56,641
Receivables:			
Interest	219	205	424
Other	304	300	604
Other assets	5	824	829
Total current assets	33,998	24,500	58,498
Total assets	33,998	24,500	58,498
Liabilities			
Current liabilities			
Accounts payable	423	604	1,027
Claims payable	1,199	3,110	4,309
Total current liabilities	1,622	3,714	5,336
Noncurrent liabilities			
Claims payable	4,797	13,260	18,057
Total noncurrent liabilities	4,797	13,260	18,057
Total liabilities	6,419	16,974	23,393
Net position			
Unrestricted	27,579	7,526	35,105
Total net position	\$ 27,579	\$ 7,526	\$ 35,105

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	General Liability	Workers' Compensation	Total Internal Service Funds
Operating revenues			
Charges for services	\$ 3,431	\$ 6,907	\$ 10,338
Total operating revenues	3,431	6,907	10,338
Operating expenses			
Administrative services	238	85	323
Other	34	536	570
Insurance claims and premiums	2,283	6,603	8,886
Professional services	1,355	528	1,883
Total operating expenses	3,910	7,752	11,662
Operating loss	(479)	(845)	(1,324)
Nonoperating revenues (expenses)			
Investment earnings	1,191	1,378	2,569
Other	463	276	739
Total nonoperating revenues	1,654	1,654	3,308
Income before contributions and transfers	1,175	809	1,984
Transfers in	11,300	—	11,300
Transfers out	—	(16,545)	(16,545)
Change in net position	12,475	(15,736)	(3,261)
Total net position - beginning	15,104	23,262	38,366
Total net position - ending	\$ 27,579	\$ 7,526	\$ 35,105

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	General Liability	Workers' Compensation	Total Internal Service Funds
Cash flows from operating activities			
Receipts from interfund services provided	\$ 3,439	\$ 6,908	\$ 10,347
Payments to suppliers	(1,168)	(649)	(1,817)
Payments to claimants	(2,901)	(6,001)	(8,902)
Payments for interfund services used	(238)	(85)	(323)
Miscellaneous revenue received	463	276	739
Net cash provided by (used for) operating activities	(405)	449	44
Cash flows from noncapital financing activities			
Transfers from other funds	11,300	—	11,300
Transfers to other funds	—	(16,545)	(16,545)
Net cash provided by (used for) noncapital financing activities	11,300	(16,545)	(5,245)
Cash flows from investing activities			
Investment earnings	1,224	1,578	2,802
Net cash provided by investing activities	1,224	1,578	2,802
Net increase (decrease) in cash and cash equivalents	12,119	(14,518)	(2,399)
Cash and cash equivalents at beginning of year	21,351	37,689	59,040
Cash and cash equivalents at end of year	\$ 33,470	\$ 23,171	\$ 56,641
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating loss	\$ (479)	\$ (845)	\$ (1,324)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Insurance recoveries	463	276	739
Change in assets and liabilities:			
Other receivables	(230)	91	(139)
Other assets	8	1	9
Accounts payable	187	(121)	66
Claims payable	(354)	1,047	693
Total adjustments	74	1,294	1,368
Net cash provided by operating activities	\$ (405)	\$ 449	\$ 44
Noncash capital, financing and investing activities:			
Change in fair value of investments	\$ 32	\$ 203	\$ 235

91 & 405 EXPRESS LANES



Orange County Transportation Authority
Orange County, California

VANPOOL



Orange County Transportation Authority
Orange County, California



ORANGE COUNTY TRANSPORTATION AUTHORITY

STATISTICAL SECTION

June 30, 2025

This part of OCTA's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about OCTA's overall financial health.

CONTENTS

Page

Financial Trends 96

These schedules contain trend information to help the reader understand how OCTA's financial performance and well-being have changed over time.

Revenue Capacity 101

These schedules contain information to help the reader assess OCTA's most significant local revenue source, the sales tax.

Debt Capacity 106

These schedules present information to help the reader assess the affordability of OCTA's current levels of outstanding debt and OCTA's ability to issue additional debt in the future.

Demographic and Economic Information 109

These schedules offer demographic and economic indicators to help the reader understand the environment within which OCTA's financial activities take place.

Operating Information 112

These schedules contain service and infrastructure data to help the reader understand how the information in OCTA's financial report relates to the services OCTA provides and the activities it performs.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 1

Net Position by Component, Last Ten Fiscal Years (Unaudited)

<i>(accrual basis of accounting - in thousands)</i>		As of June 30,									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities											
Net investment in capital assets	\$	185,209	\$ 202,587	\$ 211,433	\$ 262,985	\$ 340,129	\$ 433,782	\$ 501,053	\$ 582,156	\$ 681,639	\$ 734,535
Restricted		545,220	621,580	565,653	677,934	626,302	545,091	735,780	773,909	755,550	1,353,926
Unrestricted		67,517	29,578	37,947	(14,857)	(49,044)	(23,655)	18,118	5,854	16,134	32,225
Total governmental activities net position		797,946	853,745	815,033	926,062	917,387	955,218	1,254,951	1,361,919	1,453,323	2,120,686
Business-type activities											
Net investment in capital assets		300,737	389,791	339,677	320,212	303,484	287,575	306,992	302,428	370,095	415,151
Restricted		13,075	13,199	16,776	18,229	25,156	31,268	29,252	28,432	31,682	133,571
Unrestricted		305,689	323,682	439,737	487,407	547,164	583,939	482,767	641,516	859,053	836,858
Total business-type activities net position		619,501	726,672	796,190	825,848	875,804	902,782	819,011	972,376	1,260,830	1,385,580
Primary government											
Net investment in capital assets		485,946	592,378	551,110	583,197	643,613	721,357	808,045	884,584	1,051,734	1,149,686
Restricted		558,295	634,779	582,429	696,163	651,458	576,359	765,032	802,341	787,232	1,487,497
Unrestricted		373,206	353,260	477,684	472,550	498,120	560,284	500,885	647,370	875,187	869,083
Total primary government net position		\$1,417,447	\$1,580,417	\$1,611,223	\$1,751,910	\$1,793,191	\$1,858,000	\$2,073,962	\$2,334,295	\$2,714,153	\$3,506,266

Source: Accounting and Financial Reporting Department

Notes:

In fiscal year 2016-17, the increase in the business-type activities net position is mainly due to a major revenue vehicle purchase.

In fiscal year 2018-19, the increase in the government-type activities net position is mainly due to the Measure M program and the construction of the OC Streetcar project.

In fiscal year 2019-20, the increase in the business-type activities net position is mainly due to a reduction in net pension liabilities.

In fiscal year 2020-21, the increase in the governmental activities net position is mainly due to capital grants and contributions and taxes. The increase in business-type activities net position is mainly due to operating grants and contributions.

In fiscal year 2021-22, the increase in the governmental activities net position is mainly due to sales tax revenues. The decrease in business-type activities net position is mainly due to the construction of I-405 improvement project.

In fiscal year 2022-23, the increase in the business-type activities net position is mainly due to reclassification of the I-405 improvement project (long-term debt TIFIA loan and construction in progress) from unrestricted to net investment in capital assets.

In fiscal year 2023-24, the increase in governmental activities net position is mainly due to decrease in Measure M program expenses related to I-405 Improvement Project. The increase in business-type activities net position is mainly due to increased charges for services from 405 Express Lanes and interfund transfer from the LTA fund to 405 Express Lanes fund for TIFIA loan allocation.

In fiscal year 2024-25, the increase in governmental activities net position is mainly due to TIRCP capital assistance for OC Streetcar project and SB 125 one-time funding.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 2

Changes in Net Position, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - in thousands)

For the Year Ended June 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 95,155	\$ 94,929	\$ 80,877	\$ 88,394	\$ 89,868	\$ 87,346	\$ 89,924	\$ 104,701	\$ 111,528	\$ 119,244
Measure M program	272,627	280,154	439,279	390,253	453,965	534,584	543,991	482,865	371,900	392,256
Motorist services	6,355	5,826	5,725	6,359	7,724	7,092	8,284	8,206	9,772	9,977
Commuter rail	34,004	39,736	414	117	454	47	194	15	—	—
Total governmental activities expenses	408,141	420,645	526,295	485,123	552,011	629,069	642,393	595,787	493,200	521,477
Business-type activities:										
Fixed route	208,851	204,969	208,167	230,256	201,819	174,441	179,877	210,789	209,916	228,591
Paratransit	63,071	64,594	67,883	71,104	88,086	75,431	88,131	99,541	115,153	127,724
Tollroad	25,120	38,455	25,672	26,491	29,239	30,137	30,162	15,409	29,764	61,243
Taxicab administration	567	524	385	348	160	86	—	—	—	—
Local rail	—	—	—	6	7	28	51	107	74	183
Total business-type activities expenses	297,609	308,542	302,107	328,205	319,311	280,123	298,221	325,846	354,907	417,741
Total primary government expenses	705,750	729,187	828,402	813,328	871,322	909,192	940,614	921,633	848,107	939,218
Program Revenues										
Governmental activities:										
Charges for services:										
General government	1,180	730	842	855	872	1,113	1,094	935	694	291
Other activities	1,087	1,104	1,544	968	1,197	1,149	1,373	1,257	1,046	1,455
Operating grants and contributions	125,220	92,486	98,233	83,458	78,703	74,365	63,978	61,774	65,287	281,847
Capital grants and contributions	3,897	17,602	7,679	19,994	37,921	65,919	65,949	47,923	40,085	175,563
Total governmental activities program revenues	131,384	111,922	108,298	105,275	118,693	142,546	132,394	111,889	107,112	459,156
Business-type activities:										
Charges for services:										
Fixed route	50,197	42,753	40,821	41,067	39,747	22,380	37,647	38,580	39,939	44,233
Tollroad	52,240	56,005	57,615	57,417	43,944	45,353	64,848	61,376	93,335	135,421
Other activities	8,650	8,656	8,280	8,727	7,654	2,193	4,824	6,183	7,527	8,356
Operating grants and contributions	65,226	74,966	74,236	87,667	64,917	164,819	258,866	77,750	62,937	116,474
Capital grants and contributions	35,848	89,740	17,849	11,172	4,747	7,154	10,568	84,923	48,357	54,794
Total business-type activities program revenues	212,161	272,120	198,801	206,050	161,009	241,899	376,753	268,812	252,095	359,278
Total primary government program revenues	\$ 343,545	\$ 384,042	\$ 307,099	\$ 311,325	\$ 279,702	\$ 384,445	\$ 509,147	\$ 380,701	\$ 359,207	\$ 818,434

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 2

Changes in Net Position, Last Ten Fiscal Years, *continued*

(accrual basis of accounting - in thousands)

	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Indirect expenses allocation:										
Governmental activities	\$ (37,748)	\$ (41,045)	\$ (43,163)	\$ (44,411)	\$ (46,890)	\$ (48,485)	\$ (52,347)	\$ (55,455)	\$ (61,325)	\$ (65,651)
Business-type activities	37,748	41,045	43,163	44,411	46,890	48,485	52,347	55,455	61,325	65,651
Net revenues (expenses)										
Governmental activities	(239,009)	(267,678)	(374,834)	(335,437)	(386,428)	(438,038)	(457,652)	(428,442)	(324,763)	3,330
Business-type activities	(123,196)	(77,467)	(146,469)	(166,566)	(205,192)	(86,709)	26,185	(112,489)	(164,137)	(124,114)
Total primary government net expenses	(362,205)	(345,145)	(521,303)	(502,003)	(591,620)	(524,747)	(431,467)	(540,931)	(488,900)	(120,784)
General Revenues and Transfers										
Governmental activities:										
Sales tax revenues	476,368	475,863	515,475	546,912	518,933	554,785	679,399	718,022	700,434	694,186
Investment earnings	19,447	9,807	12,609	48,527	55,593	21,334	(27,383)	38,383	81,699	97,463
Other miscellaneous revenues	918	99	133	233	159	2,028	1,360	826	1,064	8,206
Transfers	(152,899)	(162,292)	(191,734)	(149,206)	(196,930)	(117,292)	104,009	(221,821)	(367,030)	(140,857)
Total governmental activities	343,834	323,477	336,483	446,466	377,755	460,855	757,385	535,410	416,167	658,583
Business-type activities:										
Property taxes	14,098	14,943	15,995	16,971	17,829	18,648	19,646	21,155	22,281	23,585
Investment earnings	7,672	2,332	2,892	24,654	29,285	4,859	(32,167)	14,586	53,490	70,872
Other miscellaneous revenues	791	5,071	5,604	5,393	11,104	7,685	6,574	8,292	9,790	9,819
Transfers	152,899	162,292	191,734	149,206	196,930	117,292	(104,009)	221,821	367,030	140,857
Total business-type activities	175,460	184,638	216,225	196,224	255,148	148,484	(109,956)	265,854	452,591	244,989
Total primary government	519,294	508,115	552,708	642,690	632,903	609,339	647,429	801,264	868,758	903,572
Changes in net position										
Governmental activities	104,825	55,799	(38,351)	111,029	(8,673)	22,817	299,733	106,968	91,404	661,913
Business-type activities	52,264	107,171	69,756	29,658	49,956	61,775	(83,771)	153,365	288,454	120,875
Total primary government	\$ 157,089	\$ 162,970	\$ 31,405	\$ 140,687	\$ 41,283	\$ 84,592	\$ 215,962	\$ 260,333	\$ 379,858	\$ 782,788

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 3

Fund Balances, Governmental Funds, Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting - in thousands)

	As of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 11,862	\$ 20,672	\$ 11,699	\$ 13,717	\$ 12,746	\$ 13,763	\$ 13,282	\$ 12,802	\$ 14,334	\$ 15,046
Restricted	23,548	22,992	23,189	23,101	23,517	44,642	40,881	41,994	44,060	64,685
Assigned	14,453	—	2,413	8,740	11,562	14,735	25,759	28,218	—	—
Unassigned	—	(17,135)	—	(2,217)	—	—	(2)	—	7,169	6,374
Total general fund	49,863	26,529	37,301	43,341	47,825	73,140	79,920	83,014	65,563	86,105
All Other Governmental Funds										
Nonspendable	12,519	7,177	12,144	15,772	12,230	17,507	39,222	25,887	21,843	11,654
Restricted	862,565	953,569	892,703	1,337,025	1,252,083	1,155,000	1,314,797	1,343,802	1,300,225	1,684,768
Assigned:										
Transportation capital projects	8,682	1,158	—	2,521	—	—	—	—	—	—
Unassigned	—	—	(6,917)	(883)	(2,024)	(3,562)	(7,658)	(10,171)	(10,552)	(5,561)
Total all other governmental funds	\$ 883,766	\$ 961,904	\$ 897,930	\$1,354,435	\$1,262,289	\$1,168,945	\$1,346,361	\$1,359,518	\$1,311,516	\$1,690,861

Source: Accounting and Financial Reporting Department

Notes:

In fiscal year 2018-19, the increase in restricted fund balance of All Other Governmental Funds was due to the issuance of sales tax revenue bonds for the Measure M2 program.

In fiscal year 2019-23, the changes in restricted fund balance of All Other Governmental Funds was due to the fluctuations of sales tax revenue for Measure M2 program.

In fiscal year 2023-24, the decrease in assigned fund balance of General Fund was due to interfund transfer of CURE fund from General Fund to LTA Fund.

In fiscal year 2024-25, the increase in restricted fund balance of General Fund was due to interfund transfer to ARBA reserve fund from Workers' Compensation (Internal Service Fund)

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 4

Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting - in thousands)

For the Year Ended June 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Sales tax revenues	465,830	486,401	507,584	554,804	518,933	554,785	679,399	718,022	700,433	694,187
Transportation improvement fee	—	—	5,673	5,603	5,823	6,230	7,581	6,619	7,115	7,446
Vehicle registration fees	3,401	2,960	2,941	2,978	2,773	3,099	2,896	2,952	3,013	3,003
Fines	220	205	201	200	245	125	182	163	145	124
Contributions from other agencies	103,532	87,870	92,239	67,550	96,817	84,483	51,603	77,858	40,691	257,431
Interest and investment income	18,917	11,894	12,253	48,528	53,209	23,840	(29,596)	41,529	83,578	98,718
Capital assistance grants	3,220	14,552	7,541	14,171	29,102	45,999	46,975	42,384	31,948	167,051
Miscellaneous	5,090	8,060	6,361	3,649	1,425	3,250	2,365	2,555	2,074	9,686
Total revenues	600,210	611,942	634,793	697,483	708,327	721,811	761,405	892,082	868,997	1,237,646
Expenditures										
Current:										
General government	126,370	116,183	110,973	110,537	106,911	114,120	101,883	122,642	144,832	169,781
Transportation:										
Contributions to other local agencies	124,230	146,199	109,767	114,543	97,116	103,286	104,090	105,526	105,389	123,778
Capital outlay	103,441	106,921	250,292	235,559	354,492	430,188	435,542	372,308	262,322	190,505
Debt service:										
Principal	7,210	7,475	7,775	8,165	8,530	8,065	8,455	19,935	20,920	21,950
Interest	21,614	21,343	21,059	20,677	35,615	35,777	35,808	34,949	33,956	32,906
Bond issuance costs	—	—	—	826	—	—	—	—	—	816
Total expenditures	382,865	398,121	499,866	490,307	602,664	691,436	685,778	655,360	567,419	539,736
Excess of revenues over expenditures	217,345	213,821	134,927	207,176	105,663	30,375	75,627	236,722	301,578	697,910
Other financing sources (uses):										
Transfers in	56,722	74,074	46,148	155,033	137,216	99,830	217,996	122,116	189,244	359,961
Transfers out	(209,621)	(236,366)	(237,882)	(304,239)	(334,146)	(217,122)	(113,987)	(343,936)	(556,275)	(500,597)
Proceeds from sale of capital assets	3,010	3,275	3,605	3,605	3,605	3,866	4,560	1,349	—	4,169
Bond issuance	—	—	—	376,690	—	—	—	—	—	227,565
Bond premium	—	—	—	69,342	—	—	—	—	—	36,413
Payment to refunded bond escrow agent	—	—	—	(45,062)	—	—	—	—	—	(267,767)
Total other financing sources (uses)	(149,889)	(159,017)	(188,129)	255,369	(193,325)	(113,426)	108,569	(220,471)	(367,031)	(140,256)
Net changes in fund balances	67,456	54,804	(53,202)	462,545	(87,662)	(83,051)	184,196	16,251	(65,453)	557,654
Debt service as a percentage of noncapital expenditures	7.7 %	7.6 %	5.9 %	6.6 %	8.4 %	7.3 %	6.8 %	9.6 %	11.8 %	11.3 %

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 5

Program Revenues by Function/Program, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - in thousands)

Program Revenues	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
Governmental activities:										
General government	\$ 8,963	\$ 22,323	\$ 18,830	\$ 27,932	\$ 46,179	\$ 76,165	\$ 77,831	\$ 54,580	\$ 49,165	\$ 183,348
Measure M program	111,050	76,881	81,902	67,979	63,996	59,115	48,550	48,894	51,512	267,734
Motorist services	5,648	5,575	5,492	8,755	8,516	7,251	5,968	8,222	6,435	8,074
Commuter rail	5,723	7,143	2,074	609	2	15	45	194	—	—
Total governmental activities	131,384	111,922	108,298	105,275	118,693	142,546	132,394	111,890	107,112	459,156
Business-type activities:										
Fixed route	123,504	173,107	105,539	108,244	107,503	193,353	306,103	200,782	149,316	195,775
Paratransit	28,080	40,777	33,882	38,859	7,496	2,192	4,824	6,183	7,527	8,356
Tollroad	60,059	57,816	59,069	58,576	45,835	46,342	65,826	61,847	95,252	136,392
Taxicab administration	518	420	311	371	175	12	—	—	—	—
Local rail	—	—	—	—	—	—	—	—	—	18,755
Total business-type activities	212,161	272,120	198,801	206,050	161,009	241,899	376,753	268,812	252,095	359,278
Total primary government	\$ 343,545	\$ 384,042	\$ 307,099	\$ 311,325	\$ 279,702	\$ 384,445	\$ 509,147	\$ 380,702	\$ 359,207	\$ 818,434

Source: Accounting and Financial Reporting Department

Notes:

In fiscal year 2016-17, the decrease in Measure M program was primarily due to decreased funding of RSTP and Prop 1B as well as closing phase of the grade separation projects.

In fiscal year 2017-18, the decrease in Fixed route was primarily due to capital grants received in the prior year related to the CNG bus purchase project.

In fiscal year 2019-20, the decrease in General government, fixed route, paratransit, and tollroad revenues was primarily due to the COVID-19 pandemic.

In fiscal year 2020-22, the increase in Fixed route was primarily due to increased operating grants and contributions.

In fiscal year 2022-23, the decrease in Fixed route was primarily due to decreased operating grants and contributions relating to transit operations.

In fiscal year 2023-24, the decrease in Fixed route was primarily due to decreased operating grants and contributions relating to transit operations. The increase in Tollroad was due to increase in 91 EL user revenues and opening of 405 EL for public use.

