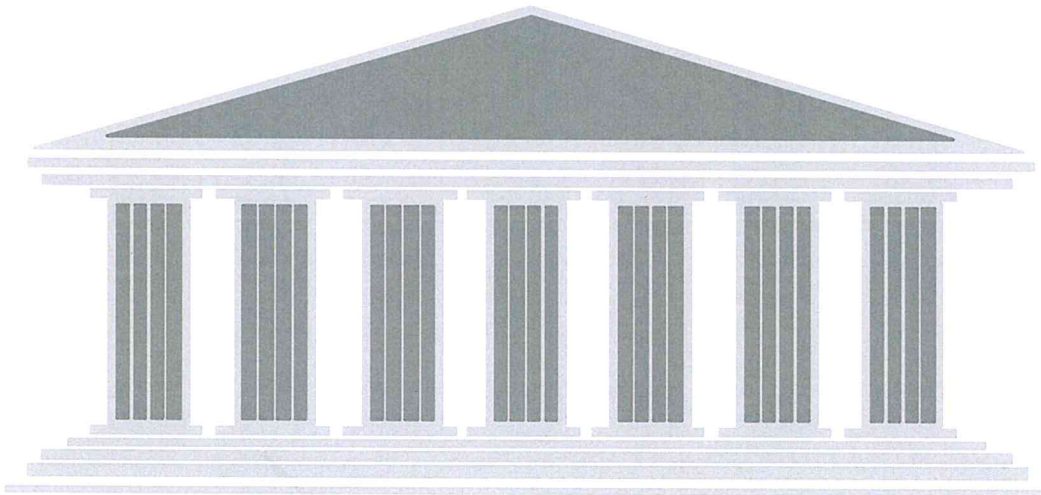


**Treasury/Public Finance Department's  
Report On**

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



**Presented to the  
Finance and Administration Committee**

**For The Period Ending  
April 30, 2019**

# INVESTMENT PROGRAM

# Investment Profile

4/30/2019

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<u>Portfolio Manager</u>	<u>Depository</u>	<u>Role</u>	<u>Type of Investment</u>	<u>Amount (\$ Millions)</u>
<i>ACTIVELY MANAGED INVESTMENTS</i>				
Logan Circle Partners	Union Bank	Custodian	Short-Term Operating	375.3
Chandler Asset Management	Union Bank	Custodian	Short-Term Operating	376.5
Payden & Rygel Investment Counsel	Union Bank	Custodian	Short-Term Operating	378.7
Public Financial Management (PFM)	Union Bank	Custodian	Short-Term Operating	376.7
<i>POOLED INVESTMENTS</i>				
California State Treasurer	LAIF	Custodian	Liquid	10.6
Orange County Treasurer	OCIP	Custodian	Legal Requirement	14.4
<i>GUARANTEED INVESTMENT CONTRACT</i>				
OCTA	The Bank of Nova Scotia	Custodian	Guaranteed Investment Contract	400.0
<i>CASH INVESTMENTS</i>				
OCTA	BNY Mellon	Trustee	Liquid	102.7
OCTA	Bank of the West	Broker	Liquid	20.0
OCTA	U.S Bank	Trustee	Liquid	0.0
<i>DEBT SERVICE RESERVE FUNDS</i>				
91 Express Lanes 2013 Ref. Bonds	U.S Bank	Trustee	Commercial Paper	11.2
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	10.0
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	3.0
Bank Deposits/Cash				0.5
<b>TOTAL</b>				<b>\$2,079.6</b>

