



AGENDA

Finance and Administration Committee Meeting

Committee Members

Andrew Do, Chairman
Richard Murphy, Vice Chairman
Lori Donchak
Michael Hennessey
Steve Jones
Todd Spitzer
Michelle Steel

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

Wednesday, April 11, 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 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 9)

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 meeting of February 28, 2018.

3. Approval of Minutes

Approval of the minutes of the Finance and Administration Committee meeting of March 28, 2018.

4. Orange County Treasurer's Management Report - February 2018
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 February 28, 2018. 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.



5. **Orange County Transportation Authority Investment and Debt Programs Report - February 2018**
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 February 28, 2018. 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. **Local Agency Investment Fund - February 2018**
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 February 28, 2018. 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.



7. Agreement for Financial Advisory Services

Kirk Avila/Andrew Oftelie

Overview

The Treasury/Public Finance Department of the Orange County Transportation Authority relies on the services of a financial advisory firm to provide assistance with new debt issuances, ongoing reporting requirements of the Transportation Infrastructure Finance and Innovation Act loan, assistance with the investor relations program, and investment advisory advice on an as-needed basis. Proposals were received 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 financial advisory services.

Recommendations

- A. Approve the selection of Sperry Capital Inc., as the firm to provide financial advisory services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2137 between the Orange County Transportation Authority and Sperry Capital Inc., in the amount of \$495,500, for a three-year initial term through April 30, 2021, with one, two-year option term, to provide financial advisory services.

8. Amendment to Agreement for Health Insurance Brokerage Services

Bea Maselli/Maggie McJilton

Overview

On April 1, 2016, the Orange County Transportation Authority entered into an agreement with Burnham Benefits Insurance Services to assist the Human Resources Department in placing health benefits coverage for the administrative staff, as well as the parts clerks and facilities technicians represented by the Transportation Communications International Union. In order to address concerns regarding timeliness of coverage, premium payments, ability to waive coverage, and audit provisions, the Orange County Transportation Authority has assumed responsibility for the administration of health and life insurance benefits for coach operators beginning July 1, 2018. An amendment to the existing agreement is needed for Burnham Benefits Insurance Services to place health benefits coverage for coach operators and to extend the contract through March 31, 2020.



8. (Continued)

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement C-5-3799 between the Orange County Transportation Authority and Burnham Benefits Insurance Services in the amount of \$192,500, for additional brokerage services for coach operator employee benefits, and to extend the current agreement term for an additional 12 months through March 31, 2020. This will increase the maximum obligation of the agreement to a total contract value of \$403,500.

9. Agreements for Health Insurance Services for Coach Operators

Bea Maselli/Karen DeCrescenzo

Overview

The Orange County Transportation Authority provides health and life insurance benefits for coach operators through the Teamsters Local 952 Union/Labor Alliance. In order to address concerns regarding timeliness of coverage, premium payments, ability to waive coverage, and audit provisions, the Orange County Transportation Authority has assumed responsibility for the administration of these benefits. Staff is presenting recommendations for medical, dental, vision, and life insurance agreements for coach operator benefits for six months of 2018 beginning July 1, 2018 and through December 31, 2018.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1618 between the Orange County Transportation Authority and Kaiser Permanente Health Plan, Inc., on a cost per employee basis, for prepaid medical services from July 1, 2018 through December 31, 2018. The 2018 Kaiser Permanente Health Plan, Inc., premium cost will vary in accordance with actual enrollment.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-1-2995 between the Orange County Transportation Authority and Delta Dental, on a cost per employee basis, for health maintenance organization dental services from July 1, 2018 through December 31, 2018. The 2018 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.



9. (Continued)

- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-1-2996 between the Orange County Transportation Authority and California State Association of Counties - Excess Insurance Authority for Delta Dental, on a cost per employee basis, for preferred provider organization dental services from July 1, 2018 through December 31, 2018. The 2018 Delta Dental preferred provider organization premium costs will vary in accordance with actual enrollment.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-1-2997 between the Orange County Transportation Authority and California State Association of Counties - Excess Insurance Authority for Vision Service Plan, on a cost per employee basis, for vision services from July 1, 2018 through December 31, 2018. The 2018 vision services premium costs will vary in accordance with actual enrollment.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Purchase Order No. C-7-1897 between the Orange County Transportation Authority and California State Association of Counties - Excess Insurance Authority for VOYA for life insurance from July 1, 2018 through December 31, 2018. The life insurance premium costs will vary in accordance with actual volume in the plan.

Regular Calendar

There are no Regular Calendar items scheduled.

Discussion Items

10. 91 Express Lanes Shifting Patterns with Riverside County Transportation Commission Expansion

Kirk Avila/Kenneth Phipps

On March 20, 2017, the Riverside County Transportation Commission opened the extension of the 91 Express Lanes. Over the past year, traffic volumes on the Orange County side have increase significantly. In addition, there have been other impacts to the Orange County Transportation Authority operations that staff will be discussing with the Board of Directors.



AGENDA

Finance and Administration Committee Meeting

11. Chief Executive Officer's Report

12. Committee Members' Reports

13. Closed Session

There are no Closed Session items scheduled.

14. Adjournment

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, April 25, 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
Richard Murphy, Vice Chairman
Michael Hennessey
Steve Jones
Michelle Steel

Staff Present

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

Committee Members Absent

Lori Donchak
Todd Spitzer

Call to Order

The February 28, 2018 regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Do at 10:33 a.m.

Pledge of Allegiance

Director Jones led in the Pledge of Allegiance.

1. Public Comments

No public comments were received.

Special Calendar

2. Investment Management Presentation

Andrew Oftelie, Executive Director of Finance and Administration, provided opening comments and introduced:

- James P. Sarni, Managing Principal of Payden & Rygel
- William E. Davis, III, Vice President of Payden & Rygel

Mr. Sarni presented a PowerPoint on the following:

- Orange County Transportation Authority (OCTA) Executive Summary-As of January 31, 2018, and
- OCTA Portfolio Summary.

2. (Continued)

Mr. Davis presented a PowerPoint on the following:

- Payden & Rygel Key Market & Economic Views for 2018,
- Short-Term Interest Rates, and
- Global Investment Demand/Supply Relationship Is Supportive of Corporate Bond Prices.

Consent Calendar (Items 3 through 9)

3. Approval of Minutes

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to approve the minutes of the Finance and Administration Committee of February 14, 2018.

4. Agreements for On-Call Consulting Services for 91 Express Lanes

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to:

- A. Approve the selections of HNTB Corporation; Parsons Transportation Group, Inc.; Silicon Transportation Consultants LLC; Traffic Technologies, Inc.; and WSP USA, Inc., as the firms to provide on-call consulting services for the 91 Express Lanes, in an aggregate amount of \$600,000.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2050 between the Orange County Transportation Authority and HNTB Corporation to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1462 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- D. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1463 between the Orange County Transportation Authority and Silicon Transportation Consultants LLC, to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.



4. (Continued)

- E. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1464 between the Orange County Transportation Authority and Traffic Technologies, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- F. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1465 between the Orange County Transportation Authority and WSP USA, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.

5. Local Agency Investment Fund - January 2018

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

6. Orange County Treasurer's Management Report - January 2018

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

7. Orange County Transportation Authority Investment and Debt Programs Report - January 2018

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

8. Local Transportation Fund Claims for Fiscal Year 2018-19

Committee Vice Chairman R. Murphy pulled this item to inquire on who is responsible to ensure OCTA is receiving all federal and state funds available.

Darrell E. Johnson, Chief Executive Officer (CEO), explained the difference between formula and discretionary funds, and highlighted the responsibilities for the Planning division, which handles long-term forecasts and matching of specific grant sources for projects. Mr. Johnson also stated that the discretionary funds are handled by the Government Affairs department, and they are also responsible to submit the grant applications.



8. (Continued)

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Hennessey, and declared passed by those present, to adopt Orange County Transit District Resolution No. 2018-023 authorizing the filing of Local Transportation Fund claims, in the amounts of \$154,145,736, to support public transportation, and \$8,173,080 for community transit services.

9. Revised State Transit Assistance Fund Claims for Fiscal Year 2017-18

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to authorize staff to file State Transit Assistance Fund claims, for a revised amount of \$25,331,435 to support public transportation.

Regular Calendar

There were no Regular Calendar items scheduled.

Discussion Items

10. Fiscal Year 2018-19 Budget Assumptions

Andrew Oftelie, Executive Director of Finance and Administration, provided opening comments and introduced Victor Velasquez, Manager of Financial Planning & Analysis, who provided a PowerPoint on the following:

- Measure M2 Program Assumptions,
- Rail Program Assumptions,
- 91 Express Lanes Program Assumptions,
- Motorist Services Program Assumptions,
- Bus Program Assumptions,
- Bus Program Revenue Assumptions,
- Bus Operations Service Assumptions, and
- Next Steps.

A lengthy discussion ensued regarding past years sales tax forecasts, Metrolink station in Placentia and funding, Senate Bill 1 repeal activity, increasing ridership concerns, fixed-route service cost increase, Measure M2 funds cannot be used to operate the bus service, and growth in revenues.



11. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- The daytime lane closures for the Interstate 5 South County Improvements are in effect February 28th and February 29th from 9:00 a.m. to 3:00 p.m., weather permitting. These closures allow crews to do the paving and striping that is normally done at night but recent overnight low temperatures have necessitated the daytime closures.
- The State Route 91 Improvement Project, from the State Route 57 to the State Route 55, is in the environmental phase. OCTA is hosting an open house for the public to learn more about the project and the environmental study process. The open house will be on March 14th from 5:00 p.m. to 8:00 p.m. at Rio Vista Elementary School in Anaheim. The Public Hearing and draft environmental document circulation are anticipated for late 2018.
- Staff is pleased to report that OCTA was presented with the American Public Transportation Association's first place AdWheel Award in the Comprehensive Campaign category for "Best Marketing and Communications to Increase Ridership or Sales." Thank you to all of the staff that worked on these marketing efforts.

12. Committee Members' Reports

Committee Chairman Do thanked staff for inviting Payden & Rygel to present the Investment Management under Item 2.

13. Closed Session

There were no Closed Session items scheduled.



14. Adjournment

The meeting was adjourned at 11:32 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, March 14, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Gina Ramirez
Deputy Clerk of the Board

Andrew Do
Committee Chairman



Committee Members Present

Richard Murphy, Vice Chairman
Michael Hennessey
Steve Jones

Committee Members Absent

Andrew Do, Chairman
Lori Donchak
Todd Spitzer
Michelle Steel

Staff Present

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

Call to Order

The March 28, 2018 regular meeting of the Finance and Administration Committee was called to order by Committee Vice Chairman R. Murphy at 10:31 a.m.

Pledge of Allegiance

Director Hennessey 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 10)

Darrell E. Johnson, Chief Executive Officer (CEO), announced that due to lack of quorum staff, would like to continue agenda items 9 and 11 to the next Finance and Administration Committee meeting.

James Donich, General Counsel, stated items 3, 4, 5 and 10 will be forwarded to the April 9, 2018 Board of Directors meeting for consideration without the Committee's vote. He also stated that agenda items 6, 7, and 8 are receive and file for information items, and agenda items 2, 9, and 11 will be return to the next Finance and Administration Committee meeting for consideration.



2. Approval of Minutes

Due to a lack of quorum, the minutes of the February 28, 2018, will return to the next Finance and Administration Committee meeting for consideration.

3. Cooperative Agreement with Metrolink for the Control Point Fourth Project, Internal Audit Report No. 18-504

Due to lack of quorum, no action was taken on this item, and it will be forwarded to the April 9, 2018 Board of Directors meeting.

4. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2017

Due to lack of quorum, no action was taken on this item, and it will be forwarded to the April 9, 2018 Board of Directors meeting.

5. Fiscal Year 2017-18 Second Quarter Budget Status Report

This item was pulled by staff to provide an update.

Andrew Oftelie, Executive Director of Finance and Administration, reported that subsequent to the release of the staff report, the Orange County Transportation Authority (OCTA) received the true-up payment for sales tax revenue collections for the second quarter, and the growth rates for the Local Transportation Authority and the Local Transportation Fund increased by 3.29 percent and 3.23 percent, respectively.

Due to lack of quorum, no action was taken on this item, and it will be forwarded to the April 9, 2018 Board of Directors meeting.

6. Local Agency Investment Fund - February 2018

Due to lack of quorum, no action was taken on this item.

7. Orange County Treasurer's Management Report - February 2018

Due to lack of quorum, no action was taken on this item.



8. Orange County Transportation Authority Investment and Debt Programs Report - February 2018

Due to lack of quorum, no action was taken on this item.

9. Agreement for Financial Advisory Services

Due to a lack of quorum, no action was taken on this item, and it will return to the next Finance and Administration Committee meeting for consideration.

10. Amendment to Agreement for the Implementation of the Federal Disadvantaged Business Enterprise Program

Due to lack of quorum, no action was taken on this item, and it will be forwarded to the April 9, 2018, Board of Directors meeting.

Regular Calendar

There were no Regular Calendar items scheduled.

Discussion Items

11. 91 Express Lanes Shifting Patterns with Riverside County Transportation Commission Expansion

Staff recommended to continue this item to the next Finance and Administration Committee meeting for discussion.

12. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- On Thursday, March 29th, OCTA is hosting a dedication event to commemorate the completion of the Interstate 5 South County Improvements Project at 10:00 a.m. at the Outlet's at San Clemente. Director Donchak will be attending, and the Committee members were also invited to attend.
- On Friday, April 6th, OCTA will host the annual pre-game kickoff rally for the Angels Express at the Laguna Niguel/Mission Viejo Metrolink Station at 4:00 p.m.



13. Committee Members' Reports

There were no Committee Member's reports.

14. Closed Session

There were no Closed Session items scheduled.

15. Adjournment

The meeting adjourned at 10:37 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, April 11, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Gina Ramirez
Deputy Clerk of the Board

Richard Murphy
Committee Vice Chairman



April 11, 2018

To: Finance and Administration
From: Darrell E. Johnson, Chief Executive Officer
Subject: Orange County Treasurer's Management Report - February 2018

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 February 28, 2018. 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 February 28, 2018, the book value of the Orange County Investment Pool (OCIP) Money Market Fund was \$1,396,020,461 with a monthly gross yield of 1.32 percent and a month-end average days to maturity of 44 days. The OCIP Extended Fund book value was \$6,692,631,034 with a monthly gross yield of 1.46 percent and a month-end average days to maturity of 428 days. The Orange County Transportation Authority's month-end balance in the OCIP was \$6,692,791; the combined pool had a monthly gross yield of 1.42 percent and month-end average days to maturity of 313 days.

The monthly gross yield is the average of the Daily Yield for the month. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and current market value.

During February 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 86 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 February 28, 2018.

Attachment


A. Treasurer's Monthly Investment Report – February 28, 2018

Prepared by:



Rodney Johnson
Deputy Treasurer
Treasury/Public Finance
(714) 560-5675

Approved by:



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

Treasurer's Monthly **INVESTMENT** FEBRUARY 2018 **REPORT**

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



COUNTY OF ORANGE

**TREASURER'S INVESTMENT REPORT
For February 28, 2018**

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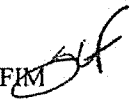
OFFICE OF THE TREASURER-TAX COLLECTOR
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM



INTERDEPARTMENTAL COMMUNICATION

Date: March 15, 2018

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

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

Subject: Treasurer's Investment Report for the Month Ended February 28, 2018

Attached please find the Treasurer's Investment Report for the County of Orange for the month ended February 28, 2018. 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.

INVESTMENT POOL COMPOSITION

The investments contained within this report are as of February 28, 2018. 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 44 and 43, 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 89. The maximum maturity of the Extended Fund is five years, with duration not to exceed the Merrill Lynch 1-3 Year index +25% (2.30), and the duration is currently at 1.16. 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 February 2018, the job market added 313,000 new jobs, and January's job numbers were revised upward by 39,000 to 239,000. The U.S. unemployment rate for February was unchanged at 4.1%. The U.S. Gross Domestic Product fourth

quarter rate decreased again from the prior rate reported in January of 2.6% to 2.5%. The Empire State Manufacturing Index decreased to 13.1 from 17.7 in January, while the Philadelphia Fed Index increased to 25.8 from 22.2 in January. 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-eighth consecutive month in December, up 6.30% from a year ago. The index for pending home sales decreased 1.7% on a year-over-year basis in January. On February 5, Jerome Powell was sworn in as Chairman of the Board of Governors of the Federal Reserve System and as Chairman of the Federal Open Market Committee, the System's primary monetary policymaking body.

The 10-year Treasury rate rose from 2.72% in January to 2.87% in February. The short-term 90-day T-bill ended the month at 1.65%, up from 1.46% in January. The rate on the 2-year Treasury note was 2.25% at the end of February, up from 2.14% in January. Treasury interest rates continued to move higher in February based on strong economic data, rising growth expectations and the expectation of future interest rate hikes based on hawkish comments from the new Fed Chairman.

INVESTMENT INTEREST YIELDS AND FORECAST

The current gross interest yield year-to-date for fiscal year 2017/2018 is 1.17% for both the OCIP and the OCEIP. The current net yield for fiscal year 2017/2018 for both OCIP and OCEIP is 1.11%. The revised forecasted gross and net yields for fiscal year 2017/2018 for both OCIP and OCEIP are 1.24% and 1.18%, respectively.

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. Both the January 2018 interest earnings, previously expected to be paid in March 2018, and the February 2018 interest earnings, are expected to be paid in April 2018. 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. There are no temporary transfers outstanding as of February 28, 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 individual 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 \$551 million in County of Orange debt, which represents approximately 5.9% of total pooled assets. Prior to purchasing any pool participant debt, a standardized credit analysis is performed.

COMPLIANCE SUMMARY

The investment portfolios had no compliance exceptions for the month of February 2018.

CREDIT UPDATE

During February, 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 February 28, 2018 and is in conformity with all State laws and the IPS approved by the Board of Supervisors on November 14, 2017. 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

	FEBRUARY 2018	JANUARY 2018	INCREASE (DECREASE)	NET CHANGE %	FEBRUARY 2017	INCREASE (DECREASE)	NET CHANGE %
<u>Orange County Investment Pool (OCIP)</u>							
End Of Month Market Value ¹	\$ 4,636,281,080	\$ 4,457,414,185	\$ 178,866,895	4.01%	\$ 4,297,940,588	\$ 338,340,492	7.87%
End Of Month Book Value ¹	\$ 4,657,503,841	\$ 4,476,864,650	\$ 180,639,191	4.03%	\$ 4,304,594,985	\$ 352,908,856	8.20%
Monthly Average Balance	\$ 4,521,249,420	\$ 4,674,719,400	\$ (153,469,980)	-3.28%	\$ 4,217,383,777	\$ 303,865,643	7.21%
Year-To-Date Average Balance	\$ 4,335,011,492	\$ 4,308,406,073	\$ 26,605,418	0.62%	\$ 3,986,586,669	\$ 348,424,822	8.74%
Monthly Accrued Earnings ³	\$ 4,923,407	\$ 4,885,553	\$ 37,854	0.77%	\$ 3,040,342	\$ 1,883,065	61.94%
Monthly Net Yield ³	1.36%	1.17%	0.19%	16.40%	0.87%	0.49%	55.95%
Year-To-Date Net Yield ³	1.11%	1.08%	0.03%	3.19%	0.74%	0.37%	49.50%
Annual Estimated Gross Yield ⁴	1.24%	1.24%	0.00%	0.00%	0.87%	0.37%	42.86%
Weighted Average Maturity (WAM) ⁵	313	321	(8)	-2.43%	358	(45)	-12.57%
<u>Orange County Educational Investment Pool (OCEIP)</u>							
End Of Month Market Value ^{1,2}	\$ 4,681,617,960	\$ 4,977,732,065	\$ (296,114,105)	-5.95%	\$ 4,034,862,936	\$ 646,755,024	16.03%
End Of Month Book Value ^{1,2}	\$ 4,704,350,049	\$ 4,998,258,865	\$ (293,908,816)	-5.88%	\$ 4,050,156,920	\$ 654,193,129	16.15%
Monthly Average Balance ²	\$ 4,822,854,870	\$ 5,115,984,472	\$ (293,129,602)	-5.73%	\$ 4,185,099,022	\$ 637,755,848	15.24%
Year-To-Date Average Balance ²	\$ 4,525,363,182	\$ 4,482,864,369	\$ 42,498,813	0.95%	\$ 3,991,128,250	\$ 534,234,932	13.39%
Monthly Accrued Earnings ³	\$ 5,299,430	\$ 5,460,733	\$ (161,303)	-2.95%	\$ 3,098,239	\$ 2,201,192	71.05%
Monthly Net Yield ³	1.35%	1.18%	0.17%	14.58%	0.90%	0.45%	50.39%
Year-To-Date Net Yield ³	1.11%	1.08%	0.03%	3.12%	0.74%	0.37%	50.61%
Annual Estimated Gross Yield ⁴	1.24%	1.24%	0.00%	0.00%	0.87%	0.37%	41.76%
Weighted Average Maturity (WAM) ⁵	324	302	22	7.20%	393	(69)	-17.56%

¹ Market values provided by Bloomberg and Northern Trust. The OCIP and OCEIP market values in January 2018 and February 2018 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.

² OCEIP market value, book value, monthly average and year-to-date average balances were higher than the prior year primarily due to a net increase of school and community college districts bond funds of \$396 million and an increase in school districts secured tax apportionments of \$205 million.

³ In February 2018, OCIP and OCEIP monthly net yields were higher than January 2018 as interest rates rose based on strong economic data, rising growth expectations and the expectation of future interest rate hikes. The OCIP and OCEIP monthly accrued earnings, monthly net yields and year-to-date net yields were higher than the prior year primarily due to the three 2017 increases in the Federal Reserve short-term rates totaling 0.75% and expectations of future interest rate increases offset by purchases of shorter-term securities that added more value due to the flattening of the yield curve.

⁴ The OCIP and OCEIP annual estimated gross yields for February 2017 are reported at the actual annual gross yields for FY 16/17, and their annual estimated gross yields for February 2018 are reported at the revised gross yield forecast of 1.24%. 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% offset slightly by lower WAMs.