In fiscal year 2024-25, the increase in governmental and business-type activities was due to TIRCP grant funding and SB 125 grant appropriations.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 6

Tax Revenues by Source, Governmental Activities, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - thousands)

For the Year Ended June 30,	Sales and Use Tax Revenues	
2016	\$	476,368
2017		475,863
2018		515,475
2019		546,912
2020		518,933
2021		554,785
2022		679,399
2023		718,022
2024		700,434
2025		694,186
Change		
2016 - 2025		45.7 %

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 7
Taxable Sales by Category, Last Ten Calendar Years (Unaudited)

<i>(amounts expressed in thousands)</i>	Calendar Year										(a)
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Clothing and Clothing Accessories Stores	\$4,173,147	\$4,179,348	\$4,420,905	\$4,501,642	\$3,445,233	\$5,265,145	\$5,645,156	\$5,510,685	\$5,480,352	\$5,071,076	
General Merchandise Stores	5,266,498	5,314,636	5,424,321	5,561,761	5,214,858	6,114,659	6,661,626	6,433,829	6,411,992	5,844,540	
Food and Beverage Stores	2,315,300	2,399,937	2,460,590	2,483,191	2,630,703	2,705,682	2,843,138	2,851,552	2,882,548	2,413,398	
Food Services and Drink Places	7,561,709	7,953,351	8,195,164	8,559,216	6,232,835	8,795,493	10,252,167	10,807,335	11,173,431	11,099,434	
Home Furnishings and Appliance Stores	3,082,463	3,074,257	3,037,974	2,907,710	2,578,348	3,104,704	3,116,190	2,946,553	2,893,222	2,953,804	
Building Material & Garden Equipment & Supplies Dealers	2,961,129	3,106,396	3,184,381	3,174,208	3,539,541	3,817,836	4,006,427	3,930,919	3,886,178	3,827,530	
Motor Vehicle and Parts Dealers	8,648,763	8,927,827	9,408,045	9,646,527	9,482,960	11,324,257	11,775,654	11,056,748	10,817,359	11,157,918	
Gasoline Stations	3,489,276	3,745,819	4,203,824	4,142,023	2,670,300	4,110,466	5,137,709	4,536,118	4,259,440	3,974,956	
Other Retail Group	5,318,826	5,562,771	5,742,982	6,158,835	8,462,565	8,412,348	8,661,056	9,248,654	9,015,794	8,571,896	
All other outlets	20,241,650	20,883,715	21,390,429	22,553,862	19,576,172	24,603,345	29,927,949	29,976,022	29,517,095	28,433,942	
Total	\$63,058,761	\$65,148,057	\$67,468,615	\$69,688,975	\$63,833,515	\$78,253,935	\$88,027,072	\$87,298,415	\$86,337,411	\$83,348,494	
Measure M Ordinance direct sales tax rate	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	

Sources: California State Board of Equalization for data prior to 2015; California Department of Tax and Fee Administration for data starting 2015

Note:

(a) Taxable Sales reported for year 2025 includes actual data for the first and second quarters.

ORANGE COUNTY TRANSPORTATION AUTHORITY**Schedule 8****Direct and Overlapping Sales Tax Rates, Last Ten Calendar Years (Unaudited)**

Calendar Year	Measure M Direct rate	County of Orange	
2016	0.50%	7.50%	
2017	0.50%	7.25%	(a)
2018	0.50%	7.25%	
2019	0.50%	7.25%	
2020	0.50%	7.25%	
2021	0.50%	7.25%	
2022	0.50%	7.25%	
2023	0.50%	7.25%	
2024	0.50%	7.25%	
2025	0.50%	7.25%	

Sources: County of Orange information provided by the California Department of Tax and Fee Administration

Notes: Measure M information provided by the Measure M Ordinance

(a) Effective January 1, 2017 the state sales and use tax rate decreased by .25%.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 9
Principal Taxable Sales Generation by City, Current Year and Nine Years Ago
(Unaudited)
(amounts express in thousands)

City	Calendar Year 2024			Calendar Year 2015		
	Taxable Sales	Rank	Percentage of Total	Taxable Sales	Rank	Percentage of Total
Aliso Viejo	\$ 799,471	22	1.11 %	\$ 413,924	28	0.76 %
Anaheim	9,276,492	1	12.93 %	6,652,443	1	12.24 %
Brea	2,094,134	12	2.92 %	1,787,851	11	3.29 %
Buena Park	2,938,057	9	4.10 %	1,791,525	10	3.30 %
Costa Mesa	6,395,035	3	8.91 %	4,765,158	3	8.77 %
Cypress	1,138,168	18	1.59 %	1,081,002	16	1.99 %
Dana Point	572,671	26	0.80 %	476,437	26	0.88 %
Fountain Valley	1,328,517	16	1.85 %	1,018,126	18	1.87 %
Fullerton	2,455,842	11	3.42 %	1,779,283	12	3.27 %
Garden Grove	2,469,321	10	3.44 %	1,854,811	9	3.41 %
Huntington Beach	3,987,633	6	5.56 %	3,207,380	6	5.90 %
Irvine	7,892,635	2	11.00 %	5,382,441	2	9.90 %
La Habra	1,132,607	19	1.58 %	890,346	19	1.64 %
La Palma	222,878	32	0.31 %	232,481	32	0.43 %
Laguna Beach	562,412	27	0.78 %	449,732	27	0.83 %
Laguna Hills	521,597	28	0.73 %	493,928	25	0.91 %
Laguna Niguel	1,183,840	17	1.65 %	1,043,562	17	1.92 %
Laguna Woods	98,695	33	0.14 %	83,454	33	0.15 %
Lake Forest	1,482,559	15	2.07 %	1,252,190	15	2.30 %
Los Alamitos	304,762	31	0.42 %	262,993	31	0.48 %
Mission Viejo	1,813,197	13	2.53 %	1,541,617	13	2.84 %
Newport Beach	3,768,852	7	5.25 %	3,034,392	7	5.58 %
Orange	4,758,804	5	6.63 %	3,574,281	5	6.57 %
Placentia	663,537	25	0.92 %	563,396	23	1.04 %
Rancho Santa Margarita	708,013	23	0.99 %	562,087	24	1.03 %
San Clemente	1,020,544	21	1.42 %	711,739	20	1.31 %
San Juan Capistrano	1,036,398	20	1.44 %	704,052	21	1.30 %
Santa Ana	4,964,322	4	6.92 %	3,954,541	4	7.27 %
Seal Beach	418,223	30	0.58 %	355,989	29	0.65 %
Stanton	463,285	29	0.65 %	350,479	30	0.64 %
Tustin	3,032,799	8	4.23 %	2,034,806	8	3.74 %
Villa Park	25,013	34	0.03 %	20,067	34	0.04 %
Westminster	1,508,565	14	2.10 %	1,418,002	14	2.61 %
Yorba Linda	700,057	24	0.98 %	619,436	22	1.14 %
Total	71,738,935		100 %	54,363,951		100 %
Unincorporated Cities	14,598,478			7,552,268		
Total Orange County	\$ 86,337,413			\$ 61,916,219		

Source: California Department of Tax and Fee Administration, www.cdtfa.ca.gov
Note: The most current data available is for 2024.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 10

Ratios of Outstanding Debt by Type, Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands except per capita)

As of June 30,	Governmental Activities			Business-Type Activities					Primary Government	Percentage of Personal Income	Per Capita
	Sales Tax Revenue Bonds	Lease Liabilities	Subscription Liabilities	Toll Road Revenue Bonds	TIFIA Loan	Lease Liabilities	Subscription Liabilities	PPP Liabilities			
2016	\$ 327,894	\$ —	\$ —	\$ 123,725	\$ —	\$ —	\$ —	\$ —	\$ 451,619	0.23 %	142.06
2017	319,817	—	—	117,796	—	—	—	—	437,613	0.22 %	136.72
2018	311,440	—	—	111,627	165,988	—	—	—	589,055	0.28 %	182.87
2019	704,094	—	—	105,173	294,762	—	—	—	1,104,029	0.50 %	342.60
2020	691,810	—	—	98,420	303,422	—	—	—	1,093,652	0.46 %	342.37
2021	680,592	—	—	91,356	312,329	—	—	—	1,084,277	0.42 %	343.80
2022	668,985	28,483	—	83,962	—	3,394	—	—	784,824	0.30 %	248.19
2023	645,899	24,634	623	76,223	620,189	8,914	276	—	1,376,758	0.49 %	438.31
2024	621,827	20,872	357	51,555	632,355	8,491	253	108,391	1,444,101	n/a	458.32
2025	614,624	16,632	2,617	45,116	644,732	8,046	241	110,815	1,442,823	n/a	454.37

Source: Accounting and Financial Reporting Department

Notes:

In fiscal year 2013-14, OCTA issued Senior Lien Toll Road Revenue Refunding Bonds (Series 2013) to refund the outstanding Series 2003 Bonds.

In fiscal year 2017-18, OCTA and DOT Bureau executed the TIFIA loan.

In fiscal year 2018-19, the increase in sales tax revenue bonds of governmental activities is due to issuance of sales tax revenue bonds.

In fiscal year 2021-22, OCTA prepaid the TIFIA loan and secured bridge loan (BAN 2021).

In fiscal year 2022-23, OCTA and DOT Bureau executed the TIFIA loan, and paid off the BAN 2021.

In fiscal year 2023-24, OCTA issued 2023 Toll Road Revenue Bonds and refunded 2013 Toll Road Revenue Bonds for 91 Express Lanes.

In fiscal year 2024-25, OCTA issued Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds.

See schedule 13 for personal income and population data.

n/a - data not available

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 11

Legal Debt Margin Information, Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands)

Measure M Ordinance No. 3 (Measure M2) LTA Fund				Toll Road Revenue Bonds 91 EL Fund				TIFIA Loan 405 EL Fund			
Legal Debt Margin Calculation for Fiscal Year 2025				Legal Debt Margin Calculation for Fiscal Year 2025				Legal Debt Margin Calculation for Fiscal Year 2025			
Debt service		\$	54,856	Debt service		\$	8,052	Debt service		\$	—
Debt coverage (130 % of debt service)			71,313	Debt coverage (130 % of debt service)			10,467	Debt coverage (135 % of debt service)			—
Sales tax revenues			428,184	Toll revenues			95,325	Toll revenues			64,228
Less: local fair share & other expenses			(92,422)	Less: operating expenses			(18,055)	Less: operating expenses			(22,537)
Net sales tax revenues			335,762	Net toll revenues			77,270	Net toll revenues			41,691
Legal debt margin		\$	<u>264,449</u>	Legal debt margin		\$	<u>66,802</u>	Legal debt margin		\$	<u>41,691</u>

For Year Ended June 30,	Measure M Ordinance No. 3 (Measure M2) LTA Fund					Toll Road Revenue Bonds 91 EL Fund					TIFIA Loan 405 EL Fund				
	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit		Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit		Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit	
2016	\$ 237,151	\$ 29,021	\$ 208,130	12.2 %	\$ 35,576	\$ 14,035	\$ 21,541	39.5 %	\$ —	\$ —	\$ —	—	—	—	n/a
2017	239,727	29,244	210,483	12.2 %	25,002	14,039	10,963	56.2 %	—	—	—	—	—	—	n/a
2018	249,427	29,080	220,347	11.7 %	42,211	14,034	28,177	33.2 %	—	—	—	—	—	—	n/a
2019	258,085	37,434	220,651	14.5 %	49,624	14,035	35,589	28.3 %	—	—	—	—	—	—	n/a
2020	252,570	57,360	195,210	22.7 %	37,268	14,037	23,231	37.7 %	—	—	—	—	—	—	n/a
2021	262,280	56,992	205,288	21.7 %	31,735	14,034	17,701	44.2 %	—	—	—	—	—	—	n/a
2022	330,050	56,974	273,076	17.3 %	37,145	14,122	23,023	38.0 %	—	—	—	—	—	—	n/a
2023	349,480	71,349	278,131	20.4 %	51,439	14,034	37,406	27.3 %	—	—	—	—	—	—	n/a
2024	340,336	71,334	269,002	21.0 %	73,485	13,354	60,131	18.2 %	4,577	—	4,577	—	4,577	—	%
2025	335,762	71,313	264,449	21.2 %	77,270	10,467	66,802	13.5 %	41,691	—	41,691	—	41,691	—	%

Source: Treasury and Accounting and Financial Reporting Departments

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 12

Pledged Revenue Coverage, Last Ten Fiscal Years (Unaudited)
(amounts expressed in thousands)

Measure M2 Sales Tax Revenue Bonds LTA Fund						Toll Road Revenue Bonds 91 EL Fund					TIFIA Loan 405 EL Fund				
For the Year Ended June 30,	Sales Tax Revenues	Less: Fair Share & Other Expenses	Debt Service		Coverage	Toll Road Revenue	Less: Operating Expenses	Debt Service		Coverage	Toll Road Revenue	Less: Operating Expenses	Debt Service		Coverage
			Principal	Interest				Principal	Interest				Principal	Interest	
2016	\$ 300,602	\$ (63,451)	\$ 7,210	\$ 15,114	10.62	\$ 54,267	\$ (18,691)	\$ 5,075	\$ 5,721	3.30	—	—	—	—	n/a
2017	305,057	(65,330)	7,475	15,020	10.66	56,835	(31,833)	5,285	5,514	2.32	—	—	—	—	n/a
2018	316,093	(66,666)	7,775	14,594	11.15	58,613	(16,403)	5,525	5,270	3.91	—	—	—	—	n/a
2019	328,892	(70,807)	8,165	20,629	8.96	64,932	(15,308)	5,810	4,986	4.60	—	—	—	—	n/a
2020	322,448	(69,878)	8,530	35,592	5.72	52,313	(15,045)	6,110	4,688	3.45	—	—	—	—	n/a
2021	332,888	(70,608)	8,065	35,774	5.98	46,463	(14,729)	6,420	4,375	2.94	—	—	—	—	n/a
2022	419,531	(89,481)	8,455	35,371	7.53	57,626	(20,481)	6,750	4,046	3.44	—	—	—	—	n/a
2023	442,081	(92,601)	19,935	34,949	6.37	64,827	(13,388)	7,095	3,700	4.77	—	—	—	—	n/a
2024	433,919	(93,583)	20,920	33,952	6.20	88,794	(15,309)	7,460	2,812	7.15	22,651	(18,074)	—	—	n/a
2025	428,184	(92,422)	21,950	32,906	6.12	95,325	(18,055)	5,820	2,232	9.60	64,228	(22,537)	—	—	n/a

Source: Accounting and Financial Reporting Department

Notes:

In fiscal year 2018-19, Measure M2 sales tax revenue bonds were issued.

In fiscal year 2019-20, Measure M2 sales tax revenue decreased due to COVID-19 pandemic and state order to refrain from non-essential travel.

In fiscal year 2019-20, decrease in toll road revenue is primarily due to a decrease in trips due to COVID-19 pandemic and state orders to refrain from non-essential travel.

In fiscal year 2022-23, increase in toll road revenue and sales tax revenues were primarily due to an increase in average trips cost and economic recovery from COVID-19 pandemic.

In fiscal year 2023-24, the TIFIA loan is secured by toll revenues of the 405 Express Lanes which is opened to public in December 2023.

In fiscal year 2024-25, toll road revenue for both the 91 and 405 Express Lanes increased primarily due to higher average gross revenue per trips. Additionally, reported revenues for the 405 Express Lanes reflected only seven months of operations, whereas fiscal year 2024-25 included a full year of operations.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 13

Demographic and Economic Statistics, Last Ten Calendar Years (Unaudited)

Calendar Year	Population (a)	Personal Income (millions) (b)	Per Capita Personal Income (c)	Median Age (d)	School Enrollment (e)	Unemployment Rate (f)
2016	3,179,122	\$ 194,224	\$ 61,184	37.30	493,030	4.4 %
2017	3,200,748	202,337	63,510	37.50	490,430	3.8 %
2018	3,221,103	210,649	66,056	37.80	485,835	3.2 %
2019	3,222,498	221,785	69,616	38.10	478,823	3.0 %
2020	3,194,332	239,165	75,074	38.30	473,612	13.6 %
2021	3,153,764	257,606	81,505	38.50	456,572	6.5 %
2022	3,162,245	264,973	84,109	38.70	448,729	2.9 %
2023	3,141,065	278,761	88,897	39.70	441,249	3.7 %
2024	3,150,835	n/a	n/a	n/a	437,276	4.0 %
2025	3,175,427	n/a	n/a	n/a	429,869	4.5 %

Notes:

n/a - data not available

Estimates for personal income and per capita personal income for 2016-2023 were revised for new estimates.

Sources:

- (a) July 1 estimates for 2016-2017 and January 1 estimate for 2018-2025 from California Department of Finance, <http://www.dof.ca.gov/>
- (b) U.S. Department of Commerce, Bureau of Economic Analysis, <http://www.bea.gov/>
- (c) U.S. Department of Commerce, Bureau of Economic Analysis, <http://www.bea.gov/>
- (d) U.S. Census Bureau, <https://data.census.gov/table>
- (e) California Department of Education, <http://www.cde.ca.gov/>
- (f) CA Employment Development Department, <http://www.labormarketinfo.edd.ca.gov/>

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 14

Principal Employers, Current Year and Nine Years Ago (Unaudited)

Employer	Calendar Year 2025				(b)	Calendar Year 2015				(b)
	Employees	(a)	Rank	Percentage of Total County Employment		Employees	(a)	Rank	Percentage of Total County Employment	
Walt Disney Co.	36,000		1	2.30 %		27,000		1	1.76 %	
University of California, Irvine	34,085		2	2.18 %		22,385		2	1.46 %	
Providence	25,155		3	1.61 %		n/a		n/a	n/a	
County of Orange	18,000		4	1.15 %		18,135		3	1.18 %	
Kaiser Permanente	10,293		5	0.66 %		7,000		5	0.46 %	
Hoag Memorial Hospital Presbyterian	8,081		6	0.52 %		n/a		n/a	n/a	
Allied Universal	7,214		7	0.46 %		n/a		n/a	n/a	
Albertsons Southern CA Division	7,152		8	0.46 %		n/a		n/a	n/a	
Memorial Care Health System	6,326		9	0.40 %		5,650		8	0.37 %	
CHOC Hospital	5,555		10	0.36 %		n/a		n/a	n/a	
Boeing Co.						12,227		4	0.80 %	
St. Joseph Health System						6,890		6	0.45 %	
Bank of America Corp.						5,500		9	0.36 %	
Walmart Inc.						6,000		7	0.39 %	
Target Corp.						5,400		10	0.35 %	
Total County Employment	1,564,300					1,530,800				

Sources: (a) Orange County Business Journal Book of Lists - County of Orange

(b) Total County Employment information obtained from California Employment Development Department
<http://www.labormarketinfo.edd.ca.gov>

Note: Due to unavailability of 2016 data, 2015 is reported

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 15

Full-Time Equivalent Government Employees by Function/Program for Ten Years (Unaudited)

	Full-Time Equivalent Employees as of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government	238.0	239.0	240.5	247.5	243.0	246.0	250.5	260.5	264.0	271.5
Measure M program	39.5	39.0	39.0	40.5	41.5	39.5	38.0	38.0	38.0	34.0
Motorist services	4.0	4.0	5.0	5.0	5.0	5.0	3.0	3.0	2.0	3.0
Commuter rail	10.5	11.0	8.0	7.0	6.0	7.0	6.0	6.0	6.0	6.0
Fixed route	1,020.0	981.0	906.5	964.0	990.5	972.5	886.0	888.0	887.0	958.5
Paratransit	5.0	7.5	7.5	6.5	8.5	7.5	7.5	8.0	9.0	7.0
Tollroad	3.0	3.0	3.5	3.5	3.5	3.5	3.5	6.0	6.5	6.5
Taxicab administration	4.0	3.0	2.0	2.0	1.0	—	—	—	—	—
LOSSAN	6.0	7.0	8.0	11.0	14.0	14.0	15.0	15.0	16.0	15.0
Total	1,330.0	1,294.5	1,220.0	1,287.0	1,313.0	1,295.0	1,209.5	1,224.5	1,228.5	1,301.5

Source: Financial Planning & Analysis Department

Notes:

In fiscal year 2016-17, the decrease of full-time equivalent positions in Fixed Route was due to service reductions.

In fiscal year 2018-19, the increase of full-time equivalent positions was primarily due to new hires in Fixed Route.

In fiscal year 2020-22, the decrease of full-time equivalent positions in Fixed Route was due to service reductions.

In fiscal year 2022-23, the increase of full-time equivalent positions in Tollroad was due to hiring 405 Express Lanes staff and the increase in General government is due to new hires.

In fiscal year 2023-24, no significant changes noted.