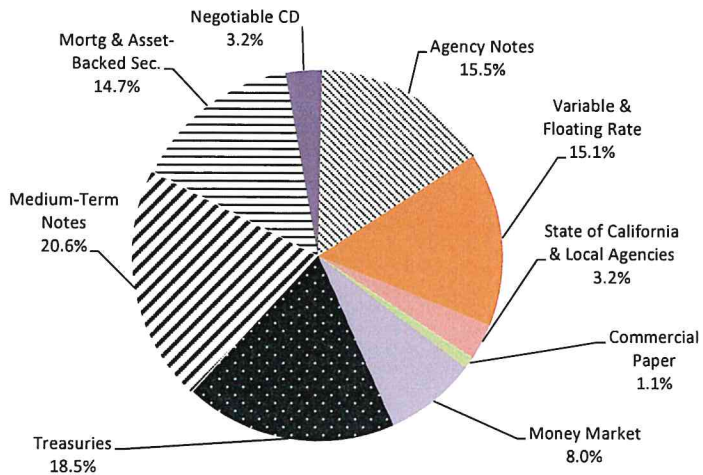
# Short-Term Portfolio - \$1.51 Billion

As of 4/30/19

Part 1 of 2

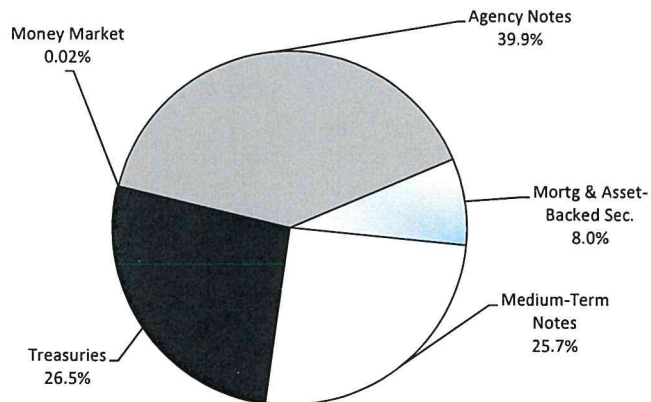
## Logan Circle Partners

Book Value	\$	375,285,089
Market Value	\$	376,284,208



## Chandler Asset Management

Book Value	\$	376,528,617
Market Value	\$	377,485,587



Book & Market Value Reported By Clearwater

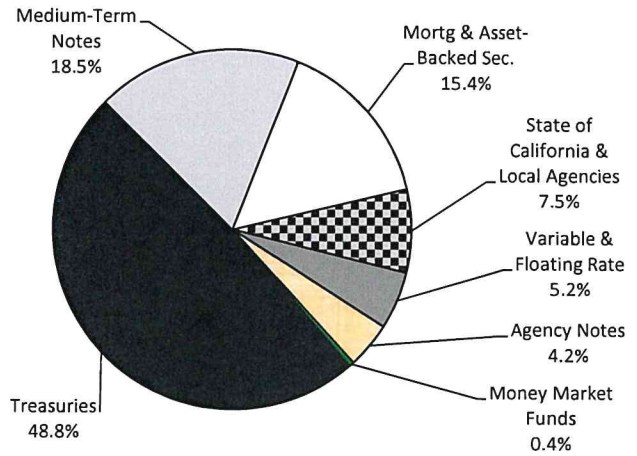
# Short-Term Portfolio - \$1.51 Billion

## As of 4/30/19

### Part 2 of 2

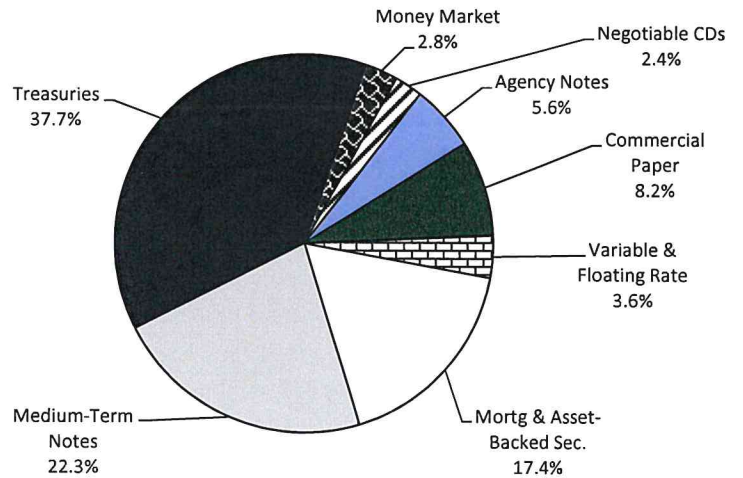
#### Payden & Rygel

Book Value	\$	378,702,353
Market Value	\$	379,504,063



#### Public Financial Management (PFM)

Book Value	\$	376,672,791
Market Value	\$	378,668,331

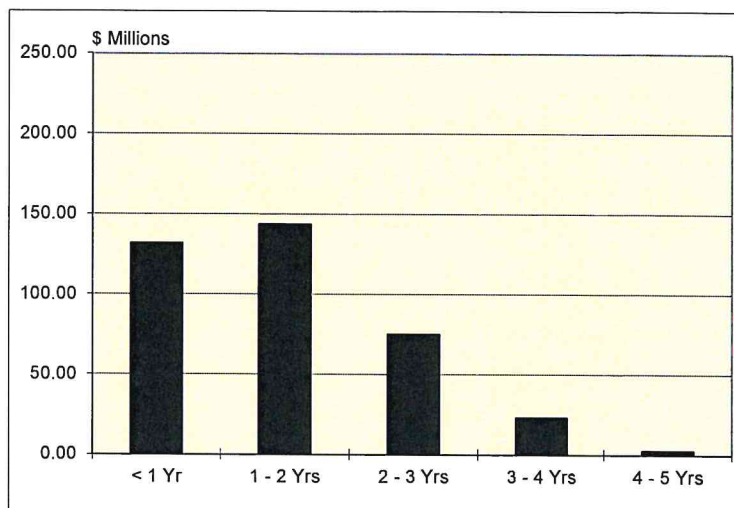


*Book & Market Value Reported By Clearwater*

# Short-Term Portfolio Maturity Schedule As of 4/30/19

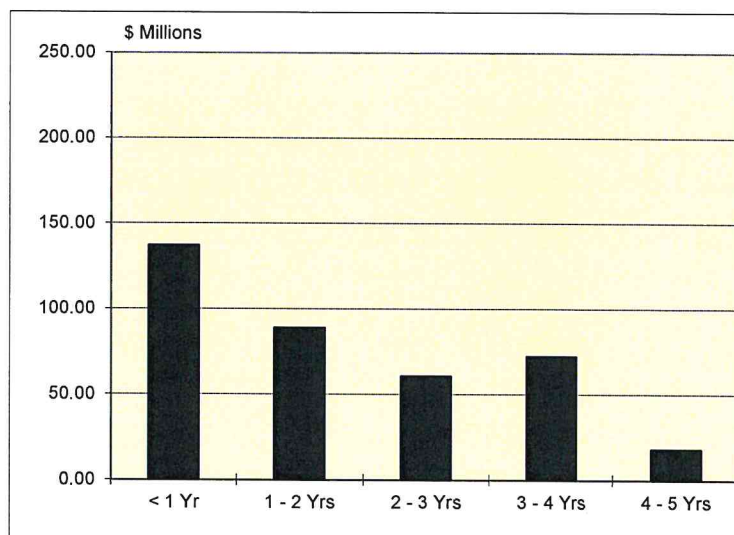
## Logan Circle Partners (\$375.3 M)

Monthly Return	0.26%
TSY Benchmark	0.20%
Gov/Corp Benchmark	0.22%
Fiscal YTD Return	2.61%
TSY Benchmark	2.70%
Gov/Corp Benchmark	2.89%
12 Month Return	3.02%
TSY Benchmark	3.08%
Gov/Corp Benchmark	3.27%



## Chandler Asset Management (\$376.5 M)

Monthly Return	0.21%
Benchmark Comparison	0.20%
Gov/Corp Benchmark	0.22%
Fiscal YTD Return	2.86%
TSY Benchmark	2.70%
Gov/Corp Benchmark	2.89%
12 Month Return	3.26%
TSY Benchmark	3.08%
Gov/Corp Benchmark	3.27%



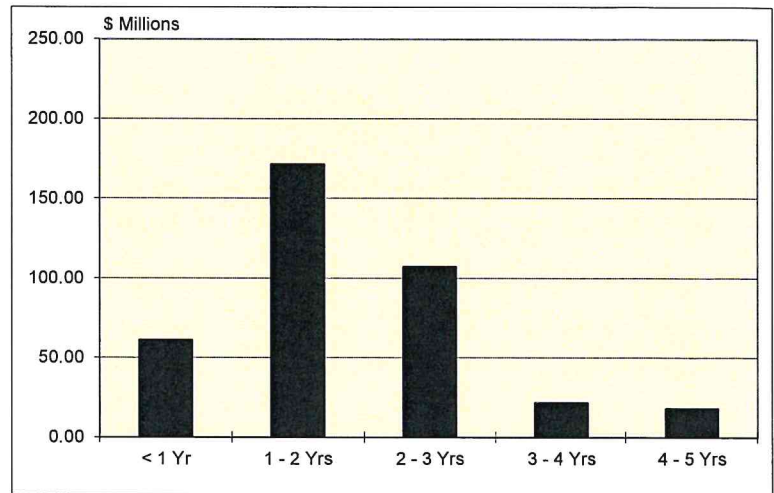
Yield Curve Change From 3/31/19 to 4/30/19			
	<u>3/31/19</u>	<u>4/30/19</u>	<u>Change</u>
1 Year	2.398%	2.403%	0.0050%
2 Year	2.307%	2.341%	0.0340%
3 Year	2.263%	2.315%	0.0520%
5 Year	2.291%	2.348%	0.0570%
30 Year	2.887%	2.944%	0.0570%

