



# **AGENDA**

## ***Finance and Administration Committee Meeting***

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### **Committee Members**

Andrew Do, Chairman  
Steve Jones, Vice Chairman  
Michael Hennessey  
Richard Murphy  
Miguel Pulido  
Todd Spitzer  
Michelle Steel

Orange County Transportation Authority  
Headquarters  
550 South Main Street  
Board Room – Conf. Room 07  
Orange, California

**Wednesday, January 10, 2018 at 10:30 a.m.**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

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.

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

### **Call to Order**

### **Pledge of Allegiance**

Director Steel

### **1. Public Comments**

### **Special Calendar**

There are no Special Calendar matters.



## **Consent Calendar (Items 2 through 7)**

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.

### **2. Approval of Minutes**

Approval of the minutes of the Finance and Administration Committee of December 13, 2017.

### **3. Orange County Treasurer's Management Report November - 2017** Rodney Johnson/Andrew Oftelie

#### **Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the Orange County Investment Pool. Each month, the Orange County Treasurer publishes a comprehensive report detailing the composition of the pool and the prevailing economic and market conditions. The attached Treasurer's Management Report for the Orange County Investment Pool is for the month ending November 30, 2017. The report has been reviewed and is consistent with the investment practices of the Orange County Treasurer.

#### **Recommendation**

Receive and file as an information item.

### **4. Local Agency Investment Fund - November 2017** Rodney Johnson/Andrew Oftelie

#### **Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the State of California Local Agency Investment Fund. Each month, the State Treasurer's office publishes a report detailing the composition of the pool. The attached summary statements from the report are for the month ending November 30, 2017. The report has been reviewed and is consistent with the investment practices of the State Treasurer's Office.

#### **Recommendation**

Receive and file as an information item.



- 5. Orange County Transportation Authority Investment and Debt Programs Report - November 2017**  
Rodney Johnson/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 November 30, 2017. 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.

- 6. Award of Sole Source Agreement with Xerox Corporation for Ink, Parts, Supplies, Printing, Equipment Repair, and Maintenance**  
Sean Murdock/Andrew Oftelie

**Overview**

The Orange County Transportation Authority's print shop utilizes Xerox manufactured equipment to complete the majority of print requirements for various departments within the organization. A new sole source purchase order is required in order to accommodate usage of the Xerox 800 color press through September 30, 2018.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-7-2110 between the Orange County Transportation Authority and Xerox Corporation, in the amount of \$100,000, for printing costs, equipment repair, and maintenance of the Xerox 800 color press through September 30, 2018.
- B. Add the Xerox 800 and 1000i color presses to the Orange County Transportation Authority's Fiscal Year 2017-18 Sole Source List for Licensing and Maintenance Agreements.



**7. Appointment of the Orange County Transportation Authority Treasurer**  
Kenneth Phipps

**Overview**

Under the California Government Code, the governing body of a local agency has the authorization to appoint a Treasurer to invest, reinvest, purchase, exchange, sell, or manage public funds. Senate Bill 109 limits the delegation of the investment function by the governing body to its Treasurer to a one-year period. Recent changes within the organizational structure at the Orange County Transportation Authority have required an appointment of a new agency Treasurer.

**Recommendations**

- A. Appoint the Executive Director of Finance and Administration as the Treasurer of Orange County Transportation Authority and its affiliated agencies, effective January 22, 2018.
- B. Authorize the Treasurer to invest or reinvest Orange County Transportation Authority funds for the remaining duration of Fiscal Year 2017-18.

**Regular Calendar**

**8. Agreement for Information Technology Contract Technical Staffing**  
Barry Reynolds/Andrew Oftelie

**Overview**

On September 25, 2017, the Board of Directors authorized the release of a request for proposals for a firm to provide contract technical staffing for data warehouse administration, SharePoint administration, project management, help desk support, desktop support, network administration, and application support for the Information Systems Department. Proposals were received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to select a firm to provide contract staffing services for Information Technology technical positions.



**8. (Continued)**

**Recommendations**

- A. Approve the selection of Intratek Computer, Inc., as the firm to provide contract staffing services for Information Technology technical positions.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of \$11,267,760, for a five-year term, effective June 1, 2018 through May 31, 2023, to provide contract staffing services for Information Technology technical positions.

**Discussion Items**

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

**10. Committee Members' Reports**

**11. Closed Session**

There are no Closed Session items scheduled.

**12. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, January 24, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.



**Committee Members Present**

Andrew Do, Chairman  
Steve Jones, Vice Chairman  
Michael Hennessey  
Richard Murphy

**Staff Present**

Darrell Johnson, Chief Executive Officer  
Ken Phipps, Deputy Chief Executive Officer  
Laurena Weinert, Clerk of the Board  
Gina Claridge, Deputy Clerk of the Board  
James Donich, General Counsel  
OCTA Staff and Members of the General Public

**Committee Members Absent**

Miguel Pulido  
Todd Spitzer  
Michelle Steel

**Call to Order**

The December 13, 2017 regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Do at 10:37 a.m.

**Pledge of Allegiance**

Committee Vice Chairman Jones led in the Pledge of Allegiance.

**1. Public Comments**

No public comments were received.

**Special Calendar**

There were no Special Calendar matters.

**Consent Calendar (Items 2 through 11)**

**2. Approval of Minutes**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to approve the minutes of the Finance and Administration Committee of November 8, 2017.

**3. Internal Audit Policy**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to direct staff to implement the Internal Audit Policy, as revised.



**4. Orange County Transportation Authority, Proposition 1B Bond Programs**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.

**5. Orange County Transportation Authority Investment and Debt Programs - October 2017**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.

**6. Fiscal Year 2017-18 First Quarter Budget Status Report**

Committee Chairman Do pulled this item to acknowledge the reformatted report and thanked staff for making it easier to read.

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

**7. Fiscal Year 2017-18 First Quarter Grant Reimbursement Status Report**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.

**8. Orange County Treasurer's Management Report - October 2017**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.

**9. Local Agency Investment Fund - October 2017**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.



**10. Amendment to Agreement for Internet Service**

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-4-1396 between the Orange County Transportation Authority and CenturyLink, Inc., in the amount of \$32,000, to provide increased internet bandwidth. This will increase the maximum obligation of the agreement to a total contract value of \$129,786.

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

A motion was made by Director R. Murphy, seconded by Committee Vice Chairman Jones, and declared passed by those present, to receive and file as an information item.

**Regular Calendar**

**12. Agreements for Investment Management Services**

Andrew Oftelie, Executive Director of Finance and Administration, provided a brief update on this item, as well as introduced Rodney Johnson, Deputy Treasurer of Treasury and Toll Roads, who reported on the following:

- There are currently four investment management firms that actively invest the Orange County Transportation Authority's (OCTA) \$1.3 billion of operating monies in the short-term portion within the parameters of the OCTA Investment Policy.
- Procurement Approach
- Procurement Summary

Director R. Murphy inquired on the difference of management fees for Chandler Asset Management, Inc. versus the other management firms who were double the price.

Rodney Johnson responded that the majority of the providers are within the range and tend to bid based on the market and their own firms overhead.

Committee Chairman Do commented on the thoughtfulness of this procurement process.



**12. (Continued)**

A motion was made by Director Do, seconded by Committee Vice Chairman Jones, and declared passed by those present, to:

- A. Approve the selection of Chandler Asset Management, Inc.; Logan Circle Partners, L.P.; Payden & Rygel; and PFM Asset Management LLC, as the firms to provide investment management services in the aggregate amount of \$8,995,608.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1813 between the Orange County Transportation Authority and Chandler Asset Management, Inc., to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2062 between the Orange County Transportation Authority and Logan Circle Partners, L.P., to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- D. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2063 between the Orange County Transportation Authority and Payden & Rygel, to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- E. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2064 between the Orange County Transportation Authority and PFM Asset Management LLC, to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- F. Approve the selection of US Bancorp Asset Management, Inc.; State Street Global Advisors; and Western Asset Management Company, as the firms to be placed on a secondary list of on-call firms to provide investment management services.

## **Discussion Items**

### **13. Chief Executive Officer's Report**

Darrell Johnson, Chief Executive Officer, reported on the following:

- On December 15<sup>th</sup>, OCTA is hosting the 25<sup>th</sup> Annual Stuff-A-Bus Toy Drive, along with ABC7 and Southern California firefighters, at the Honda Center from 4:30 a.m. to 6:30 p.m.
- For the 16<sup>th</sup> year in a row, OCTA will be offering free bus rides on New Year's Eve from 6:00 p.m. to 2:30 a.m. Staff is rolling out the marketing campaign to promote this free service.
- In closing, this is the final Finance and Administration Committee meeting of the year and on behalf of staff would like to thank the Committee Members for their work throughout the year, especially with the help in securing the Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan.

### **14. Committee Members' Reports**

Board Committee Chairman Hennessey acknowledged staff on the great job done to secure the TIFIA loan.

Director R. Murphy added his thanks for the TIFIA loan accomplishment.

Committee Chairman Do thanked Board Chairman Hennessey for asking him to Chair the Finance and Administration Committee. He also thanked staff for all their efforts regarding Cyber Security and the Internal Audit Plans.

Committee Chairman Do wished everyone Happy Holidays.

### **15. Closed Session**

There were no Closed Session items scheduled.



**16. Adjournment**

The meeting adjourned at 10:52 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, January 10, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

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Gina Claridge  
Deputy Clerk of the Board

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Andrew Do  
Committee Chairman



*January 10, 2018*

**To:** Finance and Administration Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Orange County Treasurer's Management Report November - 2017

### **Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the Orange County Investment Pool. Each month, the Orange County Treasurer publishes a comprehensive report detailing the composition of the pool and the prevailing economic and market conditions. The attached Treasurer's Management Report for the Orange County Investment Pool is for the month ending November 30, 2017. The report has been reviewed and is consistent with the investment practices of the Orange County Treasurer.

### **Recommendation**

Receive and file as an information item.

### **Discussion**

As of November 30, 2017, the book value of the Orange County Investment Pool (OCIP) Money Market Fund was \$1,459,923,264 with a monthly gross yield of 1.02 percent and a month-end average days to maturity of 36 days. The OCIP Extended Fund book value was \$6,028,816,994 with a monthly gross yield of 1.19 percent and a month-end average days to maturity of 399 days. The Orange County Transportation Authority's month-end balance in the OCIP was \$66,363; the combined pool had a monthly gross yield of 1.13 percent and month-end average days to maturity of 281 days.

During November there were no changes to the Treasurer's Approved Issuer List. Both the Money Market Fund and the Extended Fund were in compliance at month-end. Pages 26 through 82 containing investment inventory are not included in the attachment. Copies of OCIP's investment inventory reports are available upon request.

***Summary***

The Orange County Transportation Authority is submitting a copy of the Orange County Treasurer's Management Report to the Finance and Administration Committee. The report is for the month ending November 30, 2017.

***Attachment***

- A. Treasurer's Monthly Investment Report – November 30, 2017

**Prepared by:**



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Rodney Johnson  
Deputy Treasurer  
Treasury/Toll Roads  
(714) 560-5675

**Approved by:**



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Andrew Oftelie  
Executive Director,  
Finance and Administration  
(714) 560-5649

# *Treasurer's Monthly* **INVESTMENT** NOVEMBER 2017 **REPORT**

From the Office of  
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM  
Orange County Treasurer



COUNTY OF ORANGE

**TREASURER'S INVESTMENT REPORT  
For November 30, 2017**

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OFFICE OF THE TREASURER-TAX COLLECTOR  
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM



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**INTERDEPARTMENTAL COMMUNICATION**

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**Date:** December 15, 2017

**To:** Supervisor Michelle Steel, Chairwoman  
Supervisor Andrew Do, Vice-Chair  
Supervisor Todd Spitzer  
Supervisor Shawn Nelson  
Supervisor Lisa Bartlett

**From:** Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM *SLF*

**Subject:** Treasurer's Investment Report for the Month Ended November 30, 2017

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Attached please find the Treasurer's Investment Report for the County of Orange for the month ended November 30, 2017. The County Treasurer provides this report in compliance with California Government Code Sections 53607, 53646, and 27134 and the County's Investment Policy Statement (IPS). We have included some charts and other data for your information including charts on fund composition and the top ten pool participants. This report is also publicly available on our website at [ocgov.com/ocinvestments](http://ocgov.com/ocinvestments).

**INVESTMENT POOL COMPOSITION**

The investments contained within this report are as of November 30, 2017. The Investment Pool Statistics summary shows the total investment responsibility of the County Treasurer as delegated by the Board of Supervisors: the Orange County Investment Pool (OCIP) that includes the Voluntary Participants' funds, the Orange County Educational Investment Pool (OCEIP), the John Wayne Airport Investment Fund and various other non-Pooled investment funds. The investment practices and policies of the Treasurer are based on compliance with State law and prudent money management. The primary goal is to invest public funds in a manner which will provide maximum security of principal invested with secondary emphasis on providing adequate liquidity to Pool Participants and lastly to achieve a market rate of return within the parameters of prudent risk management while conforming to all applicable statutes and resolutions governing the investment of public funds.

The County Treasurer established three Money Market Funds, the Orange County Money Market Fund, the Orange County Educational Money Market Fund, and the John Wayne Airport Investment Fund, which all are invested in cash-equivalent securities and provide liquidity for immediate cash needs. Standard & Poor's, on March 6, 2017, reaffirmed their highest rating of AAAM on the Orange County and the Educational Money Market Funds. The County Treasurer also established the Extended Fund that is invested to meet cash needs between one and five years out. The Orange County Investment Pool is comprised of the Orange County Money Market Fund and portions of the Extended Fund. The Orange County Educational Investment Pool is comprised of the Orange County Educational Money Market Fund and portions of the Extended Fund.

The maximum maturity of investments for the Orange County and Educational Money Market Funds is 13 months, with a maximum weighted average maturity (WAM) of 60 days, and they have a current WAM of 36 and 45, respectively. The maximum maturity of investments for the John Wayne Airport Investment Fund is 15 months, with a maximum WAM of 90 days, and a current WAM of 66. The maximum maturity of the Extended Fund is five years, with duration not to exceed the Merrill Lynch 1-3 Year index +25% (2.23), and the duration is currently at 1.08. The investments in all of the funds are marked to market daily to determine the value of the funds. To further maintain safety, adherence to an investment strategy of only purchasing top-rated securities and diversification of instrument types and maturities is required.

**ECONOMIC UPDATE**

In November the job market added 228,000 new jobs, and October's job numbers were revised downward by 16,000 to 244,000. The U.S. unemployment rate for November was unchanged at 4.1%. U.S. gross domestic

product (GDP) rose at a 3.3% annualized rate in the third quarter of 2017, an increase from the prior reported rate of 3.0%. The Empire State Manufacturing Index fell to 19.4 from 30.2 in October, while the Philadelphia Fed Index decreased to 22.7 from 27.9 in October. The Federal Reserve uses these indexes as regional economic gauges, and a reading above zero signals economic expansion. With respect to housing, S&P/CaseShiller reported that housing prices continue to show positive momentum as year-over-year prices increased for the sixty-fifth consecutive month in September, up 6.15% from a year ago. The index for pending home sales increased 1.2% on a year-over-year basis in October. On December 13, 2017 the Federal Open Markets Committee raised the benchmark Federal Funds Rate by 0.25 percent resulting in a new target range of 1.25 percent to 1.50 percent.

The 10-year Treasury rate increased from 2.38% in October to 2.42% in November. The short-term 90-day T-bill ended the month at 1.27%, up from 1.15% in October. The rate on the 2-year Treasury note was 1.78% at the end of November, up from 1.60% in October.

The short-term 90-day T-bill ended the month at 1.27%, up from 1.15% in October. The rate on the 2-year Treasury note was 1.78% at the end of November, up from 1.60% in October.

#### **INVESTMENT INTEREST YIELDS AND FORECAST**

The current gross interest yield year-to-date for fiscal year 2017/2018 is 1.12% for the OCIP and 1.11% for the OCEIP. The current net yield for fiscal year 2017/2018 is 1.06% and 1.05% respectively. The forecasted net yield for fiscal year 2017/2018 for both OCIP and OCEIP is 1.08%.

#### **APPORTIONMENT OF COMMINGLED POOL INTEREST EARNINGS**

Each month, the County Treasurer apportions the accrued interest earnings to each pool participant. As of the first business day of the following month accrued, but unpaid, interest earnings are added to pool participants' average balances in determining a participant's relative share of the pool's monthly earnings. The actual cash distribution will generally be paid in the month following. The November 2017 interest apportionment is expected to be paid by December 31, 2017. The investment administrative fee for fiscal year 2017/2018 is estimated at 6.0 basis points.

#### **TEMPORARY TRANSFERS**

The County Treasurer, as required by Constitution Article XVI, Section 6, and per the Board of Supervisor's Resolution 15-016, is authorized to make temporary transfers to school districts to address their short-term cash flow needs. The loans are secured by tax receipts to be received by the County Treasurer, as the banker for the school districts. Temporary transfers from the OCEIP totaled \$60 million and will be repaid by January 31, 2018.

#### **PORTFOLIO HOLDINGS OF DEBT ISSUED BY POOL PARTICIPANTS**

Under guidelines outlined in the current IPS, the County Treasurer may invest in "A" or above rated securities issued by municipalities. Municipal debt issued by the County of Orange is exempt from this credit rating requirement. The Investment Pools may invest no more than 5% of pool assets in any one issuer, with the exception of the County of Orange which has a 10% limit. The Investment Pools have a total market value of \$268.1 million in County of Orange debt, which represents approximately 3.1% of pooled assets. Prior to purchasing any pool participant debt, a standardized credit analysis is performed.

#### **COMPLIANCE SUMMARY**

During November 2017, the IPS had several compliance exceptions, all occurring due to trades executed by new staff in training prior to broker/dealers receiving the written authorization. The Auditor-Controller issued their report on Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter Ended September 30, 2017, which stated that no instances of noncompliance were identified.

#### **CREDIT UPDATE**

During November, there were no changes to the Treasurer's Approved Issuer List. An ongoing credit analysis of all issuers owned in the Investment Pools is reviewed on a daily, monthly, quarterly, and annual basis.

I certify that this report includes all pooled and non-pooled investments as of November 30, 2017 and is in conformity with all State laws and the IPS approved by the Board of Supervisors on November 22, 2016. The investments herein shown provide adequate liquidity to meet the next six months of projected cash flow requirements. I am available if you have any questions on this Investment Report at (714) 834-7625.

Enclosures

cc: Distribution List

**ORANGE COUNTY TREASURER-TAX COLLECTOR**

**SUMMARY OF INVESTMENT DATA**

**INVESTMENT TRENDS**

	NOVEMBER 2017	OCTOBER 2017	INCREASE (DECREASE)	NET CHANGE %	NOVEMBER 2016	INCREASE (DECREASE)	NET CHANGE %
<b>Orange County Investment Pool (OCIP)</b>							
End Of Month Market Value <sup>1</sup>	\$ 4,467,156,195	\$ 4,367,840,772	\$ 99,315,423	2.27%	\$ 4,178,977,444	\$ 288,178,751	6.90%
End Of Month Book Value <sup>1</sup>	\$ 4,483,174,377	\$ 4,379,246,925	\$ 103,927,452	2.37%	\$ 4,184,330,079	\$ 298,844,298	7.14%
Monthly Average Balance	\$ 4,354,824,066	\$ 4,137,406,218	\$ 217,417,848	5.25%	\$ 4,152,128,442	\$ 202,695,624	4.88%
Year-To-Date Average Balance	\$ 4,023,875,188	\$ 3,966,178,248	\$ 57,696,940	1.45%	\$ 3,736,197,625	\$ 287,677,563	7.70%
Monthly Accrued Earnings <sup>3</sup>	\$ 4,078,272	\$ 3,916,082	\$ 162,190	4.14%	\$ 2,691,634	\$ 1,386,638	51.52%
Monthly Net Yield <sup>3</sup>	1.07%	1.05%	0.02%	2.00%	0.72%	0.35%	48.61%
Year-To-Date Net Yield <sup>3</sup>	1.06%	1.05%	0.00%	0.36%	0.73%	0.32%	44.32%
Annual Estimated Gross Yield <sup>4</sup>	1.14%	1.14%	0.00%	0.00%	0.87%	0.27%	31.34%
Weighted Average Maturity (WAM) <sup>5</sup>	281	299	(18)	-6.02%	373	(92)	-24.66%
<b>Orange County Educational Investment Pool (OCEIP)</b>							
End Of Month Market Value <sup>1,2</sup>	\$ 4,144,138,945	\$ 4,002,851,877	\$ 141,287,068	3.53%	\$ 3,746,891,740	\$ 397,247,205	10.60%
End Of Month Book Value <sup>1,2</sup>	\$ 4,159,948,762	\$ 4,014,315,161	\$ 145,633,601	3.63%	\$ 3,751,586,163	\$ 408,362,599	10.89%
Monthly Average Balance <sup>2</sup>	\$ 4,059,141,042	\$ 4,188,972,983	\$ (129,831,941)	-3.10%	\$ 3,641,031,973	\$ 418,109,069	11.48%
Year-To-Date Average Balance <sup>2</sup>	\$ 4,359,249,294	\$ 4,322,005,268	\$ 37,244,026	0.86%	\$ 3,860,703,958	\$ 498,545,336	12.91%
Monthly Accrued Earnings <sup>3</sup>	\$ 3,845,386	\$ 4,020,371	\$ (174,985)	-4.35%	\$ 2,523,501	\$ 1,321,886	52.38%
Monthly Net Yield <sup>3</sup>	1.07%	1.06%	0.02%	1.52%	0.76%	0.31%	41.05%
Year-To-Date Net Yield <sup>3</sup>	1.05%	1.05%	0.00%	0.44%	0.70%	0.35%	50.03%
Annual Estimated Gross Yield <sup>4</sup>	1.14%	1.14%	0.00%	0.00%	0.87%	0.27%	30.33%
Weighted Average Maturity (WAM) <sup>5</sup>	301	324	(23)	-7.10%	383	(82)	-21.41%

<sup>1</sup> Market values provided by Bloomberg and Northern Trust. The OCIP and OCEIP market values in October and November 2017 are slightly lower than book values due to the recent Federal Reserve short-term rate increases, but both have a net asset value of 1.00 and have sufficient liquidity to meet projected cash flow needs.

<sup>2</sup> In November 2017, OCEIP market value, book value, monthly and year-to-date average balances were higher than the prior year primarily due to a significant number of school and community college districts issuing bonds in 2017.

<sup>3</sup> In November 2017, OCIP and OCEIP monthly accrued earnings, monthly and year-to-date net yields were higher than the prior year primarily due to increases in the Federal Reserve short-term rate of 0.75 percent and higher average pool balances.

<sup>4</sup> The OCIP and OCEIP annual estimated gross yields for November 2016 are reported at the actual annual gross yields for FY 16/17, and their annual estimated gross yields for November 2017 are reported at the original forecasted gross yields of 1.14%. The OCIP and OCEIP annual estimated gross yields for FY 17/18 are higher than FY 16/17 primarily due to increases in the Federal Reserve short-term rate of 0.75 percent offset slightly by lower WAMs.

<sup>5</sup> In November 2017, the OCIP and OCEIP WAMs were lower than in November 2016 primarily from purchases of shorter-term securities that added more value due to the flattening of the yield curve.