⁵ The OCIP and OCEIP WAMs in February 2018 were lower than in February 2017 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: February 28, 2018

INVESTMENT STATISTICS - By Investment Pool⁽¹⁾

DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 2/28/18	MONTHLY Gross Yield	Current NAV
COMBINED POOL BALANCES (includes the Extended Fund)					
Orange County Investment Pool (OCIP)	MARKET Value \$ 4,636,281,080	313	1.40%	1.42%	1.00
	COST (Capital) \$ 4,661,355,917				
	MONTHLY AVG Balance \$ 4,521,249,420				
	BOOK Value \$ 4,657,503,841				
Orange County Educational Investment Pool (OCEIP)	MARKET Value \$ 4,681,617,960	324	1.40%	1.41%	1.00
	COST (Capital) \$ 4,708,800,947				
	MONTHLY AVG Balance \$ 4,822,854,870				
	BOOK Value \$ 4,704,350,049				

INVESTMENT STATISTICS - Non Pooled Investments⁽²⁾

DESCRIPTION	CURRENT BALANCE	INVESTMENT BALANCES AT COST
Specific Investment Funds:		
283, 505, FVSD, CCCD	MARKET Value \$ 95,823,399	John Wayne Airport Investment Fund \$ 50,719,363
	COST (Capital) \$ 96,627,468	Fountain Valley School District Fund 40 34,810,654
	MONTHLY AVG Balance \$ 95,953,178	Repurchase Agreement 1,081,500
	BOOK Value \$ 96,583,495	CCCD Series 2017E Bonds 10,015,951
		\$ 96,627,468

MONTH END TOTALS

INVESTMENTS & CASH		INVESTMENTS & CASH	
COUNTY MONEY MARKET FUND (OCMMF)			
County Money Market Fund	\$ 1,394,839,165	OCIP	\$ 4,663,791,572
County Cash	2,435,655	OCEIP	4,716,396,566
EXTENDED FUND	6,702,959,616	Specific Investment Funds	96,627,468
EDUCATIONAL MONEY MARKET FUND (OCEMMF)		Non-Pooled Cash	16,375,839
Educational Money Market Fund	1,272,358,083		
Educational Cash	7,595,619		
NON-POOLED INVESTMENTS & CASH			
Non-Pooled Investments	96,627,468		
Non-Pooled Cash	16,375,839		
	\$ 9,493,191,445		\$ 9,493,191,445

KEY POOL STATISTICS

INTEREST RATE YIELD		WEIGHTED AVERAGE MATURITY (WAM)	
OCMMF - MONTHLY GROSS YIELD	1.32%	OCMMF	44
OCEMMF - MONTHLY GROSS YIELD	1.37%	OCEMMF	43
JOHN WAYNE AIRPORT - MONTHLY GROSS YIELD	1.47%	JOHN WAYNE AIRPORT WAM	89
OCIP - YTD NET YIELD ⁽³⁾	1.11%	LGIP WAM (Standard & Poors)	39
OCEIP - YTD NET YIELD ⁽³⁾	1.11%		
90-DAY T-BILL YIELD - MONTHLY AVERAGE	1.57%		

ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POOL STATISTICS
FOR THE MONTH ENDED: February 28, 2018

INVESTMENT STATISTICS - By Investment Fund⁽⁴⁾

DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 2/28/18	MONTHLY Gross Yield	Current NAV
<u>County Money Market Fund (OCMMF)</u>	MARKET Value \$ 1,396,683,700 COST (Capital) \$ 1,394,839,165 MONTHLY AVG Balance \$ 1,268,903,214 BOOK Value \$ 1,396,020,461	44	1.40%	1.32%	1.00
<u>Educational Money Market Fund (OCEMMF)</u>	MARKET Value \$ 1,273,494,829 COST (Capital) \$ 1,272,358,083 MONTHLY AVG Balance \$ 1,394,991,992 BOOK Value \$ 1,273,202,395	43	1.39%	1.37%	1.00
<u>Extended Fund</u>	MARKET Value \$ 6,647,720,511 COST (Capital) \$ 6,702,959,616 MONTHLY AVG Balance \$ 6,680,209,084 BOOK Value \$ 6,692,631,034	428	1.40%	1.46%	0.99
ALLOCATION OF EXTENDED FUND					
<u>Extended Fund</u> <i>OCIP Share</i>	MARKET Value \$ 3,239,597,380 COST (Capital) \$ 3,266,516,752 MONTHLY AVG Balance \$ 3,252,346,206 BOOK Value \$ 3,261,483,380	428	1.40%	1.46%	0.99
<i>OCEIP Share</i>	MARKET Value \$ 3,408,123,131 COST (Capital) \$ 3,436,442,864 MONTHLY AVG Balance \$ 3,427,862,878 BOOK Value \$ 3,431,147,654	428	1.40%	1.46%	0.99
<i>Modified Duration</i>	1.16				

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

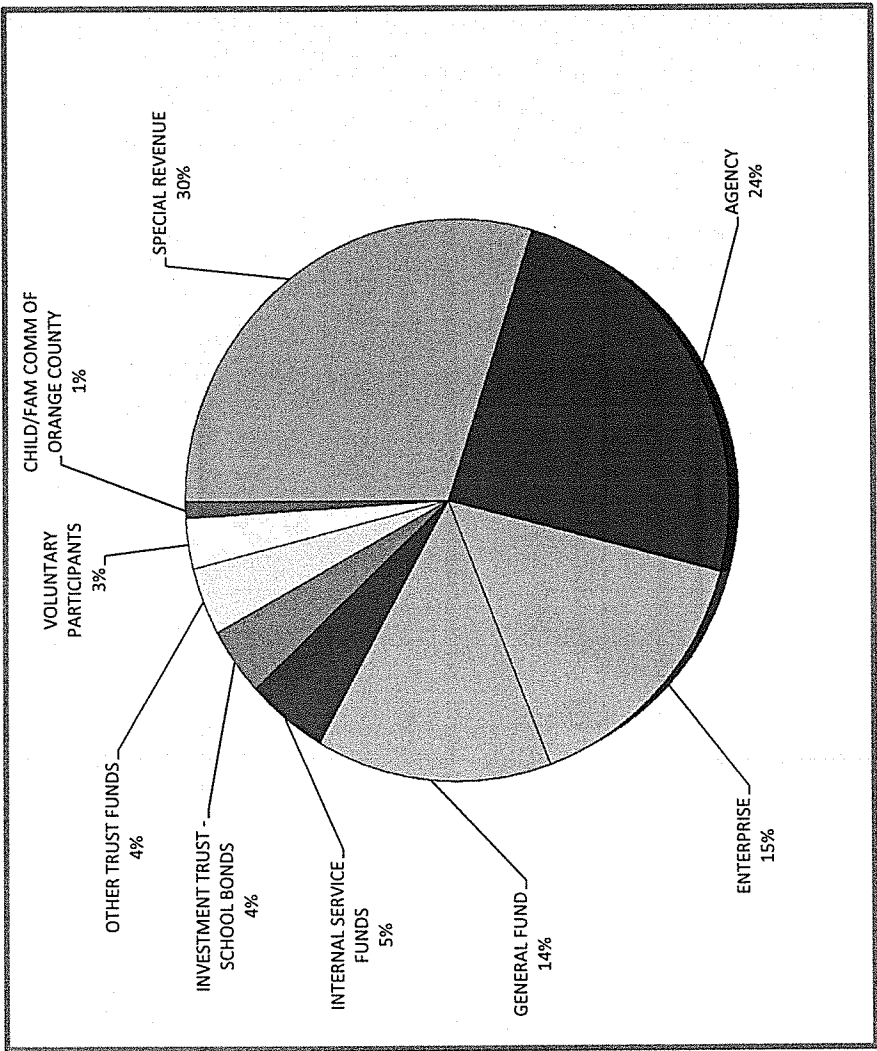
(2) Specific non-pooled investments are reported in compliance with Government Code Section 53646 (b)(1). Detailed descriptions are included in the inventory listing in Section VII of this report.

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

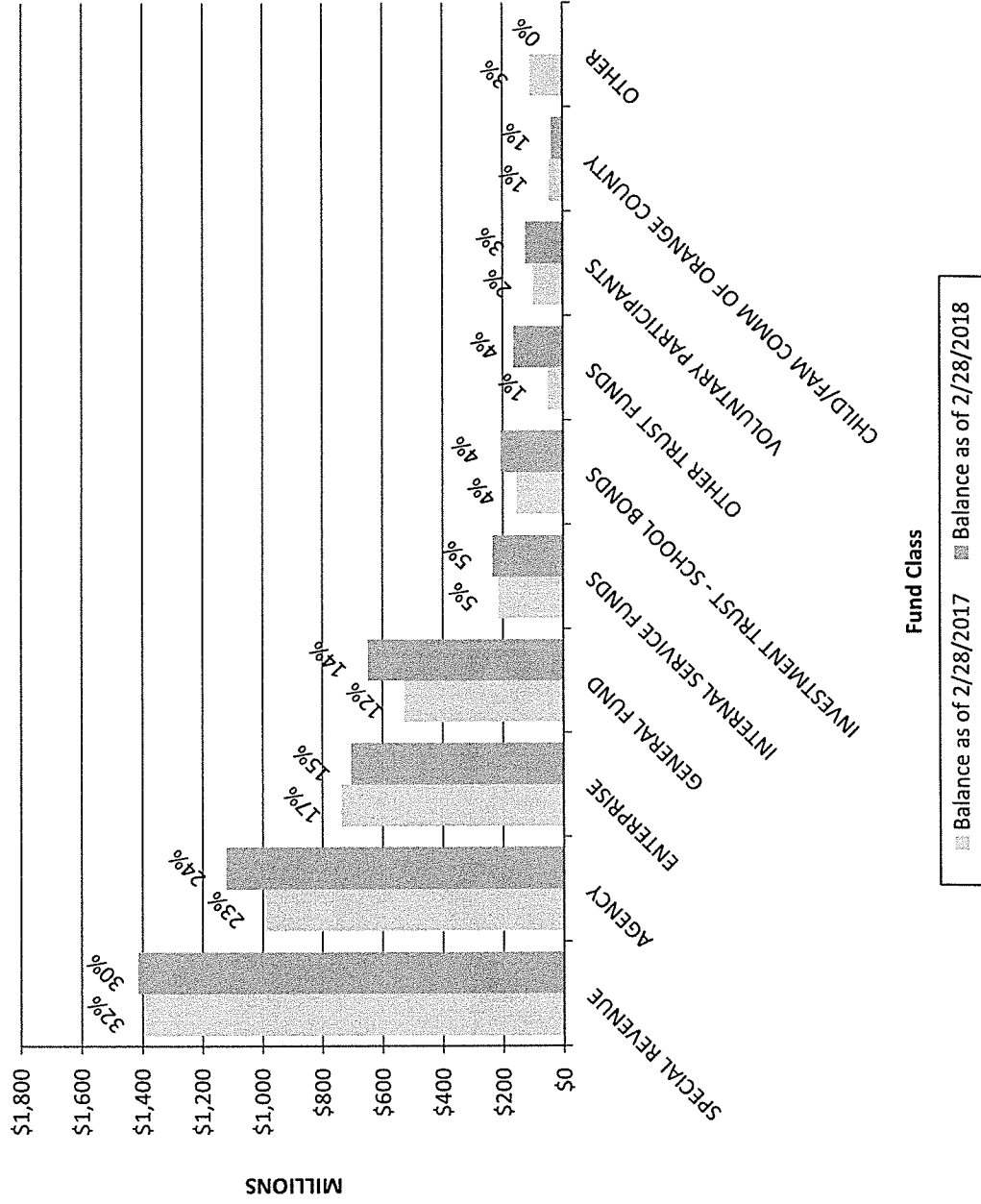
(4) Book Value is computed as Cost reduced by amortization of premium and increased by the accretion of discount of the Investment Portfolio. Net Asset Value (NAV) is equal to Market Value divided by Book Value. The Extended Fund Market Value is lower than Book Value causing the NAV to be lower than 1.00 due to the three Federal Reserve short-term rate increases of 0.75% in 2017. 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 FEBRUARY 28, 2018

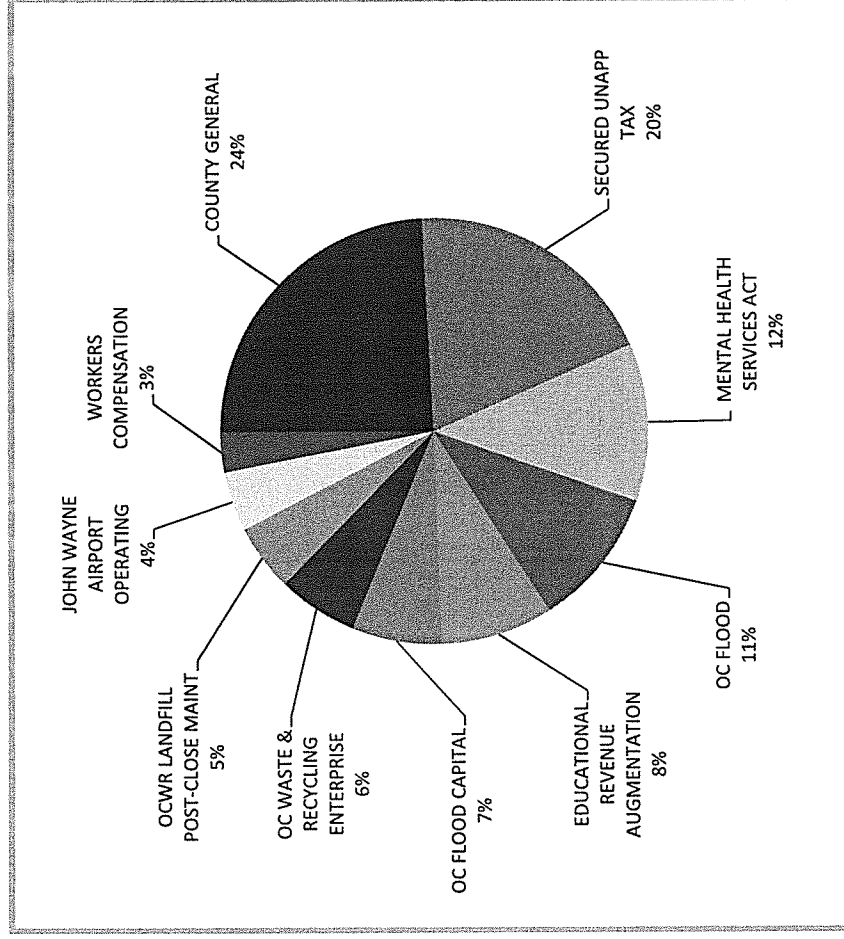
FUNDS	BALANCE
SPECIAL REVENUE	\$ 1,415,087,121
AGENCY	1,121,157,320
ENTERPRISE	705,758,615
GENERAL FUND	650,781,838
INTERNAL SERVICE FUNDS	235,664,541
INVESTMENT TRUST - SCHOOL BONDS	207,442,148
OTHER TRUST FUNDS	165,164,625
VOLUNTARY PARTICIPANTS	123,624,919
CHILDFAM COMM OF ORANGE COUNTY	38,110,445
TOTAL	\$ 4,663,791,572



ORANGE COUNTY INVESTMENT POOL
COMPOSITION BY FUND
AS OF FEBRUARY 28

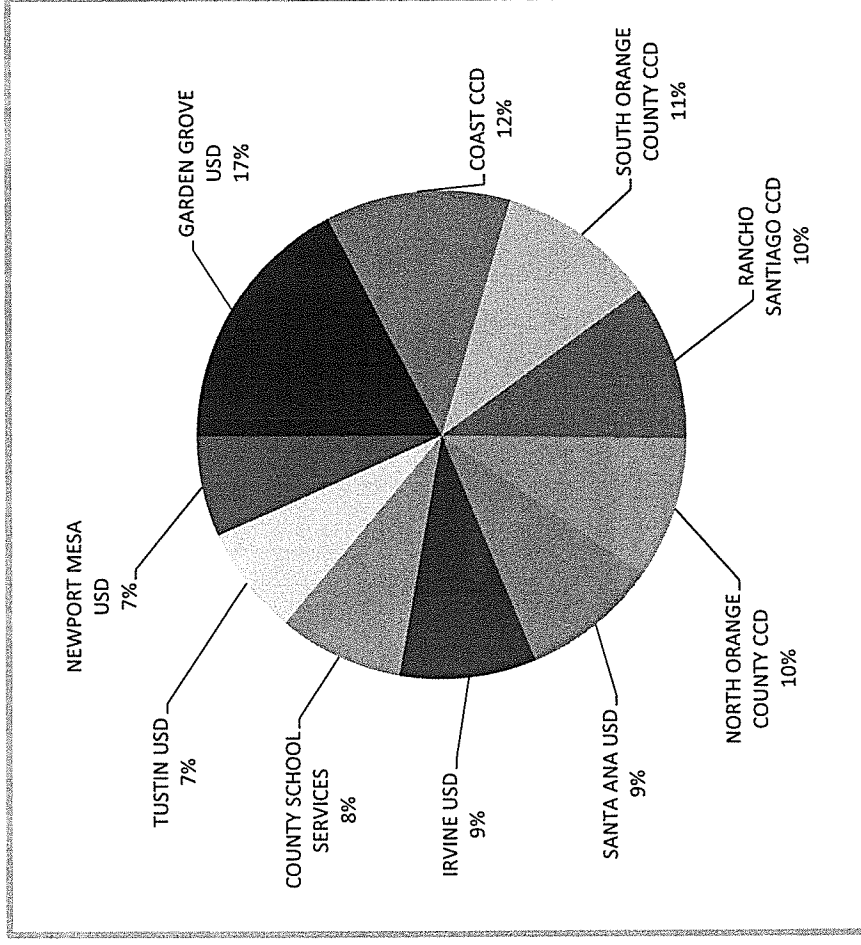


**ORANGE COUNTY INVESTMENT POOL
TOP TEN POOL PARTICIPANTS
AS OF FEBRUARY 2018**



FUND #	FUND NAME	BALANCE
100	COUNTY GENERAL	\$ 604,238,675
673	SECURED UNAPP TAX	482,113,620
13Y	MENTAL HEALTH SERVICES ACT	298,657,531
400	OC FLOOD	285,166,399
664	EDUCATIONAL REVENUE AUGMENTATION	210,895,146
404	OC FLOOD - CAPITAL	171,364,787
299	OC WASTE & RECYCLING ENTERPRISE	152,616,638
279	OCWR LANDFILL POST-CLOSE MAINT	127,439,652
280	JOHN WAYNE AIRPORT OPERATING	112,114,758
293	WORKERS COMPENSATION	77,397,363
TOTAL		\$ 2,502,004,569

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL
TOP TEN POOL PARTICIPANTS
AS OF FEBRUARY 2018

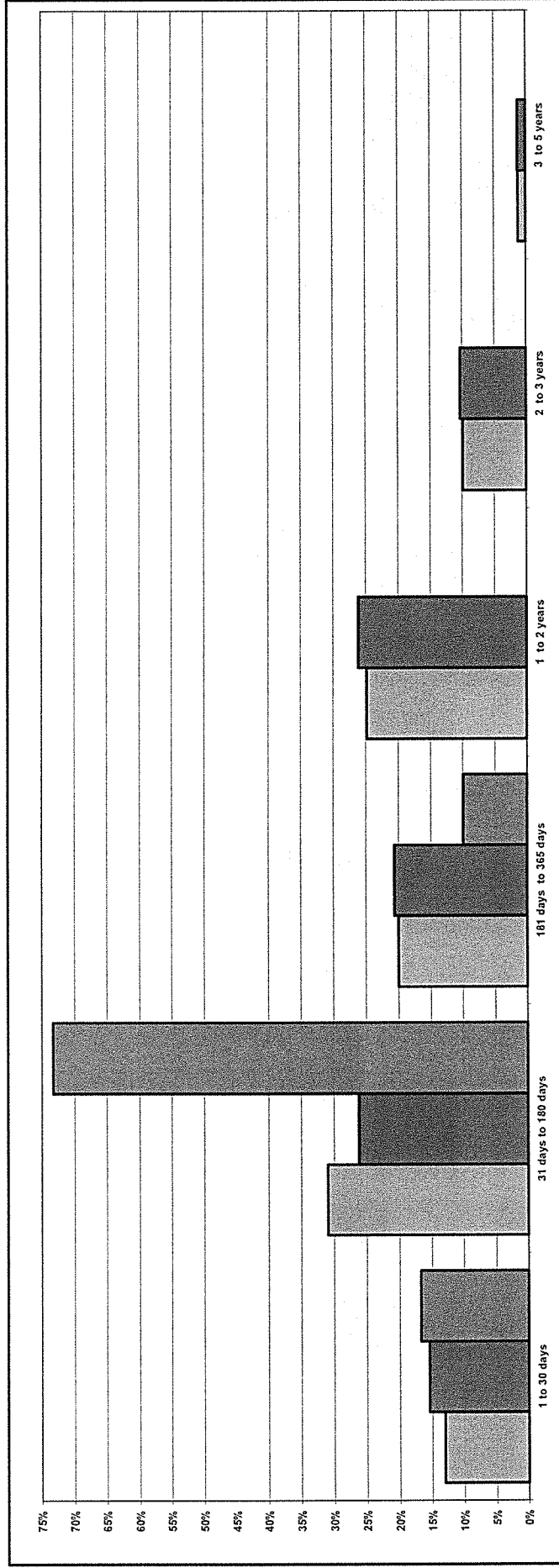


DISTRICT #	SCHOOL DISTRICT	BALANCE
72	GARDEN GROVE USD	\$ 516,727,113
90	COAST CCD	365,963,249
96	SOUTH ORANGE COUNTY CCD	311,264,896
92	RANCHO SANTIAGO CCD	305,133,061
88	NORTH ORANGE COUNTY CCD	280,701,472
84	SANTA ANA USD	271,418,528
75	IRVINE USD	270,115,104
94	COUNTY SCHOOL SERVICES	246,866,693
87	TUSTIN USD	215,256,273
78	NEWPORT MESA USD	200,011,051
	TOTAL	\$ 2,983,457,440