# Short-Term Portfolio Maturity Schedule

## As of 4/30/19

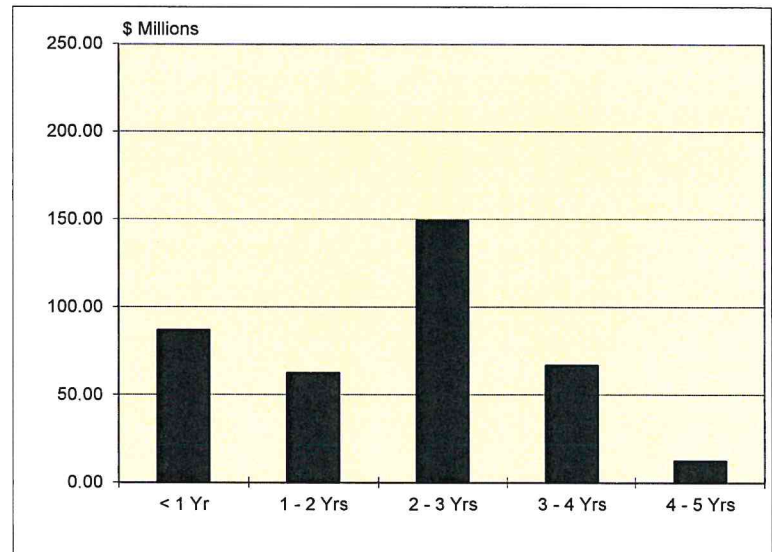
### Payden & Rygel (\$378.7 M)

Monthly Return	0.22%
TSY Benchmark	0.20%
Gov/Corp Benchmark	0.22%
Fiscal YTD Return	2.92%
TSY Benchmark	2.70%
Gov/Corp Benchmark	2.89%
12 Month Return	3.32%
TSY Benchmark	3.08%
Gov/Corp Benchmark	3.27%



### Public Financial Management (\$376.7 M)

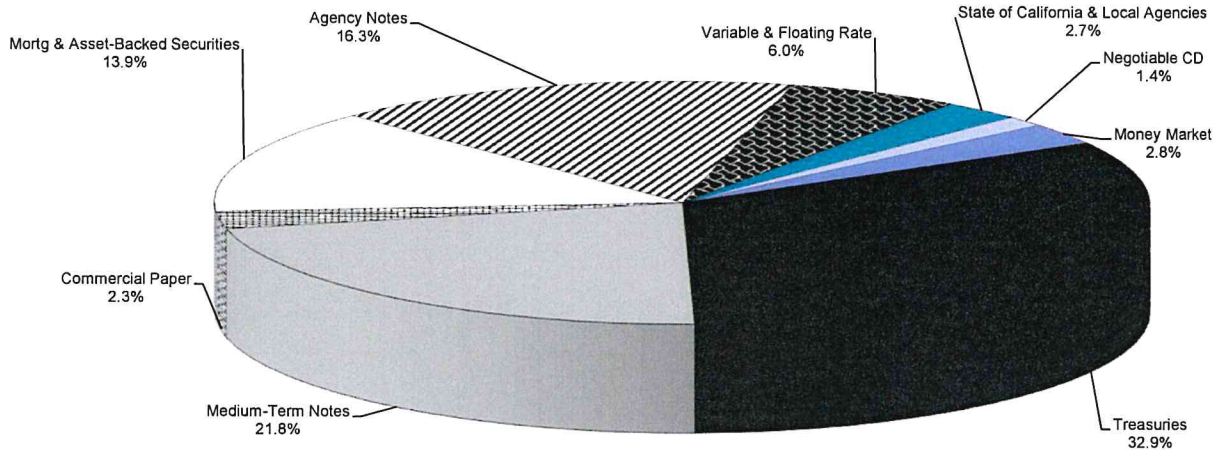
Monthly Return	0.21%
TSY Benchmark	0.20%
Gov/Corp Benchmark	0.22%
Fiscal YTD Return	2.99%
TSY Benchmark	2.70%
Gov/Corp Benchmark	2.89%
12 Month Return	3.45%
TSY Benchmark	3.08%
Gov/Corp Benchmark	3.27%



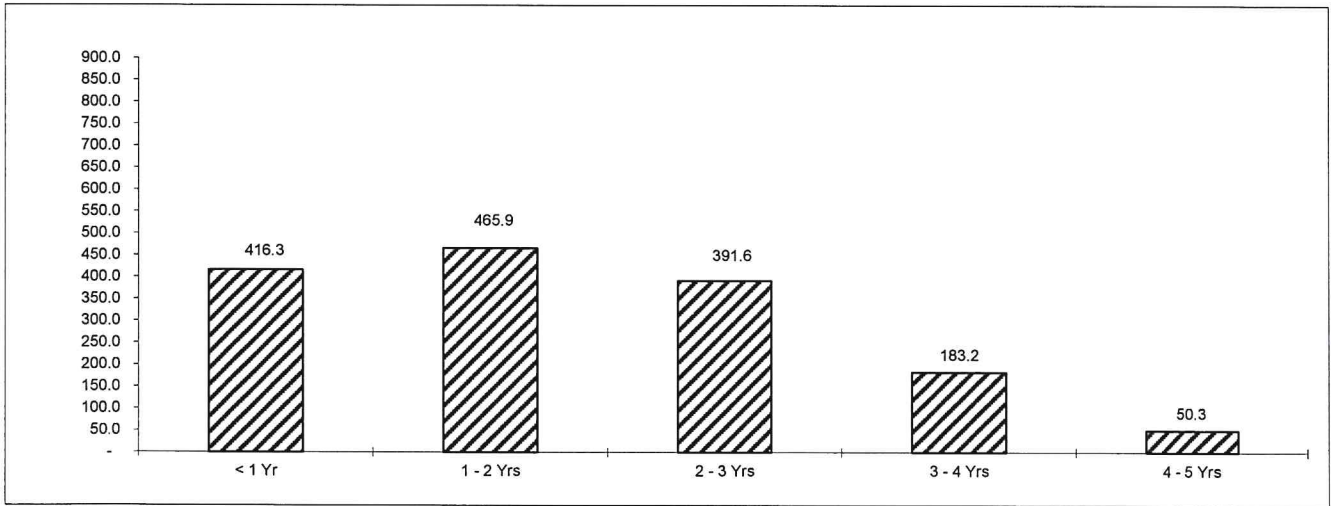
Yield Curve Change			
From 3/31/19 to 4/30/19			
	<u>3/31/19</u>	<u>4/30/19</u>	<u>Change</u>
1 Year	2.398%	2.403%	0.0050%
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3 Year	2.263%	2.315%	0.0520%
5 Year	2.291%	2.348%	0.0570%
30 Year	2.887%	2.944%	0.0570%