In fiscal year 2024-25, the increase of full-time equivalent positions in Fixed Route was due to the availability and increased hiring of qualified Coach Operators.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 16

Operating Indicators by Function/Program (Unaudited)

	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Measure M2 program (in thousands)										
Freeways	\$ 68,486	\$ 100,729	\$ 251,130	\$ 204,726	\$ 295,020	\$ 355,936	\$ 399,043	\$ 310,105	\$ 327,460	\$ 174,924
Streets and roads	163,699	138,273	106,691	110,412	105,555	92,472	60,180	94,112	97,981	119,911
Transit	22,464	16,516	20,419	173,782	74,815	68,617	143,009	68,792	124,541	110,857
Environmental cleanup	9,578	10,189	6,409	7,117	2,656	1,499	1,938	1,347	2,763	3,440
Total program expenses	\$ 264,227	\$ 265,707	\$ 384,649	\$ 496,037	\$ 478,046	\$ 518,524	\$ 604,170	\$ 474,356	\$ 552,745	\$ 409,132
Motorist services										
Calls made from call boxes*	1,717	1,363	1,246	1,049	250	345	392	332	268	223
Vehicles assisted by FSP	68,678	62,527	54,136	52,673	56,374	60,062	67,224	59,129	55,375	64,535
511 Motorist Assistance Calls*	4,023	4,120	3,888	4,298	3,531	2,898	3,528	4,441	3,974	3,508
Commuter rail										
Weekday trips	54	54	54	54	54	41	45	45	45	58
Annual boardings	4,198,189	4,477,735	5,069,929	5,073,474	3,874,618	797,715	1,592,803	1,983,306	2,407,622	2,988,147
Fixed route										
Annual boardings	43,202,265	39,903,682	39,272,747	37,846,066	30,800,075	19,880,122	26,680,576	31,191,444	34,978,231	36,939,206
Vehicle revenue hours	1,618,070	1,629,802	1,602,192	1,626,394	1,443,821	1,210,496	1,378,707	1,534,698	1,450,826	1,625,032
Miles of fixed route	2,045	1,820	1,801	1,762	1,792	1,562	1,587	1,546	1,544	1,523
Paratransit										
Annual boardings	1,779,530	1,864,312	1,647,378	1,667,292	1,268,429	485,746	837,644	1,031,899	1,137,743	1,223,120
Vehicle revenue hours	754,004	780,798	744,746	756,391	603,477	312,776	461,261	559,776	631,095	663,785
Eligible riders	32,173	32,871	32,735	32,744	31,812	28,851	28,248	27,710	27,512	28,121
Tollroad										
Annual drivers trips	13,772,971	14,384,133	16,719,371	17,546,304	14,990,602	15,359,785	19,810,256	19,736,624	29,823,225	39,375,444
Taxicab administration										
Permits Issued	1,855	1,521	1,214	971	437	—	—	—	—	—

*Starting in FY2019-20, the reported call count includes only valid calls and excludes test calls.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 17

Capital Asset Statistics by Function/Program (Unaudited)

	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fixed route										
Bus bases	5	5	5	5	5	5	5	5	5	5
Large revenue vehicles	537	517	492	498	505	495	508	416	428	449
Small revenue vehicles	18	11	35	43	24	38	36	19	14	14
Paratransit										
Paratransit vehicles	248	248	248	248	248	245	245	254	247	244
Tollroad										
Transponders in use	182,522	196,997	213,993	225,621	208,656	163,235	145,393	128,715	127,904	104,311

Source: Various departments within the Orange County Transportation Authority

Note:

In fiscal year 2017-18, the decreases in Fixed Route large vehicles was due to the change in service levels, while the increase in Fixed Route small vehicles resulted from operations of Irvine I-Shuttle.

In fiscal year 2018-19, the increase in Fixed Route small vehicles was a result of increase in I-Shuttle service.

In fiscal year 2019-20, the decrease in Fixed Route small revenue vehicles was related to a decrease in service levels due to COVID-19 pandemic. Additionally, the balance was adjusted to reflect only transponders that were considered capital asset, the newly assigned 6C transponders are considered to be inventory.

In fiscal year 2020-22, the decrease in Tollroad transponders was due to the newly assigned 6C transponders.

In fiscal year 2022-23, the decrease in Fixed Route large and small revenue vehicles was related to a decrease in service levels due to COVID-19 pandemic impact.

In fiscal year 2023-24, the decrease in Fixed Route small revenue vehicles was resulted from a decline in I-Shuttle service.

In fiscal year 2024-25, the increase in Fixed Route large revenue vehicles was resulted from acquisitions of zero-emission buses,



2025 Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025



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**ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)**

**ANNUAL FINANCIAL
AND
COMPLIANCE REPORT**

Year Ended June 30, 2025

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)

Audited Financial Statements
Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Local Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Orange County Local Transportation Authority (OCLTA), a component unit of the Orange County Transportation Authority (OCTA), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCLTA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of OCLTA as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCLTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OCLTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCLTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OCLTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the Local Transportation Authority Special Revenue Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OCLTA's basic financial statements. The budgetary comparison schedule for the Local Transportation Authority Debt Service Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule for the Local Transportation Authority Debt Service Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of the OCLTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the OCLTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the OCLTA's internal control over financial reporting and compliance.


Crowe LLP

Costa Mesa, California
October 31, 2025

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Management's Discussion and Analysis
(unaudited)
For the Year Ended June 30, 2025

As management of the Orange County Local Transportation Authority (OCLTA), we offer readers of the OCLTA's financial statements this narrative overview and analysis of the OCLTA's Measure M financial activities for the fiscal year (FY) ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 10. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- As of June 30, 2025, the total net position of the OCLTA was \$1,006,551. This amount includes \$175,370 in net investment in capital assets and \$831,181 in restricted net position designated for Measure M projects, the Environmental Mitigation Program, debt service, and Senate Bill (SB) 125 restricted state grant. The net position increased by \$526,871 during fiscal year 2024-25, primarily due to an increase of \$428,083 in grants and contributions to support transportation projects, including the OC Streetcar and I-405 Improvement Project.
- In fiscal year 2024-25, Measure M program expenses decreased by \$147,819 primarily because an interfund transfer to the 405 Express Lanes Fund occurred in fiscal year 2023-24 for the allocation of TIFIA loan proceeds associated with the construction of the express lanes for the I-405 Improvement Project. The decrease also reflected reduced capital spending on the OC Streetcar project, which is nearing completion, as well as lower expenditures for the I-405 Improvement Project.
- The sales tax revenues for fiscal year 2024-25 remained relatively consistent with the prior year, reflecting steady economic activity within Orange County. The investment earnings increased by \$15,482 or 31.1% due to higher average cash balances and stronger investment performance during the fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the OCLTA's basic financial statements, which are comprised of three components including government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements. Because the OCLTA is a governmental activity of the Orange County Transportation Authority (OCTA), governmental funds are used to account for its Measure M program activities. The basic financial statements include only the activities of the OCLTA.

▪ **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the OCLTA's finances using the accrual basis of accounting, in a manner similar to a private-sector business. The statement of net position presents information on all of the OCLTA's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the OCLTA is improving or deteriorating.

The statement of activities presents information showing how the OCLTA's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements can be found on pages 10-11 of this report.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Management's Discussion and Analysis

▪ Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with Measure M finance-related legal requirements. The OCLTA uses governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental funds financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the OCLTA's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the OCLTA's near-term financing decisions. Both the governmental funds balance sheet and related statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The OCLTA maintains two individual governmental funds which are considered to be major funds. Information is presented separately in the governmental funds balance sheet and in the related statement of revenues, expenditures and changes in fund balances for the OCLTA's major governmental funds.

The governmental funds financial statements and related reconciliations to governmental activities can be found on pages 12-15 of this report.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-30 of this report.

The OCLTA adopts an annual budget for its two funds. A budgetary comparison schedule has been provided for the LTA Special Revenue fund as required supplementary information on page 31 and the LTA Debt Service fund as other supplementary information on page 33 to demonstrate compliance with the annual appropriated budget.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the OCLTA's financial position. At June 30, 2025, the OCLTA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,006,551, a \$526,871 increase from June 30, 2024. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the OCLTA's governmental activities.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Management's Discussion and Analysis

Table 1
Orange County Local Transportation Authority
Net Position

	Governmental Activities	
	2025	2024
Assets		
Current and other assets	\$ 1,542,970	\$ 1,046,520
Assets held for resale	15,965	20,615
Capital assets, net	175,427	175,213
Total assets	1,734,362	1,242,348
Deferred outflows of resources		
Deferred outflows - refunding	23,004	1,153
Liabilities		
Current liabilities	133,507	138,718
Long-term liabilities	614,680	621,827
Total liabilities	748,187	760,545
Deferred inflows of resources		
Deferred inflows - leases	2,628	3,276
Net position		
Net investment in capital assets	175,370	175,213
Restricted	831,181	304,467
Total net position	\$ 1,006,551	\$ 479,680

Total assets increased by \$492,014, or 39.6 percent, from June 30, 2024. The increase was primarily attributable to increase in cash and investments, driven by the Transit and Intercity Rail Capital Program (TIRCP) funding of \$149,841 for OC Streetcar project reimbursement, the allocation of TIFIA loan proceeds of \$72,172 for the I-405 Improvement Project, and Senate Bill (SB) 125 one-time grant funding of \$208,765 which provides additional appropriations to support transit infrastructure, operations, and capital improvements.

Total liabilities decreased by \$12,358, or 1.6 percent, from June 30, 2024. This decrease was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025.

Total net position from governmental activities increased by \$526,871 or 109.8 percent. This increase was primarily the result of program and general revenues exceeding program expenses during the fiscal year.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Management's Discussion and Analysis

Table 2
Orange County Local Transportation Authority
Changes in Net Position

		Governmental Activities	
		2025	2024
Revenues			
Program revenues:			
Charges for services	\$	1,455	\$ 1,046
Operating grants and contributions		498,196	70,113
General revenues:			
Sales tax revenues		431,843	431,412
Investment earnings		65,340	49,858
Other miscellaneous expenses		(347)	—
Transfers:		—	192,911
Total revenues and transfers		996,487	745,340
Expenses			
Measure M program expenses		469,616	617,435
Changes in net position		526,871	127,905
Net position – beginning		479,680	351,775
Net position – end of year	\$	1,006,551	\$ 479,680

OCLTA expenses shown on the statement of activities consist of:

		Governmental Activities	
		2025	2024
Supplies and services	\$	143,308	\$ 114,749
Contributions to other local agencies		119,733	100,935
Contributions to other OCTA funds		46,338	215,166
Capital outlay		134,440	156,102
Interest expense		25,797	30,483
Total expenses	\$	469,616	\$ 617,435

Total revenues increased by \$251,147 or 33.7 percent, compared to fiscal year 2023-24. The primary driver of this growth was a significant rise in grants and contributions, which provide essential funding for several key transportation projects, including the OC Streetcar and I-405 Improvement Project. Additionally, investment earnings increased by \$15,482 or 31.1 percent reflecting higher average cash balances and favorable investment market conditions during the fiscal year.

Program expenses decreased by \$147,819 primarily due to the interfund transfer to the 405 Express Lanes Fund in prior year for the allocation of TIFIA loan proceeds for the I-405 Improvement Project. The

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Management's Discussion and Analysis

decrease also reflected lower capital expenditures for the OC Streetcar project during fiscal year 2024–25 as the project nears completion.

Financial Analysis of the OCLTA's Funds

As of June 30, 2025, the OCLTA's governmental funds reported combined ending fund balances of \$1,348,776, an increase of \$479,145 compared to FY 2023-24. The majority of fund balances, 83.9 percent, are restricted for transportation projects funded by the Measure M Program. The remaining fund balances are restricted for the Environmental Mitigation Program, debt service on M2 sales tax revenue bonds issued to accelerate funding for transportation projects, and SB 125 state grant.

OCLTA's major governmental funds include the following significant changes:

- The LTA fund balance increased by \$484,339 primarily attributable to increase in cash and investments, driven by the TIRCP funding of \$149,841 for OC Streetcar project reimbursement, the allocation of TIFIA loan proceeds of \$72,172 for general purpose lane construction expenses, and SB 125 grant funding of \$208,765 which provides additional appropriations to support transit infrastructure, operations, and capital improvements. In addition, investment earnings increased by \$15,482 or 31.1 percent reflecting favorable investment performance during the year.
- The LTA Debt Service fund balance decreased by \$5,194, primarily due to the transfer out of excess fund to the LTA fund.

Capital Assets

As of June 30, 2025, the OCLTA has \$175,427 net of accumulated depreciation invested in capital assets, including land, right-of-way improvements, building and improvements, and intangible right-to-use subscription assets. A summary of the OCLTA's capital assets, net of depreciation is as follows:

Table 3
Orange County Local Transportation Authority
Capital Assets, net of Depreciation and Amortization

	2025	2024
Land	\$ 167,913	\$ 167,913
Right-of-way improvements	7,300	7,300
Buildings and improvements	155	—
Subscription assets - SBITA	59	—
Total capital assets, net	\$ 175,427	\$ 175,213

More detailed information about the OCLTA's capital assets is presented in note 5 to the financial statements.

OCLTA has outstanding capital expenditure commitments; the most significant of which are \$218,584 for the I-5 Freeway Widening Construction Project, \$102,840 for the Regional Capacity Program, and \$107,650 for the Regional Traffic Signal Synchronization Project.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Management's Discussion and Analysis

Debt Administration

As of June 30, 2025, the OCLTA has \$529,450 in sales tax revenue bonds compared to \$569,315 as of the prior year. The decrease was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025. Additional information on the OCLTA's long-term debt can be found in note 8 to the financial statements.

Economic and Other Factors

The OCLTA is responsible for administering Measure M, the half-cent transportation sales tax, which originally passed in 1990 and was delivered as promised to the residents of Orange County, with over \$4 billion invested in improvements to freeways, streets and roads and transit services. Measure M1 (M1) ended in March 2011, and collection of sales tax under Measure M2 (M2) began in April 2011. M2 was overwhelmingly approved by the voters of Orange County in 2006 because of the tangible results that were realized through M1. The passage of M2 has allowed for the continuation of transportation improvements through March 31, 2041. Allocation of M2 funds remains the same as the original M1 with 43 percent slated for freeway improvements, 32 percent for streets and roads, and 25 percent for transit projects and programs.

Although revenue collection for M2 projects did not begin until April 2011, OCTA began delivering projects early based on the five-year M2 Early Action Plan (EAP) adopted in 2007 and subsequent M2020 Plan adopted in 2012. Both delivery plans were developed to accelerate M2 freeway, streets and roads, transit, and environmental projects. In response to lower actual sales tax revenue, a new forecasting methodology was adopted in March 2016. This prompted the need to revisit the assumptions built into the M2020 plan. A new program/project delivery framework covering FY 2016-17 through FY 2025-26, called the Next 10 Plan, was adopted by the Board of Directors on November 14, 2016. The updated version of the Next 10 Plan was adopted by the Board of Directors in November 2024 and covers FY 2025 - FY 2034.

The OCLTA adopted its FY 2025-26 annual budget on June 9, 2025. Looking specifically at our Measure M2 (M2) Program half-cent Local Transportation Authority (LTA) sales tax revenue, the FY 2025-26 projections are cautiously optimistic. The growth rate for the M2 half-cent LTA sales tax revenue is forecasted to be flat over FY 2024-25 estimates. Similarly, the growth rate for the quarter-cent Local Transportation Fund sales tax revenue, primarily supporting the bus program, is anticipated to be flat over FY 2024-25 estimates.

The M2 Program delineates a clear roadmap for the enhancement of transportation infrastructure across our cities and County. The M2 Program will persist in advancing enhancements across freeways, transit, streets, roads, and environmental initiatives. The FY 2025-26 budget for the M2 Program includes \$464 million for freeway improvement projects and \$166 million for the enhancement of streets and roads. Moreover, the budget earmarks \$100 million for M2 Transit Programs, which comprises \$37 million to support OC Streetcar Project and \$38 million to support regional rail services.

Contacting the OCLTA's Management

This financial report is designed to provide a general overview of the OCLTA's finances for all those with an interest in the OCLTA's finances and to demonstrate OCLTA accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division of the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

<i>(amounts expressed in thousands)</i>	Governmental Activities
Assets	
Cash and investments	\$ 681,655
Receivables:	
Interest	6,866
Operating grants	57,202
Other	1,047
Due from other OCTA funds	8,848
Due from other governments	84,489
Condemnation deposits	7,883
Lease receivable	2,778
Notes receivable	1,147
Restricted cash and investments	690,261
Other assets	794
Assets held for resale	15,965
Capital assets, net:	
Nondepreciable	175,213
Depreciable	214
Total assets	1,734,362
Deferred outflows of resources	
Deferred outflows - refunding	23,004
Total deferred outflows of resources	23,004
Liabilities	
Accounts payable	71,622
Accrued interest payable	8,477
Due to other OCTA funds	8,712
Due to other governments	44,355
Unearned revenue	270
Other liabilities	71
Noncurrent liabilities:	
Due within one year	20,413
Due in more than one year	594,267
Total liabilities	748,187
Deferred inflows of resources	
Deferred inflows - leases	2,628
Total deferred inflows of resources	2,628
Net position	
Net investment in capital assets	175,370
Restricted for:	
Measure M projects	622,614
Measure M Environmental Mitigation Program	34,085
Debt service	18,306
SB 125 grant	156,176
Total net position	\$ 1,006,551

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Balance Sheet - Governmental Funds
June 30, 2025

<i>(amounts expressed in thousands)</i>	LTA	LTA Debt Service	Total OCLTA
Assets			
Cash and investments	\$ 663,401	\$ 18,254	\$ 681,655
Receivables:			
Interest	6,814	52	6,866
Operating grants	57,202	—	57,202
Other	1,047	—	1,047
Due from other OCTA funds	8,848	—	8,848
Due from other governments	84,489	—	84,489
Condemnation deposits	7,883	—	7,883
Lease receivable	2,778	—	2,778
Notes receivable	1,147	—	1,147
Restricted investments	690,261	—	690,261
Other assets	794	—	794
Total assets	1,524,664	18,306	1,542,970
Liabilities			
Accounts payable	71,622	—	71,622
Due to other OCTA funds	8,712	—	8,712
Due to other governments	44,355	—	44,355
Unearned revenue	270	—	270
Other liabilities	71	—	71
Total liabilities	125,030	—	125,030
Deferred inflows of resources			
Deferred inflows - leases	2,628	—	2,628
Unavailable revenue - grant reimbursements	61,403	—	61,403
Unavailable revenue - reimbursements from others	5,133	—	5,133
Total deferred inflows of resources	69,164	—	69,164
Fund balances			
Nonspendable:			
Condemnation deposits	7,883	—	7,883
Other prepaid items	794	—	794
Restricted for:			
Measure M projects	1,131,532	—	1,131,532
Measure M Environmental Mitigation Program	34,085	—	34,085
Debt service	—	18,306	18,306
SB 125 grant	156,176	—	156,176
Total fund balances	1,330,470	18,306	1,348,776
Total liabilities, deferred inflows of resources and fund balances	\$ 1,524,664	\$ 18,306	\$ 1,542,970

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Net Position (page 10) are different because:

Total fund balances (page 12)	\$	1,348,776
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		175,427
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Assets held for resale are not financial resources and, therefore, are not reported in the governmental funds.		15,965
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Long-term debt related liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Deferred outflows - refunding		23,004
Long-term debt and premium		(614,624)
Accrued interest payable		(8,477)

Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Subscription liabilities		(57)

Receivables that are measurable, but not available within the availability period, are reported as deferred inflows of resources in the governmental funds.		66,537
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Net position of governmental activities (page 10)	\$	1,006,551
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See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	LTA	LTA Debt Service	Total OCLTA
Revenues			
Sales tax revenues	\$ 431,843	\$ —	\$ 431,843
Contributions from other agencies	245,622	—	245,622
Contributions from other OCTA funds	231,917	—	231,917
Investment earnings	61,875	4,721	66,596
Miscellaneous	1,621	—	1,621
Total revenues	972,878	4,721	977,599
Expenditures			
Current:			
General government: supplies and services	142,492	—	142,492
Transportation:			
Contributions to other local agencies	119,733	—	119,733
Contributions to other OCTA funds	46,339	—	46,339
Capital outlay	134,598	—	134,598
Debt service:			
Principal payments on long-term debt	—	21,950	21,950
Interest	—	32,906	32,906
Bond issuance costs	816	—	816
Total expenditures	443,978	54,856	498,834
Excess (deficiency) of revenues over (under) expenditures	528,900	(50,135)	478,765
Other financing sources (uses)			
Transfers in	14,025	58,966	72,991
Transfers out	(58,966)	(14,025)	(72,991)
Proceeds from sale of capital assets	4,169	—	4,169
Bond issuance	227,565	—	227,565
Bond premium	36,413	—	36,413
Payment to refunded bond escrow agent	(267,767)	—	(267,767)
Total other financing sources (uses)	(44,561)	44,941	380
Net change in fund balances	484,339	(5,194)	479,145
Fund balances - beginning	846,131	23,500	869,631
Fund balances - ending	\$ 1,330,470	\$ 18,306	\$ 1,348,776

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Activities (page 11) are different because:

Net change in fund balances - total governmental funds (page 14)	\$	479,145
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Capital assets related expenses or revenues are not included as financial resources or uses in the governmental funds.

Proceeds sale of fixed assets		(4,650)
Depreciation and amortization expense		(20)

Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.

Issuance of new debt		(263,978)
Principal and interest payments		21,950
Premium and deferred loss of refunding amortization		7,109

Revenues that are earned but not collected within the availability period have not been recognized in the governmental funds.		19,368
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Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		267,947
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Change in net position of governmental activities (page 11)	\$	526,871
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See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Notes to The Financial Statements
Year Ended June 30, 2025
(in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In November 1990, Orange County voters approved the Revised Traffic Improvement and Growth Management Ordinance, known as Measure M. This implemented a one-half of one percent retail transaction and use tax to fund a specific program of transportation improvements in Orange County. The Orange County Local Transportation Authority (OCLTA) is responsible for administering the proceeds of the Measure M sales tax program. The original Measure M Program (M1) commenced on April 1, 1991 for a period of 20 years.

On November 7, 2006, Orange County voters approved the renewal of Measure M for a period of 30 more years from April 1, 2011 to March 31, 2041. Renewed Measure M (M2) allocates funds to freeway, street and road, transit, and environmental improvements.

On June 20, 1991, under the authority of Senate Bill 838, the Orange County Transportation Authority (OCTA) was formed as a special district by merging several agencies and funds, including the OCLTA, a component unit of the OCTA. Accordingly, the OCLTA's financial activities are included with the financial activities of the OCTA for financial reporting purposes.

The OCTA governing board (Board) consists of 17 voting members and one non-voting member and also serves as the OCLTA governing board. Measure M requires that an 11-member Taxpayer's Oversight Committee (TOC) monitor the use of Measure M funds and ensure that all revenues collected from Measure M are spent on voter-approved transportation projects.

These financial statements include only the activities of the OCLTA, a component unit of the OCTA. These financial statements are not intended to present the activities of the OCTA.

Basis of Presentation

The OCLTA's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

Government-wide Statements: The statement of net position and the statement of activities report information of the OCLTA. The effect of significant interfund activity has been removed from these statements. The OCLTA provides only governmental activities which are supported principally by sales tax.