ORANGE COUNTY TREASURER - TAX COLLECTOR

MATURITIES DISTRIBUTION

February 28, 2018



ORANGE COUNTY INVESTMENT POOL			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 608,586		13.06%
31 TO 180 DAYS	1,443,945		30.98%
181 TO 365 DAYS	932,020		19.99%
1 YEAR TO 2 YEARS	1,159,524		24.87%
2 YEARS TO 3 YEARS	461,006		9.89%
3 YEARS TO 5 YEARS	56,530		1.21%
TOTAL	\$ 4,661,611		100.00%

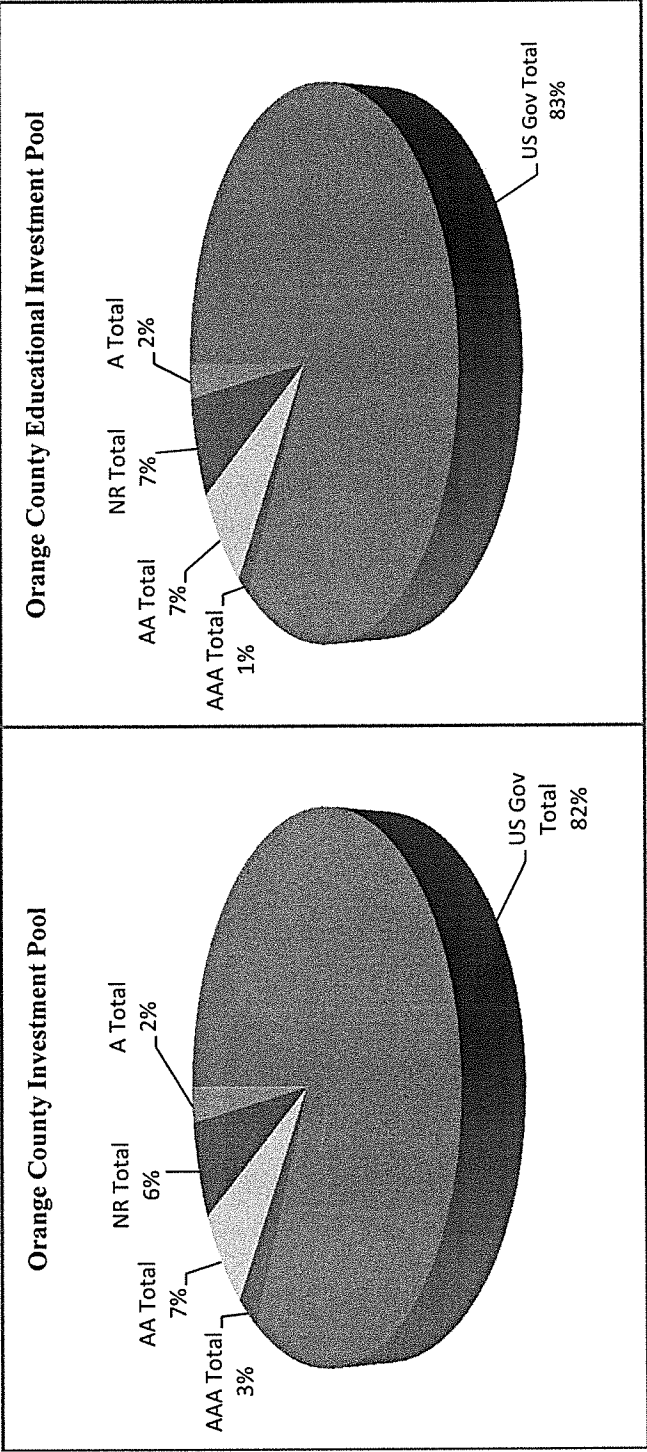
ORANGE COUNTY EDUCATIONAL INVESTMENT POOL			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 727,415		15.45%
31 TO 180 DAYS	1,234,438		26.22%
181 TO 365 DAYS	971,354		20.63%
1 YEAR TO 2 YEARS	1,229,844		26.13%
2 YEARS TO 3 YEARS	484,988		10.30%
3 YEARS TO 5 YEARS	59,470		1.27%
TOTAL	\$ 4,707,509		100.00%

JOHN WAYNE AIRPORT INVESTMENT FUND			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 8,486		16.73%
31 TO 180 DAYS	37,180		73.32%
181 TO 365 DAYS	5,045		9.95%
1 YEAR TO 5 YEARS	-		0.00%
TOTAL	\$ 50,711		100.00%

¹ Maturity Limits are calculated using face value. All final maturities are in compliance with the IPS during February.

² 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 2/28/2018.

ORANGE COUNTY TREASURER - TAX COLLECTOR **CREDIT QUALITY BY MARKET VALUE** **February 28, 2018**

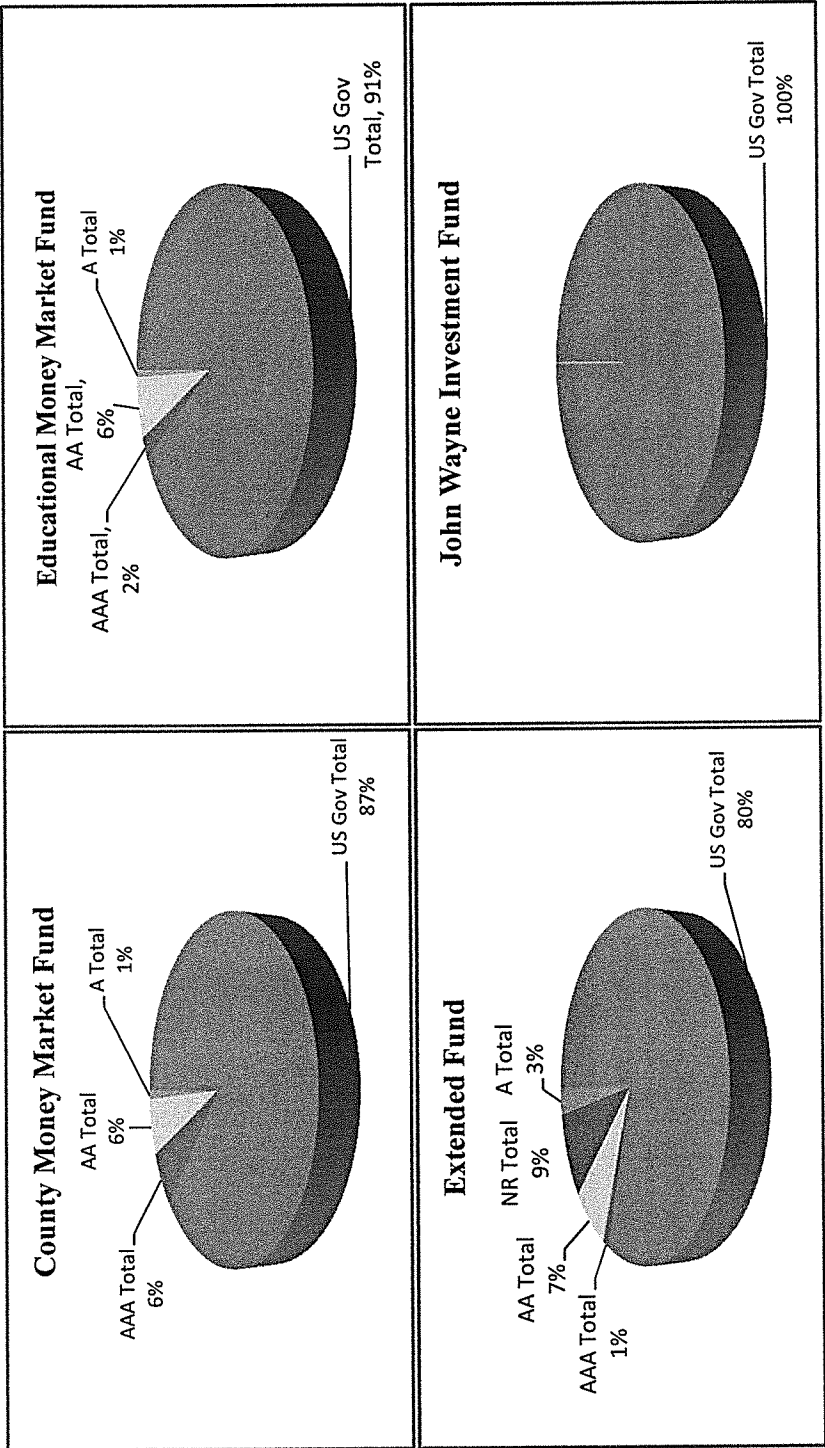


US GOV Includes Agency & Treasury Debt
 AA includes AA+, AA-, & AA
 A includes A+, A-, & A
 NR Includes LAIF and Orange County Pension Obligation Bonds

ORANGE COUNTY TREASURER - TAX COLLECTOR

CREDIT QUALITY BY MARKET VALUE

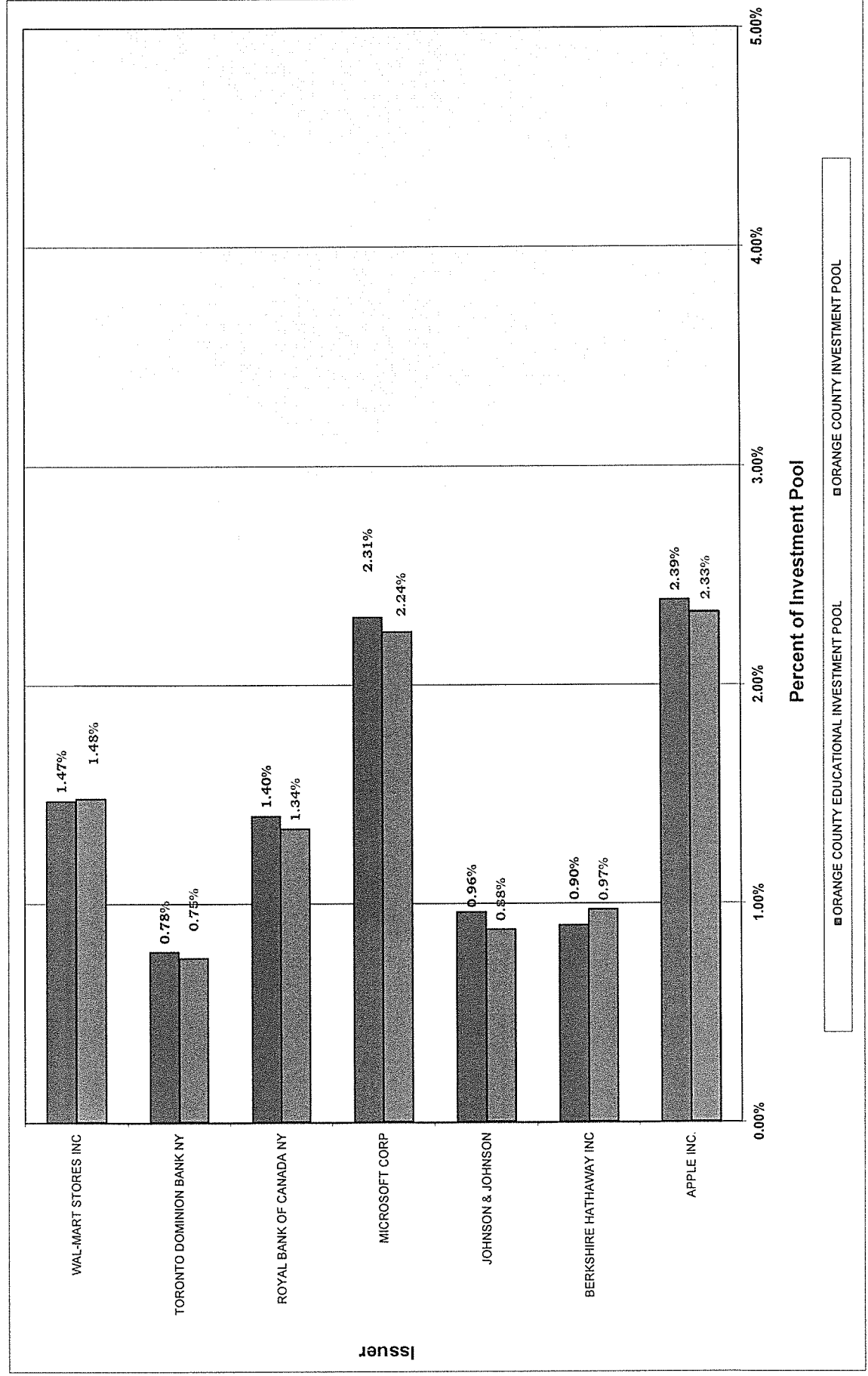
February 28, 2018



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

ORANGE COUNTY TREASURER - TAX COLLECTOR MEDIUM-TERM NOTES / CERTIFICATES OF DEPOSIT ISSUER CONCENTRATION-By Investment Pool

February 28, 2018



ORANGE COUNTY TREASURER-TAX COLLECTOR
APPROVED ISSUER LIST - OCIP, OCEIP, and JWA

February 28, 2018

ISSUER	S/T RATINGS			L/T RATINGS		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch
U.S. TREASURY SECURITIES						
U.S. GOVERNMENT	A-1+	P-1	F1+	AA+	Aaa	AAA
U.S. GOVERNMENT AGENCY SECURITIES						
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
MEDIUM-TERM NOTES						
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+
ISSUERS ON HOLD						
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-
MUNICIPAL BONDS						
ORANGE CNTY CA PENSION OBLG 2017 A	NR	NR	NR	NR	NR	NR
ORANGE CNTY CA PENSION OBLG 2018 A	NR	NR	NR	NR	NR	NR
STATE POOL - LOCAL AGENCY INVESTMENT FUND						
LOCAL AGENCY INVESTMENT FUND	NR	NR	NR	NR	NR	NR
MONEY MARKET MUTUAL FUNDS ****						
NAME OF FUND	S & P	Moody's	Fitch			
INVESCO GOVERNMENT & AGENCY SHORT-TERM INVESTMENTS TRUST (AIM)	AAAm	Aaa-mf	AAAmf			
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			

* 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, 2016).

*** Moody's downgraded its L/T Rating from Aa1 to Aa2 on May 10, 2017 and kept the issuer rating Outlook on Negative.

**** 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 February 28, 2018**

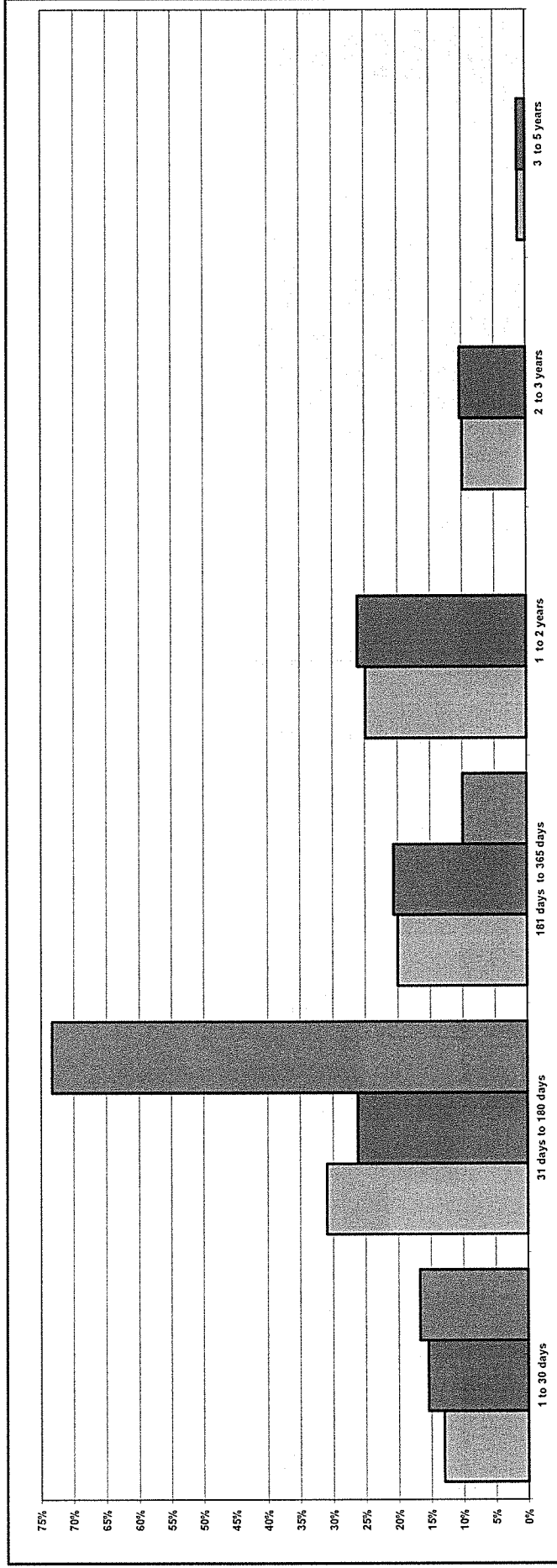
During February there were no changes to the Treasurer's Approved Issuer List.

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

February 28, 2018



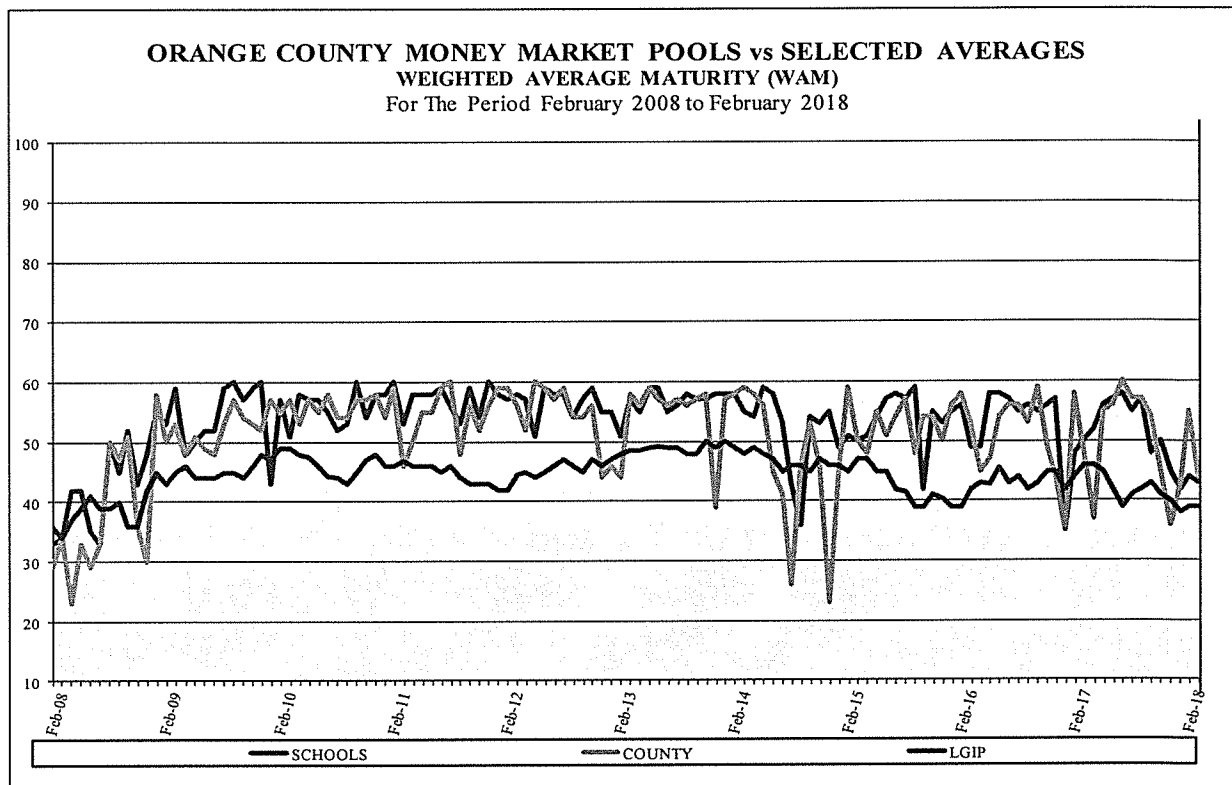
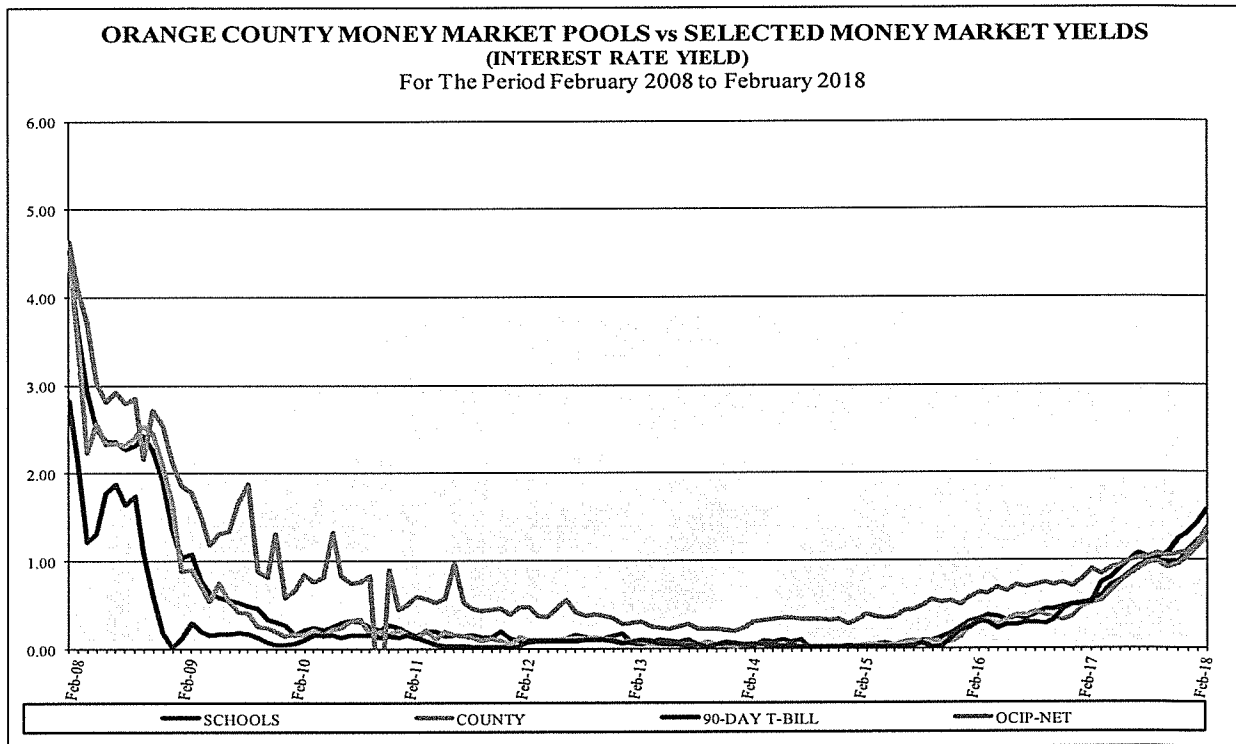
ORANGE COUNTY INVESTMENT POOL			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 608,586		13.06%
31 TO 180 DAYS	1,443,945		30.98%
181 TO 365 DAYS	932,020		19.99%
1 YEAR TO 2 YEARS	1,159,524		24.87%
2 YEARS TO 3 YEARS	461,006		9.89%
3 YEARS TO 5 YEARS	56,530		1.21%
TOTAL	\$ 4,661,611		100.00%

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 727,415		15.45%
31 TO 180 DAYS	1,234,438		26.22%
181 TO 365 DAYS	971,354		20.63%
1 YEAR TO 2 YEARS	1,229,844		26.13%
2 YEARS TO 3 YEARS	484,988		10.30%
3 YEARS TO 5 YEARS	59,470		1.27%
TOTAL	\$ 4,707,509		100.00%

JOHN WAYNE AIRPORT INVESTMENT FUND			
	In Thousands ^{1,2}		%
1 TO 30 DAYS	\$ 8,486		16.73%
31 TO 180 DAYS	37,180		73.32%
181 TO 365 DAYS	5,045		9.95%
1 YEAR TO 2 YEARS	-		0.00%
TOTAL	\$ 50,711		100.00%

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² 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 2/28/2018.