# Short-Term Portfolio As of 4/30/19

### Total Portfolio Composition



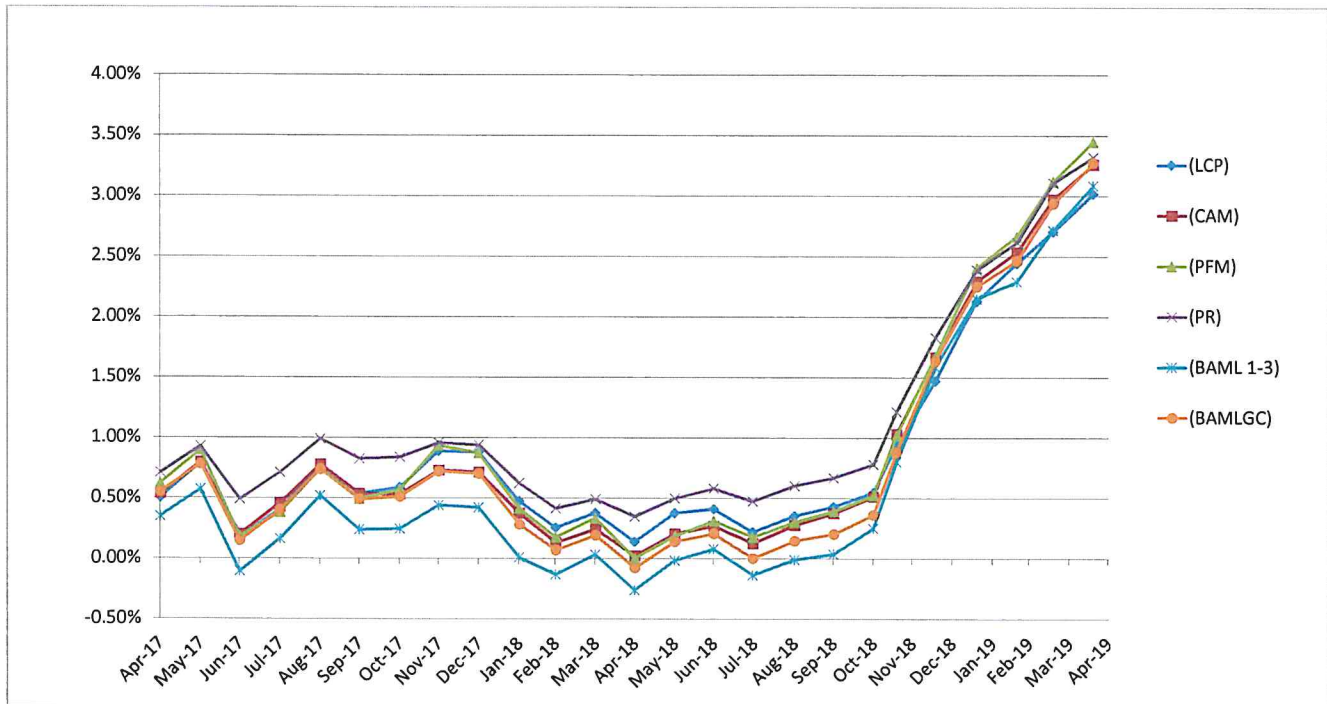
### Total Portfolio Maturity Schedule





## Short-Term Portfolio Performance As of 4/30/19

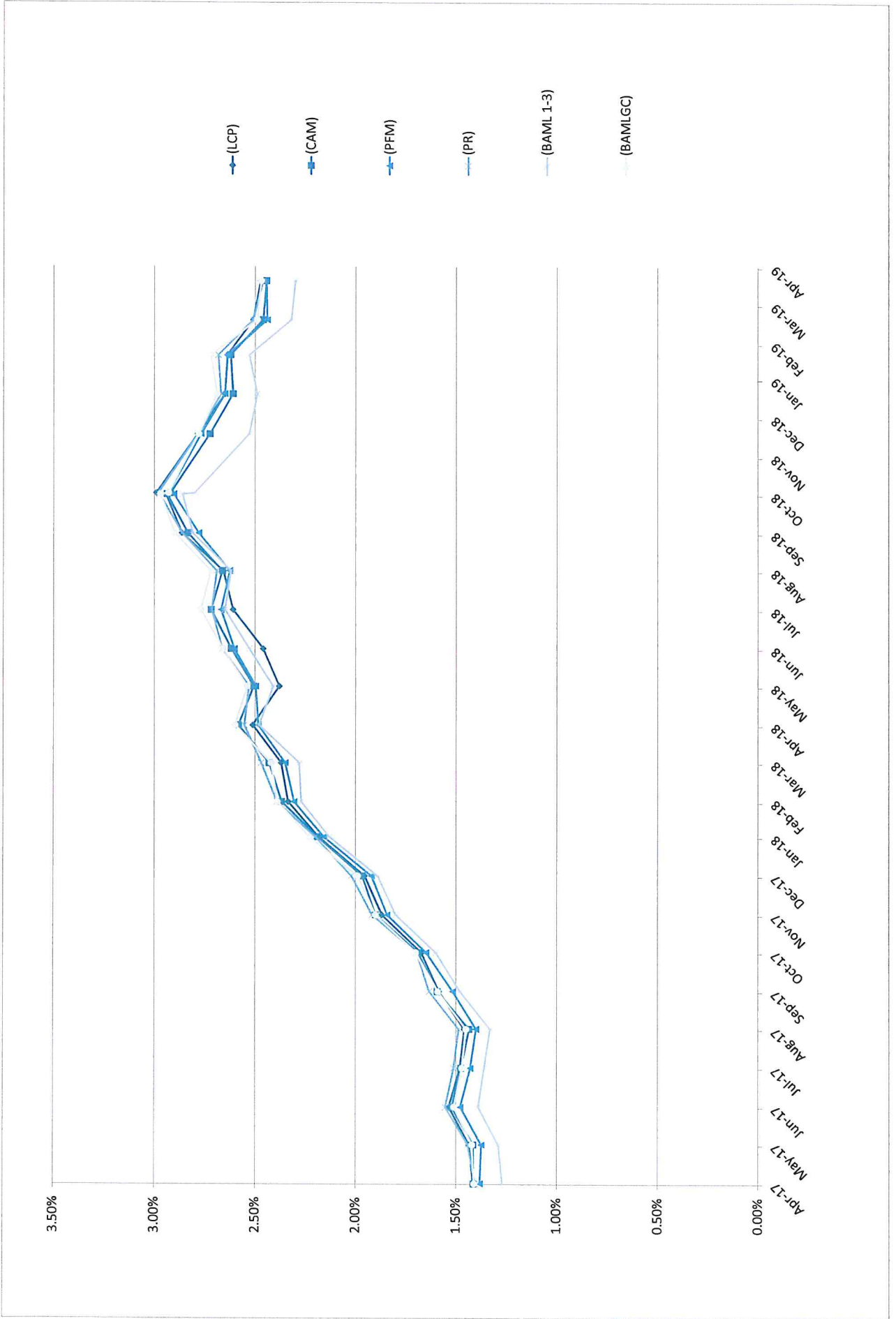
**Trailing 1-Year Total Return  
Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks**