**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**INVESTMENT POOL STATISTICS**  
**FOR THE MONTH ENDED: November 30, 2017**

**INVESTMENT STATISTICS - By Investment Pool<sup>(1)</sup>**

DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 11/30/17	MONTHLY Gross Yield	Current NAV
<b>COMBINED POOL BALANCES (Includes the Extended Fund)</b>					
Orange County Investment Pool (OCIP)	MARKET Value \$ 4,467,156,195 COST (Capital) \$ 4,490,281,445 MONTHLY AVG Balance \$ 4,354,824,066 BOOK Value \$ 4,483,174,377	281	1.15%	1.13%	1.00
Orange County Educational Investment Pool (OCEIP)	MARKET Value \$ 4,144,138,945 COST (Capital) \$ 4,167,984,236 MONTHLY AVG Balance \$ 4,059,141,042 BOOK Value \$ 4,159,948,762	301	1.17%	1.13%	1.00

**INVESTMENT STATISTICS - Non Pooled Investments<sup>(2)</sup>**

DESCRIPTION	CURRENT BALANCE	INVESTMENT BALANCES AT COST
Specific Investment		
Funds:	MARKET Value \$ 86,235,854	John Wayne Airport Investment Fund \$ 50,596,952
283, 505, FVSD, CCCD	COST (Capital) \$ 86,527,102	Fountain Valley School District Fund 40 34,848,650
	MONTHLY AVG Balance \$ 86,501,001	Repurchase Agreement 1,081,500
	BOOK Value \$ 86,495,053	CCCD Series 2017E Bonds <sup>(3)</sup> -
		<b>\$ 86,527,102</b>

**MONTH END TOTALS**

INVESTMENTS & CASH		INVESTMENTS & CASH	
<b>COUNTY MONEY MARKET FUND (OCMMF)</b>			
County Money Market Fund	\$ 1,459,009,292	OCIP	\$ 4,533,035,215
County Cash	42,753,770	OCEIP	4,172,123,328
	6,044,812,153	Specific Investment Funds	86,527,102
<b>EXTENDED FUND</b>		Non-Pooled Cash	19,149,181
<b>EDUCATIONAL MONEY MARKET FUND (OCEMMF)</b>			
Educational Money Market Fund	1,154,444,236		
Educational Cash	4,139,092		
<b>NON-POOLED INVESTMENTS &amp; CASH</b>			
Non-Pooled Investments	86,527,102		
Non-Pooled Cash	19,149,181		
	<b>\$ 8,810,834,826</b>		<b>\$ 8,810,834,826</b>

**KEY POOL STATISTICS**

INTEREST RATE YIELD		WEIGHTED AVERAGE MATURITY (WAM)	
OCMMF - MONTHLY GROSS YIELD	1.02%	OCMMF	36
OCEMMF - MONTHLY GROSS YIELD	1.03%	OCEMMF	45
JOHN WAYNE AIRPORT - MONTHLY GROSS YIELD	1.10%	JOHN WAYNE AIRPORT WAM	66
OCIP - YTD NET YIELD <sup>(4)</sup>	1.06%	LGIP WAM (Standard & Poors)	40
OCEIP - YTD NET YIELD <sup>(4)</sup>	1.05%		
90-DAY T-BILL YIELD - MONTHLY AVERAGE	1.24%		

**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**INVESTMENT POOL STATISTICS**  
**FOR THE MONTH ENDED: November 30, 2017**

**INVESTMENT STATISTICS - By Investment Fund<sup>(5)</sup>**

DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 11/30/17	MONTHLY Gross Yield	Current NAV
<u>County Money Market Fund (OCMMF)</u>	MARKET Value \$ 1,459,897,098 COST (Capital) \$ 1,459,009,292 MONTHLY AVG Balance \$ 1,343,242,056 BOOK Value \$ 1,459,923,264	36	1.08%	1.02%	1.00
<u>Educational Money Market Fund (OCEMMF)</u>	MARKET Value \$ 1,154,471,530 COST (Capital) \$ 1,154,444,236 MONTHLY AVG Balance \$ 1,045,601,042 BOOK Value \$ 1,154,382,881	45	1.11%	1.03%	1.00
<u>Extended Fund</u>	MARKET Value \$ 5,996,926,512 COST (Capital) \$ 6,044,812,153 MONTHLY AVG Balance \$ 6,025,122,010 BOOK Value \$ 6,028,816,994	399	1.19%	1.19%	0.99
<b>ALLOCATION OF EXTENDED FUND</b>					
<u>Extended Fund</u> <i>OCIP Share</i>	MARKET Value \$ 3,007,259,097 COST (Capital) \$ 3,031,272,153 MONTHLY AVG Balance \$ 3,011,582,010 BOOK Value \$ 3,023,251,113	399	1.19%	1.19%	0.99
<i>OCEIP Share</i>	MARKET Value \$ 2,989,667,415 COST (Capital) \$ 3,013,540,000 MONTHLY AVG Balance \$ 3,013,540,000 BOOK Value \$ 3,005,565,881	399	1.19%	1.19%	0.99
<i>Modified Duration</i>	1.08				

(1) The Combined Pool Balances include the County and Educational Money Market Funds and their respective portions of the Extended Fund.

(2) Specific non pooled investments are reported in compliance with Government Code Section 53646 (b)(1). Detailed descriptions are included in the inventory listing in Section VII of this report.

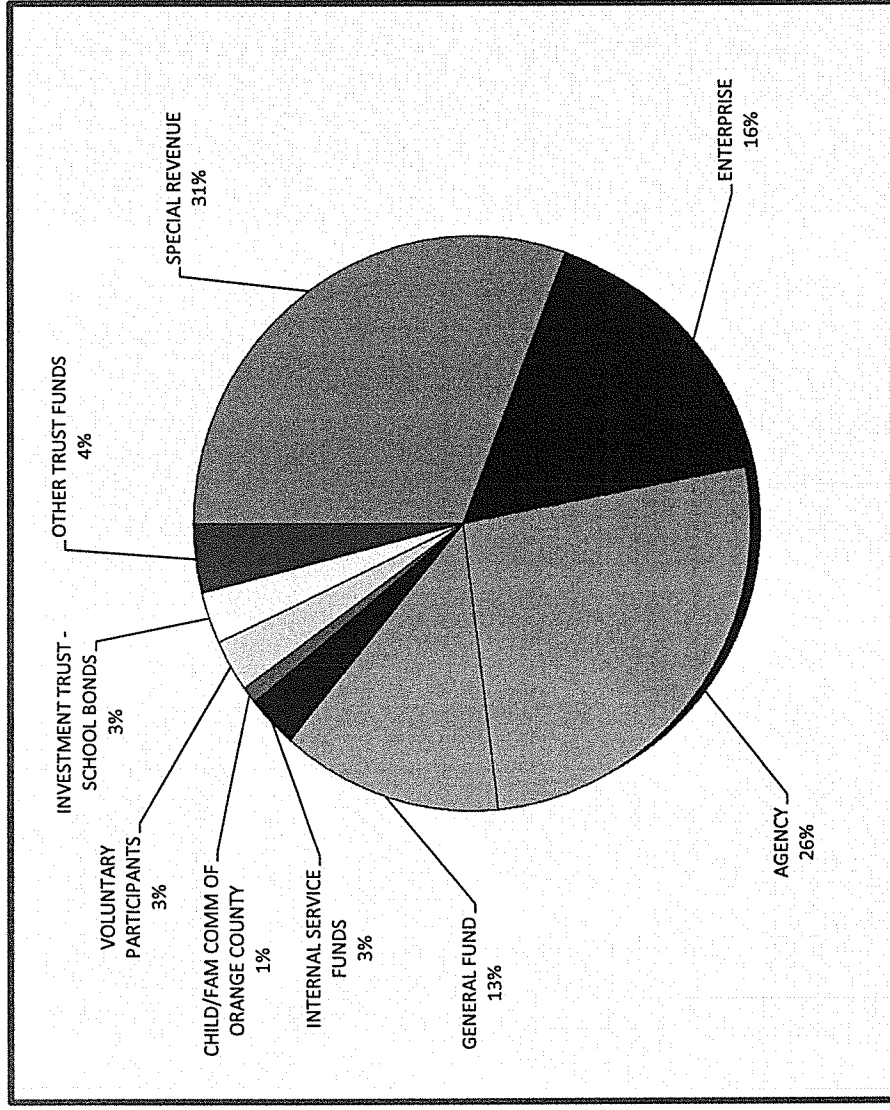
(3) CCCD Series 2017E Bonds Specific Investment Account was established in November 2017, and 100% is currently invested in OCEIP.

(4) The Net Yield differs from the Monthly Average Yield as it includes the Treasury administrative fees.

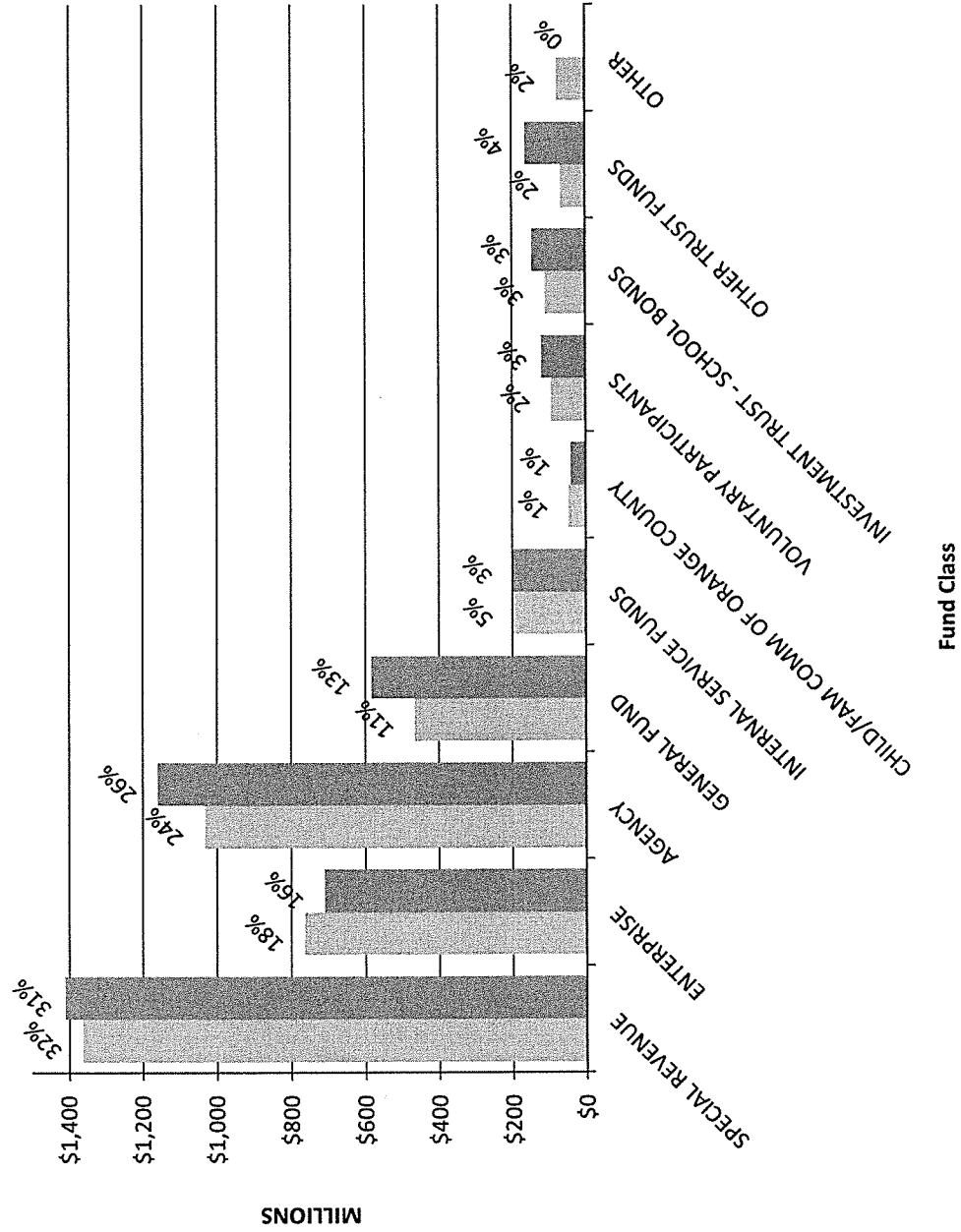
(5) Book Value is computed as Cost reduced by amortization of premium and increased by the accretion of discount of the Investment Portfolio. Net Asset Value (NAV) is equal to Market Value divided by Book Value. The Extended Fund Market Value is lower than Book Value causing the NAV to be lower than 1.00 due to the recent Federal Reserve rate Increase. When the Extended Fund is combined with the OCMMF and OCEMMF, both OCIP and OCEIP have a NAV of 1.00.

ORANGE COUNTY INVESTMENT POOL  
COMPOSITION BY FUND  
AS OF NOVEMBER 30, 2017

FUNDS	BALANCE
SPECIAL REVENUE	\$ 1,410,859,615
AGENCY	1,159,350,160
ENTERPRISE	710,273,855
GENERAL FUND	583,796,365
INTERNAL SERVICE FUNDS	198,017,473
VOLUNTARY PARTICIPANTS	120,311,194
INVESTMENT TRUST - SCHOOL BONDS	145,980,589
CHILD/FAM COMM OF ORANGE COUNTY	40,719,163
OTHER TRUST FUNDS	163,726,801
<b>TOTAL</b>	<b>\$ 4,533,035,215</b>

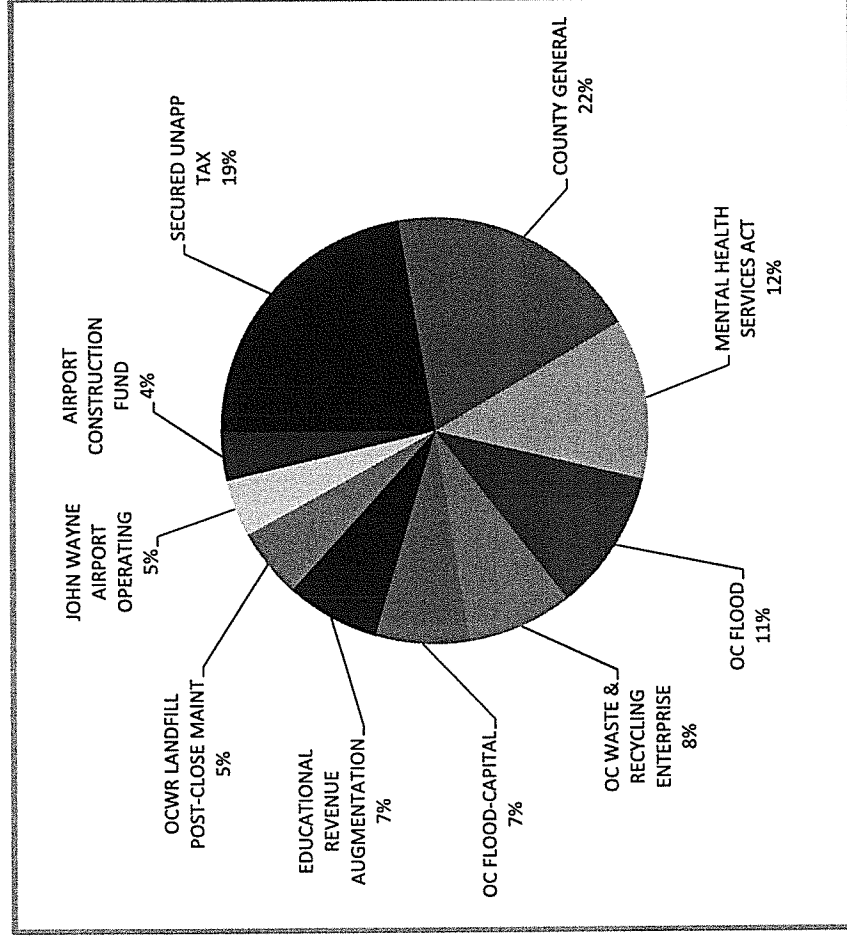


ORANGE COUNTY INVESTMENT POOL  
COMPOSITION BY FUND  
AS OF NOVEMBER 30



Balance as of 11/30/16 Balance as of 11/30/17

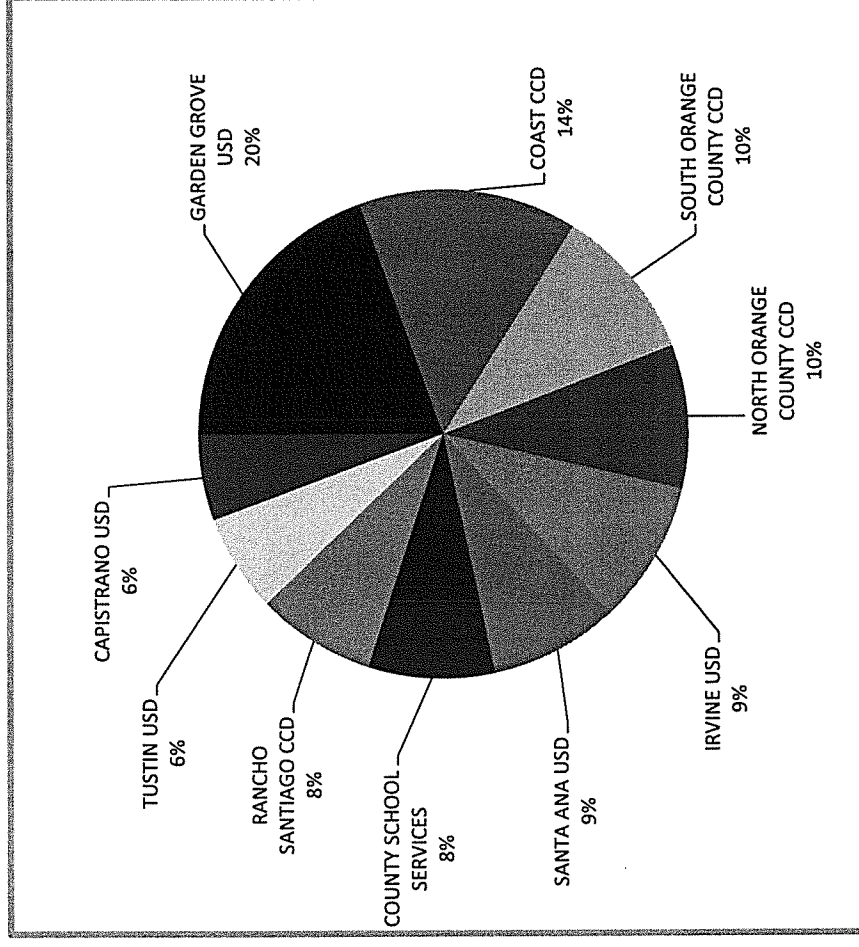
**ORANGE COUNTY INVESTMENT POOL  
TOP TEN POOL PARTICIPANTS  
AS OF NOVEMBER 30, 2017**



FUND #	FUND NAME	BALANCE
100	COUNTY GENERAL	\$ 538,843,847
673	SECURED UNAPP TAX	464,698,606
13Y	MENTAL HEALTH SERVICES ACT	292,393,308
400	OC FLOOD	259,693,055
299	OC WASTE & RECYCLING ENTERPRISE	193,880,242
404	OC FLOOD - CAPITAL	172,161,237
664	EDUCATIONAL REVENUE AUGMENTATION	171,214,819
279	OCWR LANDFILL POST-CLOSE MAINT	128,094,968
280	JOHN WAYNE AIRPORT OPERATING	104,376,774
281	AIRPORT CONSTRUCTION FUND	89,151,120
<b>TOTAL</b>		<b>\$ 2,414,507,976</b>

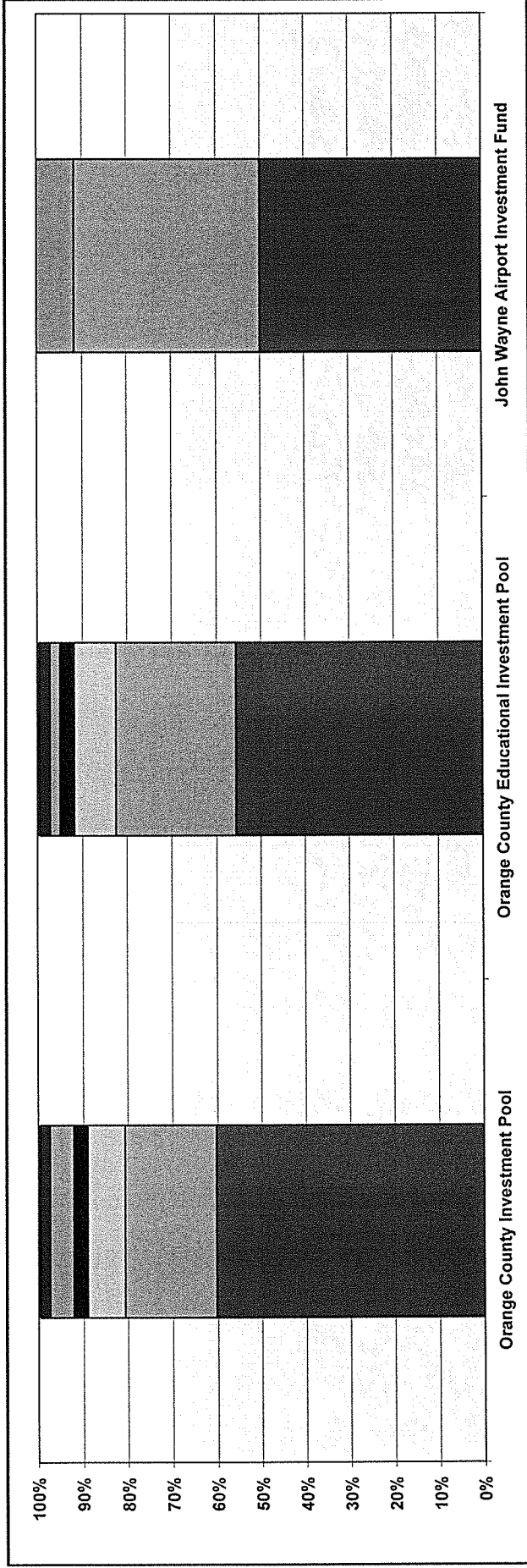
ORANGE COUNTY EDUCATIONAL INVESTMENT POOL  
TOP TEN POOL PARTICIPANTS  
AS OF NOVEMBER 30, 2017

DISTRICT #	SCHOOL DISTRICT	BALANCE
72	GARDEN GROVE USD	\$ 527,439,723
90	COAST CCD	388,554,433
96	SOUTH ORANGE COUNTY CCD	275,316,520
88	NORTH ORANGE COUNTY CCD	257,533,684
75	IRVINE USD	254,342,414
84	SANTA ANA USD	229,827,003
94	COUNTY SCHOOL SERVICES	225,884,656
92	RANCHO SANTIAGO CCD	211,594,697
87	TUSTIN USD	175,056,147
68	CAPISTRANO USD	154,118,277
	<b>TOTAL</b>	<b>\$ 2,699,667,554</b>