The statement of activities demonstrates the degree to which the OCLTA Measure M program expenses are offset by program revenues. Program expenses include direct and indirect expenses, which are identifiable with Measure M. Interest expense related to the sales tax revenue bonds is reported as a direct expense of the Measure M program. The borrowings are considered essential to the creation or continuing existence of the Measure M program. For the fiscal year ended June 30, 2025, interest expense of \$25,797 was included in Measure M program costs. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from services or privileges provided by Measure M; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of the Measure M program. Taxes, investment earnings, and other items are not reported as program revenues and instead are reported as general revenues.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Fund Financial Statements: The fund financial statements provide information about the OCLTA's governmental funds. The OCLTA considers all of its Measure M funds as major governmental funds, comprised of the following:

- *Local Transportation Authority (LTA) Fund* - This special revenue fund accounts for revenues received and expenditures made for the implementation of the Orange County Traffic Improvement and Growth Management Plan. Financing is provided by a one-half percent sales and use tax assessed for 20 years pursuant to Measure M, which became effective April 1, 1991, and was renewed for an additional 30 years from April 1, 2011 to March 31, 2041. The Measure M ordinance requires that sales tax revenues only be expended on projects included in the ordinance. A decision to use the revenues for any other purpose must be put to the voters in another election. In addition to sales tax proceeds, the LTA fund is supported by other funding sources, including investment income, state and federal grants, other contributions, and miscellaneous revenues.
- *LTA Debt Service Fund* - This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the OCLTA.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the OCLTA considers revenues to be available if they are collected within 90 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt of governmental funds are recorded only when payment is due.

Those revenues susceptible to accrual are sales tax collected and held by the state at year-end on behalf of the OCLTA, intergovernmental revenues and interest revenue. In applying the susceptible-to-accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the OCLTA; therefore, revenues are recognized based upon the expenditures incurred and availability criteria met. In the other, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible-to-accrual criteria are met.

Cash and Investments

The OCLTA maintains cash and investments in a pool with other OCTA cash and investments and in accordance with the Investment Policy (Policy) originally adopted by the Board on May 8, 1995, and most recently amended July 1, 2022. The Policy complies with, or is more restrictive than, the California Government Code (Code). Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Pooled cash and investment earnings are allocated based on average daily dollar account balances.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs - other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs.

OCLTA participates in the OCTA commingled investment pool which invests in U.S. government and U.S. agency securities, medium term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities, and corporate notes which are carried at fair value based on quoted prices of similar assets. In addition, OCLTA invests in money market and mutual funds and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives.

Investment of debt proceeds held by trustees are governed by provisions of the indentures for each obligation, rather than the general provisions of the California Government Code or OCTA's investment policy. The investment of these debt proceeds is in accordance with the Permitted Investments section and applicable account restrictions outlined in the indenture of each debt obligation. Under certain indentures, guaranteed investment contracts are allowed.

In addition, OCTA has restricted investments held by the California Community foundation (CCF). The amount invested in the CCF investment pool is a restricted asset as approved for funding by the OCTA Board of Directors in October of 2014. The CCF is headquartered in Los Angeles, California. CCF is a community foundation and holds a 501(c) 3 status, which meets California State Government Code requirements for community foundations. Legislation providing for OCTA to use a qualified organization to hold and manage the endowment is provided in Government Code §§65965-65968. An investment committee is responsible for oversight of the foundation's investment pools. The Endowment Pool is a diversified pool invested for long- term growth and appreciation while providing a relatively predictable stream of distributions that keeps the pace with inflation over time. The pool includes a mix of asset classes including equities, fixed income, hedge funds and real assets. The target asset allocation is approximately 50% equities, 22% fixed income, 14% hedge funds and 14% real assets.

The purpose of the agreement between CCF and OCTA is to provide for the establishment of a fund within the CCF to receive and hold M2 Environmental Mitigation Program contributions made by OCTA during the endowment funding period for use in establishing the permanent endowment pursuant to the conservation plan. OCTA is the beneficiary of the fund and, therefore, has reported a restricted asset in the financial statements. The CCF shall hold, administer, invest, and reinvest the fund in accordance with the CCF's proposal and the objectives set forth in the Scope of Work of the Request for Proposal, each of which is incorporated into the agreement by reference, and in compliance with all applicable state and federal laws, including, but not limited to, Sections 65965, 65966, 69667, and 65968 of the California Government Code and the Uniform Prudent Management of Institutional Funds Act, California Probate Code Section 18501 et seq. The agreement shall remain in place in full force and effect through December 31, 2029.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

The fair value of OCTA's investment in this pool is reported in the accompanying financial statements at amounts based upon OCTA's pro-rata share of the fair value provided by the CCF for the entire CCF portfolio (in relation to the amortized cost of that portfolio).

Due To/From Other OCTA Funds

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered and transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances are reported as due to/from other funds. Any residual balances outstanding between the Measure M Program governmental activities and other OCTA funds are reported in the government-wide financial statements as due to/from other OCTA funds.

Contributions To/From Other OCTA Funds

Transfers between OCLTA and other OCTA funds are reported as program expenses and revenues in the statement of activities and as revenues and expenditures in the statement of revenues, expenditures and changes in fund balances.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, administrative services of \$31,022 were charged to the OCLTA and are reported as general government expenditures in the statement of revenues, expenditures and changes in fund balances and as program expenses in the statement of activities.

Leases

OCLTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. OCLTA is a lessor for a noncancellable lease of land. OCLTA recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, OCLTA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how OCLTA determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. OCLTA uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the leases receivable is composed of fixed payments from the lessee.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

OCLTA monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

OCLTA recognizes subscription assets (intangible right-to-use asset) and a corresponding subscription liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges OCLTA, when available, or estimated incremental borrowing rate as the discount rate for SBITAs. OCLTA recognizes amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods.

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. OCTA recognizes amortization of the subscription asset as an outflow of resources over the subscription term.

Assets Held for Resale

OCLTA holds title to property in connection with the purchase of rights-of-way for infrastructure not held by OCLTA. These assets are reported as assets held for resale in the governmental activities column in the government-wide financial statements except in cases in which OCLTA has entered into a sales contract prior to the issuance of the financial statements. In these cases, the assets held for resale are reported in the governmental funds financial statements. Proceeds received will be reimbursed to the fund in which the initial expenditure was recorded.

Capital Assets

Capital assets including land, right-of-way improvements, buildings and improvements, and machinery and equipment, are reported in the government-wide financial statements. Capital assets are defined by the OCLTA as assets with an initial, individual cost of more than \$5 and a useful life exceeding one year. OCLTA also capitalize assets whose individual acquisition costs are less than the threshold for an individual asset, but are significant in aggregate. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the acquisition date. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Freeway construction and certain purchases of right-of-way property, for which title vests with the California Department of Transportation (Caltrans), are included in capital outlay. Infrastructure consisting primarily of freeway construction and right-of-way acquisition is not recorded as a capital asset in those instances where the OCLTA does not intend to maintain or operate the property when complete. Right-of-way improvements, which consists of a parcel where the OCLTA is the ground lease holder, is not being depreciated.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Buildings and improvements	10-30 years
Machinery and equipment	3-10 years

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element; deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

OCLTA has one item reported as deferred outflow of resources. This item is a deferred outflow related to loss on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This item is reported in the government-wide statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. OCLTA has two types of deferred inflows, unavailable revenue which occurs only under a modified accrual basis of accounting. Accordingly, the item is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for grant reimbursements and reimbursements from others. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. OCLTA also has deferred inflows related to leases, which represent value of the leases receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Contributions to Other Local Agencies

Contributions to other local agencies primarily represent sales tax revenues received by the OCLTA and disbursed to cities for competitive projects, the local fair share program, and the senior mobility program, and to other agencies for projects which are in accordance with the Measure M ordinance.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources and is classified into three categories:

- *Net investment in capital assets* - This balance reflects the net position of the OCLTA that is invested in capital assets, net of related debt. This net position is generally not accessible for other purposes.
- *Restricted net position* - This balance represents net position that is not accessible for general use because use is subject to restrictions enforceable by third parties. The OCLTA government-wide statement of net position reports net position restricted for Measure M projects, Measure M Environmental Mitigation Program, debt service, and SB 125 state grant.
- *Unrestricted net position* – This balance represents the net position that is available for general use.

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the OCLTA is bound to honor constraints on the specific purposes for which amounts can be spent.

The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact. As of June 30, 2025, OCLTA reported nonspendable balance for condemnation deposits and other prepaid assets.
- *Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. As of June 30, 2025, OCLTA reported restricted fund balance for Measure M projects, Measure M Environmental Mitigation Program, debt service, and SB 125 state grant.
- *Committed* – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board, as the highest level of decision-making authority, has the ability to commit fund balances through the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the Board removes or modifies the use through the adoption of a subsequent resolution.
- *Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This classification also includes residual amounts assigned for specific projects. The Board establishes and modifies assignments of fund balance through the adoption of the budget and subsequent budget amendments. The Board retains the authority to assign fund balance.

When both restricted and unrestricted resources are available for use, it is the OCLTA's policy to use restricted resources first and then unrestricted resources as they are needed. When using unrestricted fund balance amounts, the OCLTA applies the default established by GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, whereby the committed amounts would be reduced first followed by the assigned amounts.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash	\$	24
Investments		
With OCTA Commingled Investment Pool		772,447
With Trustee		565,360
With CA Community Foundation		34,085
Total investments		1,371,892
Total cash and investments	\$	1,371,916

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	\$	681,655
Restricted cash and investments		690,261
Total cash and investments	\$	1,371,916

As of June 30, 2025, OCLTA had the following investments:

Investments	Fair Value	Interest Rate	Maturity Range	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	\$ 772,447	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.		
Money Market Funds*	513,140	4.07% - 4.25%	07/01/2025	0.003
Commercial Paper	52,220	4.33% - 4.39%	07/07/25 - 8/22/25	0.081
CA Community Foundation Investment Fund	34,085	N/A	N/A	N/A
Total investments	\$ 1,371,892			

The Portfolio Weighted Average Maturity is 2.023 years.

* Money market funds and commercial paper are measured at amortized cost which approximates fair value.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

As of June 30, 2025, OCLTA had \$772,447 invested in the OCTA's Commingled Investment Pool (CIP). Refer to the OCTA's Annual Comprehensive Financial Report for details on valuation techniques and fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk. Deposits and withdrawals in OCTA's CIP are made on the basis of \$1.00 (absolute dollars) and not fair value. Accordingly, the OCLTA's investment in OCTA's CIP at June 30, 2025 is uncategorized, not defined as Level 1, Level 2, or Level 3 input.

As of June 30, 2025, OCLTA had \$34,085 invested in the CA Community Foundation (CCF) investment fund. The amount invested is valued using significant unobservable inputs and, therefore, classified as Level 3. Unobservable inputs used by CCF include the foundations own assumptions, market comparable rates, capitalization and occupancy rates.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three NRSROs: Standard & Poor's (S&P), Moody's Investor Service (Moody's), and Fitch Rating's (Fitch).

For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt shall be rated no less than an "A" by an NSRSO.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2025 (NR means Not Rated, US means obligation of the United States (U.S.) government or obligations explicitly guaranteed by the U. S. government):

Investments	S&P	Moody's	% of OCLTA's Portfolio
OCTA Commingled Investment Pool	NR	NR	56.31 %
Money Market Funds	AAA	Aaa	37.40 %
Commercial Paper	A-1	P-1	3.81 %
CA Community Foundation Investment Fund	NR	NR	2.48 %
Total			100.00 %

3. DUE FROM/TO OTHER GOVERNMENTS

Amounts due from other governments as of June 30, 2025 in the fund financial statements are \$84,489 which comprised of sales tax and project reimbursements.

Amounts due to other governments as of June 30, 2025 are \$44,355 for transportation projects.

4. RELATED PARTY AND INTERFUND TRANSFERS

Related Party Transactions

As of June 30, 2025, OCLTA has \$8,848 receivable from other OCTA funds which is related to SR-91 Improvement Project.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

As of June 30, 2025, OCLTA owes \$8,712 to other OCTA funds as follows:

	Amount	Description
General Capital Project	\$ 5,946	OC Streetcar project
OCUTT	88	Placentia loan
OCTD	2,678	Irvine Connect and iShuttle service
Total due to other funds	\$ 8,712	

Contributions from Other OCTA Funds

During fiscal year 2024-25, OCLTA received contributions from the following funds:

	Amount	Description
OCTD	\$ 1,788	State of Good Repair program
General Capital Project	149,841	OC Streetcar project
91 EL	8,116	Freeway Project I and J
405 EL	72,172	TIFIA loan allocation for general purpose lanes construction expenses
Total contributions from other funds	\$ 231,917	

Contributions to Other OCTA Funds

During fiscal year 2024-25, OCLTA made contributions to the following funds:

	Amount	Description
General Capital Project	\$ 27,548	OC Streetcar project
SAFE	4,910	Freeway service patrol and emergency roadside program
OCTD	12,583	Irvine Connect, iShuttle service, M2 Fare Stabilization, and M2 Senior Mobility Program
OC Streetcar	1,298	OC Streetcar project
Total contributions to other funds	\$ 46,339	

Interfund Transfers

During fiscal year 2024-25, the LTA fund transferred \$58,966 to the LTA Debt Service fund for debt service payments. Additionally, the LTA Debt Service fund transferred \$14,025 in excess interest earnings to the LTA fund.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

5. CAPITAL ASSETS

Capital assets activity for the OCLTA governmental activities for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 167,913	\$ —	\$ —	\$ 167,913
Right-of-way improvements	7,300	—	—	7,300
Total capital assets, not being depreciated	175,213	—	—	175,213
Capital assets, being depreciated:				
Buildings and improvements	—	158	—	158
Machinery and equipment	15	—	(15)	—
Subscription assets - SBITA	—	76	—	76
Total capital assets, being depreciated	15	234	(15)	234
Less accumulated depreciation for:				
Buildings and improvements	—	(3)	—	(3)
Machinery and equipment	(15)	—	15	—
Subscription assets - SBITA	—	(17)	—	(17)
Total accumulated depreciation	(15)	(20)	15	(20)
Total capital assets, being depreciated, net	—	214	—	214
Total capital assets, net	\$ 175,213	\$ 214	\$ —	\$ 175,427

6. LEASES

OCLTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, OCTA, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, OCTA is required to recognize a lease receivable and a deferred inflow of resources.

OCLTA is a lessor in several lease agreements for the use of land. For the year ended June 30, 2025, the lease receivable and deferred inflow of resources associated with these leases were \$2,778 and \$2,628, respectively. OCLTA recognized lease revenues of \$534 during the fiscal year.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Remaining receivables associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 433	\$ 74	\$ 507
2027	462	62	524
2028	492	49	541
2029	331	35	366
2030	351	25	376
2031-2035	704	19	723
2036-2040	5	—	5
Total lease receivable	\$ 2,778	\$ 264	\$ 3,042

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

OCLTA adopted GASB Statement No. 96, SBITAs, effective fiscal year 2022-23. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

In fiscal year 2024-25, OCLTA recorded subscription payable comprised of one agreement, which OCLTA is a lessee for the use of IT arrangements. As of June 30, 2025, OCTA has a subscription liability in the amount of \$56. The value of the right-to-use subscription assets as of the end of the current fiscal year is \$76 with accumulated amortization of \$17.

The following is a schedule of future minimum subscription liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	\$ 18	\$ 2	\$ 20
2027	19	1	20
2028	19	1	20
Total subscription liabilities	\$ 56	\$ 4	\$ 60

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

8. LONG-TERM DEBT

Sales Tax Revenue Bonds

On December 23, 2010, OCLTA issued \$293,540 of Measure M2 Sales Tax Revenue Bonds, 2010 Series A (Taxable Build America Bonds) and \$59,030 of 2010 Series B (Tax-Exempt Bonds), to finance transportation projects, restructure the Tax-Exempt Commercial Paper Program, and fund capitalized interest and issuance costs. A total of \$75,000 was used to retire outstanding commercial paper.

On February 26, 2019, OCLTA issued \$376,690 of Measure M2 Sales Tax Revenue Bonds, Series 2019, to finance the I-405 Improvement Project, refund \$43,540 of the 2010 Series A Bonds, and pay issuance costs. The refunding generated net present value savings of \$2,584.

On March 26, 2025, OCLTA issued \$227,565 of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds under the extraordinary optional redemption provision. The refunding generated gross cumulative cash flow savings of \$13,002 and net present value savings of \$10,505.

The OCLTA's outstanding sales tax revenue bonds are limited obligations of the Authority, payable solely from pledged Measure M2 sales tax revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel the OCLTA to cure the default, which could have finance-related consequences. The sales tax revenue bonds are rated AA+ by Fitch and AAA by Standard & Poor's.

A summary of the bonds outstanding is as follows:

	2019 Series B		2025 Series		
	(Tax-Exempt Bonds)		(Limited Tax Bonds)		Total
Issuance date	2/12/2019		3/4/2025		
Original issue amount	\$	376,690	\$	227,565	\$ 604,255
Original issue premium		69,342		36,413	105,755
Net bond proceeds	\$	446,032	\$	263,978	\$ 710,010
Issuance costs	\$	970	\$	490	\$ 1,460
Interest rates	3.00%-5.00%		6.908%		
Maturity range	2021-2041		2026-2041		
Final maturity	2041		2041		
Bonds outstanding	\$	301,885	\$	227,565	\$ 529,450
Plus unamortized premium		49,360		35,814	85,174
Total long-term debt	\$	351,245	\$	331,962	\$ 614,624

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

Annual debt service requirements on the sales tax revenue bonds as of June 30, 2025, are as follows:

Year Ending June 30,	Principal	Interest
2026	\$ 20,395	\$ 24,847
2027	23,650	25,123
2028	24,835	23,940
2029	26,075	22,699
2030	27,380	21,395
2031-2035	158,800	85,074
2036-2041	248,315	44,333
Total	\$ 529,450	\$ 247,411

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Sales tax revenue bonds	\$ 569,315	\$ 227,565	\$ (267,430)	\$ 529,450	\$ 20,395
Unamortized premium	52,512	36,412	(3,750)	85,174	—
Total long-term debt	\$ 621,827	\$ 263,977	\$ (271,180)	\$ 614,624	\$ 20,395

Pledged Revenue

OCLTA has debt issuances outstanding that are repaid and secured by the pledging of certain revenues. For the year ended June 30, 2025, debt service payments in relation to the pledged gross revenue net of the local fair share program and other expenses as required by the debt agreement, are indicated in the following table:

	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage
Measure M2 net sales tax revenues	\$ 335,762	\$ 54,856	6.12

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
Notes to The Financial Statements

Year Ended June 30, 2025

(in thousands)

9. COMMITMENTS AND CONTINGENCIES

Purchase Commitments

The OCLTA has various long-term outstanding contracts that extend over several years and rely on future years' revenues. Total commitments at June 30, 2025 were \$1,119,434, the majority of which relate to the expansion of Orange County's freeways and street and road projects.

Federal Grants

The OCLTA receives federal grants for transportation projects and other reimbursable activities which are subject to audit by the grantor agency. Although the outcome of any such audits cannot be predicted, it is management's opinion that these audits would not have a material effect on the OCLTA's financial position or changes in financial position.

10. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Required Supplementary Information
Budgetary Comparison Schedule - LTA Fund (Budgetary Basis)
Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Sales tax revenues	\$ 441,875	\$ 441,875	\$ 431,843	\$ (10,032)
Contributions from other agencies	152,502	152,502	254,830	102,328
Contributions from other OCTA funds	55,040	55,040	231,917	176,877
Investment earnings	41,376	41,376	61,875	20,499
Miscellaneous	1,444	1,444	1,621	177
Total revenues	692,237	692,237	982,086	289,849
Expenditures				
Current:				
General government: supplies and services	218,115	218,861	176,592	42,269
Transportation:				
Contributions to other local agencies	214,082	213,006	119,742	93,264
Contributions to other OCTA funds	125,000	125,000	46,339	78,661
Capital outlay	431,484	540,180	217,662	322,518
Debt service:				
Bond issuance costs	—	—	816	(816)
Total expenditures	988,681	1,097,047	561,151	535,896
Excess (deficiency) of revenues over (under) expenditures	(296,444)	(404,810)	420,935	825,745
Other financing sources (uses)				
Transfers in	52,505	52,505	14,025	(38,480)
Transfers out	(54,874)	(54,874)	(58,966)	(4,092)
Proceeds from sale of capital assets	1,883	1,883	4,169	2,286
Bond issuance	—	—	227,565	227,565
Bond premium	—	—	36,413	36,413
Payment to refunded bond escrow agent	—	—	(267,767)	(267,767)
Total other financing uses	(486)	(486)	(44,561)	(44,075)
Net change in fund balances	\$ (296,930)	\$ (405,296)	\$ 376,374	\$ 781,670

Reconciliation to GAAP:

Net change in fund balance (budgetary basis)	\$ 376,374
Less: Estimated revenues for encumbrances outstanding at June 30	9,208
Add: Current year encumbrances outstanding at June 30	117,173
Net change in fund balance (GAAP basis)	\$ 484,339

See accompanying notes to the required supplementary information.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Notes to Required Supplementary Information
Year Ended June 30, 2025
(in thousands)

Budgetary Data

The OCLTA establishes accounting control through formal adoption of an annual operating budget for the LTA and the debt service governmental funds. The budget is prepared in conformity with accounting principles generally accepted in the United States (GAAP) except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget can be amended by the Board to increase both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as Salaries and Benefits, Supplies and Services and Capital Outlay. Supplies and Services includes Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, for budgeted funds, is at the major object level for the budgeted governmental funds. A Fourth Quarter Budget Status Report, June 2025 is available from the OCTA Finance and Administration Division. With the exception of accounts which have been encumbered, appropriations lapse at year end.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Other Supplementary Information
Budgetary Comparison Schedule - LTA Debt Service Fund (Budgetary Basis)
Year Ended June 30, 2025

<i>(amounts expressed in thousands)</i>	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ 6,658	\$ 6,658	\$ 4,721	\$ (1,937)
Total revenues	6,658	6,658	4,721	(1,937)
Expenditures				
Debt service:				
Principal payments on long-term debt	21,950	21,950	21,950	—
Interest on long-term debt	32,924	32,924	32,906	18
Total expenditures	54,874	54,874	54,856	18
Deficiency of revenues under expenditures	(48,216)	(48,216)	(50,135)	(1,919)
Other financing sources (uses)				
Transfers in	54,874	54,874	58,966	4,092
Transfers out	(6,658)	(6,658)	(14,025)	(7,367)
Total other financing sources	48,216	48,216	44,941	(3,275)
Net change in fund balances	\$ —	\$ —	\$ (5,194)	\$ (5,194)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Orange County Local Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Orange County Local Transportation Authority (OCLTA), a component unit of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCLTA's basic financial statements, and have issued our report thereon dated October 31, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCLTA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCLTA's internal control. Accordingly, we do not express an opinion on the effectiveness of OCLTA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether OCLTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
October 31, 2025

91 EXPRESS LANES FUND
(An Enterprise Fund of the
Orange County Transportation Authority)
FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)

Financial Statements
For the Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the accompanying financial statements of the 91 Express Lanes Fund (91 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 91 EL's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the 91 EL, a major enterprise fund of OCTA, as of June 30, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the 91 EL and do not purport to, and do not, present fairly the financial position of OCTA as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the 91 EL. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the 91 EL's financial statements. The management's discussion and analysis, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to the 91 EL, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance, as it relates to the 91 EL. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to the 91 EL.