	Logan Circle Partners (LCP)	Chandler Asset Mgmt (CAM)	Public Fin Mgmt (PFM)	Payden & Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Apr-17	0.51%	0.54%	0.62%	0.71%	0.35%	0.55%
May-17	0.79%	0.80%	0.90%	0.93%	0.57%	0.78%
Jun-17	0.17%	0.20%	0.18%	0.49%	-0.11%	0.15%
Jul-17	0.40%	0.46%	0.38%	0.71%	0.16%	0.40%
Aug-17	0.76%	0.78%	0.74%	0.99%	0.52%	0.74%
Sep-17	0.54%	0.54%	0.49%	0.82%	0.24%	0.49%
Oct-17	0.59%	0.53%	0.57%	0.84%	0.24%	0.51%
Nov-17	0.89%	0.73%	0.94%	0.96%	0.44%	0.72%
Dec-17	0.88%	0.71%	0.87%	0.94%	0.42%	0.70%
Jan-18	0.48%	0.38%	0.41%	0.62%	0.01%	0.28%
Feb-18	0.26%	0.13%	0.18%	0.42%	-0.13%	0.07%
Mar-18	0.38%	0.24%	0.34%	0.49%	0.03%	0.19%
Apr-18	0.14%	0.02%	0.00%	0.35%	-0.26%	-0.08%
May-18	0.38%	0.21%	0.18%	0.50%	-0.02%	0.14%
Jun-18	0.41%	0.27%	0.31%	0.58%	0.08%	0.20%
Jul-18	0.22%	0.12%	0.18%	0.47%	-0.14%	0.00%
Aug-18	0.35%	0.27%	0.30%	0.60%	-0.01%	0.15%
Sep-18	0.43%	0.38%	0.39%	0.67%	0.04%	0.20%
Oct-18	0.55%	0.51%	0.52%	0.78%	0.25%	0.36%
Nov-18	0.93%	1.03%	1.02%	1.22%	0.80%	0.88%
Dec-18	1.47%	1.67%	1.67%	1.83%	1.58%	1.64%
Jan-19	2.13%	2.29%	2.41%	2.39%	2.15%	2.25%
Feb-19	2.44%	2.54%	2.67%	2.62%	2.29%	2.46%
Mar-19	2.71%	2.97%	3.12%	3.11%	2.72%	2.94%
Apr-19	3.02%	3.26%	3.45%	3.32%	3.08%	3.27%

# Comparative Yield Performance As of 4/30/19

Historical Yields  
Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks



## Comparative Yield Performance Cont'd

### Short-Term Portfolio Performance

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#### Historical Yields Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks

	Logan Circle Partners <u>(LCP)</u>	Chandler Asset Mgmt <u>(CAM)</u>	Public Fin Mgmt <u>(PFM)</u>	Payden Rygel <u>(PR)</u>	ICE/BAML 1-3 Yr Trsy <u>(BAML 1-3)</u>	ICE/ BAML 1-3 Yr Gov/Corp <u>(BAMLGC)</u>
Apr-17	1.42%	1.41%	1.38%	1.41%	1.27%	1.41%
May-17	1.44%	1.42%	1.37%	1.44%	1.29%	1.42%
Jun-17	1.54%	1.52%	1.48%	1.55%	1.39%	1.51%
Jul-17	1.48%	1.48%	1.43%	1.51%	1.36%	1.47%
Aug-17	1.46%	1.44%	1.40%	1.49%	1.33%	1.45%
Sep-17	1.59%	1.59%	1.52%	1.63%	1.48%	1.59%
Oct-17	1.67%	1.69%	1.65%	1.70%	1.60%	1.70%
Nov-17	1.87%	1.90%	1.84%	1.92%	1.80%	1.90%
Dec-17	1.96%	1.97%	1.92%	2.02%	1.89%	1.99%
Jan-18	2.18%	2.19%	2.16%	2.20%	2.13%	2.23%
Feb-18	2.34%	2.37%	2.31%	2.39%	2.27%	2.39%
Mar-18	2.37%	2.43%	2.35%	2.47%	2.28%	2.42%
Apr-18	2.51%	2.58%	2.48%	2.55%	2.48%	2.60%
May-18	2.38%	2.51%	2.50%	2.53%	2.41%	2.54%
Jun-18	2.46%	2.62%	2.60%	2.66%	2.53%	2.66%
Jul-18	2.61%	2.72%	2.67%	2.72%	2.65%	2.77%
Aug-18	2.66%	2.66%	2.63%	2.69%	2.62%	2.72%
Sep-18	2.86%	2.83%	2.78%	2.86%	2.81%	2.90%
Oct-18	2.94%	2.94%	2.90%	2.98%	2.86%	2.97%
Nov-18	2.99%	2.92%	2.93%	2.98%	2.80%	2.93%
Dec-18	2.78%	2.72%	2.77%	2.78%	2.53%	2.78%
Jan-19	2.65%	2.61%	2.65%	2.67%	2.49%	2.69%
Feb-19	2.64%	2.62%	2.64%	2.68%	2.53%	2.72%
Mar-19	2.51%	2.46%	2.44%	2.51%	2.32%	2.49%
Apr-19	2.47%	2.44%	2.44%	2.46%	2.30%	2.47%

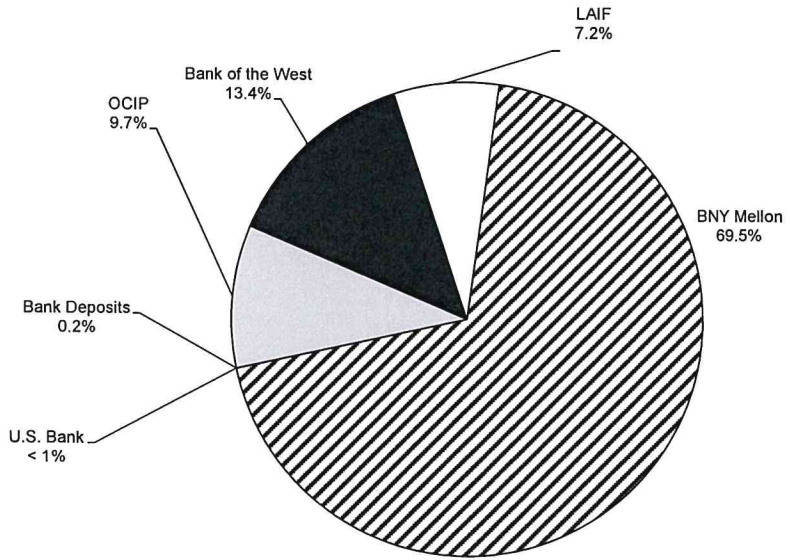
**Liquid Funds Portfolio - \$147.7 M**  
As of 4/30/19