# ORANGE COUNTY TREASURER - TAX COLLECTOR BY INVESTMENT TYPE - By Percentage Holdings

November 30, 2017



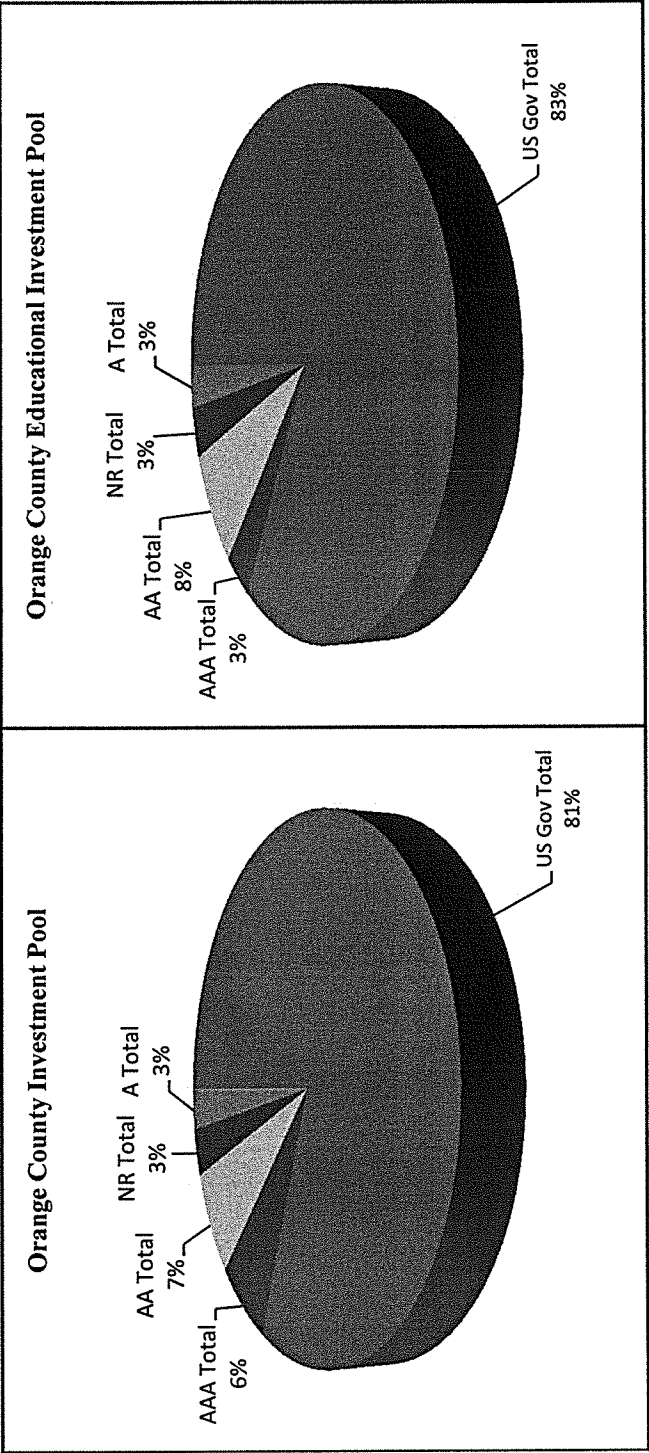
Orange County Investment Pool		
In Thousands		%
U. S. GOVERNMENT AGENCIES	\$ 2,692,110	60.26%
U. S. TREASURIES	911,320	20.40%
MEDIUM - TERM NOTES	371,396	8.31%
MONEY MARKET MUTUAL FUNDS	238,432	5.34%
MUNICIPAL DEBT	134,423	3.01%
CERTIFICATES OF DEPOSIT	99,867	2.24%
LOCAL AGENCY INVESTMENT FUND	19,608	0.44%
	<b>\$ 4,467,156</b>	<b>100.00%</b>

Orange County Educational Investment Pool		
In Thousands		%
U. S. GOVERNMENT AGENCIES	\$ 2,301,015	55.52%
U. S. TREASURIES	1,117,099	26.95%
MEDIUM-TERM NOTES	381,409	9.19%
MONEY MARKET MUTUAL FUNDS	92,204	2.22%
MUNICIPAL DEBT	133,636	3.22%
CERTIFICATES OF DEPOSIT	99,283	2.40%
LOCAL AGENCY INVESTMENT FUND	19,493	0.50%
	<b>\$ 4,144,139</b>	<b>100.00%</b>

John Wayne Airport Investment Fund		
In Thousands		%
U. S. GOVERNMENT AGENCIES	\$ 25,317	50.04%
U. S. TREASURIES	20,995	41.49%
MONEY MARKET MUTUAL FUNDS	4,284	8.47%
	<b>\$ 50,596</b>	<b>100.00%</b>

Calculated Using Market Value at 11/30/2017

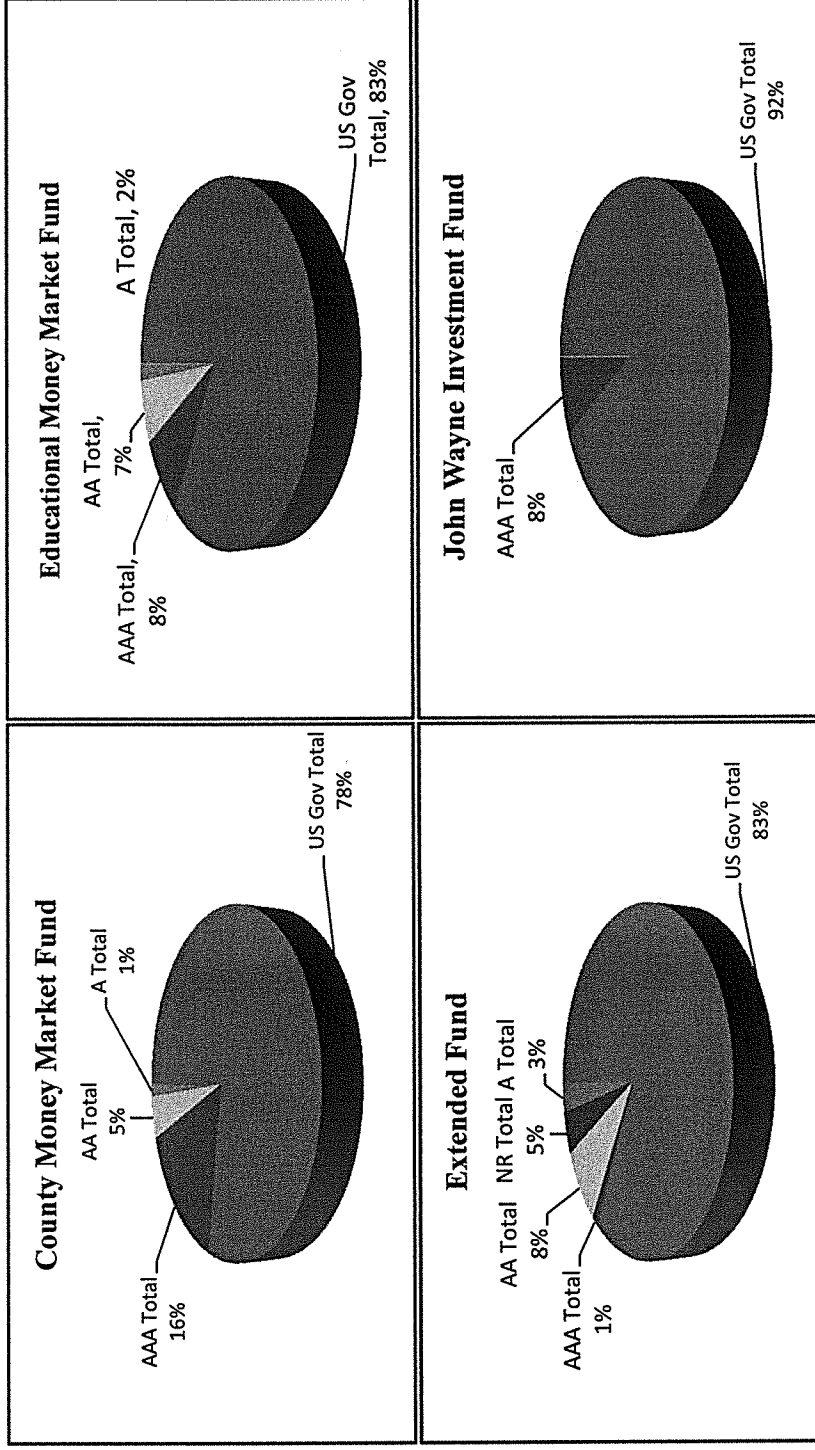
# ORANGE COUNTY TREASURER - TAX COLLECTOR CREDIT QUALITY BY MARKET VALUE November 30, 2017



US GOV Includes Agency & Treasury Debt  
 AA includes AA+, AA-, & AA  
 A includes A+, A-, & A  
 NR Includes LAIF and Orange County Pension Obligation Bonds Series 2017A

# ORANGE COUNTY TREASURER - TAX COLLECTOR CREDIT QUALITY BY MARKET VALUE

November 30, 2017



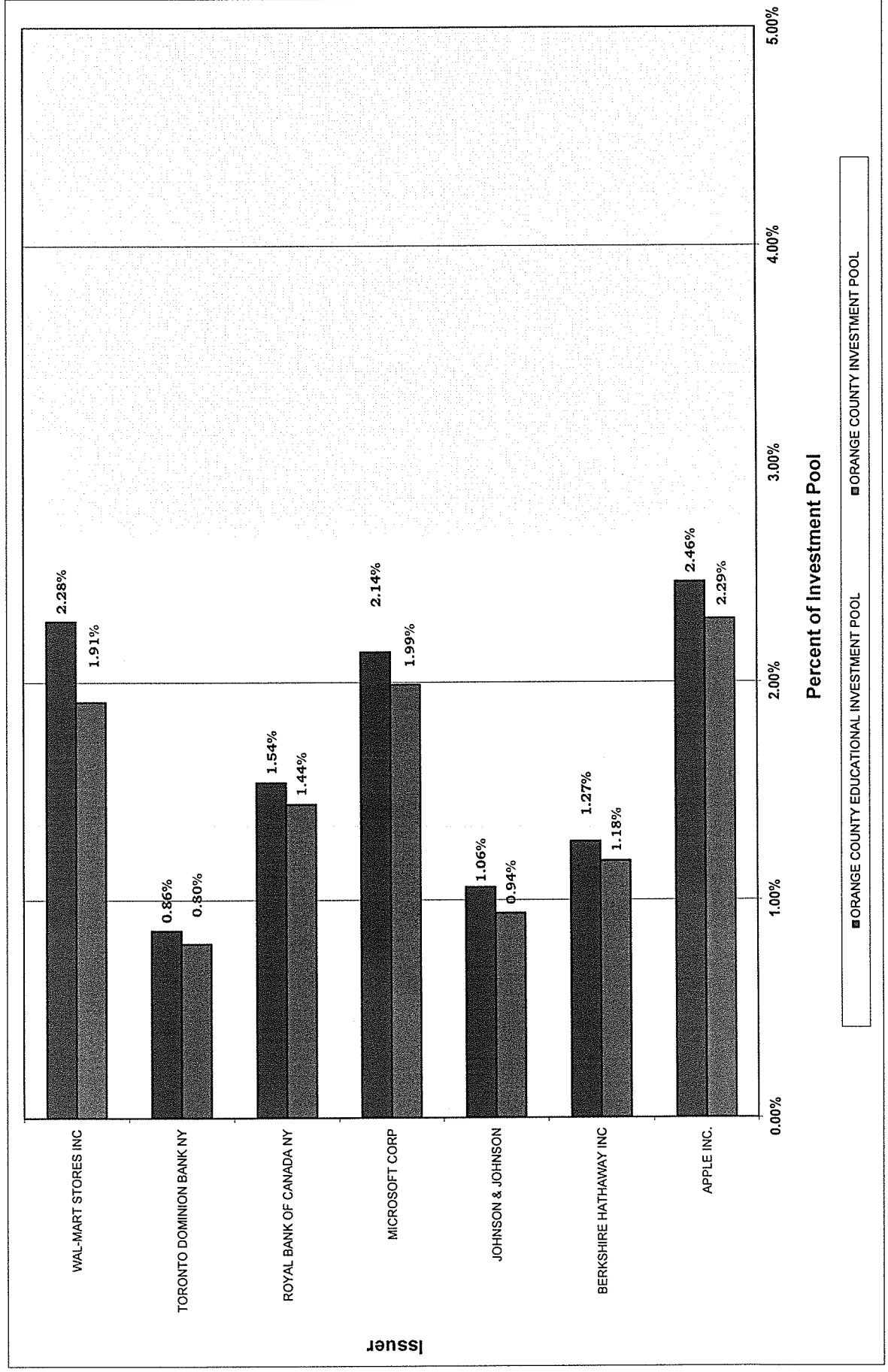
US GOV Includes Agency & Treasury Debt

AA includes AA+, AA-, & AA

A includes A+, A-, & A

NR Includes LAIF and Orange County Pension Obligation Bonds Series 2017A

# **ORANGE COUNTY TREASURER - TAX COLLECTOR** **ISSUER CONCENTRATION-By Investment Pool** November 30, 2017



**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**APPROVED ISSUER LIST - OCIP, OCEIP, and JWA**  
November 30, 2017

ISSUER	S/T RATINGS			L/T RATINGS		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch
<b>U.S. TREASURY SECURITIES</b>						
U.S. GOVERNMENT	A-1+	P-1	F1+	AA+	Aaa	AAA
<b>U.S. GOVERNMENT AGENCY SECURITIES</b>						
FEDERAL NATIONAL MORTGAGE ASSOCIATION	A-1+	P-1	F1+	AA+	Aaa	AAA
FEDERAL HOME LOAN MORTGAGE CORPORATION	A-1+	P-1	F1+	AA+	Aaa	AAA
FEDERAL HOME LOAN BANKS	A-1+	P-1	NR	AA+	Aaa	NR
FEDERAL FARM CREDIT BANKS	A-1+	P-1	F1+	AA+	Aaa	AAA
<b>MEDIUM-TERM NOTES</b>						
APPLE INC	A-1+	P-1	NR	AA+	Aa1	NR
JOHNSON & JOHNSON	A-1+	P-1	F1+	AAA	Aaa	AAA
MICROSOFT CORPORATION *	A-1+	P-1	F1+	AAA	Aaa	AA+
WAL-MART STORES INC	A-1+	P-1	F1+	AA	Aa2	AA
BERKSHIRE HATHAWAY INC **	A-1+	P-1	NR	AA	Aa2	A+
BERKSHIRE HATHAWAY FINANCE **	NR	NR	NR	NR	Aa2	A+
<b>ISSUERS ON HOLD</b>						
ROYAL BANK OF CANADA NY (JULY, 2016) ***	A-1+	P-1	F1+	AA-	A1	AA
TORONTO DOMINION BANK NY (MARCH, 2017) ****	A-1+	P-1	F1+	AA-	Aa2	AA-
<b>MUNICIPAL BONDS</b>						
ORANGE CNTY CA PENSION OBLG 2017 A	NR	NR	NR	NR	NR	NR
<b>STATE POOL - LOCAL AGENCY INVESTMENT FUND</b>						
LOCAL AGENCY INVESTMENT FUND	NR	NR	NR	NR	NR	NR
<b>MONEY MARKET MUTUAL FUNDS *****</b>						
NAME OF FUND	S & P	Moody's	Fitch			
INVESCO GOVERNMENT & AGENCY SHORT-TERM INVESTMENTS TRUST (AIM)	AAAm	Aaa-mf	AAAmnf			
GOLDMAN SACHS FINANCIAL SQUARE GOVT FUND	AAAm	Aaa-mf	NR			
MORGAN STANLEY INSTITUTIONAL LIQUIDITY FUNDS - GOVT	AAAm	Aaa-mf	NR			
NORTHERN INSTITUTIONAL TREASURY PORTFOLIO	AAAm	NR	NR			

\* On Negative Outlook (Moody's L/T rating - July 25, 2016).

\*\* Further purchase restrictions apply due to Investment Policy Statement rating limits.

\*\*\* Moody's downgraded its L/T Rating from Aa3 to A1 on May 10, 2017 and kept the issuer rating Outlook on Negative. On Negative Outlook (S&P - June 6. Fitch changed its outlook from Negative to Stable on October 27, 2017).

\*\*\*\* Moody's downgraded its L/T Rating from Aa1 to Aa2 on May 10, 2017 and kept the issuer rating Outlook on Negative. On Negative Outlook (Moody's - June 11, 2014).

\*\*\*\*\* All money market funds are institutional money market funds investing in debt issued or guaranteed by the U.S. Government and its agencies.

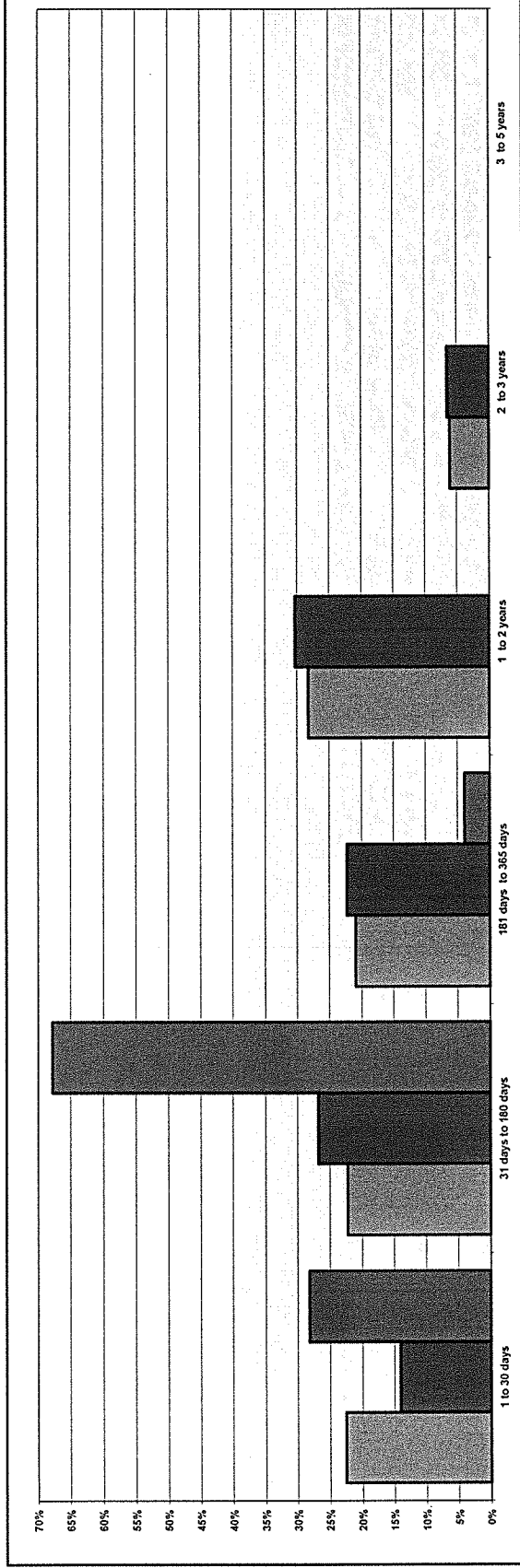
**Orange County Treasurer-Tax Collector  
Changes in Approved Issuer's List  
For the Month Ended November 30, 2017**

During November there were no changes to the Treasurer's Approved Issuer List.

An ongoing credit analysis of all issuers owned in the Investment Pools is reviewed on a daily, monthly, quarterly, and annual basis.

# ORANGE COUNTY TREASURER - TAX COLLECTOR MATURITIES DISTRIBUTION

November 30, 2017



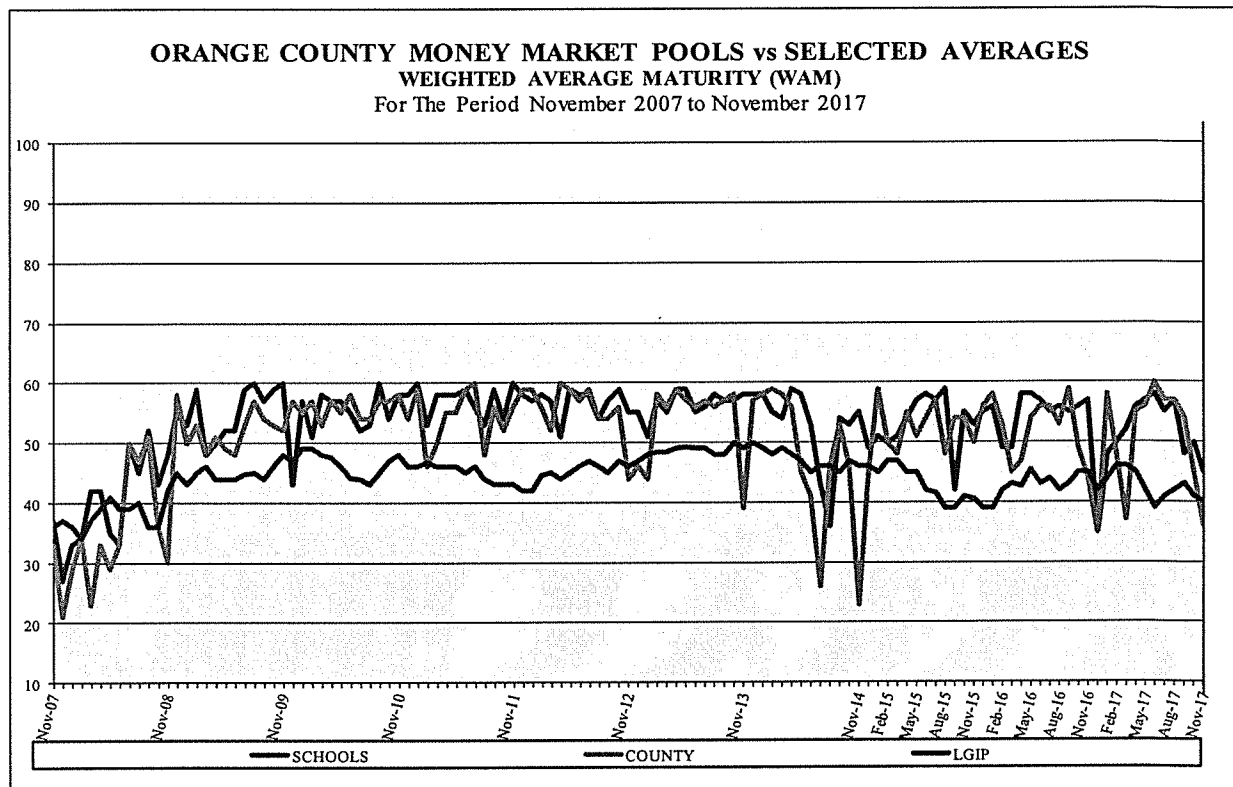
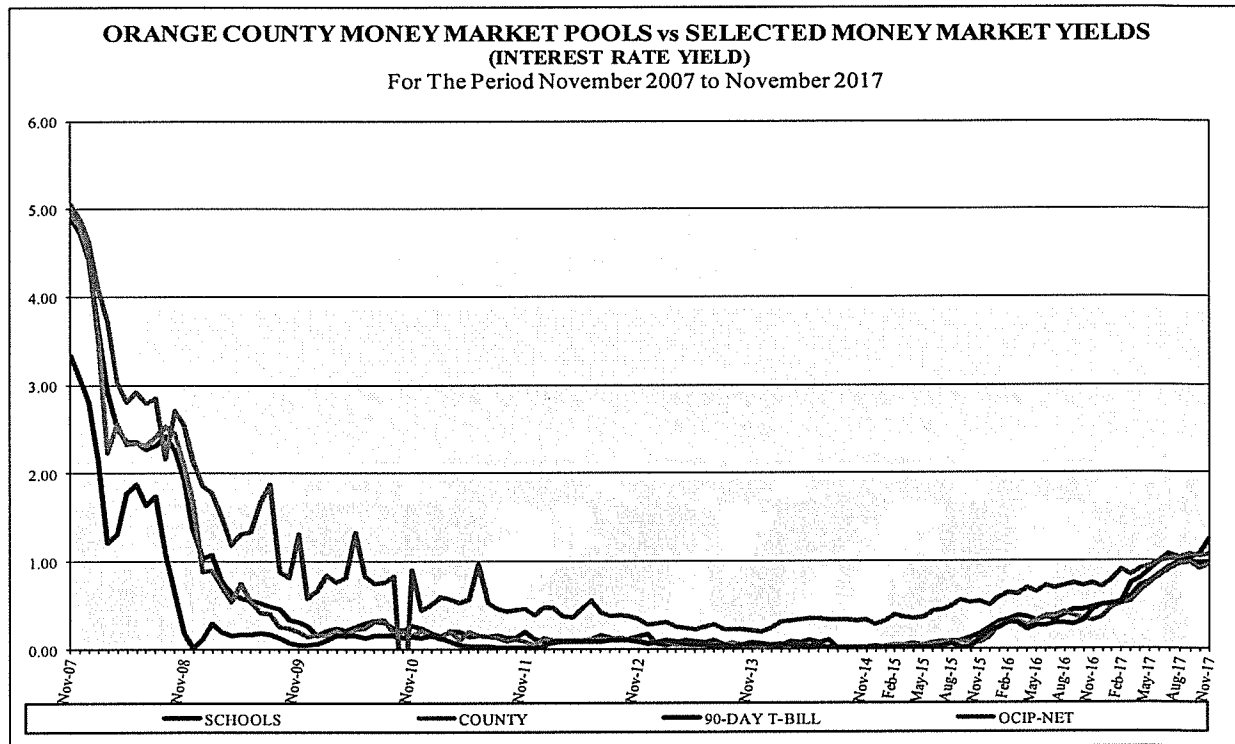
ORANGE COUNTY INVESTMENT POOL			
	In Thousands <sup>1,2</sup>	%	
1 TO 30 DAYS	\$ 1,009,903	22.53%	
31 TO 180 DAYS	997,033	22.24%	
181 TO 365 DAYS	935,878	20.88%	
1 YEAR TO 2 YEARS	1,267,442	28.28%	
2 YEARS TO 3 YEARS	271,942	6.07%	
3 YEARS TO 5 YEARS	-	0.00%	
<b>TOTAL</b>	<b>\$ 4,482,198</b>	<b>100.00%</b>	