•For the Month Ended February 28, 2018, S&P LGIP – 1.34; S&P LGIP WAM -39; 90-Day T-Bill – 1.57; OCIP – Net – 1.363

ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POOL YIELDS
March 1, 2017 - February 28, 2018

PERIOD ENDING - MONTH / YEAR	MONTH END MARKET VALUE	EARNINGS FOR MONTH	GROSS AVERAGE YIELD FOR MONTH	MONTH END WAM
Current Month February 2018				
County Pool - Money Market Fund	\$ 1,396,683,700	\$ 1,284,889	1.32%	44
Educational Pool - Money Market Fund	\$ 1,273,494,829	\$ 1,464,904	1.37%	43
Extended Fund	\$ 6,647,720,511	\$ 7,473,044	1.46%	428
January 2018				
County Pool - Money Market Fund	\$ 1,245,291,533	\$ 1,659,517	1.21%	55
Educational Pool - Money Market Fund	\$ 1,594,050,298	\$ 2,213,711	1.28%	44
Extended Fund	\$ 6,595,804,419	\$ 6,473,087	1.24%	423
December 2017				
County Pool - Money Market Fund	\$ 2,128,947,374	\$ 2,182,701	1.10%	43
Educational Pool - Money Market Fund	\$ 2,136,417,171	\$ 1,446,683	1.17%	42
Extended Fund	\$ 5,906,097,678	\$ 6,050,707	1.18%	375
November 2017				
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
October 2017				
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
September 2017				
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
August 2017				
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
July 2017				
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
June 2017				
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
May 2017				
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
April 2017				
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
March 2017				
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
Fiscal Year July 1, 2017 - June 30, 2018				
	Average Month End Market Value Balance	YTD Interest Income	YTD Gross Yield	YTD Average
Orange County Investment Pool	\$ 4,309,592,700	\$ 33,904,075	1.17%	316
Orange County Educational Investment Pool	\$ 4,526,474,389	\$ 35,690,554	1.17%	308

ORANGE COUNTY TREASURER-TAX COLLECTOR

CASH AVAILABILITY PROJECTION

FOR THE SIX MONTHS ENDING AUGUST 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 August 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	
February 2018 - Ending Cash				\$	2,435,655
March	\$ 595,387,430	\$ 431,693,802	\$ 637,220,946		392,295,941
April	705,447,712	1,906,280,802	1,614,712,041		1,389,312,414
May	362,946,184	281,140,059	738,537,137		1,294,861,520
June	230,443,666	244,422,467	713,887,741		1,055,839,912
July	92,983,340	283,413,826	577,760,394		854,476,684
August	98,935,462	441,512,289	322,112,033		1,072,812,402

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL					
Month	Investment Maturities	Projected Deposits	Projected Disbursements	Cumulative Available Cash	
February 2018 - Ending Cash				\$	7,595,619
March	\$ 704,617,144	\$ 576,000,765	\$ 730,405,350		557,808,178
April	532,461,107	984,398,462	715,149,074		1,359,518,673
May	335,873,389	383,245,588	718,490,829		1,360,146,821
June	213,681,046	701,515,298	672,813,841		1,602,529,324
July	99,888,487	211,481,841	549,212,278		1,364,687,374
August	102,719,109	264,553,363	595,215,690		1,136,744,156

ORANGE COUNTY TREASURER-TAX COLLECTOR

STATEMENT OF ACCOUNTABILITY For the Month Ended February 28, 2018

	Month
Treasurer's Accountability at the Beginning of the Period:	\$ 9,613,851,608
Cash Receipts:	
County	506,131,342
School and Community College Districts	360,386,130
Total Cash Receipts	866,517,472
Cash Disbursements:	
County	332,717,658
School and Community College Districts	652,895,174
Total Cash Disbursements	985,612,832
Net Change in Cost Value of Pooled Assets	(119,095,360)
Net Increase in Non-Pooled Investments	4,082,673
Net (Decrease) in Non-Pooled Cash	(5,647,476)
Treasurer's Accountability at the End of the Period:	\$ 9,493,191,445
Assets in the Treasury at the End of the Period (at Cost Value):	
Pooled Investments:	
O.C. Investment Pool	\$ 4,661,355,917
O.C. Educational Investment Pool	4,708,800,947
Total Orange County Investment Pools	9,370,156,864
Non-Pooled Investments:	
Non-Pooled Investments - John Wayne Airport	50,719,363
Non-Pooled Investments - Fountain Valley School District Fund 40	34,810,654
Non-Pooled Investments - CCCD Series 2017E Bonds	10,015,951
Non-Pooled Investments - Other	1,081,500
Total Non-Pooled Investments	96,627,468
Cash:	
Cash in banks - County	2,351,752
Cash in banks - Schools	7,595,619
Cash in banks - OC Sheriff	11,028,039
Cash in banks - John Wayne Airport	5,347,800
Cash - Other	83,903
Total Cash	26,407,113
Total Assets in the Treasury at the End of the Period:	\$ 9,493,191,445

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY
February 28, 2018**

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 ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio
30%	Negotiable Certificates of Deposit	\$ -	0.00%	\$ 198,852,027	2.99%	\$ -	0.00%	\$ -	0.00%
40%	Commercial Paper	-	0.00%	-	0.00%	-	0.00%	-	0.00%
100%	U.S. Government Agencies	703,932,030	50.40%	3,315,729,191	49.88%	770,888,725	60.53%	32,719,952	64.50%
\$65MM	LAIF	-	0.00%	64,247,822	0.97%	-	0.00%	-	0.00%
30%	Medium-Term Notes	99,521,425	7.13%	547,388,449	8.23%	94,791,582	7.45%	-	0.00%
20%	Money Market Mutual Funds	65,288,972	4.67%	-	0.00%	24,203,146	1.90%	90,276	0.18%
30%	Municipal Debt	-	0.00%	551,205,522	8.29%	-	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	527,941,273	37.80%	1,970,297,500	29.64%	383,611,376	30.12%	17,914,044	35.32%
		\$ 1,396,683,700	100.00%	\$ 6,647,720,511	100.00%	\$ 1,273,494,829	100.00%	\$ 50,724,272	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 ⁽¹⁾	Yes ⁽⁴⁾	Yes ⁽⁴⁾	Yes	Yes ⁽¹⁾	Yes ⁽⁴⁾	Yes ⁽⁴⁾	Yes
5%	Percentage Limits	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
20%	Issuer Limit	Yes	Yes	N/A	N/A	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/44.34	Yes	N/A	N/A	Yes/42.78	Yes	N/A	N/A
90 Days	Weighted Average Maturity - Money Market Fund	N/A	Yes	N/A	N/A	N/A	Yes	Yes/88.96	Yes
	Weighted Average Maturity - JWA Investment Fund	N/A	Yes	N/A	N/A	N/A	Yes	N/A	N/A
>Merrill 1-3 Year Index+25% (2.30)	Duration ⁽⁵⁾	N/A	Yes	Yes/1.16	Yes	N/A	Yes	N/A	N/A
13 Months/397 days	Final Maturity - Money Market Fund	Yes/290	Yes	N/A	N/A	Yes/380	Yes	N/A	N/A
15 Months/458 days	Final Maturity - John Wayne Airport Investment Fund	N/A	Yes	N/A	N/A	N/A	Yes	Yes/260	Yes
5 Years/1826 days	Final Maturity - Extended Fund	N/A	Yes	Yes/1,553	Yes	N/A	Yes	N/A	N/A
	Quality Limits	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes
A-1/≥ A	MMF Short Term/Long Term	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes
≥ A-1/P-1/F2	Short Term Debt/No Split Ratings	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes
A-1/≥ AA ⁽²⁾	Extended Fund Short Term/Long Term	N/A	N/A	Yes ⁽⁶⁾	Yes	N/A	N/A	N/A	N/A
Approved Issuer List	Authorized Issuer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Broker/Dealer List	Authorized Financial Dealer/Institution	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
0.995 - 1.005	Net Asset Value - Money Market Fund and JWA	Yes/1.0005	Yes	N/A	N/A	Yes/1.0002	Yes	Yes/0.9996	Yes

(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 2018 IPS policy approved by the Board of Supervisors on November 14, 2017 effective on January 1, 2018.

(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 (1.16) 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
February 28, 2018

COMPLIANCE CATEGORY	PERFORMED BY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	ACIA	Performance Evaluation-Cal Govt. Code 27134	Calendar year 2016 and six months ended 6/30/17 in progress.
Quarterly Schedule of Assets Review	ACIA	Performance Evaluation-Cal Govt. Code 26920(a)	September 30, 2017 and December 31, 2017 in progress.
Annual Schedule of Assets Audit	ACIA	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2017 in progress.
Quarterly Continuous Compliance Auditing	ACIA	TOC Directive	September 30, 2017 completed. December 31, 2017 in progress.
Treasury Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	FY 14/15, FY 15/16 and FY 16/17 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2016 completed. Calendar year 2017 in progress.
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 two compliance incidents as of February 28, 2018
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 2017 Annual Report was presented to BOS meeting on February 27, 2018.
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 February 28, 2018**

During February, the Orange County Investment Pool (OCIP), the Orange County Educational Investment Pool (OCEIP), and the John Wayne Airport Investment Fund were all free of noncompliance incidents.

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. Rackaukas, 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
Independent Review
In-Home Supportive Services
John Wayne Airport
OC Community Resources
OC Dana Point Harbor
OC Public Works
OC Waste & Recycling
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)



April 11, 2018

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority Investment and Debt Programs Report - February 2018

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 February 28, 2018. 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 February 28, 2018, the Orange County Transportation Authority's (OCTA) outstanding investments totaled \$1.35 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 1.56 percent.

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

OCTA's debt portfolio had an outstanding principal balance of \$413.8 million as of February 28, 2018. Approximately 75 percent of the outstanding balance is comprised of 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 February 28, 2018.

Attachment

- A. Orange County Transportation Authority Investment and Debt Programs
– For the Period Ending February 28, 2018.

Prepared by:



Rodney Johnson
Deputy Treasurer
Treasury/Public Finance
(714) 560-5675

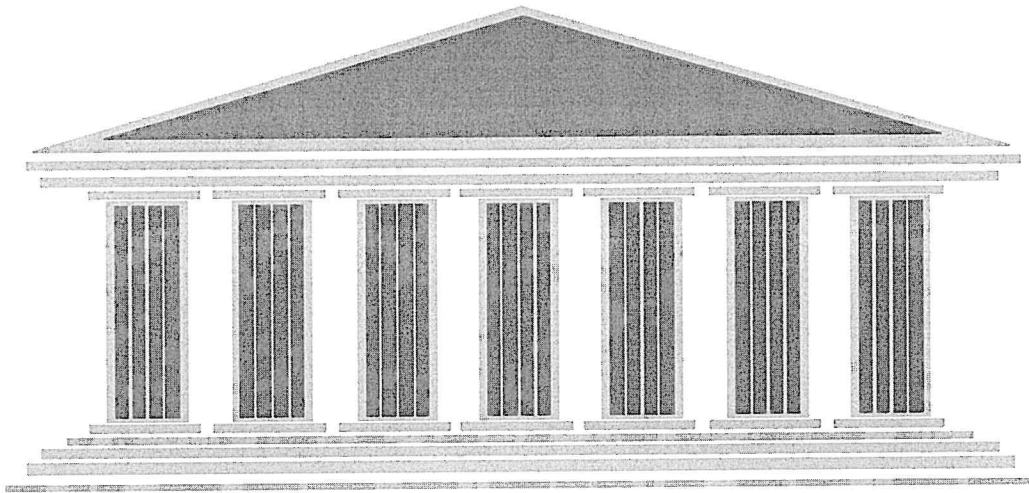
Approved by



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
February 28, 2018**

INVESTMENT PROGRAM

Investment Profile

2/28/2018

<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	306.4
State Street Global Advisors	Union Bank	Custodian	Short-Term Operating	305.3
Payden & Rygel Investment Counsel	Union Bank	Custodian	Short-Term Operating	305.8
Western Asset Management	Union Bank	Custodian	Short-Term Operating	305.3
<i>POOLED INVESTMENTS</i>				
California State Treasurer	LAIF	Custodian	Liquid	10.3
Orange County Treasurer	OCIP	Custodian	Legal Requirement	6.7
<i>CASH INVESTMENTS</i>				
OCTA	BNY Mellon	Trustee	Liquid	25.3
OCTA	Bank of the West	Broker	Liquid	58.2
OCTA	U.S Bank	Trustee	Liquid	0.0
<i>DEBT SERVICE RESERVE FUNDS</i>				
91 Express Lanes 2013 Ref. Bonds	U.S Bank	Trustee	Commercial Paper	11.0
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
TOTAL				\$1,347.4

Short-Term Portfolio - \$1.22 Billion

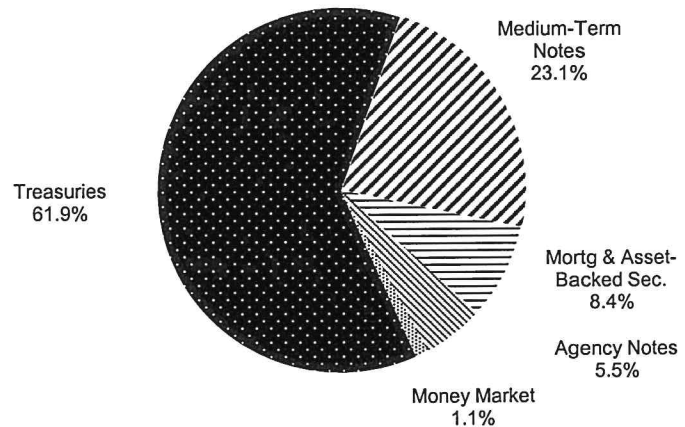
As of 2/28/18

Part 1 of 2

JP Morgan

Book Value \$ 306,381,290

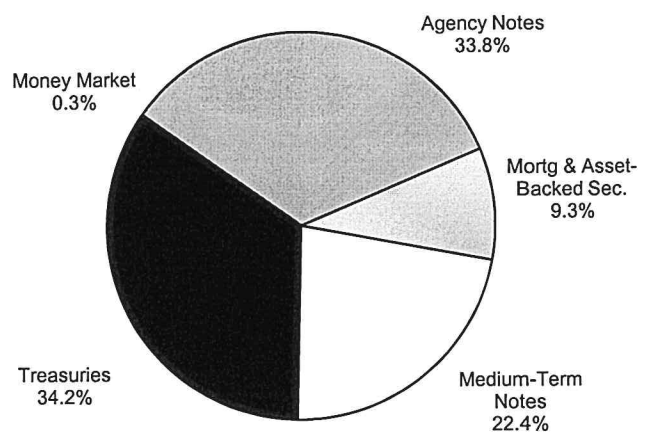
Market Value \$ 300,464,023



State Street Global

Book Value \$ 305,338,893

Market Value \$ 301,533,531



Market Value Reported By Custodial Bank

Short-Term Portfolio - \$1.22 Billion

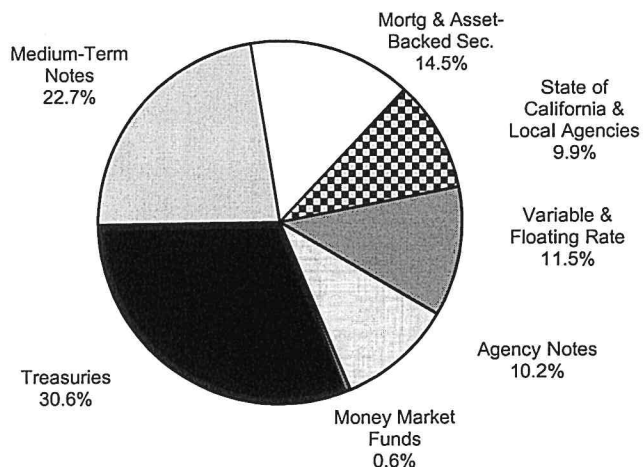
As of 2/28/18

Part 2 of 2

Payden & Rygel

Book Value \$ 305,808,417

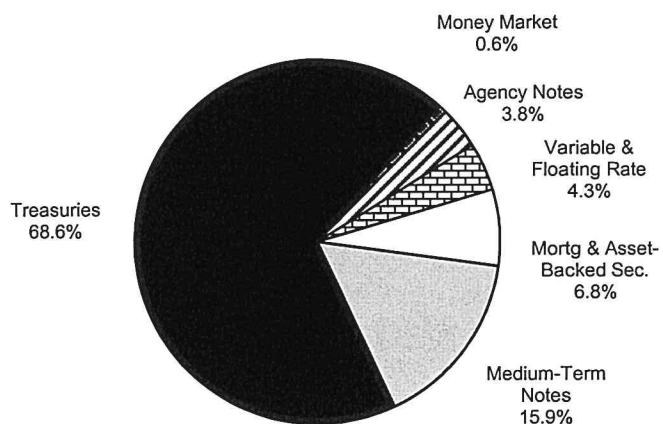
Market Value \$ 302,517,542



Western Asset Management

Book Value \$ 305,276,393

Market Value \$ 301,686,173

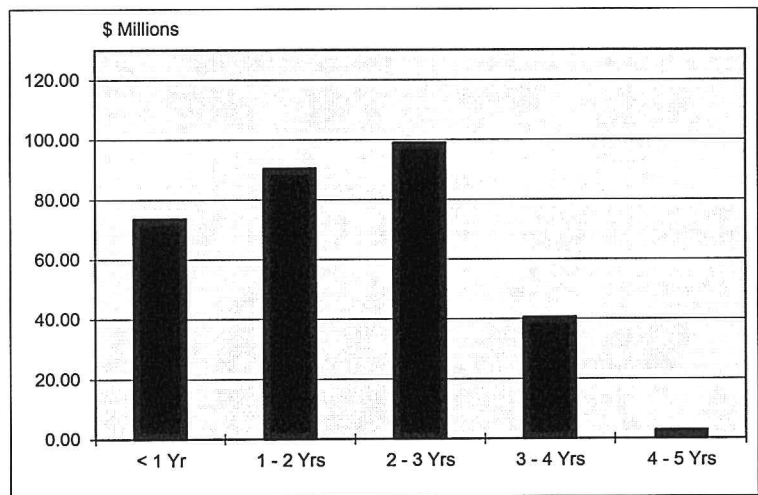


Market Value Reported By Custodial Bank

Short-Term Portfolio Maturity Schedule As of 2/28/18

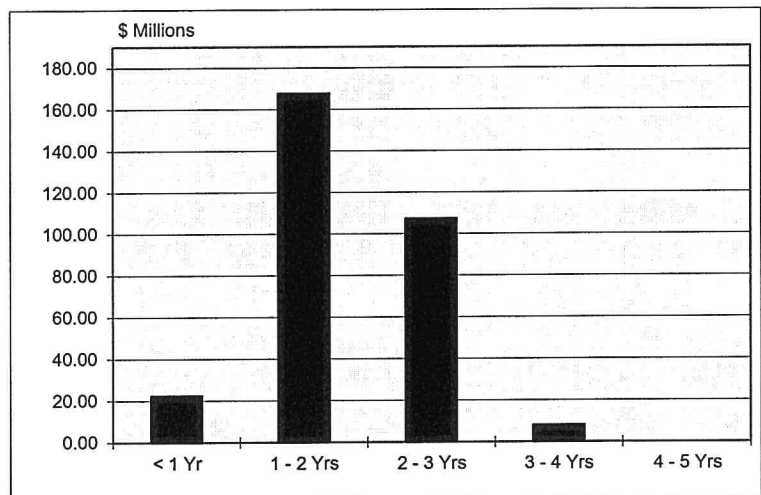
JP Morgan (\$306.4 M)

Monthly Return	-0.07%
TSY Benchmark	-0.04%
Gov/Corp Benchmark	-0.07%
Fiscal YTD Return	-0.12%
TSY Benchmark	-0.34%
Gov/Corp Benchmark	-0.24%
12 Month Return	0.26%
TSY Benchmark	-0.13%
Gov/Corp Benchmark	0.07%