Crowe LLP

Costa Mesa, California
October 31, 2025

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 91 Express Lanes Fund (91 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 91 EL's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the 91 EL and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting and compliance (internal control), as it relates to the 91 EL, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the 91 EL. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to the 91 EL.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 91 EL's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
October 31, 2025

**91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025**

As management of the 91 Express Lanes Fund (91 EL), an enterprise fund of the Orange County Transportation Authority (OCTA), we offer readers of the 91 EL financial statements this narrative overview and analysis of the 91 EL's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 11.

Financial Highlights

- At the end of fiscal year 2024-25, the total net position of the 91 EL was \$435,116,715, comprising net investment in capital assets of \$66,837,135; restricted net position of \$12,576,331; and unrestricted net position of \$355,703,249. Net position increased \$64,087,339 during fiscal year 2024-25, which represents an increase of 17.3% from the fiscal year 2023-24 ending net position. The increase was primarily driven by operating revenues exceeding expenses, favorable investment earnings, and reduced transfers to the Orange County Local Transportation Authority (OCLTA) for the SR-91 Improvement Project.
- In fiscal year 2024-25, total operating revenues increased by \$2,292,276, which represents a 3.1% increase from the fiscal year 2023-24. The increase in operating revenue was primarily driven by higher traffic volumes on the 91 Express Lanes, combined with increase in the average gross revenue per trip.
- Total operating expenses increased by \$2,696,083, which represents a 13.5% increase from fiscal year 2023-24, primarily attributable to higher costs for management and operational services and professional services.
- At the end of fiscal year 2024-25, investment earnings increased by \$4,744,849, which represents a 32.1% increase compared to fiscal year 2023-24. The increase was primarily attributable to higher available cash balances and favorable investment performance during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the 91 EL's financial statements. The financial statements are comprised of the fund financial statements and notes to the financial statements.

The statement of net position presents information on all of the 91 EL's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 91 EL is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the 91 EL's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The 91 EL fund financial statements can be found on pages 11-14 of this report.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 15-26 of this report.

91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

91 Express Lanes Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the 91 EL's financial position. At June 30, 2025, the 91 EL's net position was \$435,116,715, an increase of \$64,087,339 or 17.3% from June 30, 2024. Our analysis below focuses on net position (Table 1) and changes in net position (Table 2) of the 91 EL's financial activities.

Table 1
91 Express Lanes Fund
Net Position

	2025	2024
Assets		
Current and other assets	\$ 375,234,018	\$ 314,557,508
Restricted assets	13,403,496	13,452,646
Noncurrent receivables, net	7,886,019	4,737,647
Capital assets, net	116,462,706	119,552,293
Total assets	512,986,239	452,300,094
Total deferred outflows of resources	3,654,691	4,324,253
Liabilities		
Current liabilities	37,134,906	33,417,356
Long-term liabilities	40,874,485	48,018,854
Total liabilities	78,009,391	81,436,210
Total deferred inflows of resources	3,514,824	4,158,761
Net position		
Net investment in capital assets	66,837,135	70,703,790
Restricted	12,576,331	8,000,000
Unrestricted	355,703,249	292,325,586
Total net position	\$ 435,116,715	\$ 371,029,376

In fiscal year 2024-25, total assets increased by \$60,686,145 which represents an increase of 13.4% from fiscal year 2023-24, primarily due to an increase of \$61,123,179 in cash and investments, which resulted from higher operating cash flows, an increase of \$2,780,319 in violations account receivables, and partially offset by a decrease of \$3,089,587 in capital assets. Total liabilities decreased by \$3,426,819 or 4.2% primarily due to principal payment of the Toll Road Revenue Bonds, Series 2023.

The 91 EL's net investment in capital assets was \$66,837,135 in fiscal year 2024-25 compared to \$70,703,790 in fiscal year 2023-24. The 91 EL's net position reflects its investment in capital assets (i.e. improvements; equipment; computer hardware and software; furniture and fixtures; transponders; intangible right-to-use lease assets; and toll facility franchise), less any related outstanding debt used to acquire these assets. The 91 EL uses these capital assets to provide improved mobility for 91 EL customers and commuters along the SR-91 corridor. The \$3,866,655 decrease in net investment in capital assets was primarily driven by depreciation of computer hardware and software, as well as the

91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

amortization of toll facility franchise. The decline also reflected the reallocation of previously unspent capital borrowing proceeds, which are now reserved for debt service.

Restricted net position, representing resources subject to external restrictions on how they may be used, accounted for 2.9% of total net position as of June 30, 2025. The \$4,576,331 increase in restricted net position was primarily attributable to the reallocation of Senior Lien (Debt Service) Reserves, which have been designated for future debt service payments.

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position increased from \$292,325,586 as of June 30, 2024 to \$355,703,249 as of June 30, 2025. This increase of \$63,377,663 was primarily attributable to operating revenues exceeding operating expenses, favorable investment earnings, and a reduction in transfers to the OCLTA for the SR-91 Improvement Project.

Table 2
91 Express Lanes Fund
Changes in Net Position

	2025	2024
Operating revenues		
Tolls, fees, and fines	\$ 75,960,347	\$ 73,668,071
Operating expenses		
Management and operational services	6,878,431	5,875,462
Administrative overhead	4,069,510	3,685,194
Other operating expenses	149,195	18,652
Insurance claims and premiums	253,030	597,820
Professional services	5,996,616	4,374,822
General and administrative	330,711	332,599
Depreciation and amortization	4,981,318	5,078,179
Total operating expenses	22,658,811	19,962,728
Operating income	53,301,536	53,705,343
Nonoperating revenues (expenses)		
Investment earnings	19,515,231	14,770,382
Interest expense	(1,581,381)	(1,875,126)
Other	968,060	424,819
Total nonoperating revenues	18,901,910	13,320,075
Income before transfers	72,203,446	67,025,418
Transfers to other OCTA funds	(8,116,107)	(15,244,810)
Changes in net position	64,087,339	51,780,608
Total net position—beginning	371,029,376	319,248,768
Total net position—ending	\$ 435,116,715	\$ 371,029,376

91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

The 91 EL's total operating revenues increased by 3.1%, while total operating expenses increased by 13.5%. The increase in operating revenues was primarily driven by higher traffic volumes, increase in the average gross revenue per trip, and higher collections from toll violators. The increase in operating expenses was mainly attributable to higher management and operational service costs related to toll road operations, as well as professional services for toll account servicing.

Total traffic volume on the 91 EL during fiscal year 2024-25 was 21,992,452 trips reflecting an increase of 3.9% in comparison to fiscal year 2023-24. Investment earnings increased by \$4,744,849 which represents a 32.1% increase compared to fiscal year 2023-24, primarily reflecting higher cash balances and favorable investment performance.

Capital Assets

As of June 30, 2025, the 91 EL had \$116,462,706 net of accumulated depreciation and amortization, invested in a broad range of capital assets including: the toll facility franchise, construction in progress, improvements, communication equipment, computer hardware and software, transponders, intangible right-to-use asset, and equipment, furniture and fixtures (Table 3). The total decrease in the 91 EL's capital assets for fiscal year 2024-25 was \$3,089,587 primarily due to depreciation and amortization.

Table 3
91 Express Lanes Fund
Capital Assets, net of Depreciation and Amortization

	2025	2024
Construction in progress	\$ 5,624,528	\$ 4,327,477
Buildings and improvements	13,239	16,170
Leasehold improvements	371,015	485,884
Communications equipment	131,675	200,375
Computer hardware and software	3,400,600	4,473,892
Transponders	82,477	205,237
Equipment, furniture and fixtures	4,319	6,909
Lease assets - building	2,073,799	2,488,602
Toll facility franchise	104,761,054	107,347,747
Total capital assets, net	\$ 116,462,706	\$ 119,552,293

The 91 EL had outstanding capital expense commitments, the most significant of which were \$7,437,045 for the electronic toll and traffic management (ETTM) and \$2,268,407 for the back-office system. Major capital asset additions during fiscal year 2024-25 included \$476,201 for the ETTM system, \$594,678 for the back-office system, and \$820,851 for the Advanced Traffic Management Software (ATMS). The ETTM system and ATMS remain in construction in progress and are projected for completion in fiscal year 2025-26. Capital assets, net decreased by \$3,089,587, primarily due to amortization of the toll facility franchise and depreciation of the back-office system. Total construction in progress increased by \$1,297,051 as a result of payments for the ETTM system and the acquisition of ATMS. Additional detail regarding the 91 EL's capital assets is provided in Note 5 to the financial statements.

**91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025**

Debt Administration

As of June 30, 2025, the 91 EL had \$41,725,000 in tax-exempt bonds outstanding compared to \$47,545,000 at June 30, 2024. The reduction was due to principal payment of 2023 series Toll Revenue Bonds in fiscal year 2024-25. Additional information on long-term debt can be found in note 7 to the financial statements.

Economic and Other Factors

The 91 EL makes up \$76,926,340 or 4.4% of OCTA's fiscal year 2025-26 adopted revenue budget. For fiscal year 2025-26, budgeted toll revenue is forecasted to increase by 16.0% from the fiscal year 2024-25 budgeted value. This increase is due to a forecasted increase in revenue and traffic volumes. In addition, collection receipts from violators have risen since the 91 EL implemented the practice of placing unpaid tolls and fees on vehicle registration holds. This increase in collections has been incorporated into the revenue projection to better align the budget with actuals. The budgeted average long term rate of growth for toll road revenue beyond fiscal year 2025-26 is 4.4%.

The majority of expenses related to the 91 EL within the fiscal year 2025-26 budget are on-going general costs related to day to day operations of the toll facility. Since the 91 EL is a fully electronic toll facility, motorists pay tolls through the convenient use of windshield mounted FasTrak® transponders that automatically deduct toll charges from a prepaid account. At the end of fiscal year 2024-25, there were 186,084 active customer accounts, with 739,969 transponders assigned to those accounts, which represents an increase of 7,204 and 22,372, respectively from fiscal year 2023-24.

OCTA, in concert with Caltrans and RCTC, issued an annual SR-91 Implementation Plan to establish a program of projects eligible for funding by potential excess 91 EL toll revenue and other funds. The projects are presented in the following groups: Orange County Projects, Riverside County Projects, and Bi-County Projects. The Orange County Projects have a total cost of approximately \$814 million. The projects include improvements to the SR-91 between SR-57 and SR-55, Placentia Metrolink Rail Station, and Metrolink Improvements. The Riverside County projects have a total cost of approximately \$393.5 million. The improvements include the I-15/91 Express Lanes Connector, Green River Road Bike Lane Gap Closure, Santa Ana River Trail, the SR-71/SR-91 Interchange Improvements, and the SR-91 Improvements East of I-15. The Bi-County projects benefit both Orange and Riverside Counties, with total projects exceeding \$674 million. These projects include the SR-241/SR-91 Tolloed Express Connector, 91 Eastbound Corridor Operations Project, and 91 Westbound Improvements.

Contacting 91 EL's Management

This financial report is designed to provide a general overview of the 91 EL's finances for all those with an interest in the government's finances and to demonstrate the 91 EL's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

Assets

Current assets:

Cash and investments	\$ 365,037,360
Receivables:	
Interest	2,670,418
Violations, net	5,653,317
Other, net	1,795,789
Due from other governments	77,134

Total current assets	375,234,018
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Noncurrent assets:

Restricted cash and investments	13,403,496
Receivable violations, net	7,886,019
Capital assets, net:	
Nondepreciable	5,624,528
Depreciable and amortizable	110,838,178

Total noncurrent assets	137,752,221
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Total assets	512,986,239
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Deferred outflows of resources

Deferred outflows - refunding	3,654,691
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Total deferred outflows of resources	3,654,691
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Liabilities

Current liabilities:

Accounts payable	8,240,095
Accrued interest payable	786,919
Due to other funds	8,847,738
Due to other governments	2,367,376
Unearned revenue	10,075,480
Other liabilities	291,284
Lease liabilities, current	411,014
Long-term debt, current	6,115,000

Total current liabilities	37,134,906
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Noncurrent liabilities:

Lease liabilities	1,873,841
Long-term debt	39,000,644

Total noncurrent liabilities	40,874,485
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Total liabilities	78,009,391
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Deferred inflows of resources

Deferred inflows - refunding	3,514,824
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Total deferred inflows of resources	3,514,824
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Net position

Net investment in capital assets	66,837,135
Restricted for:	
Debt service	4,576,331
Capital reserves	5,000,000
Operating reserves	3,000,000
Unrestricted	355,703,249

Total net position	\$ 435,116,715
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See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

Operating revenues	
Tolls, fees, and fines	\$ 75,960,347
Operating expenses	
Management and operational services	6,878,431
Administrative overhead	4,069,510
Other operating expenses	149,195
Insurance claims and premiums	253,030
Professional services	5,996,616
General and administrative	330,711
Depreciation and amortization	4,981,318
Total operating expenses	22,658,811
Operating income	53,301,536
Nonoperating revenues (expenses)	
Investment earnings	19,515,231
Interest expense	(1,581,381)
Other	968,060
Total nonoperating revenues	18,901,910
Income before transfers	72,203,446
Transfers to other OCTA funds	(8,116,107)
Change in net position	64,087,339
Total net position - beginning	371,029,376
Total net position - ending	\$ 435,116,715

See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash flows from operating activities	
Receipts from customers and users	\$ 73,072,514
Payments to suppliers	(11,075,789)
Payments for OCTA interfund services used	(4,069,510)
Other revenues received	968,060
Net cash provided by operating activities	58,895,275
Cash flows from noncapital financing activities	
Reimbursement from other governments	6,314
Transfers to other OCTA funds	(8,448,897)
Net cash used for noncapital financing activities	(8,442,583)
Cash flows from capital and related financing activities	
Principal payment on long-term debt	(5,820,000)
Interest paid on long-term debt	(2,231,750)
Acquisition and construction of capital assets	(963,775)
Net cash used for capital and related financing activities	(9,015,525)
Cash flows from investing activities	
Investment earnings	19,686,012
Net cash provided by investing activities	19,686,012
Net increase in cash and cash equivalents	61,123,179
Cash and cash equivalents at beginning of year	317,317,677
Cash and cash equivalents at end of year	\$ 378,440,856
Reconciliation of cash and cash equivalents to statement of net position	
Cash and investments	\$ 365,037,360
Restricted cash and investments	13,403,496
Total cash and cash equivalents	\$ 378,440,856

See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Reconciliation of operating income to net cash provided by operating activities

Operating income	\$ 53,301,536
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	2,394,624
Amortization of toll road franchise agreement	2,586,694
Other nonoperating revenues	968,060
Change in assets and liabilities:	
Violations receivables, net	(2,780,319)
Other receivables, net	(59,211)
Other assets	(243,148)
Amortization of prepaid insurance	253,030
Accounts payable	1,775,920
Due to other governments	746,392
Unearned revenue	(220,045)
Other liabilities	171,742
Total adjustments	5,593,739
Net cash provided by operating activities	\$ 58,895,275

Noncash capital, financing and investing activities:

Amortization of bond premium	\$ 618,355
Amortization of deferred loss on refunding 2003 series	669,562
Amortization of deferred gain on refunding 2013 series	643,937
Capital assets accrued in payables	2,364,940
Change in fair value of investments	159,922

See accompanying notes to the financial statements.

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

1. REPORTING ENTITY

On January 3, 2003, the OCTA purchased from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the 91 Express Lanes. See note 5 for further information.

These financial statements include only the activities of the 91 Express Lanes (91 EL) Fund, an enterprise fund of OCTA. These financial statements are not intended to present the activities of OCTA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the 91 Express Lanes Fund are in conformity with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

Basis of Accounting

The financial statements of the 91 Express Lanes Fund are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, consisting substantially of tolls and fees, are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Toll amounts are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenue is recognized when the customers utilize the toll road facility.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the 91 Express Lanes Fund are charges to customers for use of the toll facility and are presented net of discounts and allowances. Operating expenses for the 91 Express Lanes Fund include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the 91 Express Lanes Fund's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash and Investments

The 91 Express Lanes Fund participates in OCTA's Commingled Investment Pool. OCTA maintains cash and investments in accordance with an Investment Policy (Policy) adopted initially by OCTA's Board of Directors (Board) on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). At June 30, 2025 the investment portfolios were maintained at U.S. Bank, N.A. as custodial bank. OCTA's Commingled Investment Pool is managed by four private sector investment managers. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes in the OCTA Commingled Investment Pool, with investment earnings allocated to the different accounts based on average daily account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs-other than quoted prices included in Level 1-that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs. Refer to the OCTA Annual Comprehensive Financial Report (ACFR) for details on valuation techniques and fair value hierarchy.

Investments in U.S. government and U.S. agency securities, medium-term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives.

All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board and as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, commercial paper, money market funds, certificates of deposit, and the 91 Express Lanes Fund's share of the OCTA Commingled Investment Pool represent cash and cash equivalents for cash flow purposes.

Restricted Cash and Investments

Investments set aside in the Senior Lien Reserve Fund, Major Maintenance Reserve Fund, and Operating Reserve Fund are pursuant to the terms of the 2023 Indenture for the \$47,545,000 Toll Road Revenue Refunding Bonds and their use is limited by applicable debt covenants.

Permitted investments per the debt covenants include: government obligations, State of California and local agency obligations, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, money market funds, other mutual funds, investment agreements, and variable and floating rate securities.

Receivables

Violations receivables include an estimate for outstanding unpaid violations that the 91 Express Lanes Fund anticipates to collect. For violations less than or equal to 90 days old, the receivable is based on a 12-month average of violations collected, and is recorded net of an allowance for uncollectible accounts of \$3,287,559 at June 30, 2025. For unpaid violations in excess of 90 days, the receivable is estimated using a three-year average of violations collected and is recorded net of uncollectible accounts as the majority is not considered probable of collection.

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

Other receivables include amounts due from other California toll road agencies related to their customers' use of the 91 Express Lanes, as well as amounts owed from customers, net of an allowance for uncollectible accounts of \$309,477 at June 30, 2025.

An estimated \$7,886,019 of violation and customer receivables are not expected to be collected within one year. The 91 Express Lanes utilizes an outside collection agency to assist in the recovery of unpaid customer balances and violations exceeding 90 days.

Due from other Governments

Due from other governments include receivables due from other government agencies.

Capital Assets

Capital assets are tangible and intangible assets, which include toll facility franchise, construction in progress, leasehold improvements, equipment, computer hardware, software, furniture and fixtures, lease assets (intangible right-to-use), and transponders. Capital assets are defined by the 91 Express Lanes Fund as assets with an initial, individual cost of more than \$5,000 and a useful life in excess of one year. It is also the 91 Express Lanes Fund's policy to capitalize non-sticker transponder purchases, as they are considered a significant class of assets even though individually under \$5,000. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. The 91 Express Lanes also records the value of intangible right-to-use assets based on the underlying lease asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year for the shorter of lease term or useful life of asset.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Leasehold improvements	10-30 years
Equipment, furniture and fixtures	3-10 years
Computer hardware and software	3-5 years
Transponders	5-7 years
Lease assets - building	7-10 years
Toll franchise facility	63 years

OCTA purchased the interest in the Franchise Agreement for the toll facility from CPTC on January 3, 2003. The toll facility franchise is amortized over the remaining life of the Franchise Agreement through December 2065. GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, is not applicable to 91 Express Lanes Fund, as there are no exchange or exchange-like transactions between OCTA and Caltrans, and there are no franchise fees or installment payments payable to Caltrans.

Leases

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The 91 Express Lanes Fund recorded lease liabilities and lease assets at the commencement of the lease term. The lease liabilities are measured at the present value of payments expected to be made during the lease term less any lease incentives. The lease assets are measured at the amount of the initial measurement of the

91 Express Lanes Fund Notes to the Financial Statements

For the Year Ended June 30, 2025

lease liabilities, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position may include a separate section for deferred outflows of resources. This financial statement element represents the consumption of net assets that relates to future periods and, accordingly, will not be recognized as an expense until that time. Similarly, in addition to liabilities, the Statement of Net Position may report deferred inflows of resources. This element represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until then.