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL			
	In Thousands <sup>1,2</sup>	%	
1 TO 30 DAYS	\$ 585,378	14.08%	
31 TO 180 DAYS	1,115,488	26.82%	
181 TO 365 DAYS	927,416	22.30%	
1 YEAR TO 2 YEARS	1,260,027	30.30%	
2 YEARS TO 3 YEARS	270,352	6.50%	
3 YEARS TO 5 YEARS	-	0.00%	
<b>TOTAL</b>	<b>\$ 4,158,661</b>	<b>100.00%</b>	

JOHN WAYNE AIRPORT INVESTMENT FUND			
	In Thousands <sup>1,2</sup>	%	
1 TO 30 DAYS	\$ 14,285	28.23%	
31 TO 180 DAYS	34,325	67.82%	
181 TO 365 DAYS	2,000	3.95%	
1 YEAR TO 2 YEARS	-	0.00%	
<b>TOTAL</b>	<b>\$ 50,610</b>	<b>100.00%</b>	

<sup>1</sup> Maturity Limits are calculated using face value. All final maturities are in compliance with the IPS during November.

<sup>2</sup> Floating Rate Notes are deemed to have a maturity date equal to their next interest reset date. The Orange County Investment Pool, Orange County Educational Investment Pool and JWA Investment Fund did not hold any Floating Rate Notes as of 11/30/2017.



•For the Month Ended November 30, 2017, S&P LGIP – 1.07; S&P LGIP WAM -40; 90-Day T-Bill – 1.24; OCIP – Net – 1.07

**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**INVESTMENT POOL YIELDS**  
December 1, 2016 - November 30, 2017

PERIOD ENDING - MONTH / YEAR	MONTH END MARKET VALUE	EARNINGS FOR MONTH	GROSS AVERAGE YIELD FOR MONTH	MONTH END WAM
<i>Current Month - November 2017</i>				
County Pool - Money Market Fund	\$ 1,459,897,098	\$ 1,124,024	1.02%	36
Educational Pool - Money Market Fund	\$ 1,154,471,530	\$ 889,369	1.03%	45
Extended Fund	\$ 5,996,926,512	\$ 5,910,266	1.19%	399
<i>October 2017</i>				
County Pool - Money Market Fund	\$ 1,387,117,541	\$ 938,038	0.97%	45
Educational Pool - Money Market Fund	\$ 1,008,484,106	\$ 1,026,340	1.03%	50
Extended Fund	\$ 5,975,091,002	\$ 5,972,076	1.17%	416
<i>September 2017</i>				
County Pool - Money Market Fund	\$ 885,572,484	\$ 752,100	1.05%	54
Educational Pool - Money Market Fund	\$ 1,319,525,808	\$ 1,129,853	1.06%	48
Extended Fund	\$ 5,974,063,472	\$ 5,798,039	1.18%	443
<i>August 2017</i>				
County Pool - Money Market Fund	\$ 912,746,691	\$ 748,603	1.03%	57
Educational Pool - Money Market Fund	\$ 1,342,259,072	\$ 1,320,805	1.04%	57
Extended Fund	\$ 5,975,786,893	\$ 5,754,302	1.13%	454
<i>July 2017</i>				
County Pool - Money Market Fund	\$ 925,588,577	\$ 869,951	0.96%	57
Educational Pool - Money Market Fund	\$ 1,625,874,675	\$ 1,449,778	0.99%	55
Extended Fund	\$ 5,820,623,739	\$ 5,661,871	1.13%	464
<i>June 2017</i>				
County Pool - Money Market Fund	\$ 1,127,901,842	\$ 1,015,069	0.90%	60
Educational Pool - Money Market Fund	\$ 1,821,324,948	\$ 1,188,057	0.91%	58
Extended Fund	\$ 5,876,238,402	\$ 5,545,780	1.14%	487
<i>May 2017</i>				
County Pool - Money Market Fund	\$ 1,559,912,721	\$ 1,190,993	0.81%	56
Educational Pool - Money Market Fund	\$ 1,631,429,543	\$ 1,157,267	0.82%	57
Extended Fund	\$ 5,888,812,000	\$ 5,545,463	1.10%	494
<i>April 2017</i>				
County Pool - Money Market Fund	\$ 1,928,898,078	\$ 1,427,058	0.72%	56
Educational Pool - Money Market Fund	\$ 1,810,058,617	\$ 946,118	0.78%	56
Extended Fund	\$ 5,884,169,552	\$ 5,396,950	1.11%	488
<i>March 2017</i>				
County Pool - Money Market Fund	\$ 1,742,756,895	\$ 707,012	0.60%	37
Educational Pool - Money Market Fund	\$ 1,278,498,097	\$ 590,948	0.66%	52
Extended Fund	\$ 5,874,437,878	\$ 5,301,507	1.06%	511
<i>February 2017</i>				
County Pool - Money Market Fund	\$ 1,420,356,645	\$ 588,259	0.58%	48
Educational Pool - Money Market Fund	\$ 1,036,250,434	\$ 539,611	0.60%	50
Extended Fund	\$ 5,876,196,444	\$ 5,010,710	1.11%	511
<i>January 2017</i>				
County Pool - Money Market Fund	\$ 1,243,000,623	\$ 626,367	0.53%	58
Educational Pool - Money Market Fund	\$ 1,309,895,173	\$ 772,307	0.57%	48
Extended Fund	\$ 5,872,382,548	\$ 4,846,757	0.99%	496
<i>December 2016</i>				
County Pool - Money Market Fund	\$ 1,787,873,393	\$ 656,440	0.43%	35
Educational Pool - Money Market Fund	\$ 1,995,546,428	\$ 627,945	0.56%	35
Extended Fund	\$ 5,491,524,471	\$ 4,550,093	0.96%	510
<b>Fiscal Year July 1, 2017 - June 30, 2018</b>				
	<b>Average Month End Market Value Balance</b>	<b>YTD Interest Income</b>	<b>YTD Gross Yield</b>	<b>YTD Average</b>
Orange County Investment Pool	\$ 4,066,373,837	\$ 18,876,690	1.12%	332
Orange County Educational Investment Pool	\$ 4,286,432,003	\$ 20,468,724	1.11%	320

# ORANGE COUNTY TREASURER-TAX COLLECTOR

## CASH AVAILABILITY PROJECTION

### FOR THE SIX MONTHS ENDING May 31, 2018

Government Code Section 53646 (b) (3), effective on January 1, 1996, requires the Treasurer-Tax Collector to include a statement in the investment report, denoting the ability of the Orange County Investment Pool (OCIP) and the Orange County Educational Investment Pool (OCEIP) to meet their expenditure requirements for the next six months.

The OCIP and OCEIP consist of funds in the treasury deposited by various entities required to do so by statute, as well as those entities voluntarily depositing monies in accordance with Government Code Section 53684.

The Treasurer-Tax Collector is required to disburse monies placed in the treasury as directed by the Auditor-Controller and the Department of Education, except for the making of legal investments, to the extent funds are transferred to one or more clearing funds in accordance with Government Code Section 29808.

The Treasurer-Tax Collector, in her projection of cash availability to disburse funds as directed by the Auditor-Controller and the Department of Education, is primarily relying on historical trends involving deposits and withdrawals and known future cash flows. No representation is made as to an individual depositor's ability to meet their anticipated expenditures with anticipated revenues.

The Cash Availability Projection for the six months ending May 31, 2018, indicates the ability of the pools to meet projected cash flow requirements. However, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected and those differences may be material.

ORANGE COUNTY INVESTMENT POOL				
Month	Investment Maturities	Projected Deposits	Projected Disbursements	Cumulative Available Cash
November 2017 - Ending Cash				\$ 42,753,770
December	\$ 1,028,180,941	\$ 2,266,933,146	\$ 1,791,496,257	1,546,371,600
January	529,560,996	433,623,044	1,008,501,800	1,501,053,840
February	176,096,813	386,052,093	291,517,378	1,771,685,368
March	62,806,501	743,731,315	595,935,119	1,982,288,065
April	94,874,017	2,116,088,092	1,881,364,876	2,311,885,298
May 2018	259,135,666	314,052,928	788,898,862	2,096,175,030

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL				
Month	Investment Maturities	Projected Deposits	Projected Disbursements	Cumulative Available Cash
November 2017 - Ending Cash				\$ 4,139,092
December	\$ 572,936,617	\$ 1,290,947,114	\$ 471,426,346	1,396,596,477
January	615,542,764	493,113,791	920,037,502	1,585,215,530
February	198,263,688	248,607,550	670,872,842	1,361,213,926
March	66,103,659	563,456,545	730,405,350	1,260,368,780
April	92,762,014	1,148,017,727	715,149,074	1,785,999,447
May 2018	267,950,713	414,489,506	718,490,829	1,749,948,837

**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**STATEMENT OF ACCOUNTABILITY**  
**For the Month Ended November 30, 2017**

	<u>Month</u>
<b>Treasurer's Accountability at the Beginning of the Period:</b>	<b><u>\$8,548,074,085</u></b>
<b>Cash Receipts:</b>	
County	1,233,480,677
School and Community College Districts	819,637,868
<b>Total Cash Receipts</b>	<b><u>2,053,118,545</u></b>
<b>Cash Disbursements:</b>	
County	1,118,779,779
School and Community College Districts	671,563,938
<b>Total Cash Disbursements</b>	<b><u>1,790,343,717</u></b>
<b>Net Change in Cost Value of Pooled Assets</b>	<b><u>262,774,828</u></b>
<b>Net Increase in Non-Pooled Investments</b>	<b>59,356</b>
<b>Net (Decrease) in Non-Pooled Cash</b>	<b><u>(73,443)</u></b>
<b>Treasurer's Accountability at the End of the Period:</b>	<b><u>\$8,810,834,826</u></b>
<b>Assets in the Treasury at the End of the Period (at Cost Value):</b>	
<b>Pooled Investments:</b>	
O.C. Investment Pool	\$ 4,490,281,445
O.C. Educational Investment Pool	4,167,984,236
<b>Total Orange County Investment Pools</b>	<b><u>8,658,265,681</u></b>
<b>Non-Pooled Investments:</b>	
Non-Pooled Investments - John Wayne Airport	50,596,952
Non-Pooled Investments - Fountain Valley School District Fund 40	34,848,650
Non-Pooled Investments - Other	1,081,500
<b>Total Non-Pooled Investments</b>	<b><u>86,527,102</u></b>
<b>Cash:</b>	
Cash in banks - County	42,624,179
Cash in banks - Schools	4,139,092
Cash in banks - OC Sheriff	12,016,306
Cash in banks - John Wayne Airport	7,132,875
Cash - Other	129,591
<b>Total Cash</b>	<b><u>66,042,043</u></b>
<b>Total Assets in the Treasury at the End of the Period:</b>	<b><u>\$ 8,810,834,826</u></b>

**ORANGE COUNTY TREASURER-TAX COLLECTOR  
INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY  
November 30, 2017**

Investment Policy (IPS) Guidelines	Investment Type	County Money Market Fund		Extended Fund		Educational Money Market Fund		John Wayne Airport (JWA) Investment Fund	
		Market Value of Investments <sup>(1)</sup>	Percent of Portfolio	Market Value of Investments <sup>(1)</sup>	Percent of Portfolio	Market Value of Investments <sup>(1)</sup>	Percent of Portfolio	Market Value of Investments <sup>(1)</sup>	Percent of Portfolio
Diversification Limit									
30%	Negotiable Certificates of Deposit	\$	0.00%	\$ 199,148,935	3.32%	\$	0.00%	\$	0.00%
40%	Commercial Paper	-	0.00%	-	0.00%	-	0.00%	-	0.00%
100%	U.S. Government Agencies	933,616,662	63.95%	3,506,699,371	58.48%	552,808,715	47.88%	25,316,506	50.04%
\$50MM	LAIF	-	0.00%	39,101,197	0.65%	-	0.00%	-	0.00%
30%	Medium-Term Notes	88,058,635	6.03%	565,017,970	9.42%	99,728,596	8.64%	-	0.00%
20%	Money Market Mutual Funds	238,431,590	16.33%	268,058,877	0.00%	92,203,898	7.99%	4,284,699	8.47%
30%	Municipal Debt	-	0.00%	-	4.47%	-	0.00%	-	0.00%
20%	Repurchase Agreement	-	0.00%	-	0.00%	-	0.00%	-	0.00%
30%	Supranationals	-	0.00%	-	0.00%	-	0.00%	-	0.00%
100%	U.S. Treasuries	199,790,211	13.69%	1,418,900,162	23.66%	409,730,321	35.49%	20,994,746	41.49%
		\$ 1,459,897,098	100.00%	\$ 5,996,926,512	100.00%	\$ 1,154,471,530	100.00%	\$ 50,595,951	100.00%

Investment Policy (IPS) Guidelines	Compliance Category (Yes/No)	County Money Market Fund		Extended Fund		Educational Money Market Fund		John Wayne Airport (JWA) Investment Fund	
		Yes <sup>(2)</sup>	Yes <sup>(4)</sup>	Yes <sup>(4)</sup>	Yes	Yes <sup>(2)</sup>	Yes <sup>(4)</sup>	Yes <sup>(4)</sup>	Yes
5%	Percentage Limits	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
20%	Issuer Limit	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
50%	Money Market Mutual Fund Issuer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
See Above	Government Agencies Issuer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Diversification Limit	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
60 Days	Maturity/Duration Limits	Yes/35.72	N/A	N/A	N/A	Yes/44.79	N/A	N/A	N/A
90 Days	Weighted Average Maturity - Money Market Fund	N/A	N/A	N/A	N/A	N/A	N/A	Yes/66.46	N/A
	Weighted Average Maturity - JWA Investment Fund	N/A	N/A	Yes/1.08	N/A	N/A	N/A	N/A	N/A
>Merrill 1-3 Year Index+25% (2.23)	Duration <sup>(3)</sup>	Yes/338	N/A	N/A	N/A	Yes/258	N/A	N/A	N/A
13 Months/397 days	Final Maturity - Money Market Fund	N/A	N/A	N/A	N/A	N/A	N/A	Yes/239	N/A
15 Months/458 days	Final Maturity - John Wayne Airport Investment Fund	N/A	N/A	Yes/1.093	N/A	N/A	N/A	N/A	N/A
5 Years/1826 days	Final Maturity - Extended Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A-1/≥ A	Quality Limits	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes
≥ A-1/P-1/F2	MMF Short Term/Long Term	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes
A-1/≥ AA <sup>(2)</sup>	Short Term Debt/No Split Ratings	N/A	N/A	Yes <sup>(6)</sup>	N/A	N/A	N/A	N/A	N/A
Approved Issuer List	Extended Fund Short Term/Long Term	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Broker/Dealer List	Authorized Issuer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
0.995 - 1.005	Authorized Financial Dealer/Institution	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Net Asset Value - Money Market Fund and JWA	Yes/1.0000	Yes/1.0000	N/A	N/A	Yes/1.0001	Yes/1.0001	Yes/0.9998	Yes/0.9998

(1) All investments are marked to market in compliance with the narrow valuation range prescribed by the IPS and market values are provided by Bloomberg Professional Services and Northern Trust.

(2) Excludes US Government Debt per the 2017 IPS policy approved by the Board of Supervisors on November 22, 2016 effective on January 1, 2017.

(3) Rating Agency requirements limit investment in each Money Market Mutual Fund to 10%.

(4) GSE issuers rated 'AA-' or higher with final maturities of 30 days or less are excluded from the calculation of the 50% limit per IPS for the Extended Fund and the JWA Investment Fund and from the Rating Agency limit of 33% for the two Money Market Funds.

(5) IPS states all pools, except short-term pools, shall have an effective duration not to exceed a leading 1-3 year index +25%. Duration provided above (1.08) is a modified duration, which does not take into consideration all embedded options such as callable bonds or mortgage backed bonds. This presentation is not considered materially different from the effective duration requirement specified in IPS.

(6) Securities issued by Royal Bank of Canada NY were rated above 'AA' at the time of purchase and are in compliance with IPS.

NA Not applicable

Note: Compliance exceptions, if any, are noted by red shading for the specific IPS guideline and investment pool.

**ORANGE COUNTY TREASURER-TAX COLLECTOR  
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY  
November 30, 2017**

COMPLIANCE CATEGORY	PERFORMED BY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	ACIA	Performance Evaluation-Cal Govt. Code 27134	Annual audit of calendar year 2015 completed.
Quarterly Schedule of Assets Review	ACIA	Performance Evaluation-Cal Govt. Code 26920(a)	September 30, 2017 in progress.
Annual Schedule of Assets Audit	ACIA	Performance Evaluation-Cal Govt. Code 26920(b)	Annual audit as of June 30, 2017 in progress.
Quarterly Continuous Compliance Auditing	ACIA	TOC Directive	September 30, 2017 completed.
Treasury Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	Annual review of fees for FY 14/15, FY 15/16 and FY 16/17 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Annual review of calendar year 2016 completed.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	All 2017 IPS certifications received for active approved brokers (one broker removed).
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions/Form 700	FY 17/18 identified zero compliance incidents as of November 30, 2017.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made one change at the October 18, 2017 meeting. The BOS approved on November 14, 2017.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 18, 2017 meeting and did not make any additional changes. The BOS approved on November 14, 2017.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2016 Annual Report was presented to BOS on February 28, 2017.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance and Form 700	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 18, 2017.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	The TOC members are in compliance for calendar year 2017.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2016 (one submitted in January 2017).
Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 34 / IPS - Every Year	All TOC members and designated employees are in compliance for calendar year 2016. A designated employee submitted an Assuming Office Statement in calendar year 2017 late.

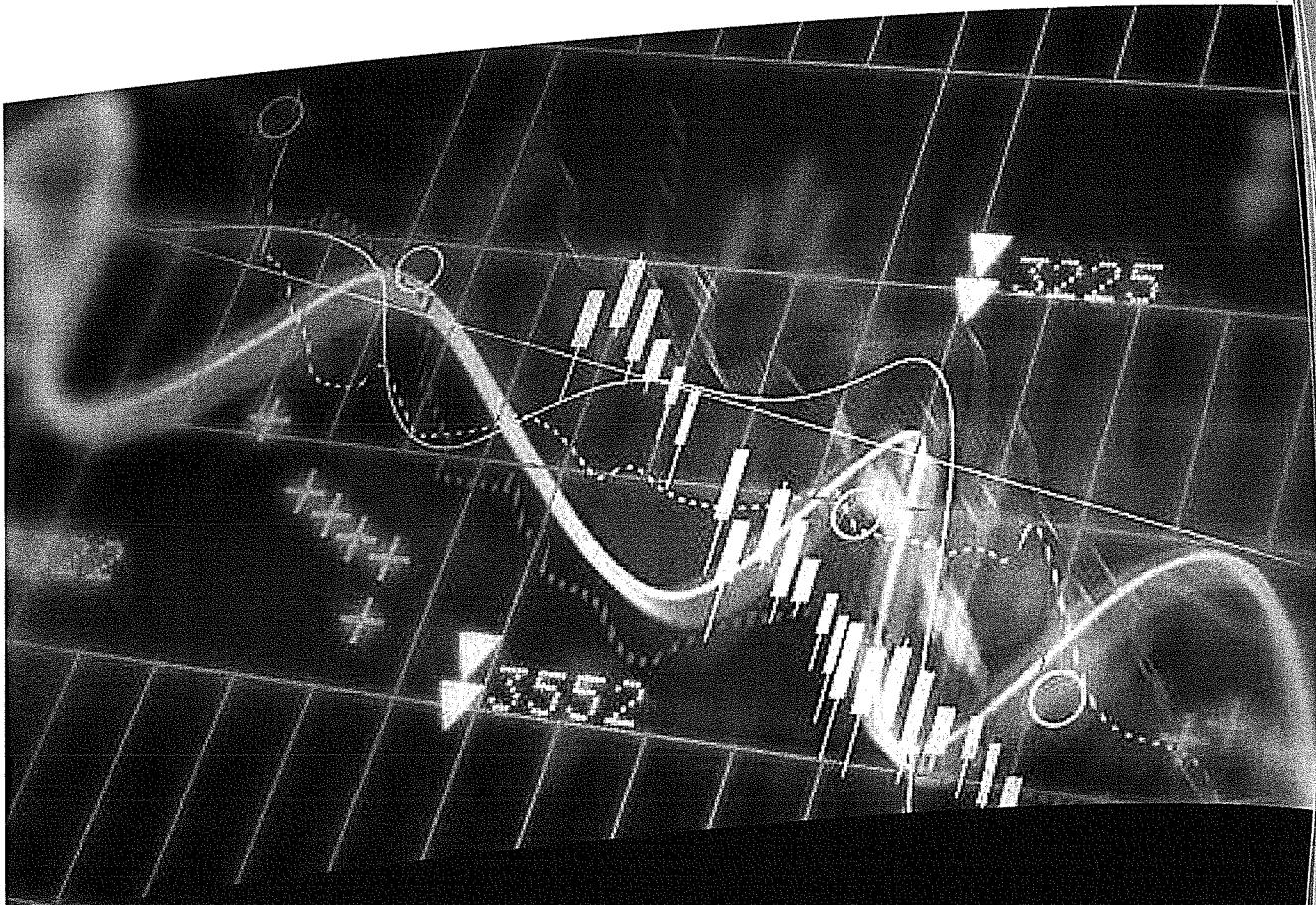
LEGEND	
Auditor-Controller Internal Audit	ACIA
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

**Orange County Treasurer-Tax Collector  
Noncompliance Detail  
For the Month Ended November 30, 2017**

During November 2017, the IPS had several compliance exceptions, all occurring due to trades executed for a short period of time by new staff in training prior to broker/dealers receiving the written authorization.