State Street Global (\$305.3 M)

Monthly Return	-0.07%
Benchmark Comparison	-0.04%
Gov/Corp Benchmark	-0.07%
Fiscal YTD Return	-0.19%
TSY Benchmark	-0.34%
Gov/Corp Benchmark	-0.24%
12 Month Return	0.13%
TSY Benchmark	-0.13%
Gov/Corp Benchmark	0.07%

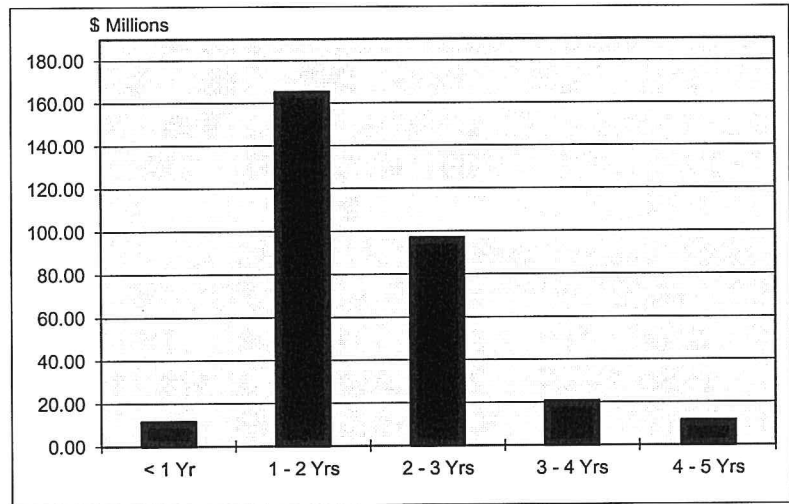


Yield Curve Change From 1/31/18 to 2/28/18			
	<u>1/31/18</u>	<u>2/28/18</u>	<u>Change</u>
1 Year	1.887%	2.064%	0.1770%
2 Year	2.143%	2.254%	0.1110%
3 Year	2.285%	2.409%	0.1240%
5 Year	2.515%	2.640%	0.1250%
30 Year	2.936%	3.126%	0.1900%

Short-Term Portfolio Maturity Schedule As of 2/28/18

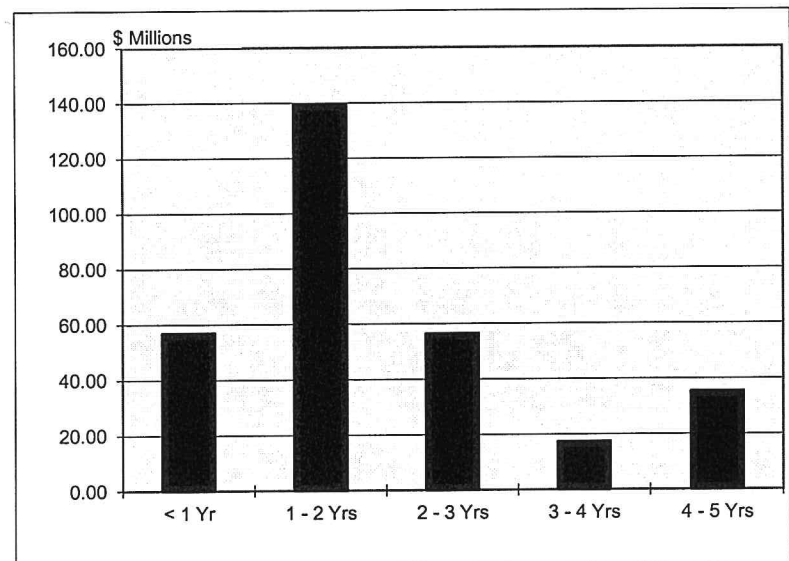
Payden & Rygel (\$305.8 M)

Monthly Return	-0.06%
TSY Benchmark	-0.04%
Gov/Corp Benchmark	-0.07%
Fiscal YTD Return	0.04%
TSY Benchmark	-0.34%
Gov/Corp Benchmark	-0.24%
12 Month Return	0.42%
TSY Benchmark	-0.13%
Gov/Corp Benchmark	0.07%



Western Asset Management (\$305.3 M)

Monthly Return	-0.09%
TSY Benchmark	-0.04%
Gov/Corp Benchmark	-0.07%
Fiscal YTD Return	-0.23%
TSY Benchmark	-0.34%
Gov/Corp Benchmark	-0.24%
12 Month Return	0.18%
TSY Benchmark	-0.13%
Gov/Corp Benchmark	0.07%

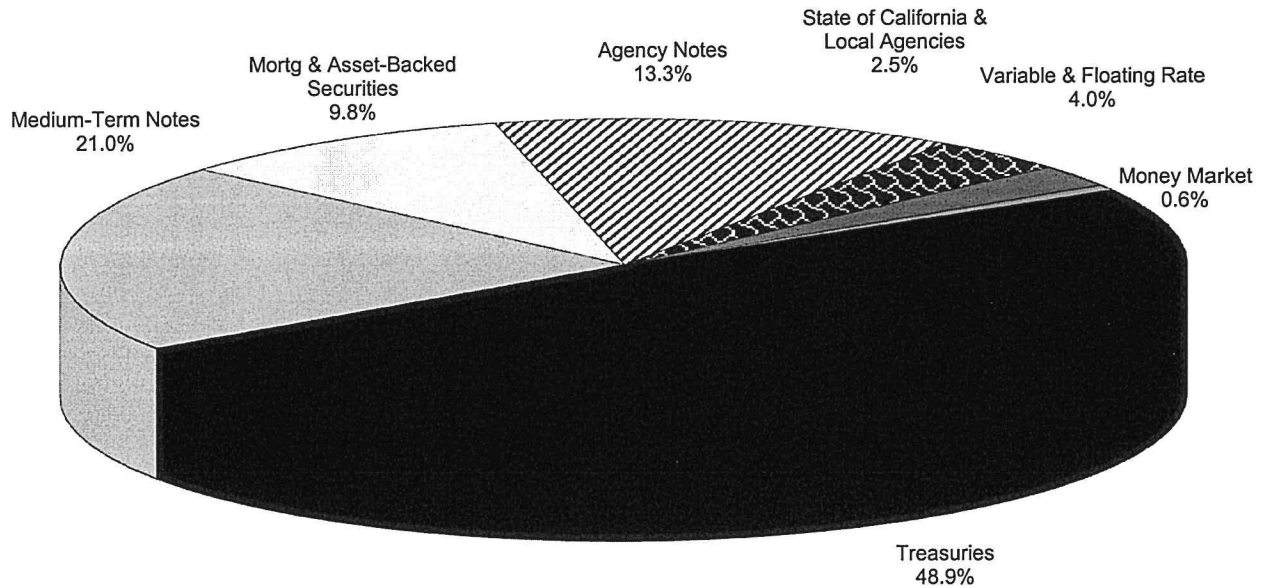


Yield Curve Change From 1/31/18 to 2/28/18			
	<u>1/31/18</u>	<u>2/28/18</u>	<u>Change</u>
1 Year	1.887%	2.064%	0.1770%
2 Year	2.143%	2.254%	0.1110%
3 Year	2.285%	2.409%	0.1240%
5 Year	2.515%	2.640%	0.1250%
30 Year	2.936%	3.126%	0.1900%

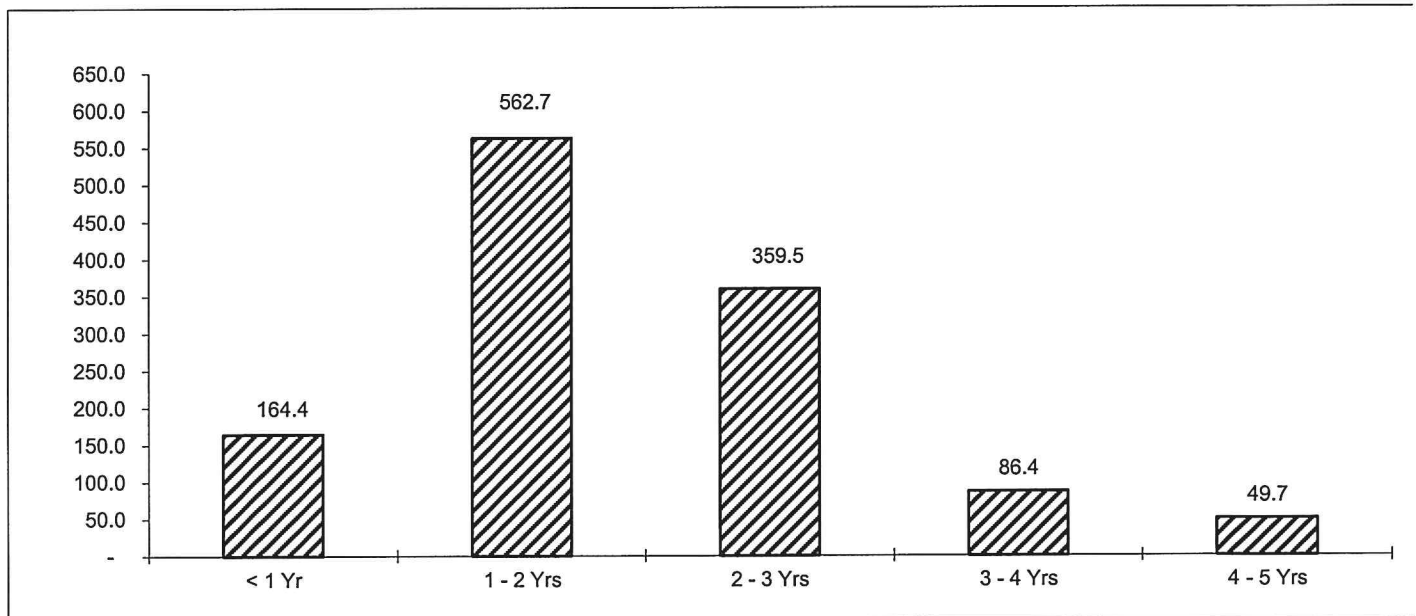
Short-Term Portfolio

As of 2/28/18

Total Portfolio Composition



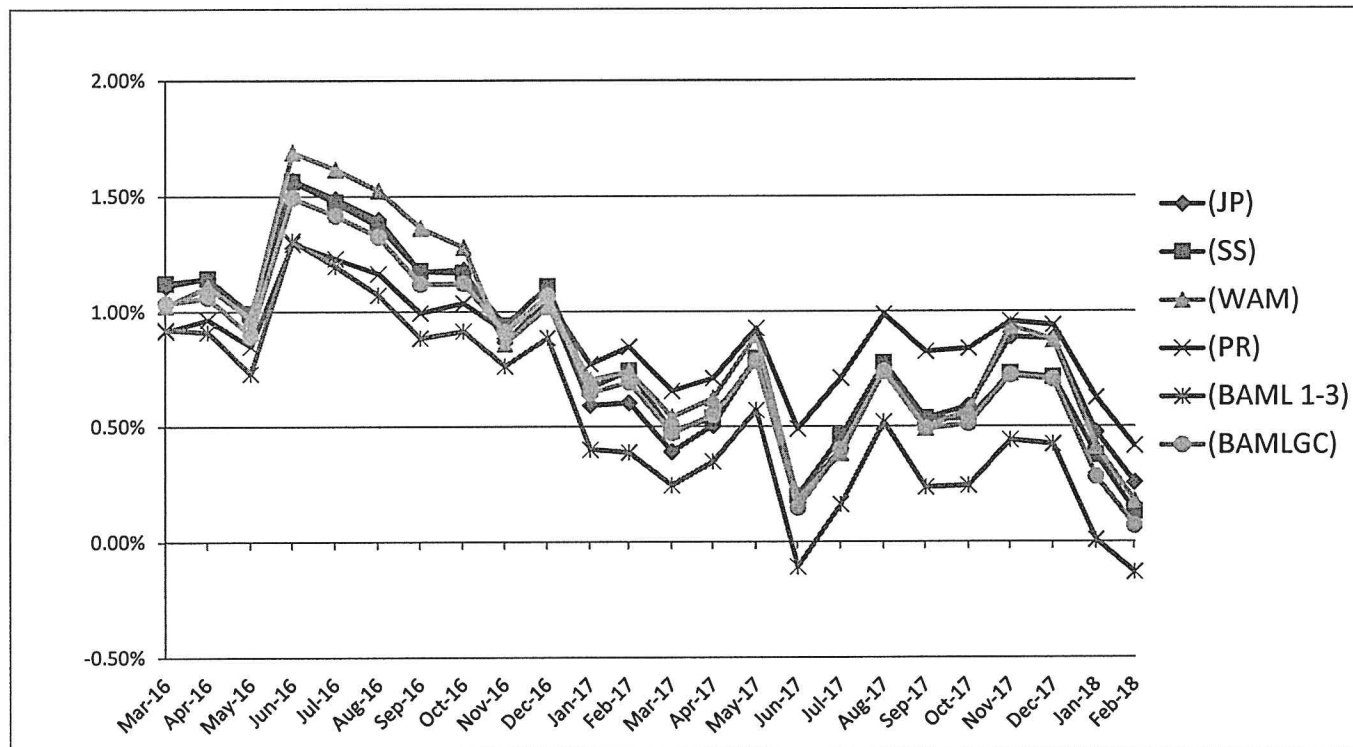
Total Portfolio Maturity Schedule



Short-Term Portfolio Performance

As of 2/28/18

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

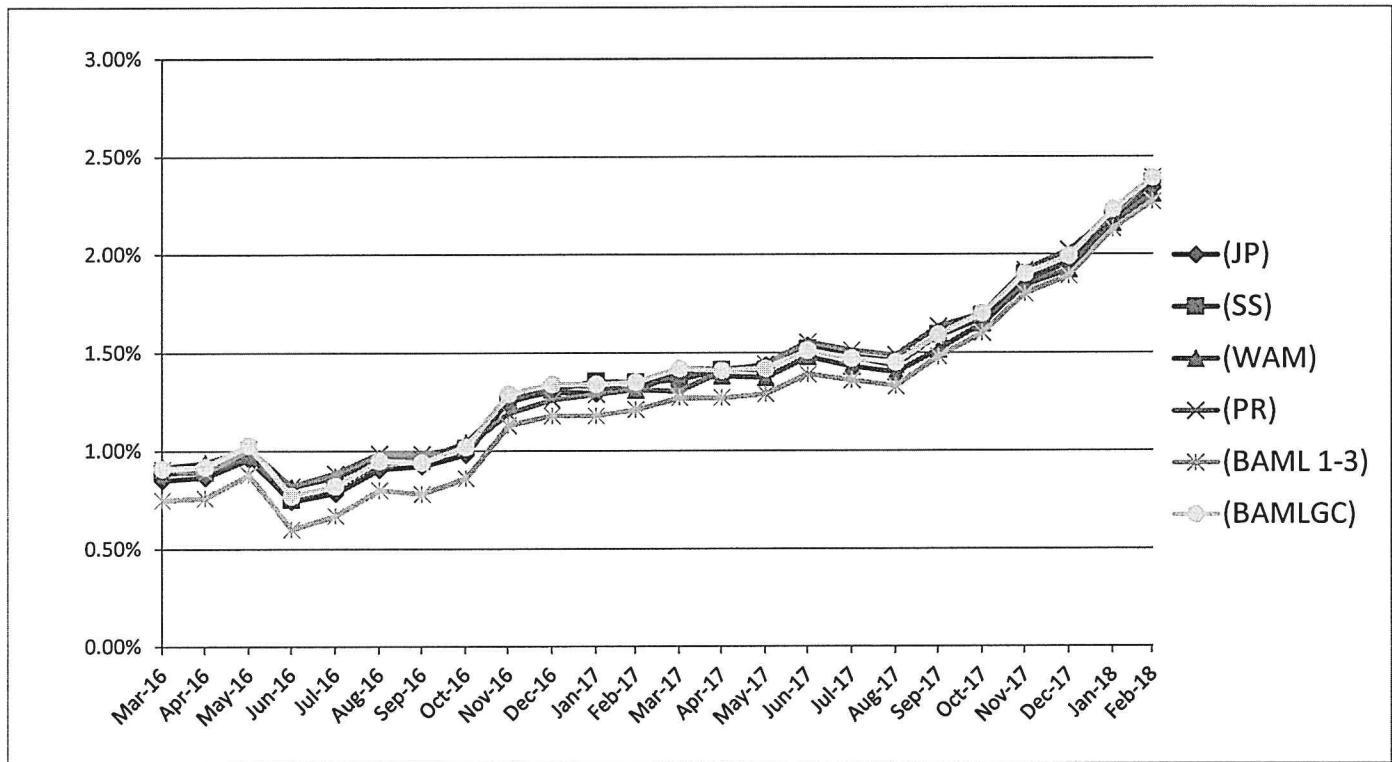


	JP Morgan (JP)	State Street (SS)	Western Asset Mgmt (WAM)	Payden & Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	ICE/ BAML 1-3 Yr Gov/Corp (BAMLGC)
Mar-16	1.11%	1.12%	1.03%	0.92%	0.92%	1.04%
Apr-16	1.15%	1.14%	1.11%	0.96%	0.91%	1.06%
May-16	0.96%	0.99%	0.97%	0.85%	0.73%	0.90%
Jun-16	1.57%	1.56%	1.69%	1.30%	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%
Dec-17	0.88%	0.71%	0.87%	0.94%	0.42%	0.70%
Jan-18	0.48%	0.38%	0.41%	0.62%	0.01%	0.28%
Feb-18	0.26%	0.13%	0.18%	0.42%	-0.13%	0.07%

Comparative Yield Performance

As of 2/28/18

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



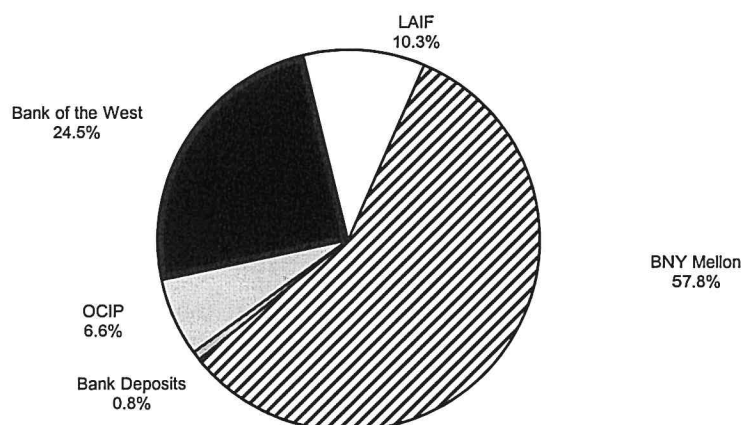
	JP Morgan (JP)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	ICE/ BAML 1-3 Yr Gov/Corp (BAMLGC)
Mar-16	0.85%	0.89%	0.92%	0.91%	0.75%	0.91%
Apr-16	0.87%	0.90%	0.94%	0.89%	0.76%	0.92%
May-16	0.96%	0.98%	1.01%	1.01%	0.88%	1.03%
Jun-16	0.74%	0.75%	0.82%	0.82%	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%
Dec-17	1.96%	1.97%	1.92%	2.02%	1.89%	1.99%
Jan-18	2.18%	2.19%	2.16%	2.20%	2.13%	2.23%
Feb-18	2.34%	2.37%	2.31%	2.39%	2.27%	2.39%

Liquid Funds Portfolio - \$82.9 M

As of 2/28/18

Other Liquid Funds

Book Value	\$	100,677,388
Market Value	\$	100,677,388



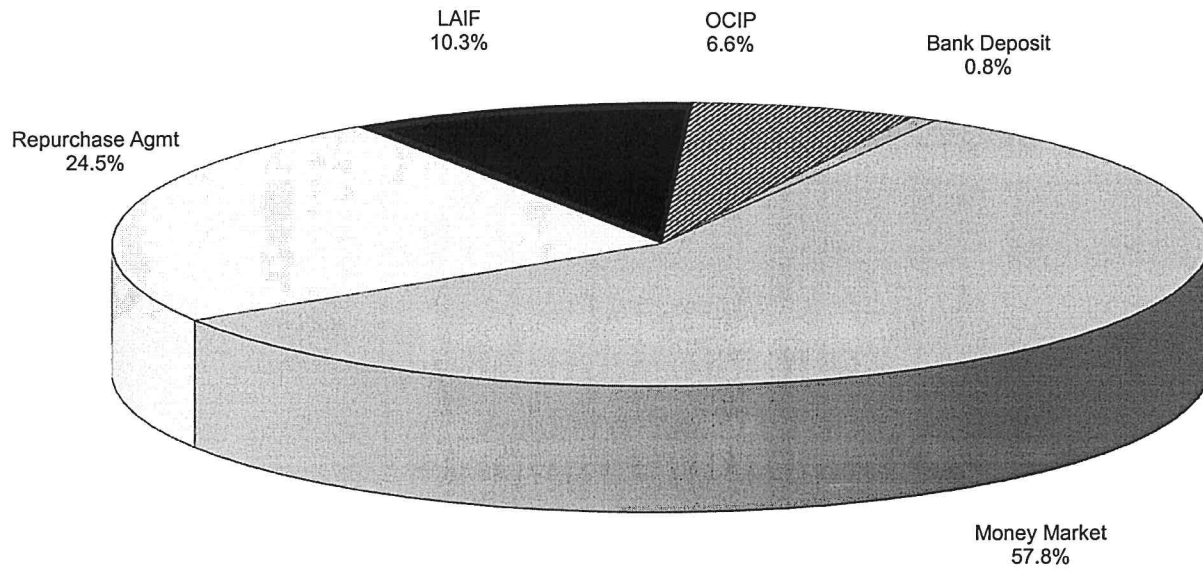
Yield Curve Change From 1/31/18 to 2/28/18			
	<u>1/31/18</u>	<u>2/28/18</u>	<u>Change</u>
1 Month	1.379%	1.507%	0.1280%
3 Month	1.459%	1.659%	0.2000%
6 Month	1.653%	1.855%	0.2020%