As of June 30, 2025, the 91 Express Lanes Fund reported both a deferred outflow of resources (loss on refunding) and a deferred inflow of resources (gain on refunding) related to the 2003 and 2013 series, respectively, in the Statement of Net Position.

A loss on refunding arises when the reacquisition price of refunded debt exceeds its carrying amount. This amount is recorded as a deferred outflow and amortized over the shorter of the remaining life of the refunded debt or the life of the refunding debt. Conversely, a gain on refunding occurs when the carrying amount of the refunded debt exceeds the reacquisition price. This amount is recorded as a deferred inflow of resources and, similarly, is amortized over the shorter of the remaining life of the refunded debt or the life of the refunding debt.

Due to other Governments

Due to other governments include payables due to other government agencies.

Risk Management

The 91 Express Lanes Fund purchases commercial property insurance including fire, flood and earthquake coverage, which also covers business interruption related to the operation of the toll facility. Additionally, the 91 Express Lanes Fund participates in OCTA's self-insurance general liability program. Liability claims are resolved by OCTA and are an expense of the 91 Express Lanes Fund.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is classified into three categories:

- *Net investment in capital assets* - Reflects net position of the 91 Express Lanes Fund invested in capital assets and the intangible asset net of related debt. This net position is not accessible for other purposes.
- *Restricted net position* - Represents net position not accessible for general use, with the use subject to restrictions enforceable by third parties. The net position has been restricted by the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust for debt service, capital, and operating reserves.
- *Unrestricted net position* - Represents net position available for general use.

91 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, \$4,069,510 of administrative services were charged to the 91 EL and are reported as operating expenses in the statement of revenues, expenditures and changes in net position.

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash	
Petty cash	\$ 550
Deposits	1,360,275
Total cash	1,360,825
Investments	
With OCTA Commingled Investment Pool	353,130,541
With trustee	23,949,490
Total investments	377,080,031
Total cash and investments	\$ 378,440,856

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	\$ 365,037,360
Restricted cash and investments	13,403,496
Total cash and investments	\$ 378,440,856

As of June 30, 2025, the 91 Express Lanes Fund had the following investments:

Investments	Fair Value	Yield	Interest Rate	Maturity	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	\$ 353,130,541	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.*			
Held by trustee:					
*Money Market Funds	15,949,490	3.96% - 4.15%	3.96% - 4.15%	07/01/2025	0.003
*Negotiable CDs	8,000,000	4.25% - 4.45%	4.25% - 4.45%	7/07/2025	0.019
Total investments	\$ 377,080,031				

Portfolio Weighted Average 2.508

*Money market funds and commercial paper are measured at amortized cost which approximates fair value.

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

As of June 30, 2025, the 91 Express Lanes Fund had \$353,130,541 invested in the OCTA's Commingled Investment Pool (CIP). OCTA's CIP investments are carried at fair value except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date carried at amortized cost which approximates fair value.

Deposits and withdrawals in the OCTA's CIP are made on the basis of \$1.00 (cost basis) and not fair value. Accordingly, the 91 Express Lanes Fund's investment in the OCTA's CIP at June 30, 2025 is uncategorized, not defined as a Level 1, Level 2, or Level 3 input.

Refer to the OCTA Annual Comprehensive Financial Report for fiscal year 2024-25 for details on valuation techniques, fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk related to the OCTA's CIP underlying investments.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three nationally recognized rating services: Standard & Poor's Corporation (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt must be rated no less than an "A" by two of the three rating services. OCTA's CIP is not rated.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of fair value of the 91 Express Lanes Fund's portfolio at June 30, 2025 (NR means Not Rated):

Investments	S&P	Moody's	% of 91 Express Lanes Fund
OCTA Commingled Investment Pool	N/A	N/A	93.66 %
Held by trustee:			
Money Market Funds	AAA	Aaa	4.22 %
Negotiable CDs	A-1	P-1	2.12 %
Total investments			100.00 %

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the Orange County Transportation Authority's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the 91 Express Lanes Fund's portfolio at June 30, 2025.

91 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

4. INTERFUND ACTIVITIES

Due To Other Funds

As of June 30, 2025, the 91 EL reported a balance of \$8,847,738 due to the OCLTA in connection with the SR-91 Improvement Project.

Interfund Transfers

During fiscal year 2024-25, the 91 EL transferred \$8,116,107 to the OCLTA for SR-91 Improvement Project.

5. CAPITAL ASSETS

Capital asset activity for the 91 Express Lanes Fund for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ 4,327,477	\$ 1,297,051	\$ —	\$ 5,624,528
Capital assets, being depreciated:				
Buildings and improvements	119,773	—	—	119,773
Leasehold improvements	2,349,447	—	—	2,349,447
Communications equipment	2,861,175	—	(769,262)	2,091,913
Computer hardware and software	8,664,151	594,678	—	9,258,829
Transponders	3,677,041	—	(2,245,599)	1,431,442
Equipment, furniture and fixtures	46,890	—	—	46,890
Lease assets - building	3,733,010	—	—	3,733,010
Toll facility franchise	205,263,668	—	—	205,263,668
Total capital assets, being depreciated and amortized	226,715,155	594,678	(3,014,861)	224,294,972
Less accumulated depreciation and amortization for:				
Buildings and improvements	(103,603)	(2,931)	—	(106,534)
Leasehold improvements	(1,863,563)	(114,869)	—	(1,978,432)
Communications equipment	(2,660,800)	(68,700)	769,262	(1,960,238)
Computer hardware and software	(4,190,259)	(1,667,970)	—	(5,858,229)
Transponders	(3,471,804)	(122,760)	2,245,599	(1,348,965)
Equipment, furniture and fixtures	(39,981)	(2,590)	—	(42,571)
Lease assets - building	(1,244,408)	(414,803)	—	(1,659,211)
Toll facility franchise	(97,915,921)	(2,586,693)	—	(100,502,614)
Total accumulated depreciation and amortization	(111,490,339)	(4,981,316)	3,014,861	(113,456,794)
Total capital assets, being depreciated and amortized, net	115,224,816	(4,386,638)	—	110,838,178
Total capital assets, net	\$ 119,552,293	\$ (3,089,587)	\$ —	\$ 116,462,706

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

On January 3, 2003, OCTA acquired from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the operation of a 10-mile toll facility on State Route (SR) 91 between the Orange/Riverside County line and SR-55. This acquisition was authorized by Assembly Bill (AB) 1010 (Correa), enacted in September 2002, which granted OCTA the authority to collect tolls and finance related costs through 2030, while eliminating non-compete provisions that restricted improvements along SR-91. The Franchise Agreement, originally between CPTC and the California Department of Transportation (Caltrans), provided CPTC with the right to develop, construct, and operate the toll facility under a 35-year lease; Caltrans retains legal title to the real property, and no franchise fees or installment payments are owed to Caltrans.

In September 2008, Senate Bill (SB) 1316 (Correa) updated AB 1010, authorizing OCTA to assign its franchise rights and obligations in the Riverside County portion of SR-91 to the Riverside County Transportation Commission (RCTC). This legislation permitted RCTC to expand the corridor by adding toll and general-purpose lanes and extended the maximum franchise term to December 31, 2065. SB 1316 also required OCTA and RCTC to coordinate tolling operations in the event of such an assignment. In December 2011, OCTA Board approved the assignment of franchise rights, interests, and obligations in the Riverside County portion to RCTC, along with the extension of the expiration date to 2065. The Board also approved a cooperative agreement with RCTC governing the joint operation of the 91 Express Lanes extension.

In fiscal year 2022-23, OCTA assessed GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and determined that 91 Express Lanes agreement was not applicable to this standard, wherein exchange or exchange-like transactions does not exist between OCTA and Caltrans.

6. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The 91 Express Lanes has two leasing arrangements, summarized below:

The 91 Express Lanes entered into a 180-month lease agreement for its Anaheim office space beginning in September 2015, with the lease expiring in August 2030. At June 30, 2025, the balance of intangible right to use lease asset and lease liability were \$1,890,236 and \$2,087,732, respectively. During fiscal year 2025, the 91 Express Lanes recorded \$365,853 in amortization expense and \$48,216 in interest expense for the right to use the office space. The 91 Express Lanes used an incremental discount rate of 2.12%, based on an estimated incremental borrowing rate.

The 91 Express Lanes entered into a 120-month lease agreement for RCTC office space beginning in April 2019, with the lease expiring in March 2029. At June 30, 2025, the balance of intangible right to use lease asset and lease liability were \$183,563 and \$197,123, respectively. During fiscal year 2025, the 91 Express Lanes recorded \$48,950 in amortization expense and \$4,090 in interest expense for the intangible right-to-use the office space. The 91 Express Lanes used an incremental discount rate of 1.80%, based on an estimated increment borrowing rate.

91 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

Remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal		Interest		Total
2026	\$	411,014	\$	43,997	\$ 455,011
2027		432,876		35,237	468,113
2028		455,267		26,016	481,283
2029		464,676		16,314	480,990
2030		445,481		6,753	452,234
2031		75,541		200	75,741
Total	\$	2,284,855	\$	128,517	\$ 2,413,372

The amortized lease asset activities, net of accumulated depreciation and amortization for the year ended June 30, 2025, are as follows:

Lease Assets	Beginning Balance	Additions	Reductions	Ending Balance
91 EL Anaheim Office	\$ 2,256,089	\$ —	\$ (365,853)	\$ 1,890,236
91 EL RCTC Office	232,513	—	(48,950)	183,563
Total lease assets	\$ 2,488,602	\$ —	\$ (414,803)	\$ 2,073,799

Lease liability activities associated with these leases are as follows:

Lease Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
91 EL Anaheim Office	\$ 2,429,628	\$ —	\$ (341,896)	\$ 2,087,732	\$ 361,033
91 EL RCTC Office	245,026	—	(47,903)	197,123	49,981
Total lease liabilities	\$ 2,674,654	\$ —	\$ (389,799)	\$ 2,284,855	\$ 411,014

7. LONG TERM DEBT

Toll Road Revenue Refunding Bonds

On August 8, 2013, OCTA issued \$124,415,000 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2013, to refund the outstanding Series 2003-A, 2003-B-1, and 2003-B-2 Bonds. The refunding reduced total debt service payments and addressed the mandatory tender of the Series 2003-B Bonds.

On July 6, 2023, OCTA issued \$47,545,000 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2023, to refund the outstanding Series 2013 Bonds. The refunding lowered total debt service payments and generated net present value savings of \$5,521,000.

OCTA's outstanding Toll Road Revenue Refunding Bonds are limited obligations of the Authority, payable solely from pledged toll revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences.

91 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

The Toll Road Revenue Refunding Bonds are rated Aa3 by Moody's, AA- by Fitch, and AA- by Standard & Poor's.

A summary of the terms of the Toll Road Revenue Refunding Bonds is as follows:

		2023 Series (Toll Road Revenue Bonds)
Issuance date		7/6/2023
Closing date		7/6/2023
Original issue amount	\$	47,545,000
Cash reserve requirements	\$	12,576,331
Cash reserve balance*	\$	13,403,496
Interest rate		5%
Maturity		August 2030
Principal payment date		August 15
Balance as of June 30, 2025	\$	41,725,000
Unamortized premium	\$	3,390,644
Gain on refunding (2013 Series)	\$	3,514,824
Loss on refunding (2003 Series)	\$	(3,654,691)

* Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the following three reserve funds are required to be maintained: Senior Lien Reserve Fund \$4,576,331, Major Maintenance Reserve Fund \$5,000,000 and Operating Reserve Fund \$3,000,000. At June 30, 2025, all reserve requirements have been satisfied.

Annual debt service requirements on the tax-exempt bonds to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 6,115,000	\$ 1,933,375	\$ 8,048,375
2027	6,430,000	1,619,750	8,049,750
2028	6,760,000	1,290,000	8,050,000
2029	7,105,000	943,375	8,048,375
2030	7,465,000	579,125	8,044,125
2031	7,850,000	196,250	8,046,250
Total	\$ 41,725,000	\$ 6,561,875	\$ 48,286,875

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Toll road revenue bonds	\$ 47,545,000	\$ —	\$ (5,820,000)	\$ 41,725,000	\$ 6,115,000
Unamortized premium	4,008,999	—	(618,355)	3,390,644	—
Total long-term debt	\$ 51,553,999	\$ —	\$ (6,438,355)	\$ 45,115,644	\$ 6,115,000

91 Express Lanes Fund Notes to the Financial Statements

For the Year Ended June 30, 2025

Pledged Revenue

The 91 Express Lanes debt issuance outstanding is repaid and secured by the pledging of certain revenues, as defined in the debt agreement. The amount and term of the remainder of this commitment is indicated in the debt service to maturity table. The purpose for which the proceeds of the debt issuance were utilized is disclosed in the debt description. Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the 91 Express Lanes Fund will covenant to fix and prescribe toll rates for each type of vehicle and each time of day sufficient to produce adjusted net toll revenues for each fiscal year at least equal to 1.3 times annual debt service on Senior Lien Bonds and Parity Obligations. Adjusted net toll revenues includes tolls and investment earnings on specified reserve accounts minus operating expenses, excluding interest expense, depreciation, and amortization of the toll facility franchise.

Pledged revenue for the year ended June 30, 2025, is as follows:

Pledged Revenue	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage	Required Debt Coverage
91 EL net toll road revenues	\$ 77,269,629	\$ 8,051,750	9.60	1.30

8. COMMITMENTS AND CONTINGENCIES

Operator Agreement

In connection with the purchase of the toll facility interest, OCTA entered into an operating agreement with Cofiroute Global Mobility, subsequently Cofiroute USA, LLC (Cofiroute), to provide operating services in the annual amount of \$4,994,000 plus inflation for three initial years with two one-year extension options, subject to Board of Directors approval. The agreement was in effect from January 3, 2003 through January 2, 2006. On January 6, 2006, OCTA entered into a second operating agreement with Cofiroute, effective January 3, 2006 through January 2, 2011. The annual amount of the base contract is \$5,448,768 plus inflation adjustments after the first year. The agreement carried two two-year extension options through January 2, 2015. On June 27, 2011, the OCTA Board of Directors approved a subsequent amendment to the operating agreement with Cofiroute, which authorized the addition of two five-year extension options beginning July 1, 2011 through June 30, 2016 for the first extension term and beginning July 1, 2016 through June 30, 2021 as the second extension term. The second extension term was approved on May 9, 2016. Cofiroute is responsible for the day-to-day operations of the toll facility.

On May 24, 2013 OCTA completed a three-party agreement expiring on June 30, 2021, with Riverside County Transportation Commission (RCTC) and Cofiroute for operations of the 91 Express Lanes. This helps in ensuring a streamlined consistent inter-county travel for motorists on the original 10-mile span of the 91 Express Lanes and the eight miles extension into Riverside County.

In fiscal year 2018-19, OCTA and RCTC began procurement for a new operating agreement, which includes the development of a new back-office system for both segments of the 91 Express Lanes. The OCTA Board of Directors and RCTC Commission subsequently approved the re-selection of Cofiroute as the operator, with the agreement executed in January 2020. The new agreement expires on January 31, 2027, and carries two three-year extension options.

91 Express Lanes Fund Notes to the Financial Statements

For the Year Ended June 30, 2025

Purchase Commitments

The 91 Express Lanes has various outstanding contracts. Total purchase commitments as of June 30, 2025 were \$62,974,548, the most significant are with Cofiroute and RCTC for the operations of the 91 Express Lanes, Kapsch TrafficCom for toll lanes integrator services, and California Highway Patrol (CHP) for patrol services.

9. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

405 EXPRESS LANES FUND
(An Enterprise Fund of the
Orange County Transportation Authority)
FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)

Financial Statements
For the Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the accompanying financial statements of the 405 Express Lanes Fund (405 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 405 EL's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the 405 EL, a major enterprise fund of OCTA, as of June 30, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the 405 EL and do not purport to, and do not, present fairly the financial position of OCTA as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the 405 EL. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the 405 EL's financial statements. The management's discussion and analysis, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to the 405 EL, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance, as it relates to the 405 EL. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to the 405 EL.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Costa Mesa, California
October 31, 2025

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 405 Express Lanes Fund (405 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 405 EL's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the 405 EL and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting and compliance (internal control), as it relates to the 405 EL, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the 405 EL. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to the 405 EL.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 405 EL's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
October 31, 2025

**405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025**

As management of the 405 Express Lanes Fund (405 EL), an enterprise fund of the Orange County Transportation Authority, we offer readers of the 405 EL financial statements this narrative overview and analysis of the 405 EL's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 11.

Financial Highlights

- At the end of fiscal year 2024-25, the total net position of the 405 EL was \$(148,958,725), comprising net investment in capital assets of \$(17,420,331); restricted net position of \$40,318,050; and unrestricted net position of \$(171,856,444). Net position decreased by \$51,489,964, or 52.8%, from the fiscal year 2023-24 ending net position. The decrease was primarily attributable to an interfund transfer to the Orange County Local Transportation Authority (OCLTA) for the allocation of Transportation Infrastructure Finance and Innovation Act (TIFIA) loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.
- In fiscal year 2024-25, total operating revenues of the 405 EL increased by \$40,642,611, representing a 236.6% increase from fiscal year 2023-24. Since tolling on the 405 Express Lanes began on December 1, 2023, the increase in operating revenues was primarily due to a full year of operations in fiscal year 2024-25 compared to seven months in fiscal year 2023-24, along with higher average gross revenue per trip, and an increase in estimated violation receivables.
- Total operating expenses increased by \$12,239,163, which represents a 50.3% increase from fiscal year 2023-24, primarily attributable to higher operating costs, including management and operational services, professional services, and depreciation and amortization expenses associated with the commencement of operations.
- In fiscal year 2024-25, investment earnings increased by \$2,083,757, or 61.1%, compared to fiscal year 2023-24, as a result of higher available cash balances and favorable investment performance during the year. Interest expense increased by \$17,927,030, mainly due to accreted TIFIA loan interest and the completion of deferred gain amortization on defeased Bond Anticipation Notes (BANs).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the 405 EL's financial statements. The financial statements are comprised of the fund financial statements and notes to the financial statements.

The statement of net position presents information on all of the 405 EL's assets, deferred outflows of resources, deferred inflows of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 405 EL is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the 405 EL's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The 405 EL fund financial statements can be found on pages 11-14 of this report. Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 15-25 of this report.

405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

405 Express Lanes Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the 405 EL's financial position. At June 30, 2025, the 405 EL's net position was \$(148,958,725), a decrease of \$51,489,964 or 52.8% from June 30, 2024. Our analysis below focuses on net position (Table 1) and changes in net position (Table 2) of the 405 EL's financial activities.

Table 1
405 Express Lanes Fund
Net Position

	2025	2024
Assets		
Current and other assets	\$ 26,968,412	\$ 102,554,296
Restricted assets	38,355,181	—
Noncurrent receivables, net	4,280,232	44,892
Capital assets, net	452,773,034	462,486,871
Total assets	522,376,859	565,086,059
Total deferred outflows of resources	106,434,601	106,810,152
Liabilities		
Current liabilities	16,575,775	15,747,967
Long-term liabilities	761,194,410	746,506,787
Total liabilities	777,770,185	762,254,754
Total deferred inflows of resources	—	7,110,218
Net position		
Net investment in capital assets	(17,420,331)	(12,071,482)
Restricted	40,318,050	—
Unrestricted	(171,856,444)	(85,397,279)
Total net position	\$ (148,958,725)	\$ (97,468,761)

In fiscal year 2024-25, total assets decreased by \$42,709,200, or 7.6%, compared to fiscal year 2023-24. The decrease was primarily attributable to a \$30,387,615 reduction in cash and investments resulting from an interfund transfer to the OCLTA for the I-405 Improvement Project, and a decrease of \$9,713,837 in capital assets driven by depreciation of infrastructure assets and computer hardware. Total liabilities increased by \$15,515,431, or 2.0% primarily due to TIFIA accreted interest being added to the loan principal balance.

The 405 EL's net investment in capital assets was \$(17,420,331) in fiscal year 2024-25 compared to \$(12,071,482) in fiscal year 2023-24. The 405 EL's net position reflects its investment in capital assets (i.e., land; improvements; infrastructure; computer hardware and software; equipment, furniture and fixtures; and intangible right-to-use assets), less any related outstanding debt used to acquire these assets. The 405 EL uses these capital assets to provide improved mobility for 405 EL customers and commuters along the I-405 corridor. The decrease of \$5,348,849 in net investment in capital assets

405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

primarily reflects a reduction in the carrying value of capital assets as a result of monthly depreciation, which decreases the net book value of these assets over time.

Restricted net position, which reflects resources subject to external restrictions on their use, represented (27.1)% of the total net position at June 30, 2025. The \$40,318,050 increase in restricted net position was primarily due to transfers made to designated reserve funds and accounts as required under the TIFIA loan indenture.

Unrestricted net position represents the portion of net position available to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position decreased from \$(85,397,279) to \$(171,856,444) at June 30, 2025. The decrease of \$86,459,165 was primarily attributable to the allocation of TIFIA loan proceeds to the OCLTA for the construction of the general purpose lane for the I-405 Improvement Project.