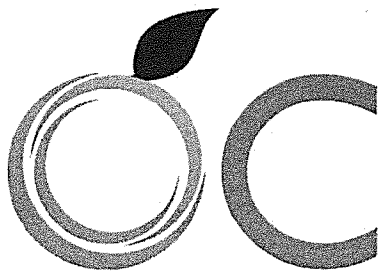


# Orange County Auditor-Controller Internal Audit



Compliance Monitoring of the  
Treasurer's Investment Portfolio for the  
Quarter Ended September 30, 2017

Audit Number 1720  
Report Date: November 28, 2017



**O R A N G E C O U N T Y**  
**AUDITOR-CONTROLLER**  
**I N T E R N A L A U D I T**

**Eric H. Woolery, CPA**  
**Orange County Auditor-Controller**

<b>Toni Smart, CPA</b>	<b>Director, Internal Audit</b>
<b>Scott Suzuki, CPA, CIA, CISA</b>	<b>Assistant Director</b>
<b>Carol Swe, CPA, CIA, CISA</b>	<b>Senior Audit Manager</b>
<b>Michael Steinhaus, CPA, CGMA</b>	<b>Audit Manager I</b>
<b>Raquel Zubi, CPA</b>	<b>Auditor II</b>

**12 Civic Center Plaza, Room 200**  
**Santa Ana, CA 92701**

**Auditor-Controller Website**  
**[www.ac.ocgov.com](http://www.ac.ocgov.com)**



**ERIC H. WOOLERY, CPA**  
AUDITOR-CONTROLLER



**Transmittal Letter**

**Audit No. 1720**

**November 28, 2017**

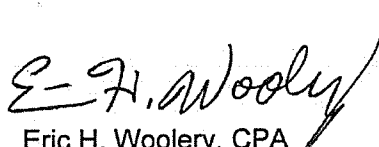
**TO:** Members, Treasury Oversight Committee

**SUBJECT:** Compliance Monitoring of the Treasurer's Investment Portfolio  
For the Quarter Ended September 30, 2017

At the request of the Treasury Oversight Committee, we have completed the Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter Ended September 30, 2017.

An **Audit Status Report** is submitted quarterly to the Audit Oversight Committee (AOC) and Board of Supervisors (BOS) detailing any critical or significant findings released in reports during the prior quarter and the implementation status of recommendations as disclosed by our Follow-Up Audits. Although there were no findings noted during this engagement, the results will be included in future status reports to the AOC and BOS.

Please feel free to call Scott Suzuki, Assistant Director, at (714) 834-5509 should you wish to discuss any aspect of the report. Additionally, we request the department to complete a **Customer Survey** of Audit Services that will be sent shortly after the distribution of our final report.

  
Eric H. Woolery, CPA  
Auditor-Controller

**Attachment**

Other recipients of this report:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Shari L. Freidenrich, Treasurer-Tax Collector
- Frank Kim, County Executive Officer
- Mark Malbon, Assistant Treasurer-Tax Collector
- Gary Nguyen, Director of Investments, Treasurer-Tax Collector
- JC Squires, Financial Manager, Treasurer-Tax Collector – Treasury Division
- Jennifer Han, Accounting/Compliance Manager, Treasurer-Tax Collector – Treasury Division
- Robin Stieler, Clerk of the Board of Supervisors
- Foreperson, Grand Jury
- Macias Gini & O'Connell LLP, County External Auditor



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Treasurer's Investment Portfolio  
For the Quarter Ended September 30, 2017  
Audit No. 1720*

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# Internal Auditor's Report

Audit No. 1720

November 28, 2017

Gary G. Capata, CPA, Chair, Public Member  
Treasury Oversight Committee  
625 North Ross Street, Building 11  
Santa Ana, California 92701

We have completed the compliance monitoring of the Treasurer's Investment Portfolio for the quarter ended September 30, 2017. The purpose of our engagement was to determine whether the Orange County Investment Pool (OCIP), Orange County Educational Investment Pool (OCEIP), and various other non-pooled investments managed by the Treasurer, such as John Wayne Airport Investment Fund, were in compliance with the applicable provisions of its Investment Policy Statement (IPS) and that instances of noncompliance, including technical incidents, were properly reported in the Treasurer's Monthly Investment Report. It is important to note that the Treasurer further invests pooled funds from the OCIP and OCEIP into three funds: the Orange County Money Market Fund (OCMMF) and the Orange County Educational Money Market Fund (OCEMMF) (collectively referred to as Money Market Funds), and the Extended Fund.

We perform the compliance monitoring of the Treasurer's investment portfolio at the request of the Treasury Oversight Committee. The monitoring is designed to provide limited assurance to the Treasury Oversight Committee and the Office of the Treasurer-Tax Collector that the Treasurer's investment portfolio is in compliance with specific provisions of the IPS, and that instances of noncompliance, technical incidents and required disclosures are properly reported.

Our compliance procedures included judgmentally selecting five (5) business days for testing from each month and importing the selected electronic downloads from the Treasurer's Quantum system into ACL, a computer-assisted audit technique software, to perform calculations and determine whether investment purchases were in compliance with the IPS.

Based on the procedures performed, **no instances of noncompliance were identified**. When applicable, our report also includes information regarding the Treasurer's reporting of technical incidents in the Treasurer's Monthly Investment Reports. The Treasurer defines a technical incident as an event, other than the purchase of a security, which causes an IPS limit to be exceeded. The most common cause of a technical incident is when the total investment pool holdings decrease causing the relative percentage of holdings to increase.



# Internal Auditor's Report

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The following lists the procedures performed and results achieved:

1. **Authorized Investments (IPS Section VI, VII, VIII, IX, XI):** We judgmentally selected a sample of 15 investments purchased during the quarter (one investment for each of the 15 business days selected for testing). For the samples selected, we confirmed that the investments conform to authorized investment requirements in accordance with the IPS. We also confirmed that the investments were purchased from issuers or brokers on the Treasurer's authorized lists.

**Results:** We found no exceptions.

2. **Diversification Compliance (IPS Section VIII.1):** We performed calculations to determine that the Money Market and Extended Fund portfolios met the diversification limits for investment types in accordance with the IPS, and that the John Wayne Airport Investment Fund met those diversification limits as well.

**Results:** We found no exceptions.

3. **Weighted Average Maturity (WAM) Limitations (IPS Section VIII.2):** We performed calculations to determine that WAM did not exceed 60 days for the Money Market Funds in accordance with the IPS and that WAM did not exceed 90 days for the John Wayne Airport Investment Fund.

**Results:** We found no exceptions.

4. **Maximum Maturity Limitations (IPS Section VIII.2):** We confirmed that the maximum maturity of any portfolio instrument purchased did not exceed 13 months (397 days) for the Money Market Funds, 5 years (1,826 days) for US treasury, government sponsored enterprise, and municipal debt securities, and 3 years (1,095 days) for medium-term notes and negotiable certificates of deposits for the Extended Fund, in accordance with the IPS and that the maximum maturity did not exceed 15 months (456 days) for the John Wayne Airport Investment Fund.

**Results:** We found no exceptions.

5. **Investment Type Maximum Maturity Limitations (IPS Section VIII.1):** We confirmed that the maximum maturity of investments purchased for commercial paper, bankers' acceptances, and repurchase agreements did not exceed 270 days for commercial paper, 180 days for bankers' acceptances, or one year (365 days) for repurchase agreements in accordance with the IPS.

**Results:** We found no exceptions.

6. **Issuer Limitations (IPS Section VIII.1):** We performed calculations to determine that the Money Market and Extended Fund portfolios did not exceed the investment limits for issuers in accordance with the IPS, and that the John Wayne Airport Investment Fund did not exceed those investment limits.

**Results:** We found no exceptions.



# Internal Auditor's Report

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7. **Financial Reporting (IPS Section XXI):** We reviewed the investment portfolio for a sample of 15 business days to determine that any instances of non-compliance or technical incidents were properly reported in the Treasurer's Monthly Investment Report in accordance with the IPS.

**Results:** We found no exceptions.

This report is intended solely for the information and use of the Treasury Oversight Committee and the Office of the Treasurer-Tax Collector; however, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eric H. Woolery".

Eric H. Woolery, CPA  
Auditor-Controller

# MONTHLY TREASURER'S INVESTMENT REPORT

## Distribution List

### County of Orange Elected Officials

Honorable Sandra Hutchens, Sheriff-Coroner  
Honorable Hugh Nguyen, Clerk-Recorder  
Honorable Claude Parrish, Assessor  
Honorable Anthony J. Rackauckas, Jr., District Attorney/Public Administrator  
Honorable Eric Woolery, Auditor-Controller

### Treasury Oversight Committee

Gary Capata  
William "Andy" Dunn  
Frank Kim  
Al Mijares  
Laura Parisi  
Richard Rohm  
Eric Woolery

### County of Orange Departments

Assessor  
Auditor-Controller  
Child Support Services  
Clerk of the Board  
Clerk-Recorder  
County Counsel  
County Executive Office  
District Attorney/Public Administrator  
Health Care Agency  
Human Resources Services  
John Wayne Airport  
OC Community Resources  
OC Dana Point Harbor  
OC Public Works  
OC Waste & Recycling  
Independent Review  
Performance Audit  
Probation  
Public Defender  
Registrar of Voters  
Sheriff-Coroner  
Social Services Agency

### County Agencies

Children & Families Commission  
Civic Center Commission  
Law Library  
Orange County Employees Retirement System  
Orange County Cemetery District  
Orange County Fire Authority  
Orange County Transportation Authority  
Transportation Corridor Agencies

### State of California

CDIAC  
Superior Court

### Orange County School Districts

Orange County Department of Education  
Anaheim City School District  
Anaheim Union High School District  
Brea-Olinda Unified School District  
Buena Park School District  
Capistrano Unified School District

Centralia School District  
Cypress School District  
Fountain Valley School District  
Fullerton School District  
Fullerton Joint Union High School District  
Garden Grove Unified School District  
Huntington Beach City School District  
Huntington Beach Union High School District  
Irvine Unified School District  
Laguna Beach Unified School District  
La Habra City School District  
Los Alamitos Unified School District  
Lowell Joint School District  
Magnolia School District  
Newport-Mesa Unified School District  
Ocean View School District  
Orange Unified School District  
Placentia-Yorba Linda Unified School District  
Saddleback Valley Unified School District  
Santa Ana Unified School District  
Savanna School District  
Tustin Unified School District  
Westminster School District

### Orange County Community College Districts (CCD)

Coast Community CCD  
North Orange County CCD  
Rancho-Santiago CCD  
South Orange County CCD

### Orange County Regional Occupational Programs (ROP)

Capistrano-Laguna Beach ROP  
Coastline ROP  
North Orange County ROP

### Voluntary Pool Participants (date approved)

Serrano Water District (6-22-99)  
City of Villa Park (10-2-01)  
City of Tustin (5-21-02)  
Mesa Water District (8-9-02)  
Orange County Water District (3-30-04)  
Municipal Water District of OC (7-27-04)  
Orange County Mosquito and Vector Control District (11-14-06)  
Buena Park Library District (2-9-10)  
Local Agency Formation Commission (10-5-10)  
Villa Park Community Services Foundation (4-5-11)  
City of Laguna Niguel (3-13-14)  
City of Lake Forest (12-16-15)  
Foothill/Eastern TCA (10-14-16)  
San Joaquin Hills TCA (10-14-16)  
Foothill/Eastern TCA/RCC (11-17-16)  
City of Laguna Woods (5-10-17)  
City of Mission Viejo (10-2-17)  
Placentia Library District (10-16-17)



**January 10, 2018**

**To:** Finance and Administration Committee  
**From:** Darrell Johnson, Chief Executive Officer  
**Subject:** Local Agency Investment Fund - November 2017

**Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the State of California Local Agency Investment Fund. Each month, the State Treasurer's office publishes a report detailing the composition of the pool. The attached summary statements from the report are for the month ending November 30, 2017. The report has been reviewed and is consistent with the investment practices of the State Treasurer's Office.

**Recommendation**

Receive and file as an information item.

**Discussion**

As of November 30, 2017, the fair value including accrued interest of the Pooled Money Investment Account (PMIA) was \$68,543,774,941 with a month-average yield of 1.17 percent and a month-end weighted average maturity of 180 days. The Local Agency Investment Fund (LAIF) is a component of the State of California PMIA. The month-end balance of LAIF was \$20,295,134,916. The Orange County Transportation Authority's month-end balance in LAIF was \$10,305,183.

**Summary**

The Orange County Transportation Authority is submitting a copy of the Local Agency Investment Fund statements and summary reports to the Finance and Administration Committee. The statements are for the month ending November 30, 2017.

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**Attachment**

A. Local Agency Investment Fund – As of November 30, 2017

**Prepared by:**



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Rodney Johnson  
Deputy Treasurer  
Treasury/Toll Roads  
(714) 560-5675

**Approved by:**



---

Andrew Oftelie  
Executive Director,  
Finance and Administration  
(714) 560-5649

**ATTACHMENT A**

Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
December 18, 2017

ORANGE COUNTY TRANSPORTATION AUTHORITY

MANAGER, TREASURY/PUBLIC FINANCE  
550 SOUTH MAIN STREET  
P.O. BOX 14184  
ORANGE, CA 92613-1584

PMIA Average Monthly Yields

Account Number:  
80-30-001

Tran Type Definitions

November 2017 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,305,183.21
Total Withdrawal:	0.00	Ending Balance:	10,305,183.21



**JOHN CHIANG  
TREASURER  
STATE OF CALIFORNIA**



**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (In days)
11/13/17	1.17	1.15	194
11/14/17	1.17	1.15	193
11/15/17	1.17	1.15	196
11/16/17	1.17	1.15	196
11/17/17	1.17	1.15	192
11/18/17	1.17	1.15	192
11/19/17	1.17	1.15	192
11/20/17	1.18	1.15	190
11/21/17	1.18	1.15	188
11/22/17	1.18	1.15	184
11/23/17	1.18	1.15	184
11/24/17	1.18	1.15	184
11/25/17	1.18	1.15	184
11/26/17	1.18	1.16	184
11/27/17	1.18	1.16	180
11/28/17	1.18	1.16	183
11/29/17	1.18	1.16	182
11/30/17	1.19	1.16	180
12/01/17	1.19	1.16	190
12/02/17	1.19	1.16	190
12/03/17	1.19	1.16	190
12/04/17	1.19	1.16	192
12/05/17	1.20	1.16	190
12/06/17	1.20	1.16	189
12/07/17	1.21	1.16	188
12/08/17	1.21	1.16	191
12/09/17	1.21	1.16	191
12/10/17	1.21	1.16	191
12/11/17	1.21	1.16	189
12/12/17	1.22	1.16	191
12/13/17	1.22	1.16	190

\*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

**LAIF Performance Report**

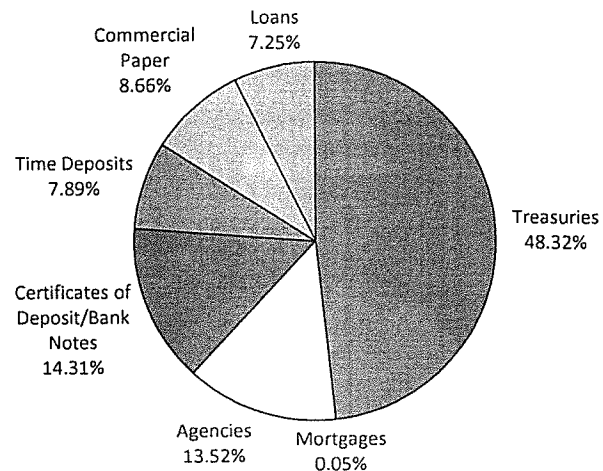
**Quarter Ending 09/30/17**

Apportionment Rate: 1.07%  
 Earnings Ratio: .00002942867511750  
 Fair Value Factor: .999042071  
 Daily: 1.11%  
 Quarter to Date: 1.08%  
 Average Life: 190

**PMIA Average Monthly  
Effective Yields**

Nov 2017 1.172  
 Oct 2017 1.143  
 Sept 2017 1.111

**Pooled Money Investment Account  
Portfolio Composition  
11/30/17  
\$68.5 billion**





# State of California

## Pooled Money Investment Account

### Market Valuation

### 11/30/2017

Carrying Cost Plus			
Description	Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 13,969,325,989.32	\$ 14,024,500,000.00	NA
Notes	\$ 19,124,715,869.93	\$ 19,038,802,000.00	\$ 45,201,432.00
Federal Agency:			
SBA	\$ 880,598,988.60	\$ 870,067,213.02	\$ 1,107,235.07
MBS-REMICs	\$ 33,799,340.26	\$ 34,948,276.74	\$ 158,107.23
Debentures	\$ 1,378,152,182.04	\$ 1,370,687,750.00	\$ 2,839,245.80
Debentures FR	\$ -	\$ -	\$ -
Debentures CL	\$ 250,000,000.00	\$ 247,756,500.00	\$ 1,389,944.00
Discount Notes	\$ 6,254,318,721.96	\$ 6,272,398,000.00	NA
GNMA	\$ -	\$ -	\$ -
Supranational Debentures	\$ 450,315,184.02	\$ 447,873,000.00	\$ 966,424.00
Supranational Debentures FR	\$ 50,000,000.00	\$ 50,064,000.00	\$ 99,266.51
CDs and YCDs FR	\$ 625,000,000.00	\$ 625,000,000.00	\$ 1,811,907.84
Bank Notes	\$ 500,000,000.00	\$ 499,826,177.96	\$ 1,657,111.13
CDs and YCDs	\$ 8,675,000,000.00	\$ 8,673,927,950.18	\$ 28,617,875.03
Commercial Paper	\$ 5,927,555,791.62	\$ 5,938,449,524.98	NA
Corporate:			
Bonds FR	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -
Time Deposits	\$ 5,404,240,000.00	\$ 5,404,240,000.00	NA
AB 55 & GF Loans	\$ 4,961,386,000.00	\$ 4,961,386,000.00	NA
TOTAL	\$ 68,484,408,067.75	\$ 68,459,926,392.88	\$ 83,848,548.61

Fair Value Including Accrued Interest

\$ 68,543,774,941.49

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).



*January 10, 2018*

**To:** Finance and Administration Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Orange County Transportation Authority Investment and Debt Programs Report - November 2017

**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 November 30, 2017. 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 November 30, 2017, the Orange County Transportation Authority's (OCTA) outstanding investments totaled approximately \$1.4 billion. The portfolio is divided into two managed portfolios: the liquid portfolio for immediate cash needs and the short-term 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. The weighted average book yield for the OCTA portfolio is 1.48 percent.

OCTA's debt portfolio had an outstanding principal balance of \$421.6 million as of November 30, 2017. Approximately 75 percent of the outstanding balance is comprised of Measure M2 debt and 25 percent is associated with the 91 Express Lanes Program.

***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 November 30, 2017.

***Attachment***

- A. Orange County Transportation Authority Investment and Debt Programs  
– For the Period Ending November 30, 2017.