Market Value Reported By Custodial Bank

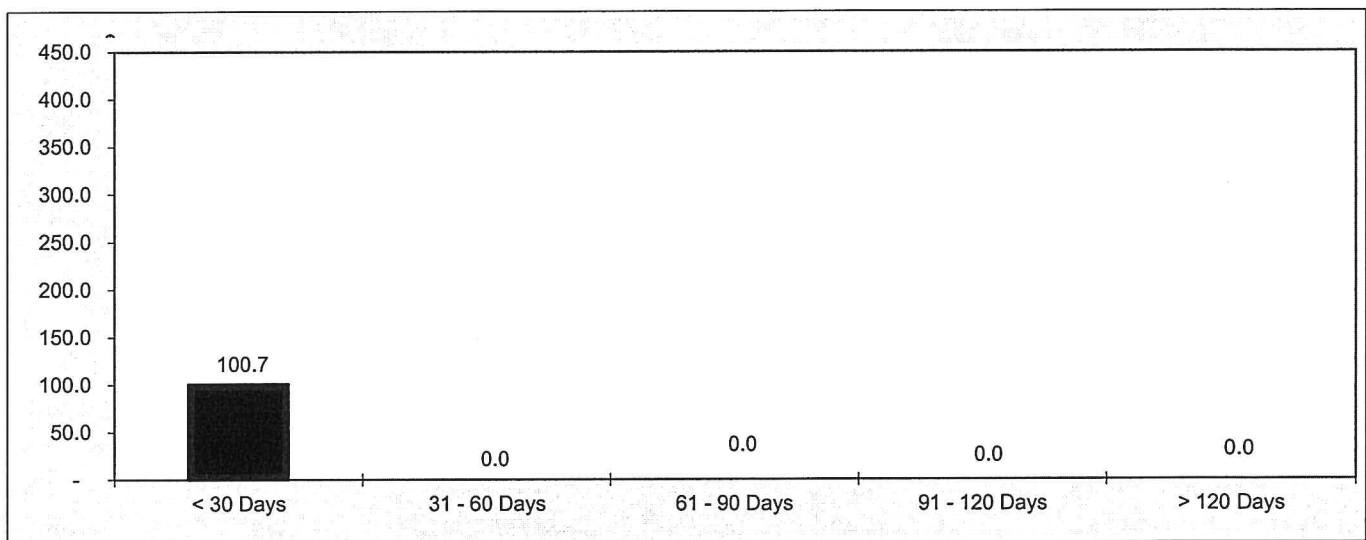
Liquid Portfolio

As of 2/28/18

Total Portfolio Composition



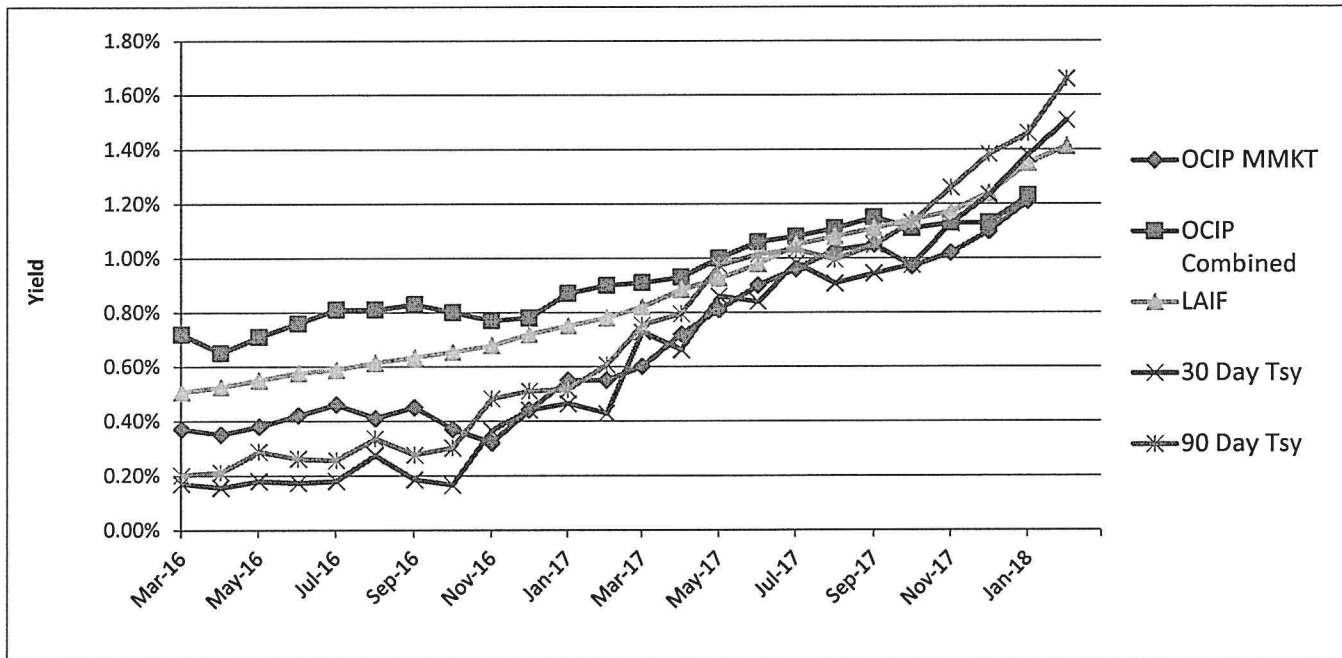
Maturity Schedule For Liquid Portfolio



Liquid Portfolio Performance

As of 2/28/18

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



	OCIP MMKT	OCIP Combined	LAIF	30 Day Tsy	90 Day Tsy
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%
Dec-17	1.10%	1.13%	1.24%	1.23%	1.38%
Jan-18	1.21%	1.23%	1.35%	1.38%	1.46%
Feb-18	N/A	N/A	1.41%	1.51%	1.66%

Investment Policy Compliance

As of 2/28/18

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	597,357,620	44.3%	100%
Federal Agencies & U.S. Government Sponsored *	162,861,936	12.1%	100%
State of California & Local Agencies	30,382,958	2.3%	25%
Money Market Funds & Mutual Funds	65,869,003	4.9%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	0	0.0%	30%
Commercial Paper	23,950,077	1.8%	25%
Medium Term Maturity Corporate Securities	256,685,644	19.0%	30%
Mortgage and Asset-backed Securities	119,439,429	8.9%	10%
Repurchase Agreements	24,689,159	1.8%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund (LAIF)	10,336,469	0.8%	\$ 40 Million
Orange County Investment Pool (OCIP)	6,692,791	0.5%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	48,388,656	3.6%	30%
Debt Service Reserve Funds - Investment Agreements	0	0.0%	Not Applicable
Bank Deposits	778,715	0.1%	5%
Derivatives (hedging transactions only)	0	0.0%	5%
TOTAL	1,347,432,459	100.0%	

* See attached page for a detailed listing of this category

Investment Policy Compliance

As of 2/28/18

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 & U.S. Government Sponsored</u>			
Federal Home Loan Bank (FHLB)	66,281,226	4.9%	35%
Federal Home Loan Mortgage Corporation (FHLMC)	62,081,016	4.6%	35%
Federal Farm Credit Bank (FFCB)	13,835,796	1.0%	35%
Federal National Mortgage Association (FNMA)	37,953,279	2.8%	35%
	180,151,316 *	13.4%	

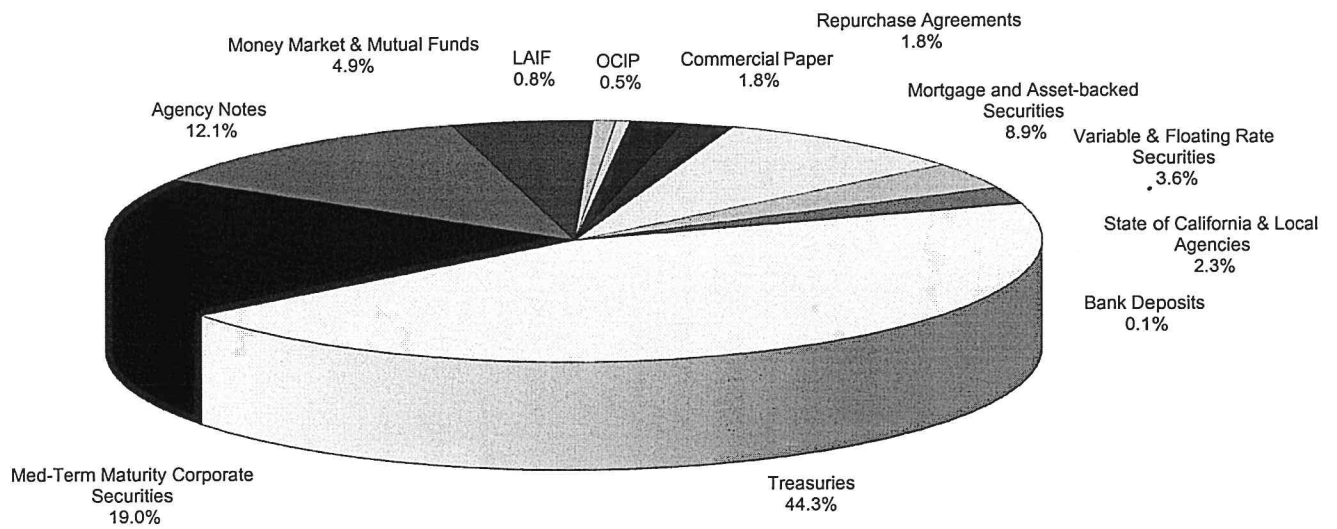
* The Total Dollar Amount Invested Equals The Dollar Amount Invested For Federal Agency Securities, Variable & Floating Rate (Agency) Securities, And A Portion Of Mortgage (Agency) & Asset-back Securities.

Money Market Funds (MMF) & Mutual Funds

First American Obligations Treasury Fund	352	0.0%
Goldman Sach Fin. Square Govt. MMF	0	0.0%
Blackrock Institutional T-Fund	7,688,750	0.6%
Fidelity Treasury Obligations MMF	47,088,338	3.5%
Federated Treasury Obligations Fund	<u>11,091,563</u>	<u>0.8%</u>
	65,869,003	4.9%

Investment Allocation

As of 2/28/18



Negative Credit Watch

As of 2/28/18

<u>Manager / Security</u>	<u>Par Amount</u>	<u>Maturity</u>	<u>S&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
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During May 2016, Standard & Poor's and Moody's placed the long-term ratings of Bayer Financial under review for possible downgrade.

<i>Walt Disney</i>	447,000	Various*	A+	A2	A
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On December 14, 2017, Standard & Poor's placed the long-term ratings of Walt Disney under review for possible downgrade.

<i>Qualcom</i>	320,000	5/20/2020	A	A1	NA
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On February 20, 2018, Standard & Poor's placed the long-term ratings of Qualcom under review for possible downgrade.

<i>Southern California Edison</i>	485,000	Various**	A	Aa3	A+
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On February 26, 2018, Fitch placed the long-term ratings of Southern California Edison under review possible downgrade.

Payden & Rygel

<i>Qualcom</i>	530,000	5/20/2019	A	A1	NA
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On February 20, 2018, Standard & Poor's placed the long-term ratings of Qualcom under review for possible downgrade.

Western Asset Management

<i>Qualcom</i>	1,740,000	Various***	A	A1	NA
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On February 20, 2018, Standard & Poor's placed the long-term ratings of Qualcom under review for possible downgrade.

* Securities will mature on 9/17/18, 1/8/19, 7/12/19, and 6/5/20.

** Securities will mature on 8/15/18, 6/1/21, and 2/1/22.

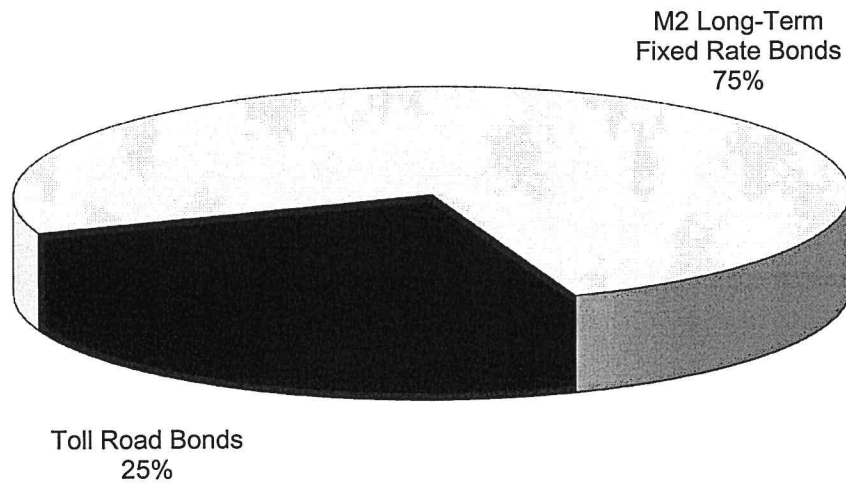
*** Securities will mature on 5/18/18 and 5/20/20.

DEBT PROGRAM

Total Outstanding Debt

As of 2/28/18

Outstanding Debt



TOTAL OUTSTANDING DEBT: \$413,840,000

Outstanding Debt

As of 2/28/18

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:	\$	16,695,000
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



April 11, 2018

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Local Agency Investment Fund - February 2018

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 February 28, 2018. 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 February 28, 2018, the fair value including accrued interest of the Pooled Money Investment Account (PMIA) was \$76,403,627,722 with an average monthly effective yield of 1.41 percent and a month-end weighted average maturity of 172 days. The Local Agency Investment Fund (LAIF) is a component of the State of California PMIA. The month-end balance of LAIF was \$21,784,671,461. The Orange County Transportation Authority's month-end balance in LAIF was \$10,336,469.

The average monthly effective Yield is the average of the daily yield for the month. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and current market value.

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 February 28, 2018.

Attachment

A. Local Agency Investment Fund – As of February 28, 2018

Prepared by:



Rodney Johnson
Deputy Treasurer
Treasury/Public Finance
(714) 560-5675

Approved by:



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

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

www.treasurer.ca.gov/pmia-laif/laif.asp
March 13, 2018

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

February 2018 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,336,469.36
Total Withdrawal:	0.00	Ending Balance:	10,336,469.36



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
02/05/18	1.40	1.36	180
02/06/18	1.40	1.36	179
02/07/18	1.40	1.36	178
02/08/18	1.41	1.36	179
02/09/18	1.41	1.36	180
02/10/18	1.41	1.36	180
02/11/18	1.41	1.36	180
02/12/18	1.41	1.36	178
02/13/18	1.41	1.37	178
02/14/18	1.41	1.37	177
02/15/18	1.42	1.37	176
02/16/18	1.41	1.37	176
02/17/18	1.41	1.37	176
02/18/18	1.41	1.37	176
02/19/18	1.41	1.37	176
02/20/18	1.42	1.37	172
02/21/18	1.42	1.37	170
02/22/18	1.42	1.37	168
02/23/18	1.43	1.38	167
02/24/18	1.43	1.38	167
02/25/18	1.43	1.38	167
02/26/18	1.43	1.38	163
02/27/18	1.43	1.38	166
02/28/18	1.46	1.38	172
03/01/18	1.48	1.38	181
03/02/18	1.48	1.38	182
03/03/18	1.48	1.38	182
03/04/18	1.48	1.39	182
03/05/18	1.48	1.39	179
03/06/18	1.48	1.39	178
03/07/18	1.48	1.39	177

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

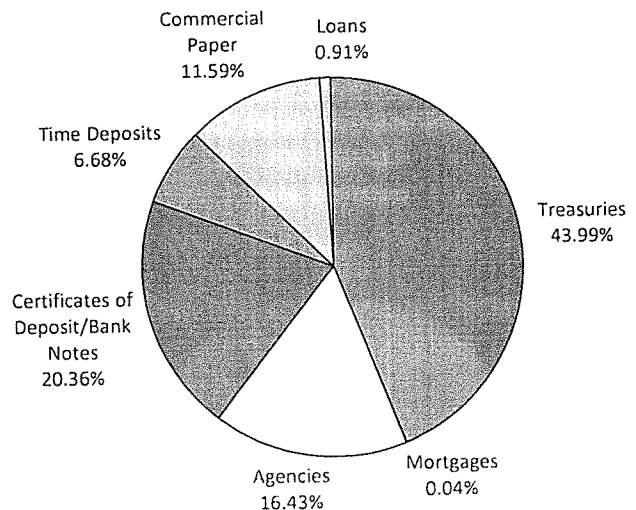
Quarter Ending 12/31/17

Apportionment Rate: 1.20%
 Earnings Ratio: .00003301121703481
 Fair Value Factor: 0.998093529
 Daily: 1.30%
 Quarter to Date: 1.18%
 Average Life: 186

**PMIA Average Monthly
Effective Yields**

Feb 2018 1.412
 Jan 2018 1.350
 Dec 2017 1.239

**Pooled Money Investment Account
Portfolio Composition
02/28/18
\$76.4 billion**



Based on data available as of 3/8/2018



Fair Value Including Accrued Interest	\$	76,403,627,722.46
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Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).



April 11, 2018

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for Financial Advisory Services

Overview

The Treasury/Public Finance Department of the Orange County Transportation Authority relies on the services of a financial advisory firm to provide assistance with new debt issuances, ongoing reporting requirements of the Transportation Infrastructure Finance and Innovation Act loan, assistance with the investor relations program, and investment advisory advice on an as-needed basis. Proposals were received 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 financial advisory services.

Recommendations

- A. Approve the selection of Sperry Capital Inc., as the firm to provide financial advisory services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2137 between the Orange County Transportation Authority and Sperry Capital Inc., in the amount of \$495,500, for a three-year initial term through April 30, 2021, with one, two-year option term, to provide financial advisory services.

Discussion

The Orange County Transportation Authority's (OCTA) financial advisor is responsible for providing analysis, consultation, and support for financial, investment, and other related matters affecting capital and operating decisions.

OCTA has issued over \$1.8 billion in debt since the early 1990s and currently has over \$421.6 million outstanding. In addition to previous debt issuances, OCTA entered into a Transportation Infrastructure Finance and Innovation

Act (TIFIA) loan in 2017 for the Interstate 405 Improvement Project (405 Project) and secured a \$900 million line of credit. With these different debt instruments, OCTA has evolved into a large and sophisticated issuer of municipal debt over the past decade. As a result, OCTA is one of the highest rated sales tax and toll road debt issuers in California.

Over the next several years, OCTA will be issuing debt for Measure M2 (M2) projects. New debt requirements will be derived from cash flows comparing projected expenses from Board of Directors (Board)-approved projects with anticipated revenues. The largest need will be for the general purpose lanes for the 405 Project. It is anticipated that issuances will occur in fiscal years 2019 and 2021. OCTA's financial advisor will assist with these evaluations and subsequent financing transactions.

In addition to these debt issuances, OCTA's financial advisor will assist with the financial reporting requirements of the TIFIA loan. OCTA is required to provide an updated financial model and report each year to the Build America Bureau and the Federal Highway Administration for the loan.

Lastly, the financial advisor will assist staff with the Investor Relations Program. The Investor Relations Program includes annual visits to New York for meetings with investors, liquidity providers, and the rating agencies. OCTA provides a comprehensive presentation on OCTA's programs and services during these meetings.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional and technical services. Various factors are considered in the 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 December 22, 2017, Request for Proposals (RFP) 7-2137 was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on December 22 and 27, 2017. A pre-proposal conference took place on January 4, 2018, with three attendees representing three firms. Two addenda were issued to make available the pre-proposal conference registration sheets and presentation, as well as respond to questions related to the RFP.

On January 31, 2018, five proposals were received. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, Express Lanes Programs, Finance and Administration, Financial Planning and Analysis, M2 Program Office, and Highway Programs met to review all proposals received. The proposals were evaluated based on the following evaluation criteria and weights:

- Qualifications of the Firm 30 percent
- Staffing and Project Organization 25 percent
- Work Plan 25 percent
- Cost and Price 20 percent

Several factors were considered in developing the evaluation criteria weights. Qualifications of the firm was weighted at 30 percent as the firm must demonstrate experience with various types of financing, such as sales tax revenue bonds, toll road revenue bonds, transit financings, commercial paper programs, and TIFIA loans. Staffing and project organization was weighted at 25 percent to emphasize the importance of the proposed project team's qualifications related to rating agency and investor relations management, refunding analysis and advice, TIFIA financial models, congestion management pricing for managed lanes and/or toll road facilities, as well as assisting transportation agencies with analyzing investment options for bond proceeds portfolios. Work plan was also weighted at 25 percent to ensure the firm demonstrated its understanding of the project requirements. Cost and price was weighted at 20 percent to ensure OCTA receives competitive pricing and value for the services provided.

On February 13, 2018, the evaluation committee reviewed the proposals based on the evaluation criteria and short-listed the two most qualified firms listed below in alphabetical order:

PFM Financial Advisors, LLC (PFM)
San Francisco, California

Sperry Capital Inc. (Sperry)
Sausalito, California

On February 20, 2018, the evaluation committee conducted interviews with the two short-listed firms. The interview consisted of a presentation to demonstrate the firms' understanding of OCTA's requirements. The firms were instructed to prepare a mock presentation to key investors regarding a proposed transaction for OCTA. 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' role as OCTA's financial advisor, familiarity with the latest changes in toll road revenue and sales tax revenue financing programs, and approach to future TIFIA loan-related financings, as well as handling potential conflicts of interest. In addition, each team was asked specific clarification questions related to their proposal.

At the conclusion of the interviews, firms were requested to submit a best and final offer (BAFO) to provide more competitive pricing. Both firms adjusted their proposed hourly rates.

After considering the responses to the questions asked during the interviews and the information provided in the BAFO, the evaluation committee reviewed the preliminary ranking and made adjustments to individual scores. However, the overall ranking of the firms did not change as a result of the interviews and BAFO.

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

Qualifications of the Firm

Both firms are qualified and demonstrated extensive experience in providing financial advisory services.