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**Other Liquid Funds**

Book Value       \$ 147,720,589

Market Value     \$ 147,720,589

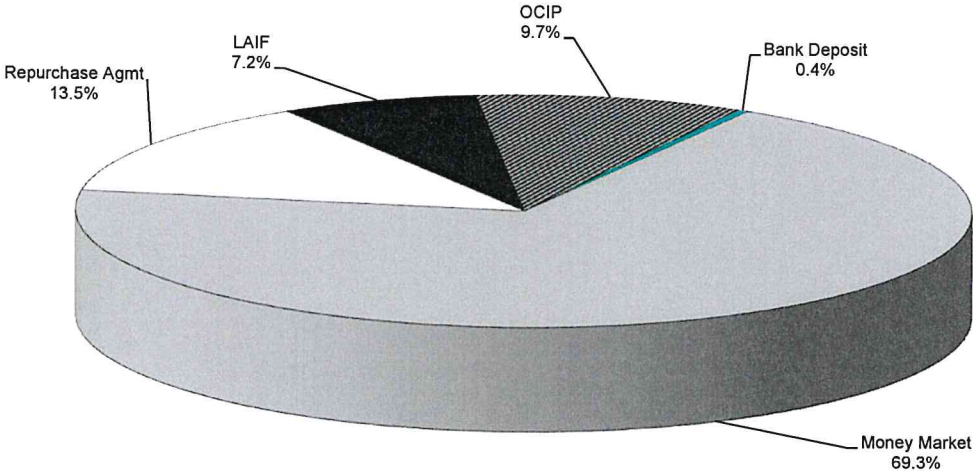


Yield Curve Change From 3/31/19 to 4/30/19			
	<u>3/31/19</u>	<u>4/30/19</u>	<u>Change</u>
1 Month	2.421%	2.408%	-0.0130%
3 Month	2.361%	2.422%	0.0610%
6 Month	2.376%	2.450%	0.0740%

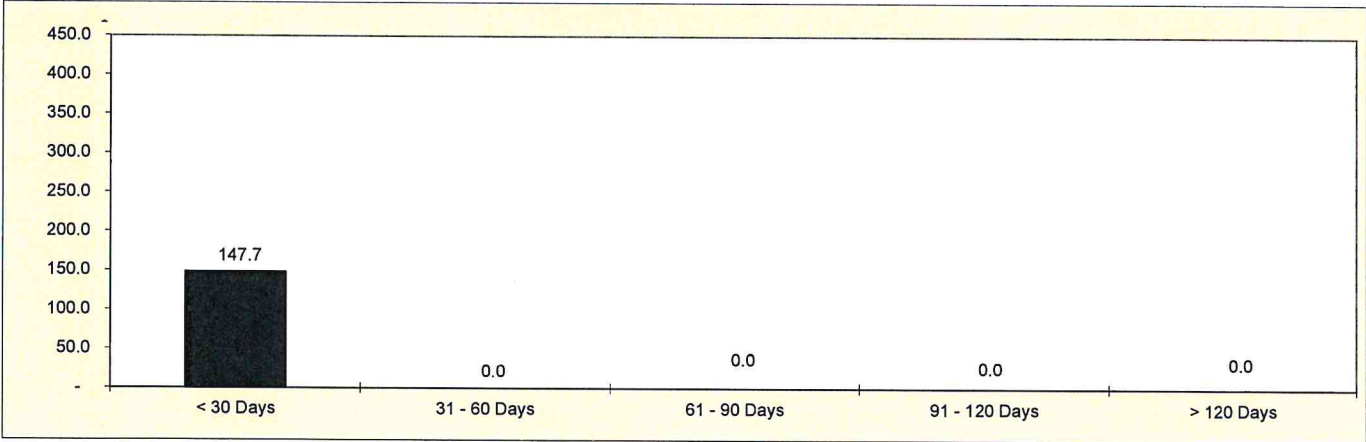
# Liquid Portfolio

## As of 4/30/19

### Total Portfolio Composition



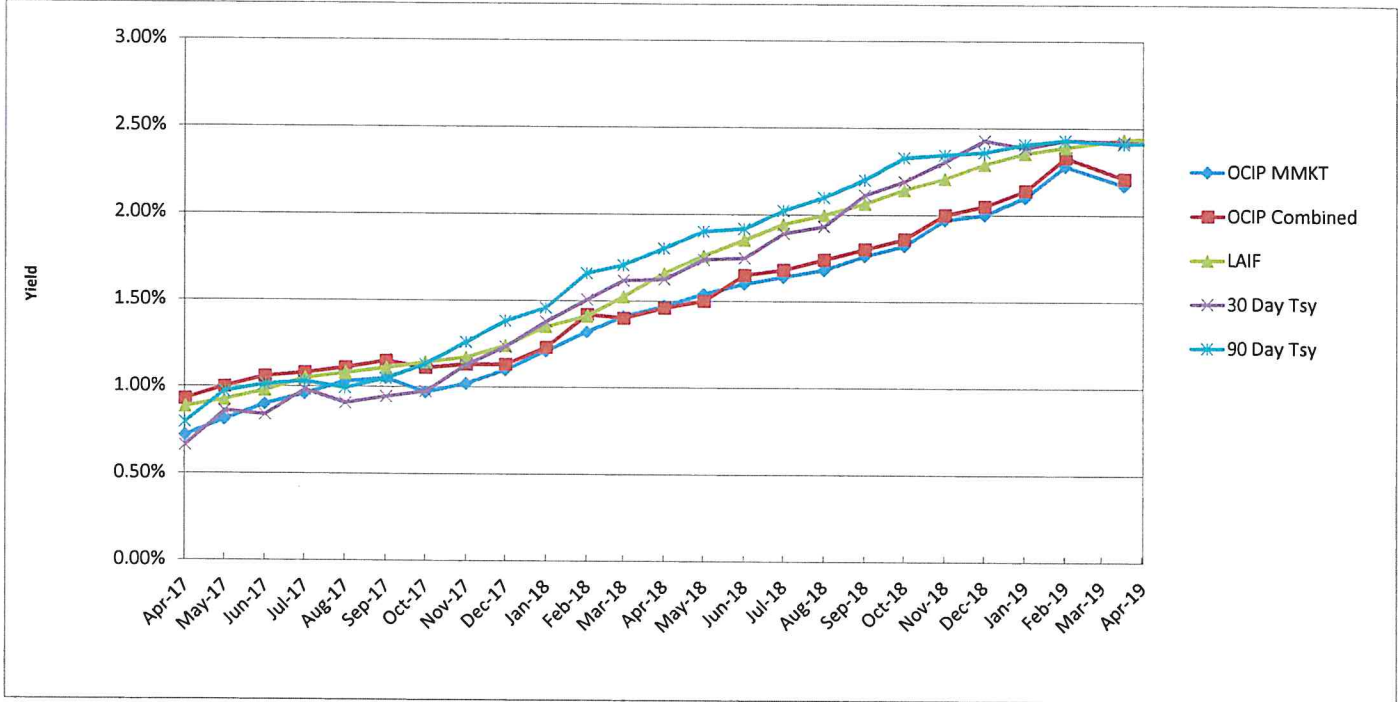
### Maturity Schedule For Liquid Portfolio