**Prepared by:**



Rodney Johnson  
Deputy Treasurer  
Treasury/Toll Roads  
(714) 560-5675

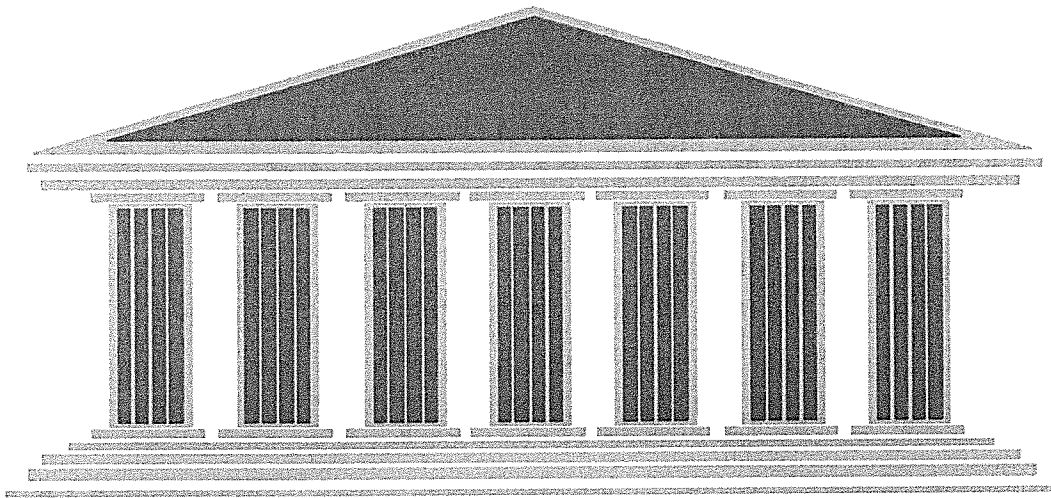
**Approved by:**



Andrew Oftelie  
Executive Director,  
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  
November 30, 2017**

# INVESTMENT PROGRAM

# Investment Profile

## As of 11/30/17

---

<u>Portfolio Manager</u>	<u>Depository</u>	<u>Role</u>	<u>Type of Investment</u>	<u>Amount (\$ Millions)</u>
<i>ACTIVELY MANAGED INVESTMENTS</i>				
JP Morgan	Union Bank	Custodian	Short-Term Operating	315.3
State Street Global Advisors	Union Bank	Custodian	Short-Term Operating	314.4
Payden & Rygel Investment Counsel	Union Bank	Custodian	Short-Term Operating	315.1
Western Asset Management	Union Bank	Custodian	Short-Term Operating	314.4
<i>POOLED INVESTMENTS</i>				
California State Treasurer	LAIF	Custodian	Liquid	10.3
Orange County Treasurer	OCIP	Custodian	Legal Requirement	0.1
<i>CASH INVESTMENTS</i>				
OCTA	BNY Mellon	Trustee	Liquid	37.2
OCTA	Bank of the West	Broker	Liquid	30.0
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	10.9
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				0.2
<b>TOTAL</b>				<b>\$1,360.9</b>

# Short-Term Portfolio - \$1.26 Billion

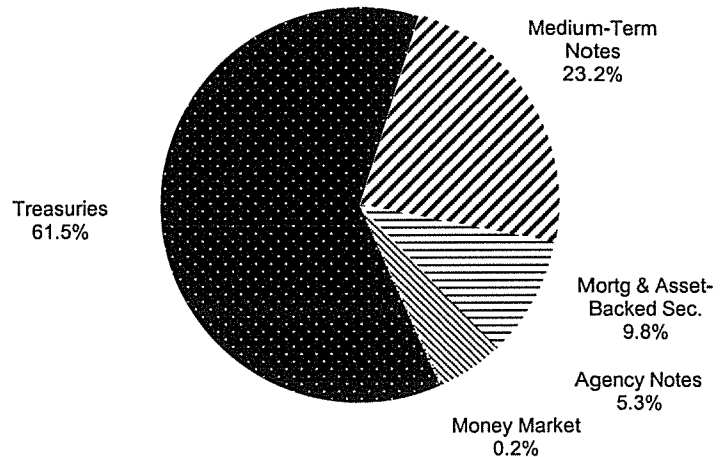
As of 11/30/17

Part 1 of 2

## JP Morgan

Book Value           \$   315,291,002

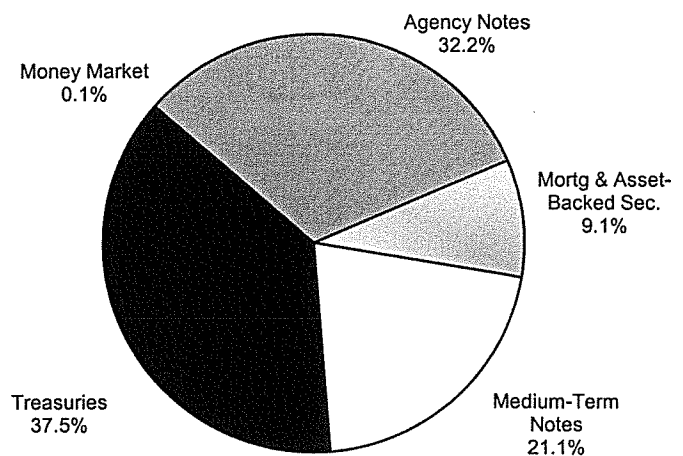
Market Value         \$   311,434,250



## State Street Global

Book Value           \$   314,413,772

Market Value         \$   312,172,375



*Market Value Reported By Custodial Bank*

# Short-Term Portfolio - \$1.26 Billion

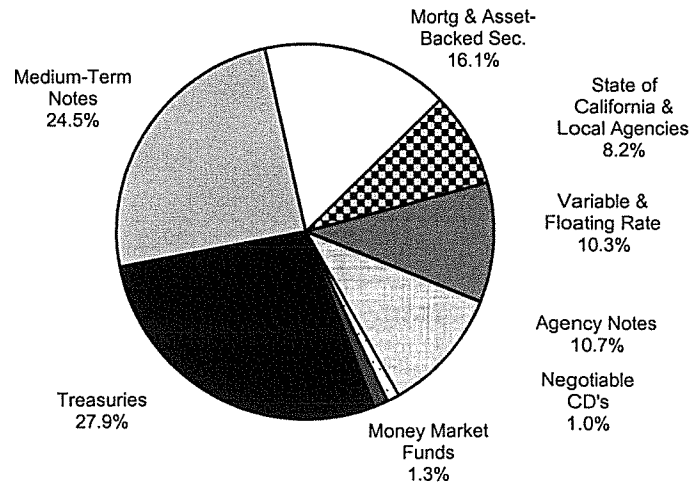
## As of 11/30/17

### Part 2 of 2

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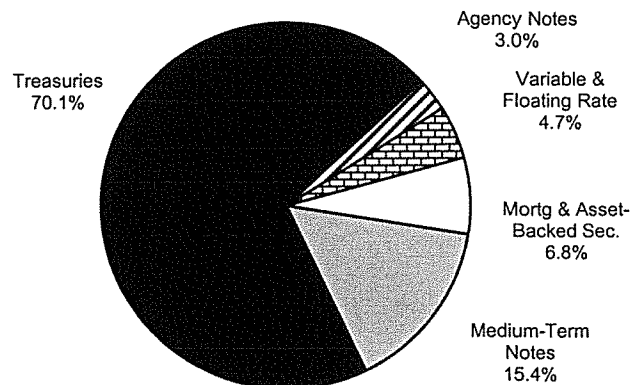
#### Payden & Rygel

Book Value	\$	315,052,586
Market Value	\$	313,171,117



#### Western Asset Management

Book Value	\$	314,416,226
Market Value	\$	312,846,067

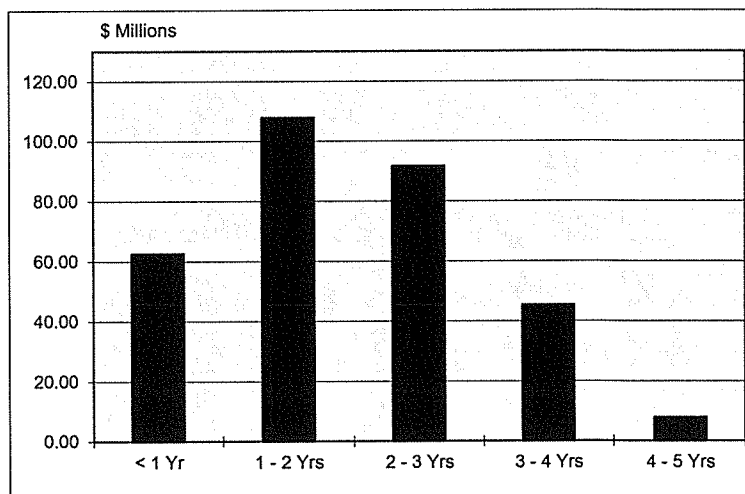


# Short-Term Portfolio Maturity Schedule

## As of 11/30/17

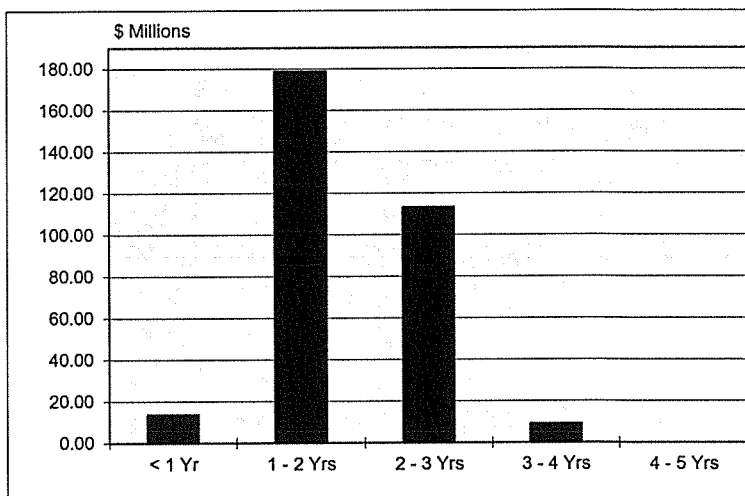
### JP Morgan (\$315.3 M)

Monthly Return	-0.17%
TSY Benchmark	-0.20%
Gov/Corp Benchmark	-0.20%
Fiscal YTD Return	0.16%
TSY Benchmark	-0.02%
Gov/Corp Benchmark	0.07%
12 Month Return	0.89%
TSY Benchmark	0.44%
Gov/Corp Benchmark	0.72%



### State Street Global (\$314.4 M)

Monthly Return	-0.21%
Benchmark Comparison	-0.20%
Gov/Corp Benchmark	-0.20%
Fiscal YTD Return	0.05%
TSY Benchmark	-0.02%
Gov/Corp Benchmark	0.07%
12 Month Return	0.73%
TSY Benchmark	0.44%
Gov/Corp Benchmark	0.72%



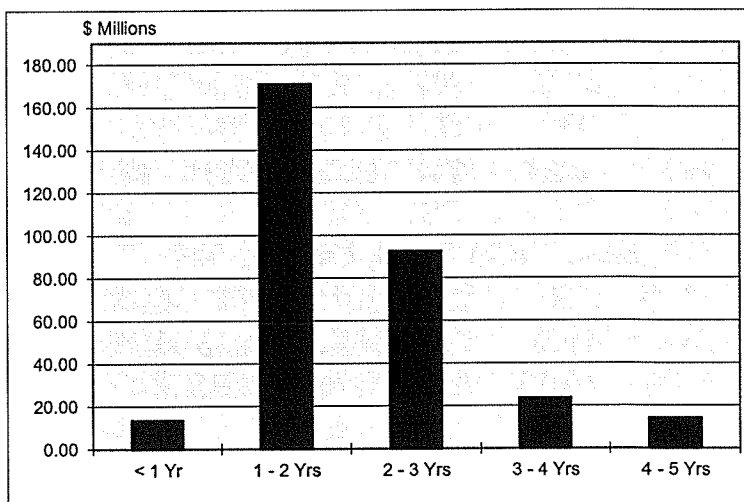
Yield Curve Change From 10/31/17 to 11/30/17			
	10/31/17	11/30/17	Change
1 Year	1.426%	1.612%	0.1860%
2 Year	1.602%	1.784%	0.1820%
3 Year	1.727%	1.893%	0.1660%
5 Year	2.017%	2.138%	0.1210%
30 Year	2.880%	2.828%	-0.0520%

# Short-Term Portfolio Maturity Schedule

## As of 11/30/17

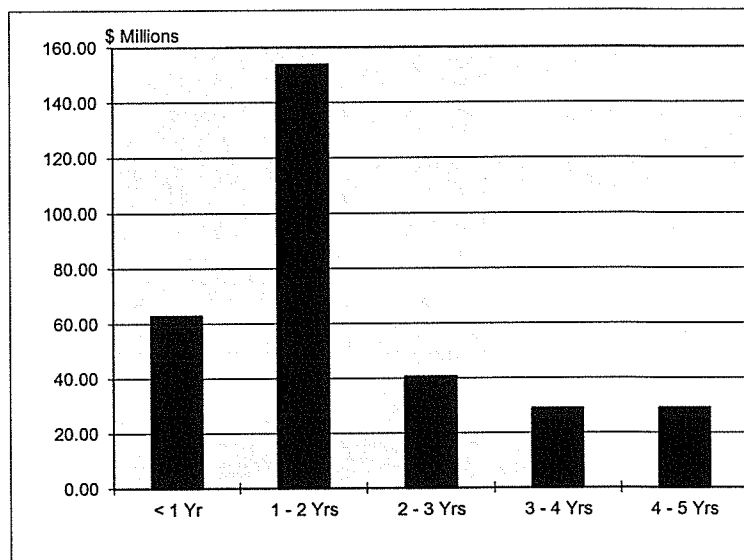
### Payden & Rygel (\$315.1 M)

Monthly Return	-0.14%
TSY Benchmark	-0.20%
Gov/Corp Benchmark	-0.20%
Fiscal YTD Return	0.23%
TSY Benchmark	-0.02%
Gov/Corp Benchmark	0.07%
12 Month Return	0.96%
TSY Benchmark	0.44%
Gov/Corp Benchmark	0.72%



### Western Asset Management (\$314.4 M)

Monthly Return	-0.19%
TSY Benchmark	-0.20%
Gov/Corp Benchmark	-0.20%
Fiscal YTD Return	0.11%
TSY Benchmark	-0.02%
Gov/Corp Benchmark	0.07%
12 Month Return	0.94%
TSY Benchmark	0.44%
Gov/Corp Benchmark	0.72%



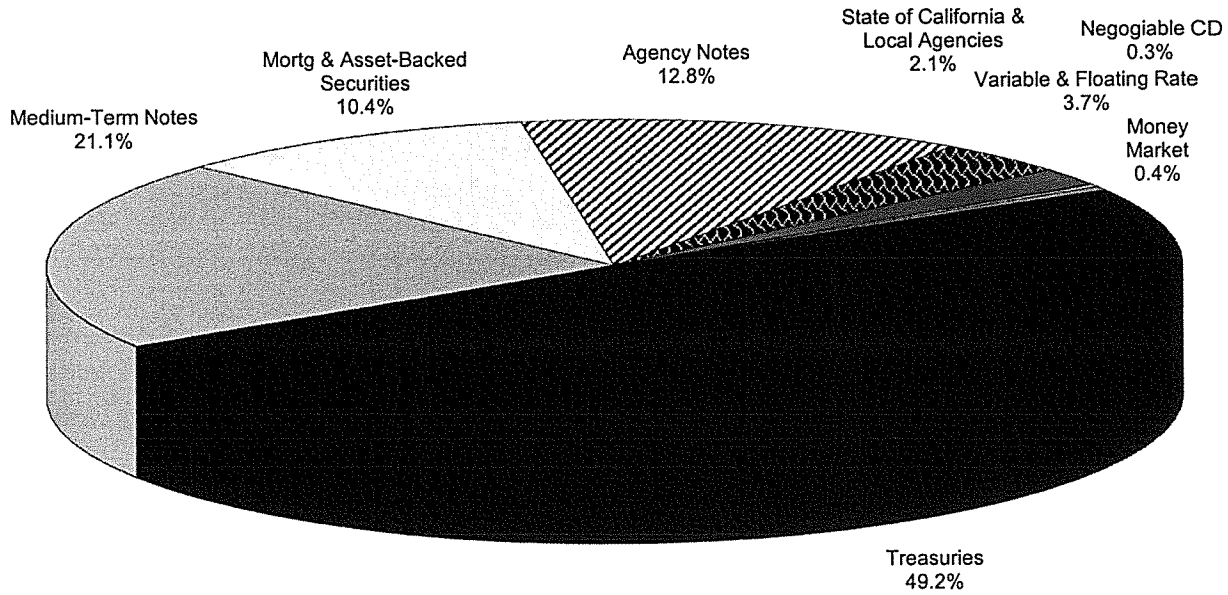
Yield Curve Change From 10/31/17 to 11/30/17			
	10/31/17	11/30/17	Change
1 Year	1.426%	1.612%	0.1860%
2 Year	1.602%	1.784%	0.1820%
3 Year	1.727%	1.893%	0.1660%
5 Year	2.017%	2.138%	0.1210%
30 Year	2.880%	2.828%	-0.0520%

# Short-Term Portfolio

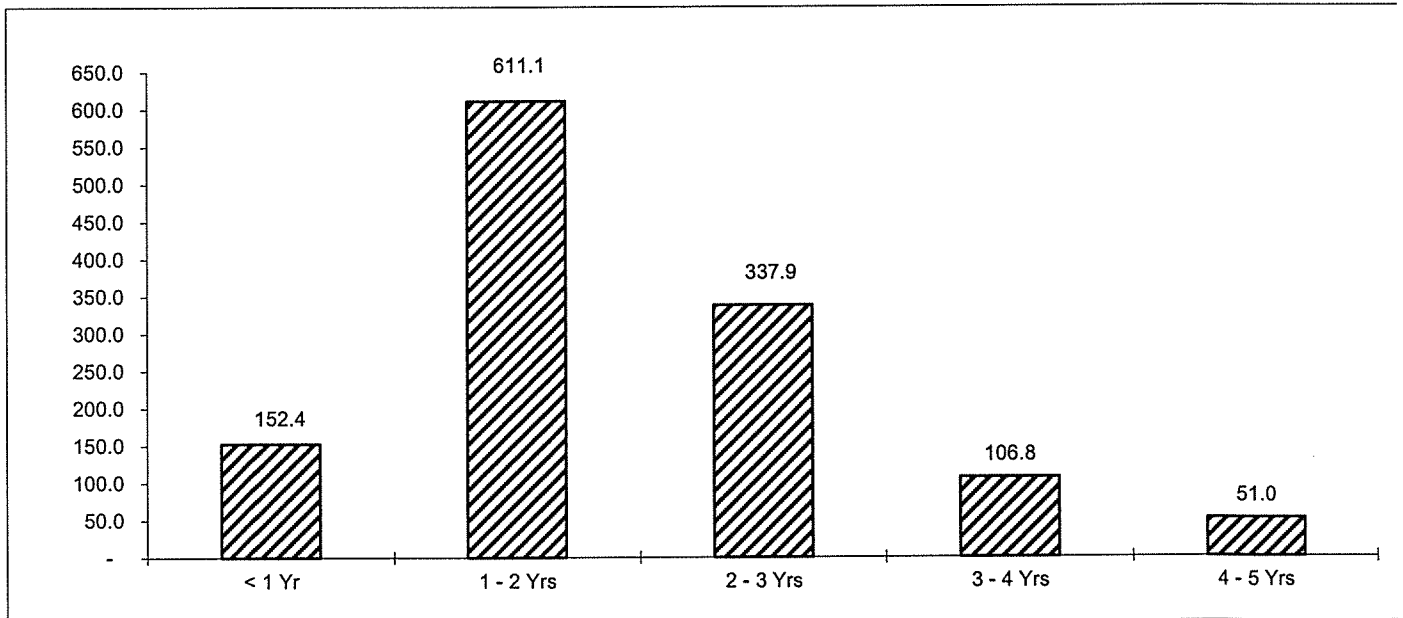
## As of 11/30/17

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### Total Portfolio Composition



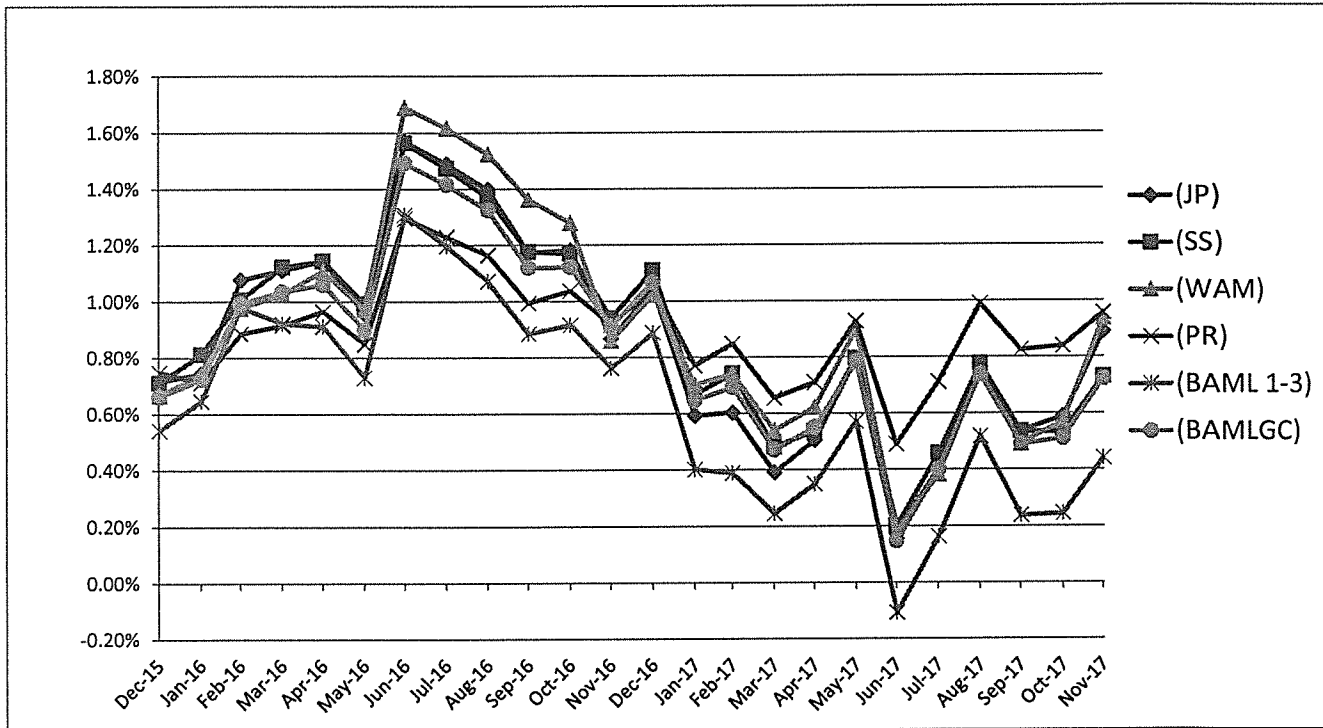
### Total Portfolio Maturity Schedule



# Short-Term Portfolio Performance

## As of 11/30/17

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

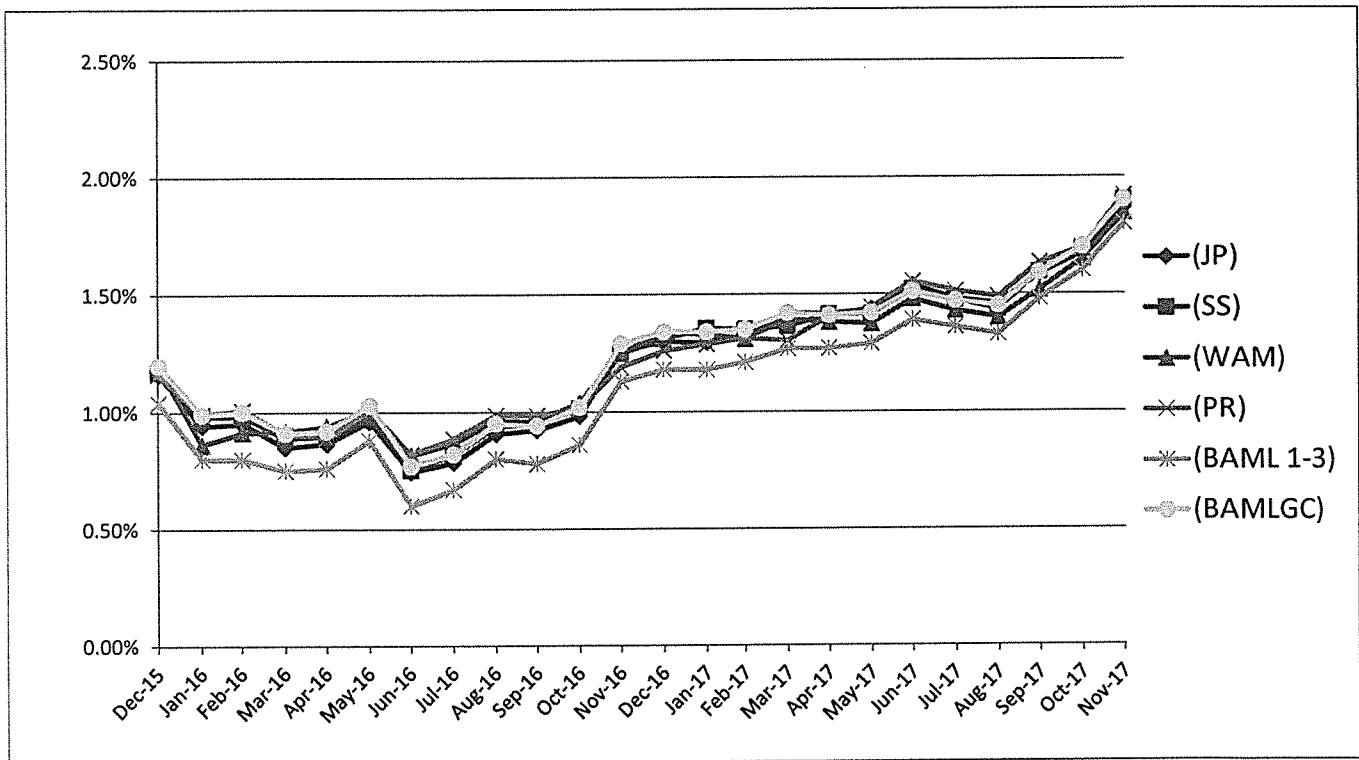


	JP Morgan (JP)	State Street (SS)	Western Asset Mgmt (WAM)	Payden & Rygel (PR)	BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Dec-15	0.72%	0.71%	0.67%	0.75%	0.54%	0.66%
Jan-16	0.74%	0.81%	0.74%	0.71%	0.65%	0.72%
Feb-16	1.08%	1.01%	0.98%	0.89%	0.98%	0.99%
Mar-16	1.11%	1.12%	1.03%	0.92%	0.92%	1.04%
Apr-16	1.15%	1.14%	1.11%	0.96%	0.91%	1.06%
May-16	0.96%	0.99%	0.97%	0.85%	0.73%	0.90%
Jun-16	1.57%	1.56%	1.69%	1.30%	1.31%	1.49%
Jul-16	1.49%	1.47%	1.62%	1.23%	1.20%	1.42%
Aug-16	1.40%	1.37%	1.52%	1.16%	1.07%	1.32%
Sep-16	1.17%	1.18%	1.36%	0.99%	0.88%	1.12%
Oct-16	1.18%	1.17%	1.28%	1.04%	0.92%	1.12%
Nov-16	0.87%	0.94%	0.86%	0.92%	0.76%	0.91%
Dec-16	1.04%	1.11%	1.02%	1.05%	0.89%	1.07%
Jan-17	0.59%	0.67%	0.70%	0.77%	0.40%	0.65%
Feb-17	0.60%	0.74%	0.74%	0.85%	0.39%	0.69%
Mar-17	0.39%	0.48%	0.54%	0.65%	0.25%	0.47%
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%