Sperry is the incumbent firm and has provided financial advisory services to OCTA since its inception in 1994. Located in the City of Sausalito, the firm has 11 employees and has worked with multiple California transportation agencies, including San Francisco Bay Area Rapid Transit (BART), Southern California Regional Rail Authority, California Department of Transportation, and Los Angeles County Metropolitan Transportation Authority, as well as public entities outside of California, such as the Grand Parkway Transportation Corporation. The firm detailed relevant experience with sales tax revenue bonds, toll road revenue bonds, transit financings, commercial paper programs, as well as TIFIA loans, which includes assisting OCTA in securing its TIFIA loan for the 405 Project.

PFM is a large, national firm with 55 employees within its locations in the cities of San Francisco and Los Angeles and has been providing financial advisory services for over 40 years. The firm detailed vast experience supporting many transportation agencies around the country with various types of financing. PFM

has an extensive list of clients, which includes the Bay Area Toll Authority, Transportation Corridor Agencies, San Diego Association of Governments, Chicago Transit Authority, Illinois State Toll Highway Authority, New York Metropolitan Transportation Authority, and the North Carolina Turnpike Authority.

Staffing and Project Organization

Sperry proposed the same project manager and day-to-day support as its previous contract to provide financial advisory services to OCTA. The proposed project manager has worked with OCTA in this capacity for the past 23 years. The individual has almost 30 years of experience handling different transactions, such as sales tax revenue bonds for BART and TIFIA loan amendments for the Transbay Joint Powers Authority. The other individual proposed to provide day-to-day support has 15 years of experience and has supported OCTA for the past six years. The proposed project team demonstrated experience with rating agency and investor relations management, refunding analysis and advice, TIFIA financial models, and congestion management pricing for managed lanes and/or toll road facilities. In addition, the team members have passed the Series 50-Municipal Advisor Representative Examination, which is required in order to engage in municipal advisory activities. Furthermore, Sperry is committed to ensuring that all team members are available to support and represent OCTA in the event of any conflicts of interest with other regional agencies that Sperry represents. Sperry provides in-house financial modeling, which will be helpful in analyzing future financing transactions. During the interview, Sperry's team best demonstrated a comprehensive understanding of OCTA's finances and programs.

PFM proposed a knowledgeable project team and all team members have passed the Series 50-Municipal Advisor Representative Examination. The proposed project manager has over 20 years of financial advisory experience. The proposed transportation specialist has over 25 years of experience with vast experience in toll road financing; however, the individual was not present for the interview to answer any related questions. In addition, when asked how the team would handle any potential conflicts of interest between OCTA and other regional agencies that PFM represents, PFM indicated that there is a firewall process that does not allow team members to communicate with each other. This would be a disadvantage to OCTA, as it would have limited access to certain individuals whose expertise is crucial to OCTA's financial decisions. Although the team presented well, their responses to questions were general in nature and lacked detail.

Work Plan

Sperry presented a comprehensive work plan that addressed all elements of the scope of work. The firm demonstrated a clear understanding of OCTA's financial needs by outlining specific activities OCTA should undertake and how the project team would assist OCTA in those endeavors, such as planning and updating the TIFIA financial models and managing OCTA's relationships with credit rating agencies. The firm discussed challenges and recommendations for issuing M2 sales tax revenue bonds, as well as its process for ensuring the best price for any short or long-term financings. In addition, Sperry proposed that OCTA consider recent regulatory requirements, which were not explicitly identified in the scope of work, but are relevant to OCTA's financings and reporting requirements, such as Senate Bills 1029 and 450.

PFM demonstrated a good understanding of OCTA's programs and financial needs. The firm has an in-house group of advisory professionals dedicated to following and analyzing municipal market activities to ensure the best price for short- and long-term financings. While PFM discussed its approach for completing elements related to OCTA's debt program, the firm did not elaborate on what activities would be undertaken and who of the project team would perform them. In addition, PFM did not detail how it would provide investment advisory support to OCTA.

Cost and Price

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

Procurement Summary

Based on the evaluation of the written proposals, the firms' qualifications, as well as the information obtained from the interviews and BAFOs, the evaluation committee recommends the selection of Sperry as the top-ranked firm to provide financial advisory services. Sperry delivered a comprehensive proposal and an interview that was responsive to the requirements of the RFP.

Fiscal Impact

Initial funds were included in the approved OCTA Fiscal Year 2017-18 Budget in the Local Transportation Authority Fund, the 91 Express Lanes Fund, and the 405 Express Lanes Fund. Future amounts will be budgeted in subsequent years.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2137 with Sperry Capital Inc., in the amount of \$495,500, for a three-year initial term, effective through April 30, 2021, with one, two-year option term, to provide financial advisory services.

Attachments

- A. Review of Proposals – RFP 7-2137 Financial Advisory Services
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 7-2137 Financial Advisory Services
- C. Contract History for the Past Two Years – RFP 7-2137 Financial Advisory Services

Prepared by:

Kirk Avila

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Approved by:

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Finance and Administration
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Virginia Abadessa
Director, Contracts Administration
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Review of Proposals
RFP 7-2137 Financial Advisory Services
Presented to Finance and Administration Committee - March 28, 2018
5 firms proposed, 2 firms were interviewed, 1 firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Weighted Average Hourly Rate
1	91	Sperry Capital Inc. Sausalito, California	None	Highest-ranked firm overall. Incumbent firm. Extensive experience providing financial advisory services to multiple California transportation agencies, as well as national clients. Described relevant experience in sales tax revenue bonds, toll road revenue bonds, transit financings, commercial paper programs, and TIFIA loans. Small firm with a set of core clients. Proposed a highly-qualified project team. Proposed team members have passed the Series 50 Municipal Advisor Representative Examination. Presented well and answered questions thoroughly during the interview. Demonstrated a thorough understanding of OCTA's programs and financial needs with a detailed project approach. Proposed competitive hourly rates.	\$98
2	89	PFM Financial Advisors LLC San Francisco, California	None	Second-ranked firm overall. Large, national firm with extensive financial advisory experience. Experience working with many transportation agencies throughout the country, including California. Described relevant experience in sales tax revenue bonds, toll road revenue bonds, transit financings, commercial paper programs, and TIFIA loans. Proposed an experienced, knowledgeable project team. Proposed team members have passed the Series 50 Municipal Advisor Representative Examination. Presented well and provided good responses during the interview. Demonstrated a good understanding of OCTA's programs and financial needs. Limited discussion related to investment advisory support. Proposed lowest hourly rates overall.	\$82

Evaluation Panel:

Internal:

Contracts Administration and Materials Management (1)
Express Lanes Programs (1)
Finance and Administration (1)
Financial Planning and Analysis (1)
M2 Program Office (1)
Highway Programs (1)

Proposal Criteria

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

Weight Factors

30%
25%
25%
20%

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)
RFP 7-2137 Financial Advisory Services

Sperry Capital Inc.							Weights	Overall Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.5	4.5	4.5	5.0	5.0	4.0	6	27.5
Staffing/Project Organization	4.5	4.5	4.5	4.5	4.5	4.0	5	22.1
Work Plan	4.5	5.0	5.0	5.0	5.0	4.5	5	24.2
Cost and Price	4.2	4.2	4.2	4.2	4.2	4.2	4	16.8
Overall Score	88.8	91.3	91.3	94.3	94.3	83.3		91

PFM Financial Advisors LLC							Weights	Overall Score
Evaluator Number	1	2	3	4	5			
Qualifications of Firm	4.5	5.0	5.0	4.5	5.0	4.5	6	28.5
Staffing/Project Organization	4.0	4.0	4.0	4.5	4.5	3.5	5	20.4
Work Plan	4.0	4.0	4.0	4.0	4.5	3.5	5	20.0
Cost and Price	5.0	5.0	5.0	5.0	5.0	5.0	4	20.0
Overall Score	87.0	90.0	90.0	89.5	95.0	82.0		89

Range of scores for non-short-listed firms was 63 to 79.

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 7-2137 Financial Advisory Services

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
PFM Financial Advisors LLC						
Contract Type: N/A	None	N/A	N/A	N/A	N/A	\$ -
Subconsultants: None						
Sub Total						\$ -
Sperry Capital Inc.						
Contract Type: Time-and-Expense	C-1-3116	Financial Advisory Services	March 1, 2012	November 30, 2017	N/A	\$ 1,410,000
Subconsultants: None						
Contract Type: Time-and-Expense	C-6-1497	Asset Scan and Monetization Opportunities	January 25, 2017	December 31, 2017	N/A	\$ 248,991
Subconsultants: None						
Sub Total						\$ 1,658,991



April 11, 2018

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendment to Agreement for Health Insurance Brokerage Services

Overview

On April 1, 2016, the Orange County Transportation Authority entered into an agreement with Burnham Benefits Insurance Services to assist the Human Resources Department in placing health benefits coverage for the administrative staff, as well as the parts clerks and facilities technicians represented by the Transportation Communications International Union. In order to address concerns regarding timeliness of coverage, premium payments, ability to waive coverage, and audit provisions, the Orange County Transportation Authority has assumed responsibility for the administration of health and life insurance benefits for coach operators beginning July 1, 2018. An amendment to the existing agreement is needed for Burnham Benefits Insurance Services to place health benefits coverage for coach operators and to extend the contract through March 31, 2020.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement C-5-3799 between the Orange County Transportation Authority and Burnham Benefits Insurance Services in the amount of \$192,500, for additional brokerage services for coach operator employee benefits, and to extend the current agreement term for an additional 12 months through March 31, 2020. This will increase the maximum obligation of the agreement to a total contract value of \$403,500.

Discussion

On April 1, 2016, the Orange County Transportation Authority (OCTA) selected Burnham Benefits Insurance Services (Burnham) as the broker of record to assist the Human Resources Department to implement and maintain OCTA's

benefit program for its administrative and Transportation International Communications Union (TCU) employees.

In addition to marketing and placing coverage, Burnham provides the following services: assists OCTA in developing comprehensive, cost-effective health and welfare programs; provides educational and informational meetings to employees; assists OCTA in resolving any insurance carrier issues; assists OCTA in enhancing Employee Wellness Program; keeps OCTA management informed of new legislation that may affect OCTA and assists in the implementation process of the new legislation; performs research and analysis as requested; develops benefit communication materials for employees; and assists in many aspects of open enrollment.

OCTA will assume the administration of employee benefits for coach operators in order to address concerns regarding timeliness of coverage, premium payments, ability to waive coverage, and audit provisions. An amendment to the existing agreement with Burnham is needed to provide the same insurance brokerage services for coach operator employees. The additional service provided by Burnham will also include a call center to address insurance questions, including claim and coverage issues specifically for coach operators. Staff recommends extending the term of Burnham's contract through March 31, 2020 so that the contract will include a full year of the additional new services. There will be no changes to the insurance brokerage services provided by Burnham for administrative and TCU employees.

Procurement Approach

This procurement was originally handled in accordance with OCTA Board of Directors (Board)-approved procedures for professional and technical services. The original agreement was awarded by the Contracts Administration and Materials Management (CAMP) Department for a three-year term, in the amount of \$210,000 on a firm-fixed price basis. CAMP has issued two amendments as described in Attachment A. The term of the agreement is through March 31, 2019. It has become necessary to amend the current agreement for additional services and to extend the agreement term to March 31, 2020.

Staff requested a price proposal from Burnham to provide the additional services. The proposal was reviewed by OCTA staff and it was found to be fair and reasonable for the work to be performed as the rates proposed by Burnham to provide health insurance brokerage services for coach operators are consistent with the rates OCTA pays for administrative employees. Amending the agreement will increase the maximum cumulative payment obligation by \$192,500, bringing the total contract value to \$403,500.

Fiscal Impact

The costs for additional health insurance brokerage health care benefits are included in the OCTA Fiscal Year 2018-19 Budget for coach operator benefits, which was previously paid to Teamsters/Labor Alliance. The request for additional contract authority has no fiscal impact; no additional budget authorization is needed.

Summary

Staff is recommending the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-5-3799 with Burnham Benefits Insurance Services, in the amount of \$192,500, thereby increasing the total contract value to \$403,500, and to extend the current term of the agreement for an additional 12 months through March 31, 2020, for health insurance brokerage services.

Attachment

- A. Burnham Benefits Insurance Services, Agreement C-5-3799 Fact Sheet

Prepared by:



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Section Manager, Benefits
714-560-5825

Approved by:



Karen DeCrescenzo
Human Resources Manager,
Human Resources and Organizational
Development
714-560-5547



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

**Burnham Benefits Insurance Services
Agreement No. C-5-3799 Fact Sheet**

1. April 1, 2016, Agreement No. C-5-3799, \$210,000, approved by the Contracts Administration and Materials Management (CAMM) Department.
 - Agreement to provide health insurance brokerage services.
 - Term of the agreement is effective April 1, 2016 through March 31, 2019.
2. April 20, 2017, Amendment No. 1 to Agreement No. C-5-3799, \$0.00, approved by CAMM.
 - Amendment to revise the Scope of Work to add assistance in researching and marketing various voluntary benefits programs, including wellness programs and plans for employees.
3. March 29, 2018, Amendment No. 2 to Agreement No. C-5-3799, \$1,000, approved by CAMM.
 - Amendment to revise the Scope of Work to include non-discrimination testing on self-insured health plans.
4. April 23, 2018, Amendment No. 3 to Agreement No. C-5-3799, \$192,500, pending Board of Directors approval.
 - Extend contract term an additional 12 months through March 31, 2020 for additional health insurance brokerage services.

Total committed to Burnham Benefits Insurance Services, Agreement No. C-5-3799, in the amount of \$403,500.



April 11, 2018

To: Finance and Administration Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Agreements for Health Insurance Services for Coach Operators

Overview

The Orange County Transportation Authority provides health and life insurance benefits for coach operators through the Teamsters Local 952 Union/Labor Alliance. In order to address concerns regarding timeliness of coverage, premium payments, ability to waive coverage, and audit provisions, the Orange County Transportation Authority has assumed responsibility for the administration of these benefits. Staff is presenting recommendations for medical, dental, vision, and life insurance agreements for coach operator benefits for six months of 2018 beginning July 1, 2018 and through December 31, 2018.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1618 between the Orange County Transportation Authority and Kaiser Permanente Health Plan, Inc., on a cost per employee basis, for prepaid medical services from July 1, 2018 through December 31, 2018. The 2018 Kaiser Permanente Health Plan, Inc., premium cost will vary in accordance with actual enrollment.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-1-2995 between the Orange County Transportation Authority and Delta Dental, on a cost per employee basis, for health maintenance organization dental services from July 1, 2018 through December 31, 2018. The 2018 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.
- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-1-2996 between the Orange County Transportation Authority and California State Association of

Counties – Excess Insurance Authority for Delta Dental, on a cost per employee basis, for preferred provider organization dental services from July 1, 2018 through December 31, 2018. The 2018 Delta Dental preferred provider organization premium costs will vary in accordance with actual enrollment.

- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-1-2997 between the Orange County Transportation Authority and California State Association of Counties – Excess Insurance Authority for Vision Service Plan, on a cost per employee basis, for vision services from July 1, 2018 through December 31, 2018. The 2018 vision services premium costs will vary in accordance with actual enrollment.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Purchase Order No. C-7-1897 between the Orange County Transportation Authority and California State Association of Counties – Excess Insurance Authority for VOYA for life insurance from July 1, 2018 through December 31, 2018. The life insurance premium costs will vary in accordance with actual volume in the plan.

Background

The Orange County Transportation Authority (OCTA) has taken responsibility to provide health and welfare benefits to coach operators.

OCTA will offer a similar benefits program to coach operators as the benefits made available through Teamsters. The medical insurance benefit will remain with Kaiser Permanente Health Plan, Inc. (Kaiser). Staff has focused on maintaining an equitable cost-sharing structure, increasing chiropractic care, and offering dental insurance with a larger group of providers. Staff will promote wellness and preventive care through the benefits program.

Discussion

OCTA received proposals from California State Association of Counties – Excess Insurance Authority (CSAC-EIA) and Burnham Insurance for its medical and life insurance plans effective July 1, 2018 through December 31, 2018. These rates were received by OCTA in March 2018. Staff recommends the following medical, dental, vision, and life insurances:

Medical

Coach operators are currently offered medical insurance through Kaiser. OCTA will offer the same Kaiser medical insurance benefit with enhanced chiropractic coverage, increasing chiropractic visits from 20 to 30 per year. OCTA will contract directly with Kaiser. Staff recommends continuing to offer Kaiser as the medical plan option for six months beginning July 1, 2018 through December 31, 2018.

Dental

Two dental plan options are currently offered to coach operators, United Concordia preferred provider organization (PPO) and Liberty Dental health maintenance organization (HMO) plan. OCTA will offer two similar choices of dental plans to coach operators. The PPO is offered through CSAC-EIA for Delta Dental and the HMO is offered directly through Delta Dental.

Vision

Coach operators are currently offered vision insurance through Vision Service Plan (VSP). OCTA will offer the same VSP through CSAC-EIA.

Life Insurance

The life insurance benefits are currently provided through Prudential Life. OCTA will provide full-time and part-time coach operators with the same life insurance benefit, as well as the same spousal and child life insurance benefit. OCTA will offer life insurance through CSAC-EIA for VOYA.

Fiscal Impact

The cost for health care benefits is included in OCTA's Fiscal Year (FY) 2018-19 Budget, assuming a four percent increase in rates beginning July 1, 2018. Based on staff recommendations for six months ending December 31, 2018, OCTA's cost for health care benefits for the coach operator employees will be approximately two percent higher than last fiscal year and well within the budgeted amount for FY 2018-19.

Summary

Staff is recommending that the Chief Executive Officer be authorized to negotiate and execute an agreement with Kaiser for medical insurance, as well as

amendments to the existing contracts with CSAC-EIA for dental, vision, and life insurance, and Delta Dental for dental.

Attachments

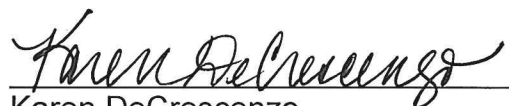
- A. Delta Dental Health Maintenance Organization, Agreement No. C-1-2995 Fact Sheet
- B. California State Association of Counties – Excess Insurance Authority Delta Dental Preferred Provider Organization, Agreement No. C-1-2996 Fact Sheet
- C. California State Association of Counties – Excess Insurance Authority Vision Service Plan, Agreement No. C-1-2997 Fact Sheet
- D. California State Association of Counties – Excess Insurance Authority VOYA, Agreement No. C-7-1897 Fact Sheet

Prepared by:

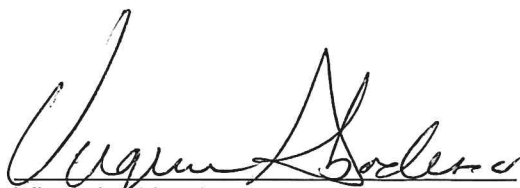


Bea Maselli
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Approved by:



Karen DeCrescenzo
Human Resources Manager,
Human Resources and Organizational
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Virginia Abadessa
Director, Contracts Administration and
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**Delta Dental Health Maintenance Organization
Agreement No. C-1-2995 Fact Sheet**

1. October 7, 2011, Agreement No. C-1-2995, \$18,000, approved by Board of Directors (Board).
2. October 22, 2012, Amendment No. 1 to Agreement No. C-1-2995, \$18,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2013 through December 31, 2013.
3. October 11, 2013, Amendment No. 2 to Agreement No. C-1-2995, \$15,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2014 through December 31, 2014.
4. October 13, 2014, Amendment No. 3 to Agreement No. C-1-2995, \$19,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2015 through December 31, 2015.
5. October 12, 2015, Amendment No. 4 to Agreement No. C-1-2995, \$19,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2016 through December 31, 2016.
6. August 22, 2016, Amendment No. 5 to Agreement No. C-1-2995, \$16,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
7. August 28, 2017, Amendment No. 6 to Agreement No. C-1-2995, \$15,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
8. April 23, 2018, Amendment No. 7 to Agreement No. C-1-2995, \$60,963, pending approval by the Board.

- To provide dental services to the coach operators beginning July 1, 2018 through December 31, 2018.

Total committed to Delta Dental Health Maintenance Organization, Agreement No. C-1-2995, in the amount of \$180,963.

**California State Association of Counties – Excess Insurance Authority
Delta Dental Preferred Provider Organization
Agreement No. C-1-2996 Fact Sheet**

1. October 7, 2011, Agreement No. C-1-2996, \$850,000, approved by Board of Directors (Board).
2. October 22, 2012, Amendment No. 1 to Agreement No. C-1-2996, \$770,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2013 through December 31, 2013.
3. October 11, 2013, Amendment No. 2 to Agreement No. C-1-2996, \$700,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2014 through December 31, 2014.
4. October 13, 2014, Amendment No. 3 to Agreement No. C-1-2996, \$780,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2015 through December 31, 2015.
5. October 12, 2015, Amendment No. 4 to Agreement No. C-1-2996, \$780,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2016 through December 31, 2016.
6. August 22, 2016, Amendment No. 5 to Agreement No. C-1-2996, \$710,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
7. August 28, 2017, Amendment No. 6 to Agreement No. C-1-2996, \$630,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
8. April 23, 2018, Amendment No. & to Agreement No. C-1-2996, \$196,957.20, pending approval by the Board.

- To provide dental services to the coach operators beginning July 1, 2018 through December 31, 2018.

Total committed to California State Association of Counties – Excess Insurance Authority for Delta Dental Preferred Provider Organization, Agreement No. C-1-2996, in the amount of \$5,416,957.20.

**California State Association of Counties – Excess Insurance Authority
Vision Service Plan
Agreement No. C-1-2997 Fact Sheet**

1. October 7, 2011, Agreement No. C-1-2997, \$110,000, approved by Board of Directors (Board).
2. October 22, 2012, Amendment No. 1 to Agreement No. C-1-2997, \$100,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2013 through December 31, 2013.
3. October 11, 2013, Amendment No. 2 to Agreement No. C-1-2997, \$90,000, approved by the Board.
 - To continue services and extend contract for period January 1, 2014 through December 31, 2014.
4. October 13, 2014, Amendment No. 3 to Agreement No. C-1-2997, \$344,500, approved by the Board.
 - To continue services and extend contract for period January 1, 2015 through December 31, 2017.
5. August 28, 2017, Amendment No. 4 to Agreement No. C-1-2997, \$86,000, pending approval by the Board.
 - To continue services and extend contract for period January 1, 2017 through December 31, 2018.
6. April 23, 2018, Amendment No. 5 to Agreement No. C-1-2997, \$55,198, pending approval by the Board.
 - To provide dental services to the coach operators beginning July 1, 2018 through December 31, 2018.