# Liquid Portfolio Performance

## As of 4/30/19

**Trailing 1-Year Yield**  
**OCIP, LAIF, 30 & 90 Day Treasury Bills**



	<u>OCIP MMKT</u>	<u>OCIP Combined</u>	<u>LAIF</u>	<u>30 Day Tsy</u>	<u>90 Day Tsy</u>
Apr-17	0.72%	0.93%	0.88%	0.66%	0.80%
May-17	0.81%	1.00%	0.93%	0.86%	0.97%
Jun-17	0.90%	1.06%	0.98%	0.84%	1.01%
Jul-17	0.96%	1.08%	1.05%	0.98%	1.03%
Aug-17	1.03%	1.11%	1.08%	0.91%	0.99%
Sep-17	1.05%	1.15%	1.11%	0.94%	1.05%
Oct-17	0.97%	1.11%	1.14%	0.98%	1.13%
Nov-17	1.02%	1.13%	1.17%	1.13%	1.26%
Dec-17	1.10%	1.13%	1.24%	1.23%	1.38%
Jan-18	1.21%	1.23%	1.35%	1.38%	1.46%
Feb-18	1.32%	1.42%	1.41%	1.51%	1.66%
Mar-18	1.41%	1.40%	1.52%	1.62%	1.71%
Apr-18	1.47%	1.46%	1.66%	1.62%	1.80%
May-18	1.54%	1.50%	1.76%	1.74%	1.90%
Jun-18	1.60%	1.65%	1.85%	1.75%	1.92%
Jul-18	1.64%	1.68%	1.94%	1.89%	2.02%
Aug-18	1.68%	1.74%	2.00%	1.93%	2.10%
Sep-18	1.76%	1.80%	2.06%	2.11%	2.20%
Oct-18	1.82%	1.86%	2.14%	2.19%	2.33%
Nov-18	1.97%	2.00%	2.21%	2.31%	2.35%
Dec-18	2.00%	2.05%	2.29%	2.43%	2.36%
Jan-19	2.10%	2.14%	2.36%	2.39%	2.41%
Feb-19	2.28%	2.33%	2.39%	2.43%	2.43%
Mar-19	2.17%	2.21%	2.44%	2.42%	2.41%
Apr-19	N/A	N/A	2.45%	2.41%	2.42%

# Investment Policy Compliance

## As of 4/30/19

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	496,203,027	23.9%	100%
Federal Agencies & U.S. Government Sponsored *	245,486,378	11.8%	100%
State of California & Local Agencies	40,285,483	1.9%	25%
Money Market Funds & Mutual Funds	145,185,657	7.0%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	21,001,977	1.0%	30%
Commercial Paper	59,017,005	2.8%	25%
Medium Term Maturity Corporate Securities	327,950,049	15.8%	30%
Mortgage and Asset-backed Securities	208,851,794	10.0%	20%**
Repurchase Agreements	20,048,982	1.0%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund (LAIF)	10,610,270	0.5%	\$ 40 Million
Orange County Investment Pool (OCIP)	14,394,900	0.7%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	90,054,506	4.3%	30%
Debt Service Reserve Funds - Investment Agreements	0	0.0%	Not Applicable
Bank Deposits	544,373	0.0%	5%
Guaranteed Investment Contract	400,000,000	19.2%	Not Applicable
Derivatives (hedging transactions only)	0	0.0%	5%
<b>TOTAL</b>	<b>2,079,634,400</b>	<b>100.0%</b>	

\* See attached page for a detailed listing of this category

\*\* Asset-backed securities, excluding mortgages, may not exceed 10 percent of the allocation

# Investment Policy Compliance

## As of 4/30/19

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### Detail Composition

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Total Portfolio</u>	<u>Investment Policy Guidelines</u>
<i><u>Federal Agencies &amp; U.S. Government Sponsored</u></i>			
Federal Home Loan Bank (FHLB)	101,697,562	4.9%	35%
Federal Home Loan Mortgage Corporation (FHLMC)	62,884,473	3.0%	35%
Federal Farm Credit Bank (FFCB)	37,674,091	1.8%	35%
Federal National Mortgage Association (FNMA)	68,037,293	3.3%	35%
	270,293,420 *	13.0%	

\* The Total Dollar Amount Invested Equals The Dollar Amount Invested For Federal Agency Securities, Variable & Floating Rate (Agency) Securities, And A Portion Of Mortgage (Agency) & Asset-back Securities.