# Comparative Yield Performance

## As of 11/30/17

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



	JP Morgan (JP)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Dec-15	1.16%	1.17%	1.19%	1.16%	1.04%	1.20%
Jan-16	0.94%	0.98%	0.86%	0.99%	0.80%	0.99%
Feb-16	0.95%	0.98%	0.91%	1.01%	0.80%	1.00%
Mar-16	0.85%	0.89%	0.92%	0.91%	0.75%	0.91%
Apr-16	0.87%	0.90%	0.94%	0.89%	0.76%	0.92%
May-16	0.96%	0.98%	1.01%	1.01%	0.88%	1.03%
Jun-16	0.74%	0.75%	0.82%	0.82%	0.60%	0.77%
Jul-16	0.79%	0.82%	0.87%	0.89%	0.67%	0.82%
Aug-16	0.91%	0.94%	0.96%	0.99%	0.80%	0.95%
Sep-16	0.92%	0.95%	0.96%	0.98%	0.78%	0.94%
Oct-16	0.98%	1.02%	1.04%	1.02%	0.86%	1.02%
Nov-16	1.26%	1.25%	1.25%	1.19%	1.13%	1.29%
Dec-16	1.30%	1.31%	1.34%	1.26%	1.18%	1.34%
Jan-17	1.29%	1.36%	1.33%	1.29%	1.18%	1.34%
Feb-17	1.32%	1.35%	1.31%	1.31%	1.21%	1.35%
Mar-17	1.42%	1.36%	1.39%	1.30%	1.27%	1.42%
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%

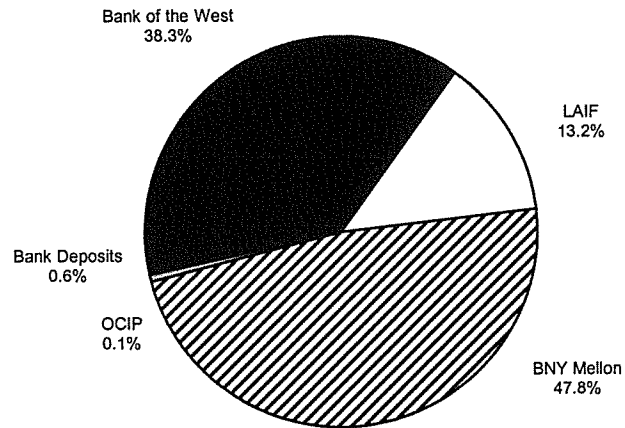
# Liquid Funds Portfolio - \$77.8 M

## As of 11/30/17

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### Other Liquid Funds

Book Value	\$	77,812,469
Market Value	\$	77,812,469



Yield Curve Change From 10/31/17 to 11/30/17			
	<u>10/31/17</u>	<u>11/30/17</u>	<u>Change</u>
1 Month	0.975%	1.128%	0.1530%
3 Month	1.132%	1.260%	0.1280%
6 Month	1.281%	1.440%	0.1590%

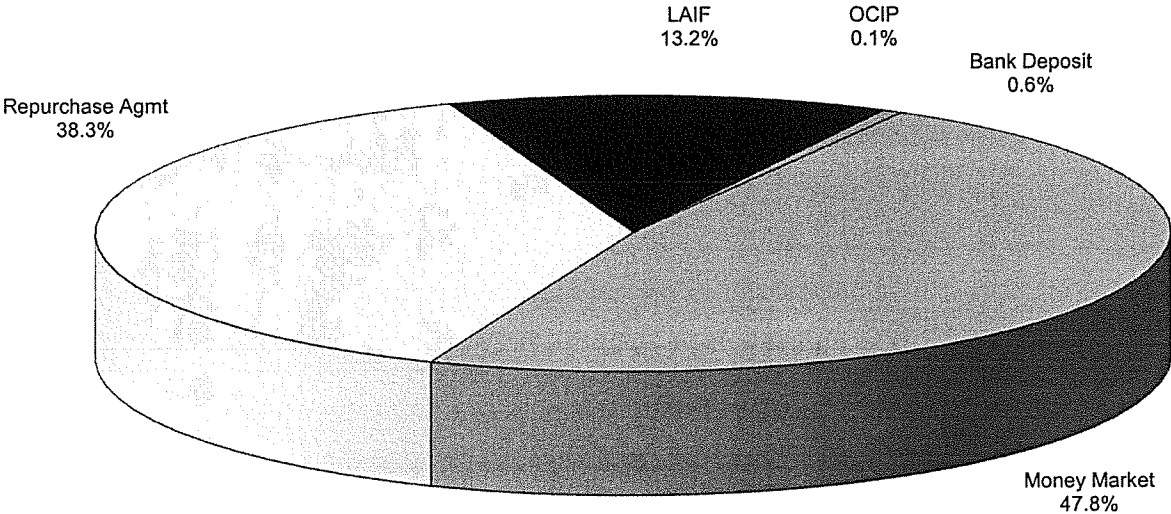
Market Value Reported By Custodial Bank

# Liquid Portfolio

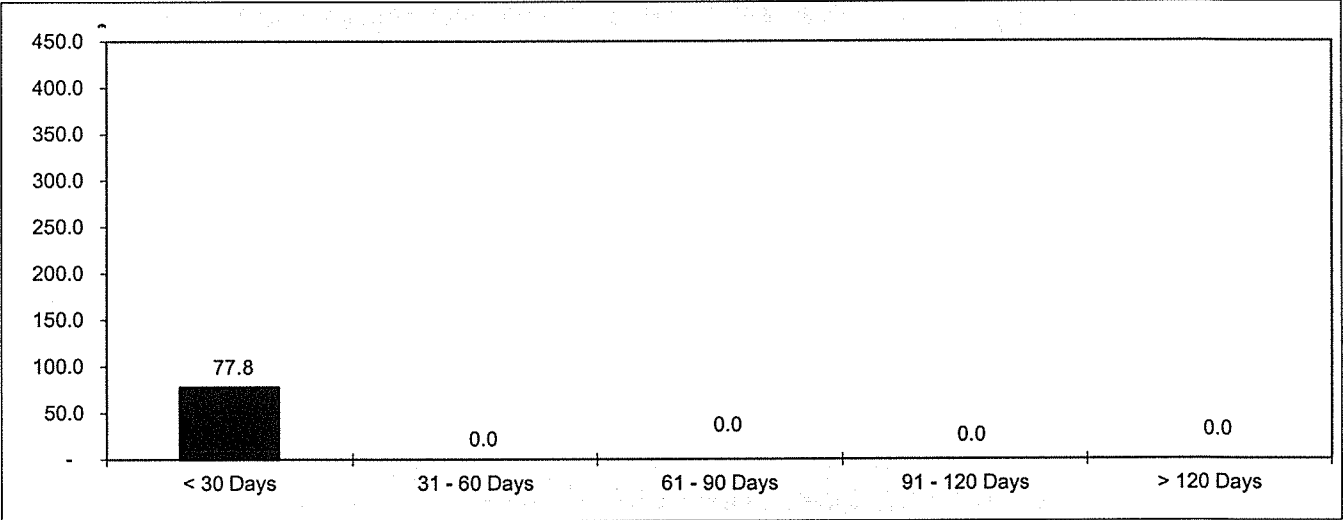
## As of 11/30/17

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**Total Portfolio Composition**



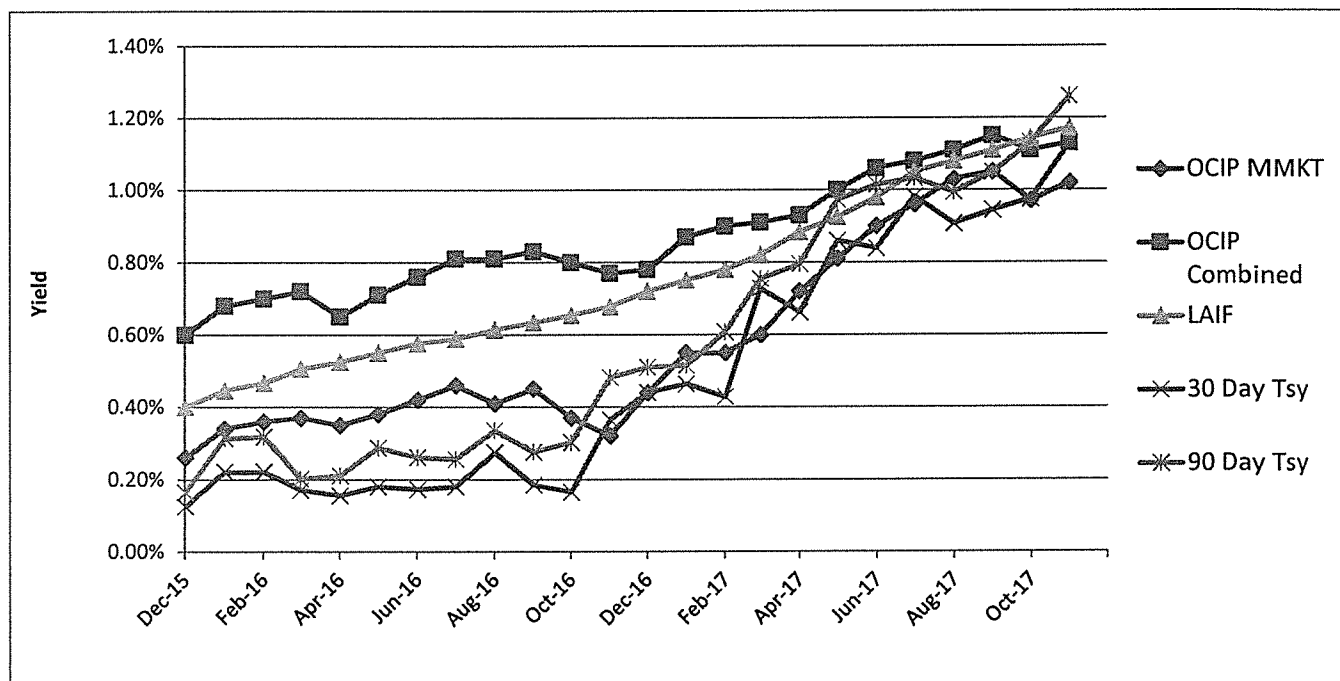
**Maturity Schedule For Liquid Portfolio**



# Liquid Portfolio Performance

## As of 11/30/17

### Trailing 2-Year Yield OCIP, LAIF, 30 & 90 Day Treasury Bills



	OCIP MMKT	OCIP Combined	LAIF	30 Day Tsy	90 Day Tsy
Dec-15	0.26%	0.60%	0.40%	0.13%	0.17%
Jan-16	0.34%	0.68%	0.45%	0.22%	0.31%
Feb-16	0.36%	0.70%	0.47%	0.22%	0.32%
Mar-16	0.37%	0.72%	0.51%	0.17%	0.20%
Apr-16	0.35%	0.65%	0.53%	0.16%	0.21%
May-16	0.38%	0.71%	0.55%	0.18%	0.29%
Jun-16	0.42%	0.76%	0.58%	0.17%	0.26%
Jul-16	0.46%	0.81%	0.59%	0.18%	0.26%
Aug-16	0.41%	0.81%	0.61%	0.27%	0.34%
Sep-16	0.45%	0.83%	0.63%	0.19%	0.28%
Oct-16	0.37%	0.80%	0.65%	0.17%	0.30%
Nov-16	0.32%	0.77%	0.68%	0.37%	0.48%
Dec-16	0.44%	0.78%	0.72%	0.44%	0.51%
Jan-17	0.55%	0.87%	0.75%	0.46%	0.52%
Feb-17	0.55%	0.90%	0.78%	0.43%	0.61%
Mar-17	0.60%	0.91%	0.82%	0.73%	0.75%
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%

# Investment Policy Compliance

## As of 11/30/17

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	619,916,200	45.6%	100%
Federal Agencies & U.S. Government Sponsored *	161,204,180	11.8%	100%
State of California & Local Agencies	25,850,408	1.9%	25%
Money Market Funds & Mutual Funds	42,432,991	3.1%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	3,250,000	0.2%	30%
Commercial Paper	23,917,171	1.8%	25%
Medium Term Maturity Corporate Securities	265,277,925	19.5%	30%
Mortgage and Asset-backed Securities	131,243,301	9.6%	10%
Repurchase Agreements	29,760,483	2.2%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund (LAIF)	10,305,183	0.8%	\$ 40 Million
Orange County Investment Pool (OCIP)	66,363	0.0%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	47,218,430	3.5%	30%
Debt Service Reserve Funds - Investment Agreements	0	0.0%	Not Applicable
Bank Deposits	461,912	0.0%	5%
Derivatives (hedging transactions only)	0	0.0%	5%
<b>TOTAL</b>	<b>1,360,904,546</b>	<b>100.0%</b>	

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

# Investment Policy Compliance

## As of 11/30/17

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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>
<u>Federal Agencies &amp; U.S. Government Sponsored</u>			
Federal Home Loan Bank (FHLB)	63,947,997	4.7%	35%
Federal Home Loan Mortgage Corporation (FHLMC)	73,918,839	5.4%	35%
Federal Farm Credit Bank (FFCB)	9,190,000	0.7%	35%
Federal National Mortgage Association (FNMA)	56,282,821	4.1%	35%
	203,339,657 *	14.9%	

\* 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.

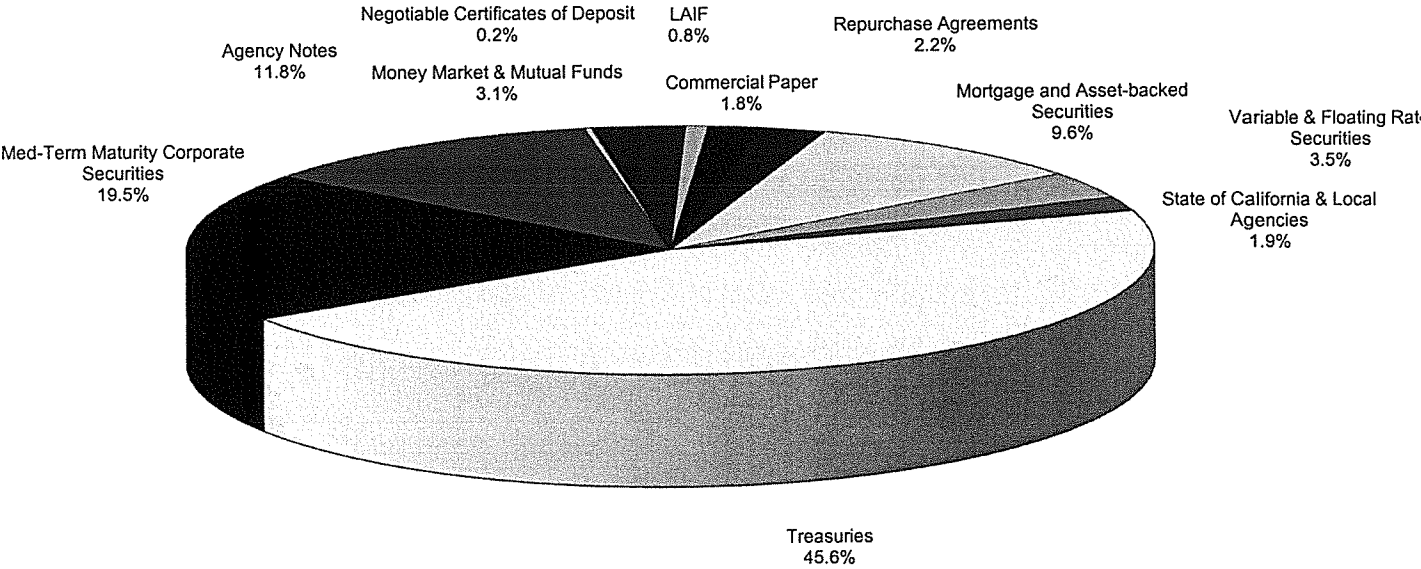
### Money Market Funds (MMF) & Mutual Funds

First American Obligations Treasury Fund	2,950	0.0%
Goldman Sach Fin. Square Govt. MMF	0	0.0%
Blackrock Institutional T-Fund	5,213,143	0.4%
Fidelity Treasury Obligations MMF	19,158,887	1.4%
Federated Treasury Obligations Fund	<u>18,058,011</u>	<u>1.3%</u>
	42,432,991	3.1%

# Investment Allocation

## As of 11/30/17

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# Negative Credit Watch

## As of 11/30/17

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<u>Manager / Security</u>	<u>Par Amount</u>	<u>Maturity</u>	<u>S&amp;P</u>	<u>Moody's</u>	<u>Fitch Ratings</u>
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### JPM

<i>Bayer US Financial</i>	200,000	10/8/2019	A-	A3	NA
During May 2016, Standard & Poor's and Moody's placed the long-term ratings of Bayer Financial under review for possible downgrade.					

<i>General Electric Cap Corp</i>	150,000	2/11/2021	A+	A3	A
On October 20, 2017, Standard & Poor's placed the long-term ratings of General Electric Capital Corp under review for possible downgrade.					

<i>General Electric</i>	1,200,000	Various	AA-	A2	A+
On October 20, 2017, Standard & Poor's placed the long-term ratings of General Electric under review for possible downgrade.					

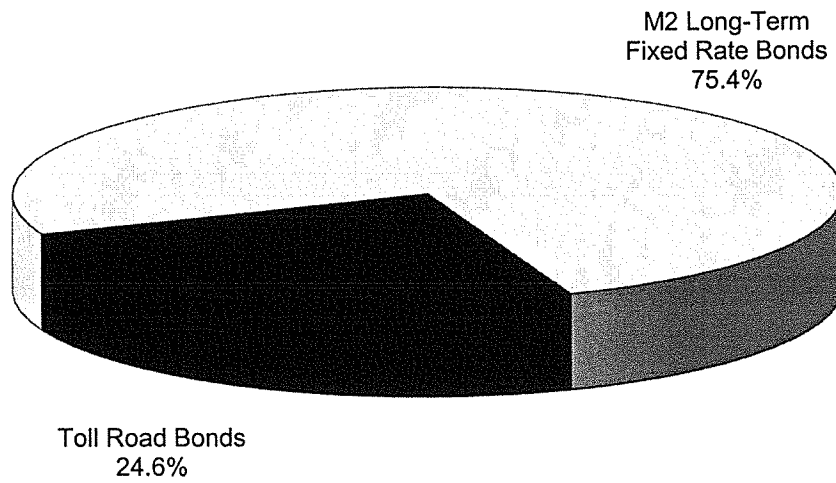
## DEBT PROGRAM

# Total Outstanding Debt

## As of 11/30/17

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### Outstanding Debt



**TOTAL OUTSTANDING DEBT:     \$421,615,000**

# Outstanding Debt

## As of 11/30/17

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

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

Issued:	\$	293,540,000
Outstanding:	\$	293,540,000
Debt Service FY 2018:		13,409,389
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:	\$	24,470,000
Debt Service FY 2018:		8,913,100
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings		Aa2/AA+/AA+
Final Maturity		2020

### 91 Express Lanes

#### 2013 OCTA 91 Express Lanes Refunding Bonds

Issued:	\$	124,415,000
Outstanding:		103,605,000
Debt Service FY 2018:		10,794,700
Pledged Revenue Source:	91 Toll Road Revenues	
Underlying Ratings		A1/AA-/A
Final Maturity		2030

### 405 Express Lanes

#### 2017 TIFIA Loan

Outstanding:	\$	0
Debt Service FY 2018:		0
Pledged Revenue Source:	405 Toll Road Revenues	
Ratings		Baa2/BBB-/BBB-
Final Maturity		2058



**January 10, 2018**

**To:** Finance and Administration Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Award of Sole Source Agreement with Xerox Corporation for Ink, Parts, Supplies, Printing, Equipment Repair, and Maintenance

**Overview**

The Orange County Transportation Authority's print shop utilizes Xerox manufactured equipment to complete the majority of print requirements for various departments within the organization. A new sole source purchase order is required in order to accommodate usage of the Xerox 800 color press through September 30, 2018.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-7-2110 between the Orange County Transportation Authority and Xerox Corporation, in the amount of \$100,000, for printing costs, equipment repair, and maintenance of the Xerox 800 color press through September 30, 2018.
- B. Add the Xerox 800 and 1000i color presses to the Orange County Transportation Authority's Fiscal Year 2017-18 Sole Source List for Licensing and Maintenance Agreements.

**Background**

The Orange County Transportation Authority's (OCTA) Print and Reprographics shop within the General Services Department produces print jobs for a variety of items such as Board of Directors (Board) agendas, service change information, rider alerts, marketing materials, outreach information, financial documents, Measure M2 materials, forms, business cards, and letterhead. OCTA's Print and Reprographics shop utilizes Xerox Corporation's (Xerox) production equipment to meet the reprographic requirements of OCTA. The Xerox production equipment utilized for the various print jobs includes a Xerox Docutech 6135 (2003) black and white copier, Xerox Nuvera 120 (2007) black

and white copier, a Xerox 800 (2013) color press, and a Xerox 1000i (2016) color press. OCTA has sole source agreements with Xerox to provide maintenance for each of the Xerox copiers owned by OCTA. As part of the maintenance agreements, Xerox provides ink, parts, supplies, and all maintenance, including the cost of labor for repairs of each copier/color press. Xerox invoices OCTA a flat rate each month for maintenance and a separate fee based on the number of prints produced by each machine.