Total committed to California State Association of Counties – Excess Insurance Authority Vision Service Plan, Agreement No. C-1-2997, the amount of \$785,698.

**California State Association of Counties – Excess Insurance Authority
VOYA
Agreement No. C-7-1897 Fact Sheet**

1. August 28, 2017, Agreement No. C-7-1897, \$155,000, approved by Board of Directors (Board).
 - Agreement to provide life and accidental death and dismemberment insurance.
 - Term of the agreement is effective January 1, 2018 through December 31, 2018.
2. April 23, 2018, Amendment No. 1 to Agreement No. C-7-1897, \$40,983, pending approval by Board.
 - To provide life and accidental death and dismemberment insurance to the coach operators beginning July 1, 2018 through December 31, 2018.

Total committed to California State Association of Counties – Excess Insurance Authority VOYA, Agreement No. C-7-1897, in the amount of \$195,983.

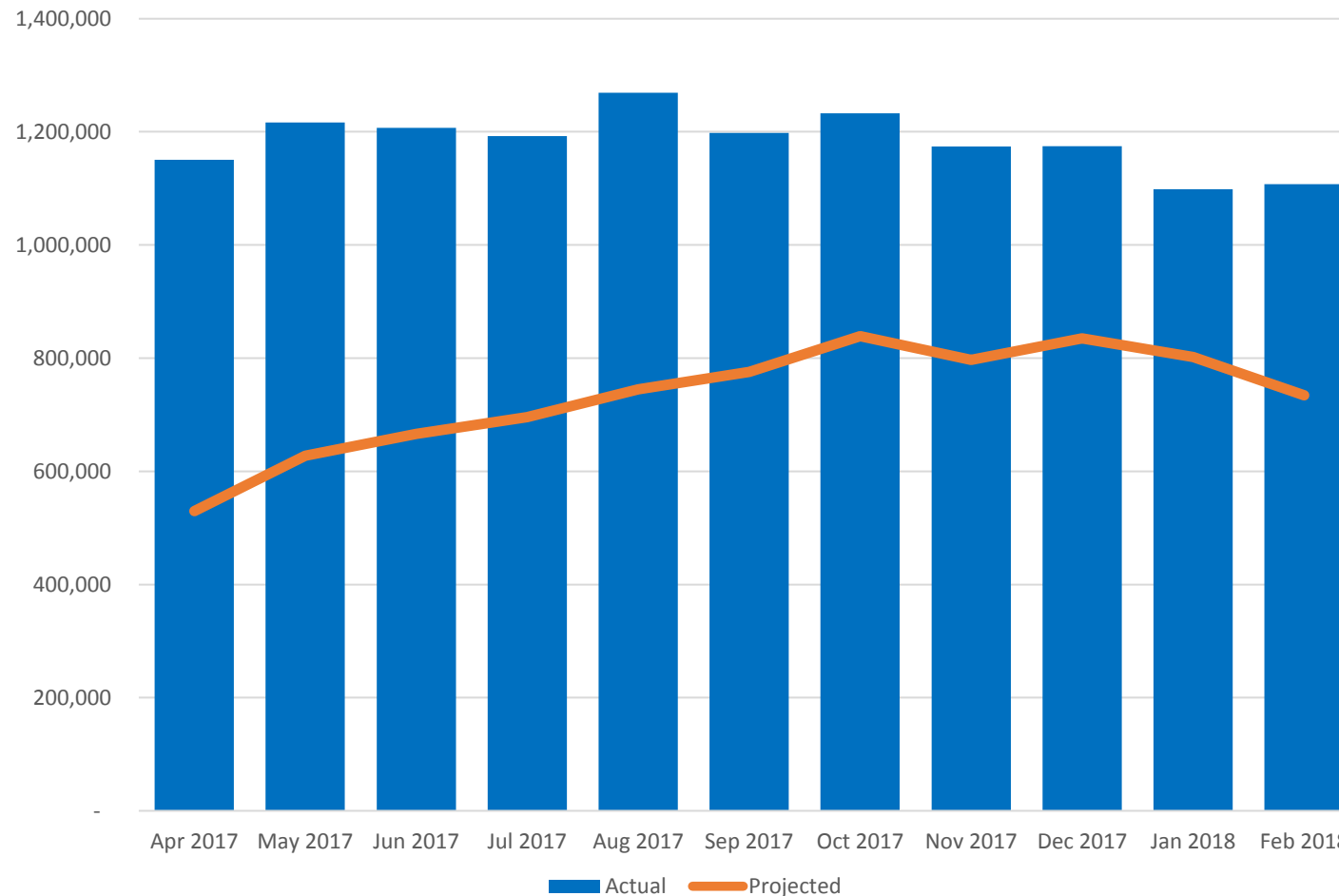
91 Express Lanes
Shifting Patterns
with
Riverside County Transportation
Commission Expansion

Background

- 91 Express Lanes opens:
 - Orange County – December 1995
 - Riverside County – March 2017
- OCTA and RCTC split various operating costs and revenues
- Each agency is responsible for toll setting and violation enforcement
- Operational services are managed through a three-party agreement between OCTA, RCTC, and Cofiroute USA
- Since RCTC opening, 91 Express Lanes have exceeded projections in both counties

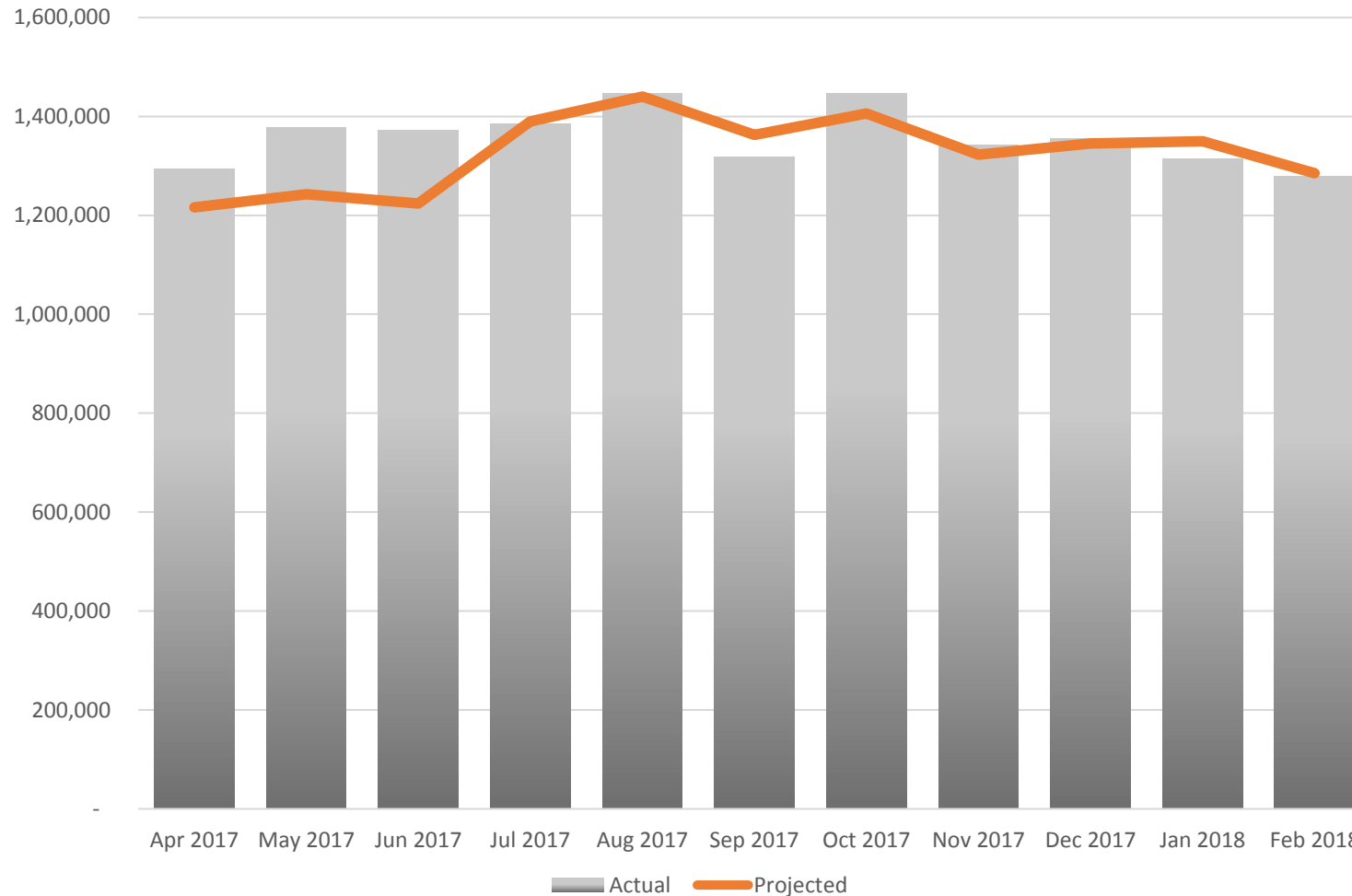
RCTC's Traffic Volumes Surpass Projections

RCTC Monthly Traffic Volumes Projected Versus Actual



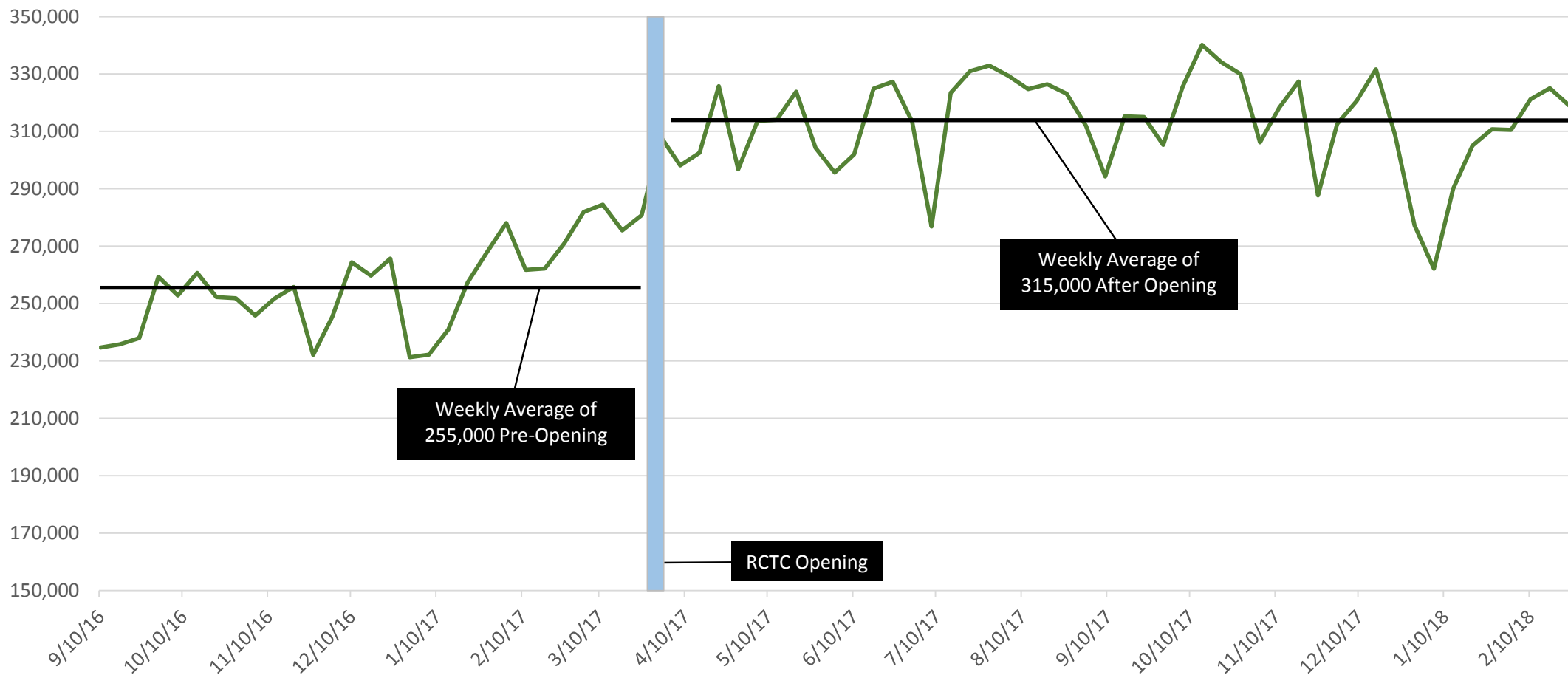
OCTA's Traffic Volumes also Increase

OCTA Monthly Traffic Volumes
Projected Versus Actual



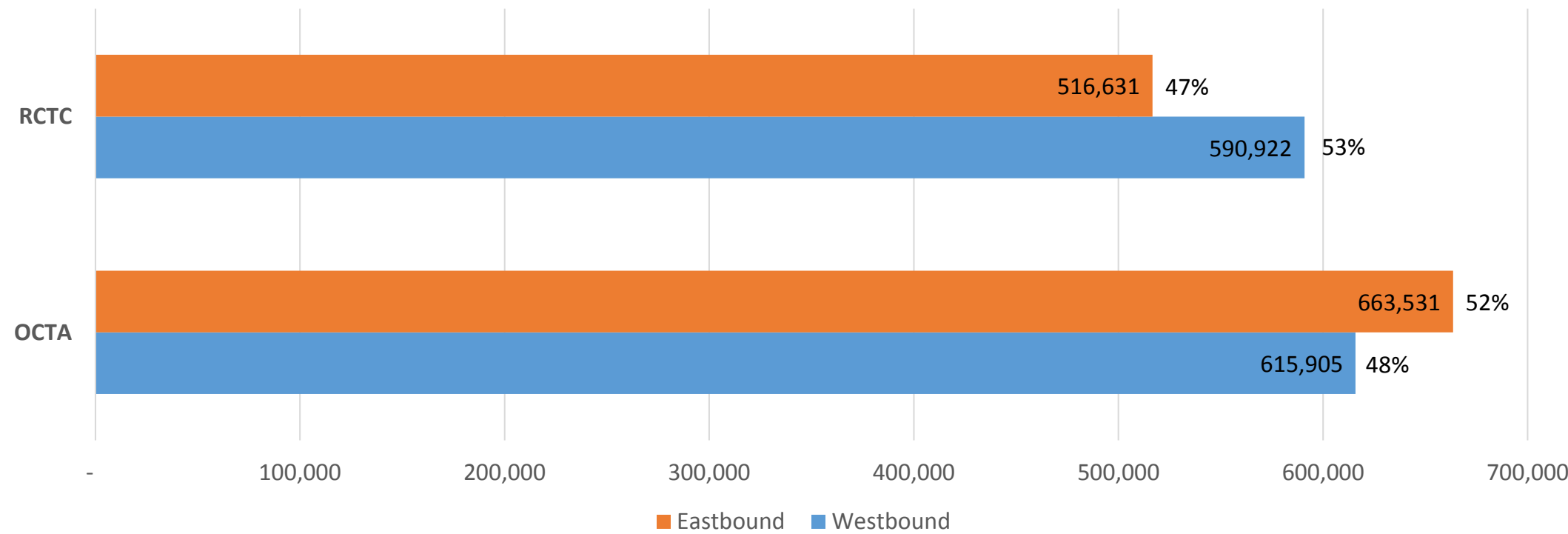
OCTA's Growth Occurs after RCTC Opening

OCTA Weekly Traffic Volumes from September 2016 to February 2018



Comparison Between Agencies

February 2018 Traffic Volumes by Direction Per Agency



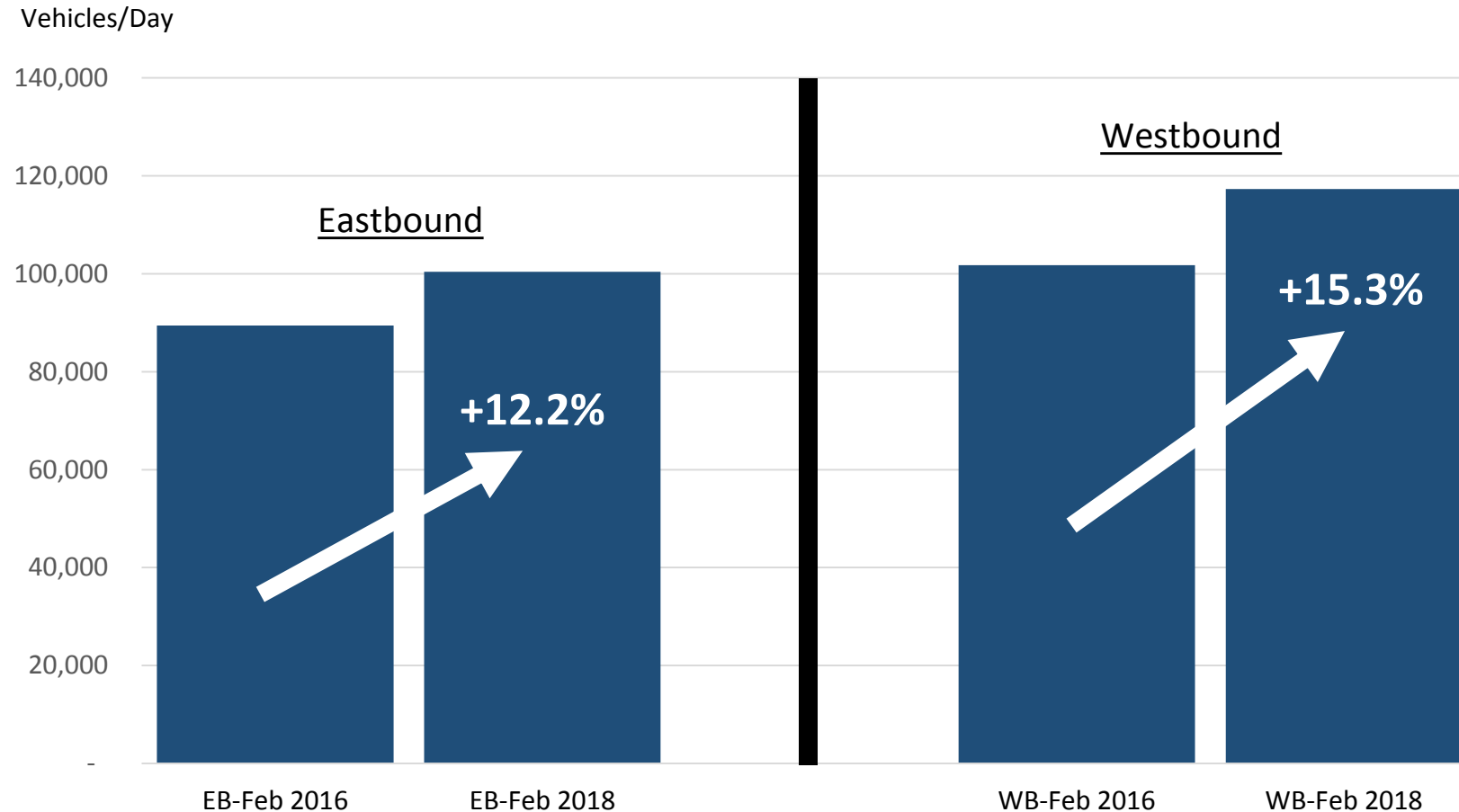
Traffic Volume Change by Month/Direction

- Since RCTC opening, traffic volumes on OCTA's 91 Express Lanes have increased on average by 15.2% (excluding the gray shaded area)
- Majority of growth has occurred in the westbound direction (increase of 21.5%)
- Note: from September 2016 through December 2016 the pavement rehabilitation project required various weekend closures

Traffic Volume Change From Prior Year			
	Eastbound	Westbound	Total
Jan 2017	3.7%	6.5%	5.0%
Feb 2017	0.2%	4.7%	2.2%
Mar 2017	4.2%	8.6%	6.2%
Apr 2017	6.2%	19.1%	11.9%
May 2017	10.1%	24.7%	16.7%
Jun 2017	8.5%	22.1%	14.7%
Jul 2017	6.2%	18.3%	11.8%
Aug 2017	8.4%	18.2%	12.9%
Sep 2017	24.5%	24.9%	24.7%
Oct 2017	20.1%	42.0%	30.2%
Nov 2017	15.1%	39.7%	25.7%
Dec 2017	14.0%	28.5%	20.4%
Jan 2018	15.2%	23.2%	18.9%
Feb 2018	14.3%	24.9%	19.2%

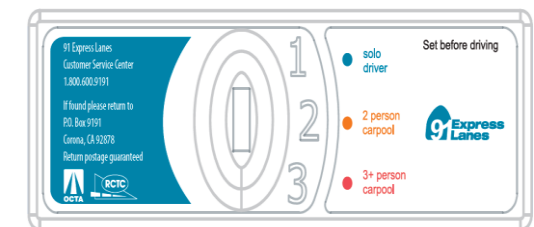
SR-91 Mainline Changes in Orange County

Average Vehicle Throughput Growth on General-purpose Lanes Near Weir Canyon



Other Impacts to Operations

- Number of accounts has grown from 122,308 to 137,291
- Number of transponders in circulation has increased from 186,496 to 208,557
- Customer service center call volumes have increased from a weekly average of 8,000 to 11,000
- Approximately 55% of traffic traveling eastbound through the 91 Express Lanes in Orange County continue using Riverside County express lanes
- Approximately 62% of the traffic traveling westbound through the 91 Express Lanes in Riverside County continue using the Orange County express lanes



Conclusions

- Significant traffic pattern changes seen since the opening of RCTC's SR-91 Corridor Improvement Project
- Overall SR-91 traffic volumes continue rising with significant westbound increases for OCTA's 91 Express Lanes
- RCTC currently evaluating options to fine tune westbound SR-91 corridor traffic
- Lessons learned from RCTC's 91 Corridor Improvement Project will assist OCTA with I-405 Improvement Project