Table 2
405 Express Lanes Fund
Changes in Net Position

	2025	2024
Operating revenues		
Tolls, fees, and fines	\$ 57,822,765	\$ 17,180,154
Operating expenses		
Management and operational services	6,698,662	4,051,845
Administrative overhead	3,208,889	3,353,436
Other operating expenses	16,267	234,335
Insurance claims and premiums	48,196	62,613
Professional services	10,146,353	7,978,487
General and administrative	1,158,854	330,901
Depreciation and amortization	15,287,771	8,314,212
Total operating expenses	36,564,992	24,325,829
Operating income (loss)	21,257,773	(7,145,675)
Nonoperating revenues (expenses)		
Investment earnings	5,494,263	3,410,506
Interest income (expense)	(6,078,613)	11,848,417
Other	9,085	1,492,264
Total nonoperating revenues (expenses)	(575,265)	16,751,187
Income before transfers	20,682,508	9,605,512
Transfers from other OCTA funds	—	125,222,349
Transfers to other OCTA funds	(72,172,472)	—
Changes in net position	(51,489,964)	134,827,861
Total net position—beginning	(97,468,761)	(232,296,622)
Total net position—ending	\$ (148,958,725)	\$ (97,468,761)

405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

The 405 EL's total operating revenues increased by 236.6%, while total operating expenses increased by 50.3%. The significant increase in operating revenues was primarily attributable to a full year of operations in fiscal year 2024–25 compared to seven months in fiscal year 2023–24, higher average gross revenue per trip, and an increase in estimated violation receivables. The increase in operating expenses was largely driven by higher operating costs, including management and operational services, professional services, and depreciation and amortization expenses associated with the commencement of operations. Total traffic volume on the 405 EL in fiscal year 2024-25 was 17,382,992 trips.

Investment earnings increased by \$2,083,757, or 61.1%, compared to fiscal year 2023-24, primarily due to higher available cash balances and favorable investment performance. Interest expense increased by \$17,927,030, primarily due to accreted interest on the TIFIA loan and the completion of deferred gain amortization associated with the defeasance of Bond Anticipation Notes (BANs). This deferred inflow of resources had been amortized as a reduction of interest expense over the remaining life of the BANs, which concluded in October 2024.

Capital Assets

As of June 30, 2025, the 405 EL had \$452,773,034 net of accumulated depreciation and amortization, invested in a broad range of capital assets including: land, improvements, infrastructure, computer hardware and software, equipment, furniture and fixtures, and intangible right-to-use lease asset (Table 3). The total decrease in the 405 EL's capital assets for fiscal year 2024-25 was \$9,713,837.

Table 3
405 Express Lanes Fund
Capital Assets, net of Depreciation and Amortization

	2025	2024
Land - PPP assets	\$ 29,764,763	\$ 27,438,468
Construction in progress	—	160,020
Leasehold improvements	1,028,466	1,085,916
Infrastructure - PPP assets	392,395,670	401,682,063
Computer hardware and software	23,883,169	26,199,110
Equipment, furniture, and fixtures	492,718	419,623
Lease assets - building	5,208,248	5,501,671
Total capital assets, net	\$ 452,773,034	\$ 462,486,871

The 405 EL has outstanding capital expense commitments, the most significant of which were \$1,760,933 for the electronic toll and traffic management (ETTM) and \$104,734,283 for the back-office system. Major capital asset additions during fiscal year 2024-25 included \$1,317,220 for the ETTM system. Net capital assets decreased by \$9,713,837 primarily due to depreciation of infrastructure assets and computer hardware and software. Construction in progress decreased by \$160,020 following the placement of equipment into service at the beginning of fiscal year 2024-25. More detailed information about the 405 EL's capital assets is presented in note 5 to the financial statements.

**405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025**

Debt Administration

As of June 30, 2025, the 405 EL had \$644,732,106 in long-term debt outstanding of TIFIA loan compared to \$632,355,394 at June 30, 2024. The increase is due to current year's accreted interest being added to principal in the amount of \$12,376,712. Additional information on long-term debt can be found in note 8 to the financial statements.

Economic and Other Factors

The 405 EL makes up \$53,524,809 or 3.1% of OCTA's fiscal year 2025-26 adopted revenue budget. For fiscal year 2025-26, budgeted toll revenue is forecasted to increase by 9.2% from the fiscal year 2024-25 budgeted value. This increase reflects anticipated toll rate adjustment and increased traffic volumes along the corridor. The budgeted average long term rate of growth for toll road revenue beyond fiscal year 2025-26 is 3.1%.

The majority of expenses related to the 405 EL within the fiscal year 2025-26 budget are on-going general costs related to day to day operations of the toll facility. Since the 405 Express Lanes is a fully electronic toll facility, motorists pay tolls through the convenient use of windshield mounted FasTrak® transponders that automatically deduct toll charges from a prepaid account. At the end of fiscal year 2024-25, there were 22,143 active customer accounts with 45,712 transponders assigned to those accounts, which represents an increase of 13,077 accounts and 29,441 transponders, respectively from fiscal year 2023-24.

The 405 EL Fund will be responsible for managing the operational and capital expenses associated with the 405 Express Lanes.

Contacting 405 EL's Management

This financial report is designed to provide a general overview of the 405 EL's finances for all those with an interest in the government's finances and to demonstrate the 405 EL's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

Assets

Current assets:

Cash and investments	\$ 20,963,905
Receivables:	
Interest	723,413
Violations, net	3,605,514
Other, net	1,487,722
Condemnation deposits	136,000
Other assets	51,858

Total current assets	26,968,412
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Noncurrent assets:

Restricted cash and investments	38,355,181
Violations receivable, net	4,280,232
Capital assets, net:	
Nondepreciable	29,764,763
Depreciable and amortizable	423,008,271

Total noncurrent assets	495,408,447
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Total assets	522,376,859
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Deferred outflows of resources

Deferred outflows - PPP	106,434,601
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Total deferred outflows of resources	106,434,601
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Liabilities

Current liabilities:

Accounts payable	14,075,374
Accrued interest payable	30,147
Due to other governments	1,068,116
Unearned revenue	1,272,286
Other liabilities	45,782
Lease liabilities, current	84,070

Total current liabilities	16,575,775
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Noncurrent liabilities:

Lease liabilities	5,676,471
Long-term debt - TIFIA loan	644,732,106
Other long-term liabilities - PPP	110,785,833

Total noncurrent liabilities	761,194,410
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Total liabilities	777,770,185
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Net position

Net investment in capital assets	(17,420,331)
Restricted for:	
Debt service	32,601,920
Operating reserves	7,716,130
Unrestricted	(171,856,444)

Total net position	\$ (148,958,725)
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See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

Operating revenues	
Tolls, fees, and fines	\$ 57,822,765
Operating expenses	
Management and operational services	6,698,662
Administrative overhead	3,208,889
Other operating expenses	16,267
Insurance claims and premiums	48,196
Professional services	10,146,353
General and administrative	1,158,854
Depreciation and amortization	15,287,771
Total operating expenses	36,564,992
Operating income	21,257,773
Nonoperating revenues (expenses)	
Investment earnings	5,494,263
Interest expense	(6,078,613)
Other	9,085
Total nonoperating expenses	(575,265)
Income before transfers	20,682,508
Transfers to other OCTA funds	(72,172,472)
Change in net position	(51,489,964)
Total net position - beginning	(97,468,761)
Total net position - ending	\$ (148,958,725)

See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash flows from operating activities	
Receipts from customers and users	\$ 61,103,191
Payments to suppliers	(20,324,666)
Payments for OCTA interfund services used	(3,208,889)
Other revenues received	9,085
Net cash provided by operating activities	37,578,721
Cash flows from noncapital financing activities	
Transfers to other funds	(72,172,472)
Net cash used for noncapital financing activities	(72,172,472)
Cash flows from capital and related financing activities	
Arbitrage rebate payment	(448,718)
Interest paid on long-term debt	(56,009)
Acquisition and construction of capital assets	(908,778)
Net cash used for capital and related financing activities	(1,413,505)
Cash flows from investing activities	
Investment earnings	5,619,641
Net cash provided by investing activities	5,619,641
Net decrease in cash and cash equivalents	(30,387,615)
Cash and cash equivalents at beginning of year	89,706,701
Cash and cash equivalents at end of year	\$ 59,319,086
Reconciliation of cash and cash equivalents to statement of net position	
Cash and investments	\$ 20,963,905
Restricted cash and investments	38,355,181
Total cash and cash equivalents	\$ 59,319,086

See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Reconciliation of operating income to net cash provided by operating activities

Operating income	\$ 21,257,773
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	15,287,771
Other nonoperating revenues	9,085
Change in assets and liabilities:	
Violations receivables, net	(7,288,410)
Other receivables, net	9,721,788
Other assets	(66,404)
Amortization of prepaid insurance	48,196
Accounts payable	(2,819,385)
Due to other governments	581,259
Unearned revenue	820,005
Other liabilities	27,043
Total adjustments	16,320,948
Net cash provided by operating activities	\$ 37,578,721

Noncash capital, financing and investing activities:

Addition in other long-term liabilities related to PPP	\$ 2,394,981
Amortization of deferred outflows related to PPP	2,770,532
Amortization of deferred inflows on refunding	7,110,218
Capital assets accrued in payables	2,191,414
Change in fair value of investments	125,478
Interest accretion on TIFIA loan	12,376,712

See accompanying notes to the financial statements.

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

1. REPORTING ENTITY

Officially inaugurated on December 1, 2023, the 405 Express Lanes (405 EL) span a four-lane, High-Occupancy Toll corridor along I-405, extending from SR-55 to I-605. The 405 Express Lanes being under the jurisdiction of Caltrans, OCTA has entered into a cooperative agreement with Caltrans to delineate the roles and responsibilities of each agency. The 405 Express Lanes are owned by Caltrans but transferred to OCTA for a 40-year term, commencing on December 1, 2023, which was the first day of public use and toll operations. See note 6 for further information regarding Public-Public Partnerships (PPP).

These financial statements include only the activities of the 405 Express Lanes Fund, an enterprise fund of OCTA. These financial statements are not intended to present the activities of OCTA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the 405 Express Lanes Fund are in conformity with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

Basis of Accounting

The financial statements of the 405 Express Lanes Fund are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, consisting substantially of tolls and fees, are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Toll amounts are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenue is recognized when the customers utilize the toll road facility.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the 405 Express Lanes Fund are charges to customers for use of the toll facility and are presented net of discounts and allowances. Operating expenses for the 405 Express Lanes Fund include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the 405 Express Lanes Fund's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash and Investments

The 405 Express Lanes Fund participates in OCTA's Commingled Investment Pool. OCTA maintains cash and investments in accordance with an Investment Policy (Policy) adopted initially by OCTA's Board of Directors (Board) on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). At June 30, 2025 the investment portfolios were maintained at U.S. Bank, N.A. as custodial bank. OCTA's Commingled Investment Pool is managed by four private sector investment managers. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes in the OCTA Commingled Investment Pool, with investment earnings allocated to the different accounts based on average daily account balances.

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs-other than quoted prices included in Level 1-that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs. Refer to the OCTA Annual Comprehensive Financial Report (ACFR) for details on valuation techniques and fair value hierarchy.

Investments in U.S. government and U.S. agency securities, medium-term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives. All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board and as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, commercial paper, money market funds, certificates of deposit, and the 405 Express Lanes Fund's share of the OCTA Commingled Investment Pool represent cash and cash equivalents for cash flow purposes.

Restricted Cash and Investments

The 405 Express Lanes will have up to two internal reserve accounts as well as three reserve accounts required due to outstanding debt to be held by the trustee. The type and amount of the internal reserve accounts will be determined at a future date as OCTA evaluates the available revenue to fund the accounts based on first satisfying the TIFIA loan requirements. The three reserve accounts required by the TIFIA loan are debt service, major maintenance (capital), and operations and maintenance (operating) reserve funds. Each reserve fund has a formula defined within the loan agreement for the amount required.

Permitted investments per the debt covenants include: government obligations, certificates of deposit that are collaterally secured by government obligations, repurchase agreements, investment agreements, and money market funds that invest solely in obligations of the United States of America.

Receivables

Violations receivables include an estimate for outstanding unpaid violations that the 405 Express Lanes anticipates to collect. Since the 405 Express Lanes has only been in operation for less than two years, there is no sufficient collection history to determine the collection percentage. Due to the similarities

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

between the 91 and 405 Express Lanes, OCTA used the collection percentage from the 91 Express Lanes to estimate the outstanding unpaid violations for the 405 Express Lanes for fiscal year 2024-25. For violations less than or equal to 90 days old, the receivable is estimated based on a 12-month average of violations collection rate from the 91 Express Lanes, and is recorded net of an allowance for uncollectible accounts of \$3,315,226 at June 30, 2025. For unpaid violations in excess of 90 days, the receivable is estimated using a three-year average of violations collection rate from the 91 Express Lanes and is recorded net of uncollectible accounts as the majority is not considered probable of collection. Violation receivable estimation will utilize collection data of the 405 Express Lanes as historical data becomes available.

Other receivables include amounts due from other California toll road agencies related to their customers' use of the 405 Express Lanes, as well as amounts owed from customers, net of an allowance for uncollectible accounts of \$7,361 at June 30, 2025. An estimated \$4,280,232 of violation and customer receivables are not expected to be collected within one year. The 405 Express Lanes utilizes an outside collection agency to assist in the recovery of unpaid customer balances and violations exceeding 90 days.

Due from other Governments

Due from other governments include receivables due from other government agencies.

Condemnation Deposits

Condemnation deposits are required by the law for eminent domain acquisition of real property proceedings. Payments are issued to the State Treasury and the amount is determined by the court. Deposits are retained in the State Condemnation Deposits fund until the court orders payment to the grantor (property owner).

Other Assets

Other assets include prepaid expenses.

Capital Assets

Capital assets are tangible and intangible assets, which include land, construction in progress, leasehold improvements, infrastructure, computer and software, equipment, furniture and fixtures, and intangible right-to-use lease asset. Capital assets are defined by the 405 Express Lanes Fund as assets with an initial, individual cost of more than \$5,000 and a useful life in excess of one year. The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. The 405 Express Lanes also records the value of intangible right-to-use asset based on the underlying lease asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year for the shorter of lease term or useful life of asset.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Leasehold improvements	20 years
Infrastructure - PPP	40-50 years
Computer hardware and software	3 years
Equipment, furniture and fixtures	3-10 years
Lease assets - building	20 years

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

Leases

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The 405 Express Lanes Fund recorded lease liabilities and lease assets at the commencement of the lease term. The lease liabilities are measured at the present value of payments expected to be made during the lease term less any lease incentives. The lease assets are measured at the amount of the initial measurement of the lease liabilities, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

As of June 30, 2025, the 405 Express Lanes Fund reported a deferred outflow related to PPP between OCTA and the State of California, Department of Transportation (Caltrans). Under the agreement, OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 toll facility for 40 years commencing as of the first day on which the toll facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the 40 years term, all property owned by OCTA and which is related to the toll facility, shall automatically become the property of Caltrans. The estimated carrying value of the I-405 toll facility is recognized as deferred outflows of the PPP arrangement.

Due to other Governments

Due to other governments include payables due to other government agencies.

Risk Management

The 405 Express Lanes Fund purchases commercial property insurance including fire, flood and earthquake coverage, which also covers business interruption related to the operation of the toll facility. Additionally, the 405 Express Lanes Fund participates in OCTA's self-insurance general liability program. Liability claims are resolved by OCTA and are an expense of the 405 Express Lanes Fund.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is classified into three categories:

- *Net investment in capital assets* - Reflects net position of the 405 Express Lanes Fund invested in capital assets and the intangible asset net of related debt. This net position is not accessible for other purposes.
- *Restricted net position* - Represents net position not accessible for general use, with the use subject to restrictions enforceable by third parties. The net position for the 405 Express Lanes is restricted by the TIFIA Loan Master Indenture for debt service, major maintenance (capital), and operations and maintenance (operating) reserves.
- *Unrestricted net position* - Represents net position available for general use.

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, \$3,208,889 of administrative services were charged to the 405 Express Lanes Fund and are reported as operating expenses in the statement of revenues, expenditures and changes in net position.

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash	
Petty cash	\$ 550
Deposits	417,040
Total cash	417,590
Investments	
With OCTA Commingled Investment Pool	16,074,961
With trustee	42,826,535
Total investments	58,901,496
Total cash and investments	\$ 59,319,086

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	\$ 20,963,905
Restricted cash and investments	38,355,181
Total cash and investments	\$ 59,319,086

As of June 30, 2025, the 405 Express Lanes Fund had the following investments:

Investments	Fair Value	Yield	Interest Rate	Maturity	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	\$ 16,074,961	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.*			
Held by trustee:					
*Money Market Funds	42,826,535	3.96% - 4.15%	3.96% - 4.15%	07/01/2025	0.003
Total investments	\$ 58,901,496				

Portfolio Weighted Average 2.488

*Money market funds and commercial paper are measured at amortized cost which approximates fair value.

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

As of June 30, 2025, the 405 Express Lanes Fund had \$16,074,961 invested in the OCTA's Commingled Investment Pool (CIP). OCTA's CIP investments are carried at fair value except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date carried at amortized cost which approximates fair value.

Deposits and withdrawals in the OCTA's CIP are made on the basis of \$1.00 (cost basis) and not fair value. Accordingly, the 405 Express Lanes Fund's investment in the OCTA's CIP at June 30, 2025 is uncategorized, not defined as a Level 1, Level 2, or Level 3 input.

Refer to the OCTA Annual Comprehensive Financial Report for fiscal year 2024-25 for details on valuation techniques, fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk related to the OCTA's CIP underlying investments.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three nationally recognized rating services: Standard & Poor's Corporation (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt must be rated no less than an "A" by two of the three rating services. OCTA's CIP is not rated.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of fair value of the 405 Express Lanes Fund's portfolio at June 30, 2025 (NR means Not Rated):

Investments	S&P	Moody's	% of 405 EL Fund
OCTA Commingled Investment Pool	N/A	N/A	27.29 %
Held by trustee:			
Money Market Funds	AAA	Aaa	72.71 %
Total investments			100.00 %

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the Orange County Transportation Authority's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the 405 Express Lanes Fund's portfolio at June 30, 2025.

405 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

4. INTERFUND ACTIVITIES

During fiscal year 2024-25, the 405 Express Lanes Fund transferred \$72,172,472 to the OCLTA. The transfer represents the allocation of TIFIA loan proceeds associated with the construction of general purpose lane for the I-405 Improvement Project.

5. CAPITAL ASSETS

Capital asset activity for the 405 Express Lanes Fund for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land - PPP assets	\$ 27,438,468	\$ 2,326,295	\$ —	\$ 29,764,763
Construction in progress	160,020	—	(160,020)	—
Total capital assets, not being depreciated and amortized	27,598,488	2,326,295	(160,020)	29,764,763
Capital assets, being depreciated:				
Leasehold improvements	1,183,645	1,867	—	1,185,512
Infrastructure - PPP assets	406,287,092	285,174	(1,470,924)	405,101,342
Computer hardware and software	27,910,896	3,833,673	(2,172,681)	29,571,888
Equipment, furniture and fixtures	521,294	160,019	—	681,313
Lease assets - building	5,868,449	—	—	5,868,449
Total capital assets, being depreciated and amortized	441,771,376	4,280,733	(3,643,605)	442,408,504
Less accumulated depreciation and amortization for:				
Leasehold improvements	(97,729)	(59,317)	—	(157,046)
Infrastructure - PPP assets	(4,605,029)	(8,100,643)	—	(12,705,672)
Computer hardware and software	(1,711,786)	(3,976,933)	—	(5,688,719)
Equipment, furniture and fixtures	(101,671)	(86,924)	—	(188,595)
Lease assets - building	(366,778)	(293,423)	—	(660,201)
Total accumulated depreciation and amortization	(6,882,993)	(12,517,240)	—	(19,400,233)
Total capital assets, being depreciated and amortized, net	434,888,383	(8,236,507)	(3,643,605)	423,008,271
Total capital assets, net	\$ 462,486,871	\$ (5,910,212)	\$ (3,803,625)	\$ 452,773,034

405 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

6. PUBLIC-PUBLIC PARTNERSHIPS (PPP)

In March 2017, OCTA entered into an agreement with the State of California, Department of Transportation (Caltrans), under which OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 toll facility for 40 years commencing as of the first day on which the toll facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the term of this agreement, all property owned by OCTA and which is related to the toll facility, shall automatically become the property of Caltrans. With the implementation of GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, OCTA has identified this arrangement as a PPP.

The I-405 Improvement Project achieved substantial completion on December 1, 2023, marking the opening of the 405 Express Lanes for public use. As of June 30, 2025, OCTA has recognized a liability of \$110,785,833 measured based on the estimated carrying value of the toll facility at the end of the 40-year term, and a deferred outflows of resources of \$106,434,601 related to the I-405 Improvement Project. Expense is also recognized by OCTA in a systematic and rational manner over the PPP term.

7. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year ended June 30, 2022. Under this Statement, a lessee is required to recognize a lease liability and a lease asset (intangible right-to-use), and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The 405 Express Lanes has one leasing arrangement, summarized below:

The 405 Express Lanes entered into a 240-month lease agreement for office space in Costa Mesa to house the 405 Express Lanes Customer Service Center, effective April 1, 2023, and ending on March 31, 2043. At June 30, 2025, the balance of intangible right to use asset and lease liabilities were \$5,208,248 and \$5,760,541, respectively. During fiscal year 2024-25, the 405 Express Lanes recorded \$293,423 in amortization expense and \$363,696 in interest expense for the right to use the office space. The 405 Express Lanes used an incremental discount rate of 6.28%, based on an estimated incremental borrowing rate.

Remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 84,070	\$ 359,555	\$ 443,625
2027	97,801	353,699	451,500
2028	112,633	347,333	459,966
2029	146,258	339,105	485,363
2030	155,712	329,651	485,363
2031-2035	1,238,361	1,449,410	2,687,771
2036-2040	2,182,074	923,982	3,106,056
2041-2043	1,743,632	160,415	1,904,047
Total	\$ 5,760,541	\$ 4,263,150	\$ 10,023,691

405 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

The amortized lease asset activities, net of accumulated depreciation and amortization for the year ended June 30, 2025, are as follows:

Lease Assets	Beginning Balance	Additions	Reductions	Ending Balance
405 EL Customer Service Center	\$ 5,501,671	\$ —	\$ (293,423)	\$ 5,208,248
Total lease assets	\$ 5,501,671	\$ —	\$ (293,423)	\$ 5,208,248

Lease liability activities associated with the lease are as follows:

Lease Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
405 EL Customer Service Center	\$ 5,816,845	\$ —	\$ (56,304)	\$ 5,760,541	\$ 84,070
Total lease liabilities	\$ 5,816,845	\$ —	\$ (56,304)	\$ 5,760,541	\$ 84,070

8. LONG-TERM DEBT

TIFIA Loan

On September 9, 2021, OCTA and the Department of Transportation Build America Bureau Credit Programs Office (Bureau) executed a TIFIA loan for \$628,930,000 as a direct borrowing with an interest rate of 1.95%. The proceeds financed a portion of the costs for the I-405 Improvement Project.

During the construction of the I-405 Improvement Project, and for a period of up to five years following the substantial completion, interest on the TIFIA loan is accreted and added to the initial TIFIA loan. The loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent that additional funds are available. Annual debt service payment will commence on June 1, 2028 through June 1, 2058.

The TIFIA loan is secured solely by toll revenues of the I-405 Express Lanes, which commenced operations in December 2023. The loan is non-recourse debt and is issued on a senior lien basis. The credit rating on the TIFIA loan is Baa2 (Moody's). The legal documents for the TIFIA loan contain provisions with finance-related consequences, that if an event of default occurs and continues, the trust estate shall be under the control of the trustee. Also, under the TIFIA Loan Agreement interest increases to the Default Rate, and the US Department of Transportation has the option of holding up loan disbursements. The OCTA's legal documents also contain acceleration clauses, whereas the OCTA's obligations shall automatically become due and payable.

405 Express Lanes Fund
Notes to the Financial Statements

For the Year Ended June 30, 2025

In accordance with the projected TIFIA loan maturity schedule, the annual debt service requirements to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30,	Principal*	Interest	Total
2026	\$ —	\$ —	\$ —
2027	—	—	—
2028	—	6,588,588	6,588,588
2029	—	13,159,126	13,159,126
2030	—	13,177,177	13,177,177
2031-2035	23,603,317	65,434,560	89,037,877
2036-2040	75,105,681	60,130,130	135,235,811
2041-2045	101,790,668	51,514,281	153,304,949
2046-2050	133,742,863	40,092,613	173,835,476
2051-2055	171,839,042	25,248,173	197,087,215
2056-2058	169,671,074	6,366,870	176,037,944
Total	\$ 675,752,645	\$ 281,711,518	\$ 957,464,163

*Total reflects future accreted interest capitalized to the principal balance.

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
TIFIA loan principal	\$ 613,711,295	\$ —	\$ —	\$ 613,711,295	\$ —
TIFIA loan accreted interest	18,644,099	12,376,712	—	31,020,811	—
Total long-term debt	\$ 632,355,394	\$ 12,376,712	\$ —	\$ 644,732,106	\$ —

Pledged Revenue

The 405 Express Lanes debt issuance outstanding is secured solely by the pledging of toll revenues. The amount and term of the remainder of this commitment are presented in the debt service to maturity table. The purpose for which the proceeds of the debt issuance were utilized is disclosed in the debt description.

In accordance with the TIFIA loan agreement, OCTA has covenanted that, beginning with the first full fiscal year following substantial completion of the I-405 Improvement Project, it will adopt a toll policy sufficient to generate net revenues in each fiscal year of at least 1.35 times the annual debt service requirements on all outstanding Senior Lien Bonds. Annual debt service payments on the TIFIA loan are scheduled to commence on June 1, 2028.

405 Express Lanes Fund

Notes to the Financial Statements

For the Year Ended June 30, 2025

Pledged revenue for the year ended June 30, 2025, is as follows:

Pledged Revenue	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage	Required Debt Coverage*
405 EL net toll road revenues	\$ 41,691,517	\$ —	0.00	1.35

*TIFIA loan debt service payments begin on June 1, 2028; therefore, the debt coverage ratio does not apply for fiscal year 2025.

9. COMMITMENTS AND CONTINGENCIES

Operator Agreement

OCTA entered into an agreement with WSP USA Services on January 14, 2022 to provide operating services and back-office system implementation services for the 405 Express Lanes. The initial term of the agreement is for eight years and six months through July 14, 2030 with a maximum obligation of \$106,069,864. The agreement carried two extension options with option term 1 for up to three years and option term 2 for up to two years.

Purchase Commitments

The 405 Express Lanes has various outstanding contracts. Total purchase commitments at June 30, 2025 were \$260,328,455, the most significant are with WSP USA Services for the operations of the 405 Express Lanes and implementation of back-office system, with Kapsch TrafficCom for toll lanes integrator services, with C.J. Segerstrom & Sons for the 405 Express Lanes customer service center building lease, and with California Highway Patrol (CHP) for patrol services.

10. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

**ORANGE COUNTY
TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND**

FINANCIAL STATEMENTS

Year ended June 30, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND

FINANCIAL STATEMENTS
JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of the Local Transportation Fund (LTF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the LTF, of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the LTF and do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the LTF. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the LTF's basic financial statements. The Schedule of Allocations for Disbursement is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Allocations for Disbursement is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to LTF and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LTF's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to LTF.


Crowe LLP

Costa Mesa, California
October 31, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
BALANCE SHEET
June 30, 2025

ASSETS

Cash and investments	\$ 438,110,059
Interest receivable	3,385,972
Due from other governments (Note 3)	<u>37,086,739</u>

Total assets	<u><u>\$ 478,582,770</u></u>
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LIABILITIES

Accounts payable	\$ 67,362
Due to other governments (Note 4)	243,747
Due to other OCTA funds (Note 5)	<u>389,153</u>
Total liabilities	700,262

FUND BALANCE

Restricted for transportation programs	<u>477,882,508</u>
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Total liabilities and fund balance	<u><u>\$ 478,582,770</u></u>
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See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the year ended June 30, 2025

REVENUES

Local transportation sales tax allocations	\$ 218,644,702
Investment income	<u>22,395,591</u>
Total revenues	241,040,293

EXPENDITURES

Current:	
Supplies and services	2,033,453
Contributions to other agencies	<u>3,072,184</u>
Total expenditures	<u>5,105,637</u>
Excess of revenues over expenditures	235,934,656

OTHER FINANCING USES

Transfers to other OCTA funds (Note 6)	<u>(136,886,960)</u>
Net change in fund balance	99,047,696
Fund balance, beginning of year	<u>378,834,812</u>
Fund balance, end of year	<u><u>\$ 477,882,508</u></u>

See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – REPORTING ENTITY

The Local Transportation Fund (LTF) is a special revenue fund of the Orange County Transportation Authority (OCTA). The LTF financial statements do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. This fund is used to account for revenues received and expenditures made for certain transit projects within Orange County.

The LTF was created by the Transportation Development Act (TDA) for specific transportation purposes. Revenues to the LTF are derived from a ¼ cent state sales and use tax. The ¼ cent is returned by the California Department of Tax and Fee Administration (CDTFA) to each county according to the amount of tax collected in that county.

The Orange County Transit District (OCTD) of OCTA is a transit operator and OCTA is the regional Transportation Planning Agency (TPA) for the County of Orange, California (County). Annually, the TPA determines each area's apportionment of LTF revenues. Generally, County LTF revenues are apportioned by population. Where there is a transit operator, separate apportionments are made to areas within and outside the district. Once funds are apportioned, they are only available for allocation to claimants in that area. Payments from the LTF are made by the County Auditor-Controller in accordance with allocation instructions issued by OCTA.

Article 3 of the TDA stipulates that, based on the County's population of more than 500,000, OCTA is eligible to receive LTF revenues solely for claims for the following, which are allocated in specific priority order: administration, planning and programming; Section 99234 of Article 3, which are claims for pedestrian and bicycle facilities; Article 4, which are for general transit operations and services; and Article 4.5, which are claims for community transit services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the LTF are in conformity with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for governmental units.

Fund Accounting: The LTF activities and transactions are recorded and accounted for in a special revenue fund of OCTA. Special revenue funds are used to account for the proceeds of specific revenue sources that are usually required by law or administrative regulation to be accounted for in separate funds. The LTF accounts for revenues received and expenditures made for certain transit projects within Orange County. Financing is generated from a ¼ cent state sales and use tax pursuant to the TDA. Expenditures of these monies must be made in accordance with TDA provisions. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: The LTF financial statements have been prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Measurable means that amounts can be estimated or otherwise determined. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Revenues are considered available if they are collected within 90 days of year end. Amounts not collected within the availability period are classified as deferred inflows of resources – unavailable revenue. Expenditures are recorded when the liability is incurred. Liabilities are considered current when they are expected to be liquidated with available financial resources.

Cash and Investments: The LTF maintains its deposits in the Orange County Investment Pool (OCIP), as required by State statute. Oversight of the OCIP is performed by the Orange County Treasury Oversight Committee. The fair value of the LTF's investment in this pool is reported in the accompanying financial statements at amounts based upon the LTF's pro-rata share of the fair value provided by OCIP for the entire OCIP portfolio (in relation to the amortized cost of that portfolio). Deposits and withdrawals are made on the basis of \$1.00 (absolute dollars) and not fair value. Investment income earned by the pooled cash and investments in the OCIP is allocated based on average cash and investment balance. The OCIP is not rated.

For information on cash and investment disclosures relating to LTF's deposits in the OCIP, please see OCTA's Annual Comprehensive Financial Report.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fund Balance: The LTF classifies fund balance based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Fund balance for the year ended June 30, 2025 consists of the following:

Restricted – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation. For the LTF, amounts are restricted pursuant to the TDA.

When funds of different classifications are available for the same purpose, the spending priority is to spend restricted resources before unrestricted resources, and within the unrestricted category, committed followed by assigned fund balance.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Due from other governments of \$37,086,739 represents a TDA receivable due from the State of California.

NOTE 4 – DUE TO OTHER GOVERNMENTS

Due to other governments of \$243,747 represents amounts due to other agencies for use in transit projects.

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 – DUE TO OTHER OCTA FUNDS

Due to other OCTA funds as of June 30, 2025 consisted of the following:

OCTA for planning and administration	<u>\$ 389,153</u>
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NOTE 6 – TRANSFERS

Transfers to other OCTA funds during the fiscal year ended June 30, 2025 consisted of the following:

OCTA for planning and administration	<u>\$ 136,886,960</u>
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REQUIRED SUPPLEMENTARY INFORMATION

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS)
For the year ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES				
Local transportation sales				
tax allocations	\$ 222,153,368	\$ 222,153,368	\$ 218,644,702	\$ (3,508,666)
Investment income	<u>1,889,929</u>	<u>1,889,929</u>	<u>22,395,591</u>	<u>20,505,662</u>
Total revenues	224,043,297	224,043,297	241,040,293	16,996,996
EXPENDITURES				
Current:				
Supplies and services	2,544,538	2,544,538	2,033,453	511,085
Contributions to other local agencies	<u>3,104,821</u>	<u>3,104,821</u>	<u>3,072,184</u>	<u>32,637</u>
Total expenditures	5,649,359	5,649,359	5,105,637	543,722
Excess of revenues over expenditures	218,393,938	218,393,938	235,934,656	17,540,718
OTHER FINANCING USES				
Transfers to other OCTA funds	<u>(218,393,938)</u>	<u>(218,393,938)</u>	<u>(136,886,960)</u>	<u>81,506,978</u>
Net change in fund balance	-	-	99,047,696	99,047,696
Fund balance, beginning of year	<u>378,834,812</u>	<u>378,834,812</u>	<u>378,834,812</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 378,834,812</u></u>	<u><u>\$ 378,834,812</u></u>	<u><u>\$ 477,882,508</u></u>	<u><u>\$ 99,047,696</u></u>

ORANGE COUNTY TRANSPORTATION AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2025

NOTE 1 – BUDGETARY DATA

The LTF maintains accounting control through formal adoption of an annual operating budget. The operating budget is prepared in conformity with accounting principles generally accepted in the United States, except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget may be amended by the OCTA Board of Directors (Board) to increase appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations, adjusted for supplemental appropriations, during the year. OCTA division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as: Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services include Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, is at the major object level. With the exception of amounts that have been encumbered, appropriations lapse at year end.

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
SCHEDULE OF ALLOCATIONS FOR DISBURSEMENT
For the year ended June 30, 2025

<u>Claimant</u>	<u>Article 3 Administration</u>	<u>Article 3 Planning</u>	<u>Article 4 Operating and Capital</u>	<u>Article 4.5 Paratransit Operating and Capital</u>	<u>Total Allocations</u>	<u>Total Disbursements</u>
City of Laguna Beach	\$ -	\$ -	\$ 1,433,700	\$ -	\$ 1,433,700	\$ 1,433,700
County of Orange	6,199	-	-	-	6,199	6,199
Orange County Transit District	-	-	199,512,445	10,546,837	210,059,282	131,824,189
Orange County Transportation Authority	165,916	4,896,855	-	-	5,062,771	5,062,771
Southern California Association of Governments	-	1,632,285	-	-	1,632,285	1,632,285
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total disbursements	<u>\$ 172,115</u>	<u>\$ 6,529,140</u>	<u>\$ 200,946,145</u>	<u>\$ 10,546,837</u>	<u>\$ 218,194,237</u>	<u>\$ 139,959,144</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Local Transportation Fund (LTF), a special revenue fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the LTF's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the LTF and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control), as it relates to the LTF, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to LTF. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to LTF.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LTFs financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
October 31, 2025

**ORANGE COUNTY
TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND**

FINANCIAL STATEMENTS

Year ended June 30, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND

FINANCIAL STATEMENTS
JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the State Transit Assistance Fund (STAF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the STAF, of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the STAF and do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the STAF. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to STAF and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the STAF's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to STAF.



Crowe LLP

Costa Mesa, California
October 31, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
BALANCE SHEET
June 30, 2025

ASSETS

Cash and investments	\$ 1,470,071
Interest receivable	33,476
Due from other governments (Note 3)	<u>12,257,971</u>

Total assets	<u><u>\$ 13,761,518</u></u>
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LIABILITIES

Accounts payable	\$ 21
Due to other OCTA funds (Note 4)	<u>12,257,971</u>
Total liabilities	12,257,992

FUND BALANCE

Restricted for transportation programs	<u>1,503,526</u>
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Total liabilities and fund balance	<u><u>\$ 13,761,518</u></u>
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See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the year ended June 30, 2025

REVENUES

State transit assistance sales tax allocations	\$ 43,698,767
Transportation improvement fee - State of Good Repair Program	7,445,713
Interest and investment income	<u>377,444</u>
Total revenues	51,521,924

EXPENDITURES

Supplies and services	<u>6,661</u>
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Excess of revenues over expenditures	51,515,263
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OTHER FINANCING USES

Transfers to other OCTA funds (Note 5)	<u>(94,538,801)</u>
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Net change in fund balance	(43,023,538)
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Fund balance, beginning of year	<u>44,527,064</u>
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Fund balance, end of year	<u>\$ 1,503,526</u>
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See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – REPORTING ENTITY

The State Transit Assistance Fund (STAF) is a special revenue fund of the Orange County Transportation Authority (OCTA). The STAF financial statements do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. This fund is used to account for State Transit Assistance (STA) funds transferred to the Orange County Transit District (OCTD) for operations and fare assistance for seniors and disabled persons.

The STA funds provide a second source of Transportation Development Act (TDA) funding for transportation planning and mass transportation purposes as specified by the State of California Legislature. Funds for the program are derived from sales taxes on gasoline and use taxes on diesel fuel. The Road Repair and Accountability Act of 2017 (Senate Bill 1) signed into law April 2017, provided additional funding, including the State of Good Repair Program, to existing programs as well as created new programs. STA revenues are then distributed based on several demographic factors.

The STA funds are allocated through an appropriation to the State Controller by the Legislature for allocation by formula to each Transportation Planning Agency (TPA). OCTA serves as the regional TPA for the County of Orange, California (County). The formula allocates 50 percent of the funds according to population and the remaining 50 percent according to operator revenues from the prior fiscal year. The allocations are based on the operator's share of revenues compared to all of the other operators in the State. The STA allocations are deposited in the OCTA's STAF, which is maintained by the Auditor-Controller of the County. The allocation to OCTA's STA funds must be made in a resolution adopted by OCTA's governing board. Payments from the STAF are made by the County Auditor-Controller in accordance with the allocation instructions in the allocation resolution.

The STA funds may not be allocated to fund administration or streets and roads projects. Operators receiving the STA funds must meet qualifying criteria based on the subsidy per revenue vehicle hour received in the previous year, taking into consideration the change in the Consumer Price Index within the operator's region.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the STAF are in conformity with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for governmental units.

Fund Accounting: The STAF activities and transactions are recorded and accounted for in a special revenue fund of the OCTA. This fund is used to account for funds transferred to OCTD transit for operations and fare assistance for senior and disabled persons. Funding is provided by sales taxes on gasoline and use taxes on diesel fuel. Expenditure of these funds is governed by the provisions of the TDA. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: The STAF financial statements have been prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are accrued when they become both measurable and available. Measurable means that amounts can be estimated or otherwise determined. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Revenues are considered available if they are collected by the County Auditor-Controller within 90 days of year end. Amounts not collected within the availability period are classified as deferred inflows of resources – unavailable revenue. Expenditures are recorded when the liability is incurred. Liabilities are considered current when they are expected to be liquidated with available financial resources.

Cash and Investments: The STAF maintains its deposits in the Orange County Investment Pool (OCIP), as required by State statute. Oversight of the OCIP is performed by the Orange County Treasury Oversight Committee. The fair value of the STAF's investment in this pool is reported in the accompanying financial statements at amounts based upon the STAF's pro-rata share of the fair value provided by OCIP for the entire OCIP portfolio (in relation to the amortized cost of that portfolio). Deposits and withdrawals are made on the basis of \$1.00 (absolute dollars) and not fair value. Investment income earned by the pooled cash and investments in the OCIP is allocated based on average cash and investment balance. The OCIP is not rated.

For information on cash and investment disclosures relating to STAF's deposits in the OCIP, please see OCTA's Annual Comprehensive Financial Report.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fund Balance: The STAF classifies fund balance based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Fund balance for the year ended June 30, 2025 consists of the following:

Restricted – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation. For the STAF, amounts are restricted pursuant to the TDA.

When funds of different classifications are available for the same purpose, the spending priority is to spend restricted resources before unrestricted resources, and within the unrestricted category, committed followed by assigned fund balance.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Due from other governments of \$12,257,971 represents a TDA receivable due from the State of California.

NOTE 4 – DUE TO OTHER OCTA FUNDS

Due to other OCTA funds of \$12,257,971 represents a TDA payable due to OCTD.

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 – TRANSFERS TO OTHER OCTA FUNDS

Transfers to OCTD of \$94,538,801 for the year ended June 30, 2025 were for the purpose of funding transit operations.

SUPPLEMENTARY INFORMATION

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS)
For the year ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES				
State transit assistance sales				
tax allocations	\$ 50,985,529	\$ 50,985,529	\$ 43,698,767	\$ (7,286,762)
Transportation improvement fee	7,083,519	7,083,519	7,445,713	362,194
Interest and investment income	<u>629,292</u>	<u>629,292</u>	<u>377,444</u>	<u>(251,848)</u>
Total revenues	58,698,340	58,698,340	51,521,924	(7,176,416)
EXPENDITURES				
Supplies and services	<u>24,000</u>	<u>24,000</u>	<u>6,661</u>	<u>17,339</u>
Excess of revenues over expenditu	58,674,340	58,674,340	51,515,263	(7,159,077)
OTHER FINANCING USES				
Transfers to other OCTA funds	<u>(58,674,340)</u>	<u>(58,674,340)</u>	<u>(94,538,801)</u>	<u>(35,864,461)</u>
Net change in fund balance	-	-	(43,023,538)	(43,023,538)
Fund balance, beginning of year	<u>44,527,064</u>	<u>44,527,064</u>	<u>44,527,064</u>	<u>-</u>
Fund balance, end of year	<u>\$ 44,527,064</u>	<u>\$ 44,527,064</u>	<u>\$ 1,503,526</u>	<u>\$ (43,023,538)</u>

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
NOTES TO SUPPLEMENTARY INFORMATION
For the year ended June 30, 2025

NOTE 1 – BUDGETARY DATA

The STAF maintains accounting control through formal adoption of an annual operating budget. The operating budget is prepared in conformity with accounting principles generally accepted in the United States, except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget may be amended by the OCTA Board of Directors (Board) to increase appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations, adjusted for supplemental appropriations, during the year. OCTA division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as: Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services include Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, is at the major object level. With the exception of amounts that have been encumbered, appropriations lapse at year end.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the State Transit Assistance Fund (STAF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the STAF's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the STAF and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control), as it relates to the STAF, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to STAF. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to STAF.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether STAFs financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe LLP

Costa Mesa, California
October 31, 2025



Crowe LLP
Independent Member Crowe Global

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCTA's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 21 to the financial statements, during the year ended June 30, 2025, OCTA adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, which resulted in a restatement of the July 1, 2024 net position for the following opinion units and related amounts: governmental activities \$5,450,000, business-type activities \$3,875,000, General Fund \$1,591,000, and Orange County Transportation District (OCTD) \$3,875,000. Our opinions are not modified with respect to the above matter.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether OCTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable provisions of the State of California Transportation Development Act (TDA), Title 21 of the California Code of Regulations, Public Utilities Code Section 99245, and California Government Code §8879.50 (collectively "Transportation Development Act"), noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, including the Transportation Development Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
October 31, 2025