Each year, in conjunction with approval of the budget, the Board approves OCTA's software and hardware licensing and maintenance agreements. The annual licensing and maintenance agreements are executed with each hardware and software developer on a sole source basis. The Sole Source List includes licensing and maintenance agreements, as well as emergency support after hours, weekends and holidays, and the budget amounts by vendor and product.

### ***Discussion***

During the development of the fiscal year (FY) 2017-18 budget, two Xerox color presses model numbers 800 and 1000i were inadvertently not included within the Sole Source List for licensing and maintenance agreements. Though the Board did approve the budget necessary to operate both presses as part of the budget and Sole Source List, the specific model numbers were not included on the list. As a result, Board approval is required to add both presses to the FY 2017-18 Sole Source List for Licensing and Maintenance Agreements.

The contract for the 800i color press expired on September 30, 2017. OCTA has received pricing from Xerox that will cover a one-year period through September 30, 2018. Staff is asking the Board for authorization to move forward with an agreement purchase order in the amount of \$100,000 for printing costs, equipment repair, and maintenance of the Xerox 800 color press through September 30, 2018.

### ***Procurement Approach***

This procurement was handled in accordance with OCTA Board-approved policies and procedures for a sole source procurement. Xerox is the manufacturer and exclusive owner of all proprietary rights for Xerox printers. Therefore, Xerox is the sole entity to provide maintenance and repair of the Xerox 800 color press. Awarding this contract to Xerox will allow the Print and Reprographics shop to continue producing print jobs for OCTA. Based on their technical ability and financial status, Xerox is deemed responsible.

Xerox's price proposal was reviewed by staff from the Contracts Administration and Materials Management Department (CMM) and the General Services Department to ensure compliance with the contract terms and conditions, as well as the technical requirements. In accordance with OCTA's procurement policies and procedures, a sole source procurement over \$50,000 requires OCTA's Internal Audit Department (IA) to conduct a price review. IA compared the Xerox rates quoted to OCTA to the Xerox rates offered to the General Services Administration. As recommended by IA, CMM will use the audit findings as the basis of negotiations with Xerox for the printing costs, equipment repair, and maintenance of the Xerox 800 color press.

#### **Fiscal Impact**

There is no fiscal impact to the FY 2017-18 budget. The maintenance budgets for both color presses were included within the FY 2017-18 OCTA Budget, and were included in the OCTA Licensing and Maintenance Agreements Sole Source List in the Fiscal Year 2017-18 Budget.

#### **Summary**

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute sole source Purchase Order No. C-7-2110 between the Orange County Transportation Authority and Xerox Corporation, in the amount of \$100,000, for printing costs, equipment repair, and maintenance of the Xerox 800 color presses through September 30, 2018. Staff also recommends that model numbers for both of the Xerox color presses be added to the Fiscal Year 2017-18 Sole Source List for Licensing and Maintenance Agreements.

***Attachment***

None

**Prepared by:**



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Sean Murdock  
Director,  
Finance and Administration  
714-560-5685

**Approved by:**



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Andrew Oftelie  
Executive Director,  
Finance and Administration  
714-560-5649



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Virginia Abadessa  
Director, Contracts Administration and  
Materials Management  
714-560-5623



**January 10, 2018**

**To:** Finance and Administration Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Appointment of the Orange County Transportation Authority Treasurer

### **Overview**

Under the California Government Code, the governing body of a local agency has the authorization to appoint a Treasurer to invest, reinvest, purchase, exchange, sell, or manage public funds. Senate Bill 109 limits the delegation of the investment function by the governing body to its Treasurer to a one-year period. Recent changes within the organizational structure at the Orange County Transportation Authority have required an appointment of a new agency Treasurer.

### **Recommendations**

- A. Appoint the Executive Director of Finance and Administration as the Treasurer of Orange County Transportation Authority and its affiliated agencies, effective January 22, 2018.
- B. Authorize the Treasurer to invest or reinvest Orange County Transportation Authority funds for the remaining duration of Fiscal Year 2017-18.

### **Background**

Prior to the Orange County bankruptcy, the Orange County Transportation Authority (OCTA) deposited revenues in the Orange County Investment Pool managed by the County of Orange Treasurer. On December 6, 1994, the County of Orange filed for bankruptcy. Following the bankruptcy, OCTA took immediate steps to diversify and control the investment of its funds. The first step occurred on December 12, 1994, when the OCTA's Board of Directors (Board) approved the appointment of the Chief Executive Officer (CEO) as the Treasurer for OCTA and its affiliated agencies. In addition, the

CEO was given the authorization to delegate the duties of the Treasurer. Another important step involved the creation of a treasury function within OCTA. OCTA, with the assistance of various consultants, developed the necessary organizational structure, procedures, and policy manuals for implementing a treasury function.

In 1995, the Treasury/Public Finance Department was created at OCTA. The responsibilities of the department included management of OCTA's cash flow requirements, overseeing and directing the investment of cash assets, monitoring the performance of investment managers, and developing financing strategies to support operational goals and capital programs/acquisitions.

For the next two and a half years, OCTA's treasury duties were delegated by the CEO to the Director of Finance and Administration. The Director of Finance and Administration had been actively involved in the day-to-day investment decision-making process and the management of OCTA's investment program. Therefore, in 1997, the Board appointed the Director of Finance and Administration as the Treasurer for OCTA.

After years of serving as OCTA's Treasurer, the Director of Finance and Administration delegated his treasury responsibilities to the Treasury/Public Finance Manager. The day-to-day operations and responsibilities of the Treasurer function progressively migrated from the Director of Finance and Administration to the Treasury/Public Finance Manager. In 2004, the Board formalized this transition of responsibilities and appointed the Treasury/Public Finance Manager as OCTA's Treasurer.

In 2006, the Toll Roads Department, which oversees the operations of the 91 Express Lanes, was merged with the Treasury/Public Finance Department to form the Treasury/Toll Roads Department within the Finance and Administration Division. The 91 Express Lanes was acquired by OCTA in 2003, and the acquisition team included the Director of Finance and Administration, the Treasury/Public Finance Manager, and other representatives from OCTA. The combination of the Treasury/Public Finance and Toll Roads departments made sense since the Treasury/Public Finance Manager was knowledgeable about the operational details of the 91 Express Lanes from the acquisition.

### ***Discussion***

In 2015, the Board agreed to terms with the California Department of Transportation and approved moving forward with the Interstate 405 (I-405) Improvement Project (I-405 Project). The I-405 Project will add one general

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purpose lane and will add an additional lane in each direction that will combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from State Route 73 to Interstate 605, otherwise known as the 405 Express Lanes. The 405 Express Lanes will be managed similarly to the 91 Express Lanes.

Since 2015, OCTA has awarded a design-build contract, issued Notice to Proceed No. 1 and No. 2, secured a Transportation Infrastructure Finance and Innovation Act loan, and commenced a procurement for a toll systems integrator. In addition to these I-405 Project related achievements, OCTA utilized the services of the Project Management Consultant (Consultant) for the I-405 Project to review the organizational structure of OCTA for the added responsibilities of the 405 Express Lanes. Based upon their research of managed lanes and the toll industry, the Consultant recommended that OCTA separate the Treasury/Public Finance function from the managed lanes/toll road functions.

A new department titled Express Lanes Programs is being created that will report to the Deputy CEO and will include operational responsibilities for the 91 Express Lanes, 405 Express Lanes, and any future express lane facilities operated by OCTA. The Treasury/Public Finance Department will remain in the Finance and Administration Division reporting to the Executive Director of Finance and Administration. A recruitment is currently ongoing for a new manager for the Treasury/Public Finance Department.

Given these organizational changes, a new Treasurer needs to be appointed by the Board. It is recommended that the Executive Director of Finance and Administration be appointed the new Treasurer. The Executive Director of Finance and Administration has been overseeing the treasury function since he was named to the position in 2013. The Executive Director of Finance and Administration has been with OCTA since 1999, serving in various capacities. He has a Master's of Science degree in Public Administration from California State University, Long Beach and a Bachelor's of Science degree in Finance from the University of Southern California.

### ***Summary***

The Orange County Transportation Authority's investment portfolio has averaged approximately \$1.3 billion over the past several years. The management of these funds has been overseen by the Treasury/Public Finance Manager and General Manager of the 91 Express Lanes since 2004. With the recent changes in the organizational structure at the Orange County Transportation Authority, it is recommended that the Board of Directors appoint

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the Executive Director of Finance and Administration as the Treasurer for Orange County Transportation Authority and its affiliated agencies.

***Attachments***

None

***Prepared by:***

A handwritten signature in cursive script, appearing to read "Kenneth Phipps".

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Kenneth Phipps  
Deputy Chief Executive Officer  
(714) 560-5637



*January 10, 2018*

**To:** Finance and Administration Committee  
**From:** Darrell Johnson, Chief Executive Officer  
**Subject:** Agreement for Information Technology Contract Technical Staffing

### **Overview**

On September 25, 2017, the Board of Directors authorized the release of a request for proposals for a firm to provide contract technical staffing for data warehouse administration, SharePoint administration, project management, help desk support, desktop support, network administration, and application support for the Information Systems Department. Proposals were received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to select a firm to provide contract staffing services for Information Technology technical positions.

### **Recommendations**

- A. Approve the selection of Intratek Computer, Inc., as the firm to provide contract staffing services for Information Technology technical positions.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of \$11,267,760, for a five-year term, effective June 1, 2018 through May 31, 2023, to provide contract staffing services for Information Technology technical positions.

### **Discussion**

Since consolidation in 1991, the Orange County Transportation Authority (OCTA) has continually sought to improve the way in which business is conducted by identifying opportunities for privatization and contracting. By contracting various technical positions, the Information Systems (IS) Department has been able to extend the coverage of the existing full-time staff and keep up with the increasing workload of the department. Staffing needs are evaluated annually; however, on average, ten to 12 full-time equivalent positions are

contracted. Supplemental staffing allows the IS Department to quickly adjust resources based on overall workload and projects. The contractor's responsibilities will include supporting OCTA's business applications and their associated infrastructure, including databases, operating systems, as well as server and desktop hardware. This has also allowed full-time staff to concentrate on the newer technologies, such as business intelligence, thin-client server computing, data center virtualization, and end-user collaboration platforms.

Each year, the IS Department determines its need for contracted technical staffing. The current contract will expire May 31, 2018. As a result, the development of a request for proposals (RFP) to meet these needs was prepared.

This contract for technical staffing enables the IS Department to provide technical support to the current portfolio of projects that have been requested by various OCTA departments. Contract staff also provides support in maintaining the current technical infrastructure of 165 databases, over 1,000 desktops, three Hewlett Packard-Unix Operating System Servers, ten Linux Operating System Servers, over 300 virtual Microsoft Windows Servers, and two disk arrays containing over 80 terabytes of storage.

Continuing the assignments of the current contract personnel would ensure no interruption in the service or performance levels to OCTA. Therefore, the RFP instructed firms to describe in their proposals their transition plans for retaining the current contract personnel, as well as discuss available benefits offered to long-term contract employees.

### ***Procurement Approach***

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for professional and technical services. Various factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On September 25, 2017, the Board authorized the release of RFP 7-1949, which was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on October 4 and 9, 2017. A pre-proposal conference was held on October 4, 2017, with 24 attendees representing 19 firms. Four addenda were issued to make available the pre-proposal conference registration sheets and presentation, as well as to respond to questions related to the RFP, and to handle administrative issues.

On October 25, 2017, 39 proposals were received. Prior to the evaluation committee meeting, all contractual exceptions and/or deviations submitted by the proposers were reviewed. UST Global Inc. (UST Global) submitted several contractual exceptions and/or deviations, four of which were deemed non-negotiable, and the firm was provided with the opportunity to retract the items. UST Global did not retract two of the four exceptions and/or deviations; therefore, the firm's proposal was not included as part of the evaluation process. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management and Information Systems met to review the 38 qualified proposals submitted. The proposals were evaluated based on the following Board-approved evaluation criteria and weights:

- Qualifications of the Firm 25 percent
- Staffing and Organization 35 percent
- Work Plan 20 percent
- Cost and Price 20 percent

Several factors were considered in developing the evaluation criteria weights. Staffing and organization was weighted at 35 percent as it is critical for the firm to demonstrate it can provide the experienced and qualified individuals needed to achieve the requirements set forth in the scope of work without any loss of service or performance levels to OCTA. Qualifications of the firm was weighted at 25 percent as the proposing firm needs to have the resources to be able to meet the immediate and long-term staffing requirements of this contract. Work plan was weighted at 20 percent to ensure the firm demonstrated their understanding of the project scope, as well as how to provide the staff with the required skill levels and required experience. Cost and price was also assigned 20 percent to ensure a fair comparison of the proposed rates for the total contract term, as well as ensuring that OCTA receives value for the services provided.

On November 20 and 21, 2017, the evaluation committee reviewed the proposals based on the evaluation criteria and short-listed the four most qualified firms listed below in alphabetical order:

APR Consulting, Inc. (APR)  
Diamond Bar, California

Intratek Computer, Inc. (Intratek)  
Irvine, California

MIDCOM, A Cenergy Company (MIDCOM)  
Anaheim, California

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Volt Workforce Solutions (Volt)  
Orange, California

On December 5, 2017, the evaluation committee conducted interviews with the four short-listed firms. The interview consisted of a presentation to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were asked relative to the firms' pre-screening process and approach to recruiting positions that are a challenge to fill. The firms were also asked to elaborate on their benefits package and training program for contracted staff. The transition plan to retain the current contracted staff was also addressed in the questions. Finally, each team was asked specific clarification questions related to their proposal.

Based on the evaluation of the written proposals and information obtained from the interviews, the evaluation committee is recommending Intratek for consideration of the award. The following is a brief summary of the proposal evaluation results.

#### Qualifications of the Firm

The four firms demonstrated vast experience recruiting candidates in the highly competitive Information Technology (IT) field.

Intratek is the incumbent firm and has been providing contract technical staff to OCTA since 2011. Located in the City of Irvine, the firm has been providing IT staffing services since 1989 and has over 200 technical personnel on staff. Intratek's past work with other public agencies, such as Dallas/Fort Worth International Airport, Orange County Fire Authority, and Southern California Regional Rail Authority, as well as OCTA, highlighted the firm's extensive experience in providing long-term contract staff.

APR, MIDCOM, and Volt have each been in the IT staffing industry for over 35 years and have placed similar IT technical positions for their various clients.

#### Staffing and Project Organization

The four firms all proposed experienced and well-rounded project teams with relevant experience in staffing for the positions that OCTA requires.

Intratek proposed to keep the same project team that is on OCTA's current technical staffing contract. The proposed project manager has served in this capacity for 12 years on previous OCTA technical staffing contracts. The

proposed project team has extensive IT staffing experience and is committed in continuing the same level of support to OCTA. In addition to the proposed project team, Intratek has IT subject matter experts on staff to provide support or serve as emergency back-ups as needed. The firm proposed to continue the assignments of the current contract personnel to ensure no loss of service or performance levels to OCTA. Intratek detailed its benefits package offered to long-term contract staff, which includes paying 100 percent of employees' standard health insurance premiums and allocating \$2,500 per employee per year for job-related training. During the interview, Intratek's team best demonstrated a high level of commitment and a comprehensive understanding of OCTA's staffing requirements.

APR, MIDCOM, and Volt each proposed a knowledgeable project team and discussed their plans for transitioning the current contract personnel, as well as providing replacement personnel with the same qualifications and skill sets. While the firms all offer a benefits package to their long-term contract personnel, they were not as favorable for retention and recruitment of contract staff. In addition, APR clarified during its interview that paid time off is not included in its overhead and that it would be billed back separately to OCTA. During the interview, MIDCOM's Vice President responded to all the questions with limited participation from the proposed project manager and technical recruiter, which are the individuals that would be the day-to-day contacts on the project. Volt does not offer paid holidays to contract staff and the firm did not provide thorough responses to some of the questions.

#### **Work Plan**

The four firms all met the service requirements of the RFP to provide long-term technical staffing services to support the IS Department.

Intratek presented a comprehensive work plan that addressed all elements of the scope of work. The firm demonstrated a clear understanding of the project requirements and discussed its approach to meeting these objectives, such as recruitment and candidate screening. Recruiting resources include networking events, technology-specific partner alliances, internal/external databases, social media, and professional associations. Intratek verifies candidates' qualifications by reviewing resumes, contacting references, and conducting telephone interviews, as well as administering job skills testing. The firm offers a variety of training programs to ensure continued growth of its contract personnel, as well as meet OCTA's training needs.

APR, MIDCOM, and Volt discussed the different strategies they use to recruit for positions and how they maintain their candidate databases. The firms also

detailed their candidate screening process to ensure that only qualified candidates are presented to fill a position.

#### **Cost and Price**

Pricing scores were based on a formula which assigns the highest score to the firm with the lowest average billable hourly rate, and scores the other proposals' average billable hourly rates based on their relation to the lowest average billable hourly rate. Although Intratek did not propose the lowest average billable hourly rates, pricing was competitive with the other proposing firms.

#### **Procurement Summary**

Based on the evaluation of the written proposals, the firms' qualifications, and the information obtained from the interviews, the evaluation committee recommends the selection of Intratek as the top-ranked firm to provide contract staffing services for IT technical positions. Intratek delivered a comprehensive proposal and an interview that was responsive to the requirements of the RFP.

#### **Fiscal Impact**

The project was approved in OCTA's Fiscal Year 2017-18 Budget, Finance and Administration/Information Systems, Accounts 1282-7519-A5354-9S6/1283-7519-A5352-9TU/1284-7519-A5352-41A/1285-7519-A5359-9RS, and is funded through local funds. The funding for each year will be included within that fiscal year's budget.

#### **Summary**

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of \$11,267,760, for a five-year term, effective June 1, 2018 through May 31, 2023, to provide contract staffing services for Information Technology technical positions.

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***Attachments***

- A. Review of Proposals – RFP 7-1949 Information Technology Contract Technical Staffing
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 7-1949 Information Technology Contract Technical Staffing
- C. Contract History for the Past Two Years – RFP 7-1949 Information Technology Contract Technical Staffing

**Prepared by:**



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Barry Reynolds  
Department Manager,  
Information Systems  
714-560-5527

**Approved by:**



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Andrew Oftelie  
Executive Director,  
Finance and Administration  
714-560-5649



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Virginia Abadessa  
Director, Contracts Administration and  
Materials Management  
714-560-5623

Review of Proposals

RFP 7-1949 Information Technology Contract Technical Staffing

Presented to Finance and Administration Committee - January 10, 2018

39 firms proposed, 4 firm were interviewed, 1 firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Average Hourly Billable Rate
1	96	Intratek Computer, Inc. Irvine, California	None	Highest-ranked firm overall. Excellent proposal. Incumbent firm. Extensive experience in providing similar contract staff for public sector clients. Proposed the same project team as current contract, as well as continue the assignments of the current contract staff. Most comprehensive and generous benefits package for contract personnel. Provided all required resumes. Detailed recruiting practices and candidate screening process. Presented well and answered questions thoroughly during the interview. Excellent references with positive comments. Proposed competitive hourly billable rates.	\$86
2	85	Volt Workforce Solution Orange, California	None	Second-ranked firm. Very good proposal overall. Large staffing firm with extensive relevant experience. Knowledgeable project team. No paid holidays offered to contract personnel. Excellent recruiting practices and candidate screening process. Did not provide thorough responses to questions related to benefits package. Excellent references with positive comments. Proposed competitive hourly billable rates.	\$81
3	84	MIDCOM, A Cenergy Company Anaheim, California	None	Good proposal overall. Experience placing and transitioning similar long-term contract personnel. Experienced project team. Good benefits package offered to long-term contract employees. Detailed transition plan. The Vice President responded to all the questions with limited participation from the proposed project manager and technical recruiter. Good recruiting practices and candidate screening process. Positive feedback from references. Proposed competitive hourly billable rates.	\$79
4	80	APR Consulting, Inc. Diamond Bar, California	None	Experience working with clients in the public sector. Experienced project team. Paid time off is not included in overhead and will be billed separately. Benefits package include good options but limited contribution from firm. Good recruiting practices and candidate screening process. Good technical training program. Interviewed well and provided thorough responses. Good comments from reference. Proposed the lowest hourly billable rates.	\$69

Evaluation Panel:

Internal:

Contracts Administration and Materials Management (1)  
Information Systems (4)

Proposal Criteria

Qualifications of the Firm  
Staffing and Project Organization  
Work Plan  
Cost and Price

Weight Factors

25%  
35%  
20%  
20%

**PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)**  
**RFP 7-1949 Information Technology Contract Technical Staffing**

<b>Intratek Computer, Inc.</b>						<b>Weights</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	5.0	5.0	5.0	5.0	5.0	5	25.0
Staffing/Project Organization	5.0	5.0	5.0	5.0	5.0	7	35.0
Work Plan	5.0	5.0	4.5	5.0	5.0	4	19.6
Cost and Price	4.0	4.0	4.0	4.0	4.0	4	16.0
<b>Overall Score</b>	<b>96.0</b>	<b>96.0</b>	<b>94.0</b>	<b>96.0</b>	<b>96.0</b>		<b>96</b>

<b>Volt Workforce Solutions</b>						<b>Weights</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.0	5.0	4.0	5.0	4.5	5	22.5
Staffing/Project Organization	4.0	4.0	3.5	4.0	4.0	7	27.3
Work Plan	4.5	4.5	4.5	4.0	5.0	4	18.0
Cost and Price	4.3	4.3	4.3	4.3	4.3	4	17.2
<b>Overall Score</b>	<b>83.2</b>	<b>88.2</b>	<b>79.7</b>	<b>86.2</b>	<b>87.7</b>		<b>85</b>

<b>MIDCOM, A Cenergy Company</b>						<b>Weights</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.0	4.5	4.0	4.5	4.5	5	21.5
Staffing/Project Organization	4.0	4.5	4.0	4.0	4.0	7	28.7
Work Plan	4.0	4.0	4.0	4.0	4.5	4	16.4
Cost and Price	4.4	4.4	4.4	4.4	4.4	4	17.6
<b>Overall Score</b>	<b>81.6</b>	<b>87.6</b>	<b>81.6</b>	<b>84.1</b>	<b>86.1</b>		<b>84</b>

<b>APR Consulting, Inc.</b>						<b>Weights</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.5	5	20.5
Staffing/Project Organization	3.5	4.5	3.0	3.0	3.0	7	23.8
Work Plan	4.0	4.0	4.0	4.0	4.0	4	16.0
Cost and Price	5.0	5.0	5.0	5.0	5.0	4	20.0
<b>Overall Score</b>	<b>80.5</b>	<b>87.5</b>	<b>77.0</b>	<b>77.0</b>	<b>79.5</b>		<b>80</b>

Range of scores for non-short-listed firms was 21 to 75.

**CONTRACT HISTORY FOR THE PAST TWO YEARS**

[illegible]