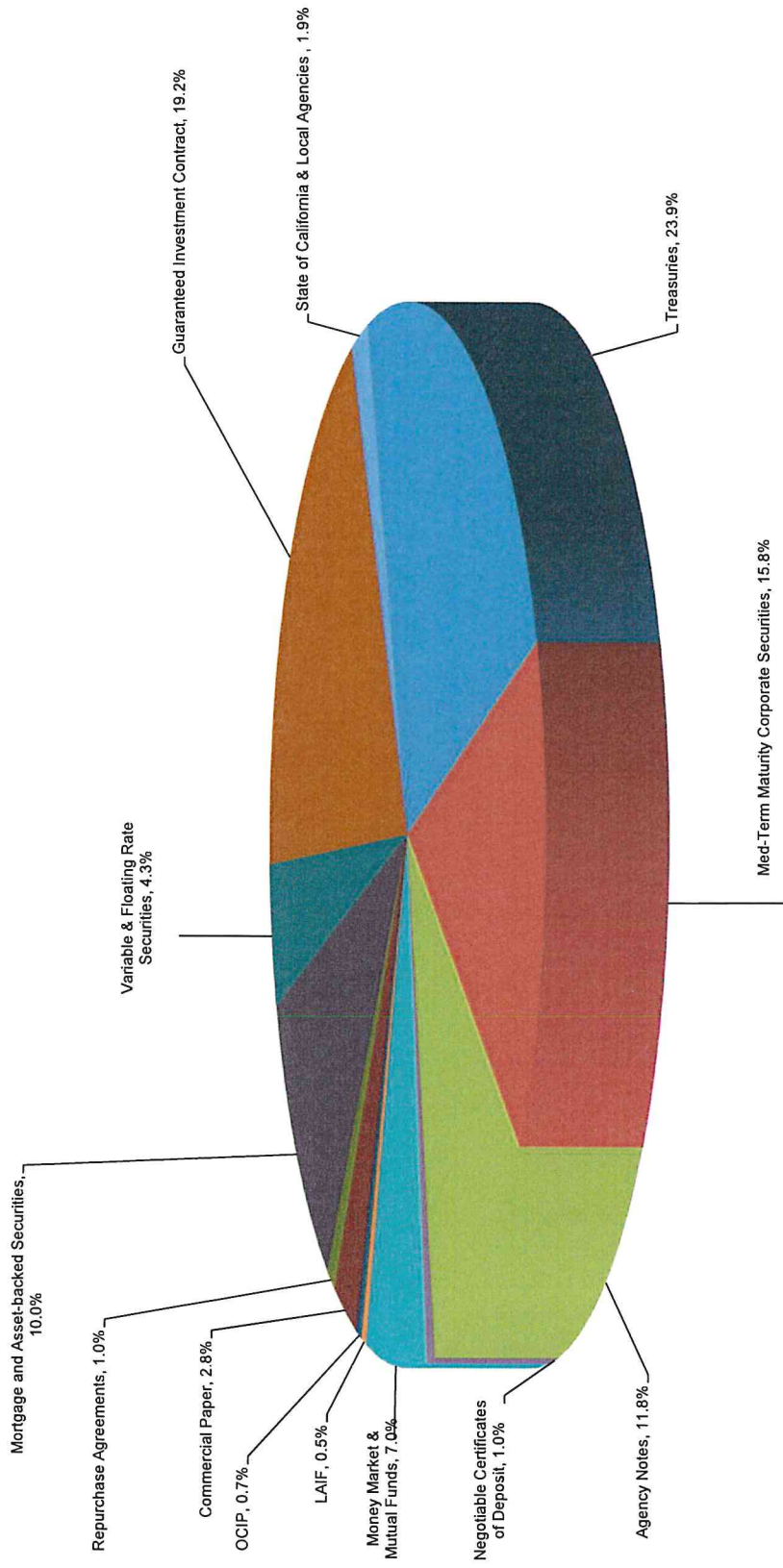
### Money Market Funds (MMF) & Mutual Funds

First American Obligations Treasury Fund	4,151	0.0%
Blackrock Institutional T-Fund	42,519,220	2.0%
Fidelity Treasury Obligations MMF	76,768,572	3.7%
Federated Treasury Obligations Fund	<u>25,893,713</u>	<u>1.2%</u>
	145,185,657	7.0%



# Investment Allocation As of 4/30/19

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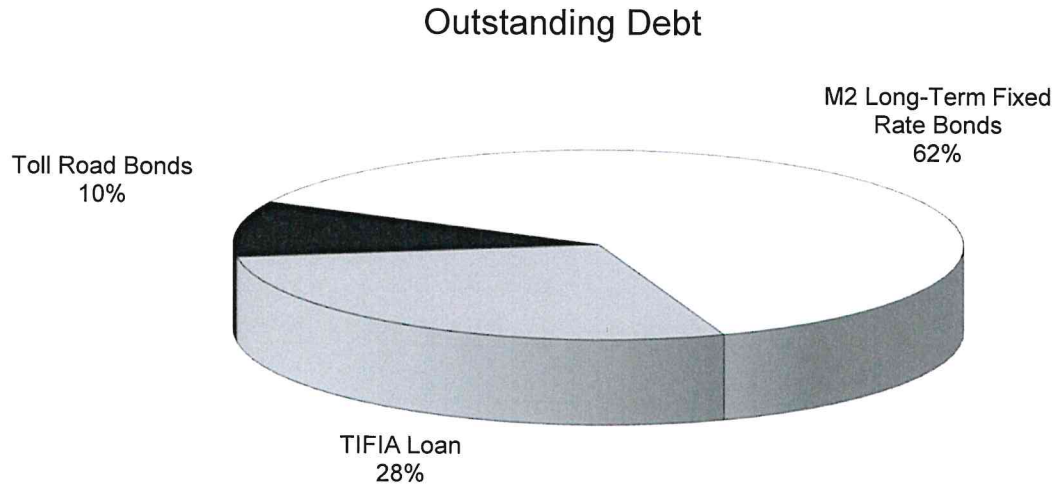


# DEBT PROGRAM

# Total Outstanding Debt

## As of 4/30/19

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**TOTAL OUTSTANDING DEBT: \$1,020,015,000**

# Outstanding Debt

## As of 4/30/19

### Orange County Local Transportation Authority (OCLTA-M2)

#### 2010 Series A Taxable Build America Bonds - Sales Tax Revenue Bonds

Issued:	\$	293,540,000
Outstanding:		250,000,000
Debt Service FY 2019:		19,880,488
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings		Aa2/AA+/AA+
Final Maturity		2041

#### 2010 Series B Tax-Exempt Sales Tax Revenue Bonds

Issued:	\$	59,030,000
Outstanding:		8,530,000
Debt Service FY 2019:		8,914,350
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings		Aa2/AA+/AA+
Final Maturity		2020

#### 2019 M2 Sales Tax Bond

Issued:	\$	376,690,000
Outstanding:		376,690,000
Debt Service FY 2019:		-
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings:		AA+/AA+
Final Maturity:		2041

### 91 Express Lanes

#### 2013 OCTA 91 Express Lanes Refunding Bonds

Issued:	\$	124,415,000
Outstanding:		97,795,000
Debt Service FY 2019:		10,796,325
Pledged Revenue Source:	91 Toll Road Revenues	
Underlying Ratings		A1/AA-/A+
Final Maturity		2030

### 405 Express Lanes

#### 2017 TIFIA Loan

Outstanding:	\$	287,000,000
Accrued Debt Service FY 2019:	\$	6,289,028
Pledged Revenue Source:	405 Toll Road Revenues	
Ratings		Baa2
Final Maturity		2057