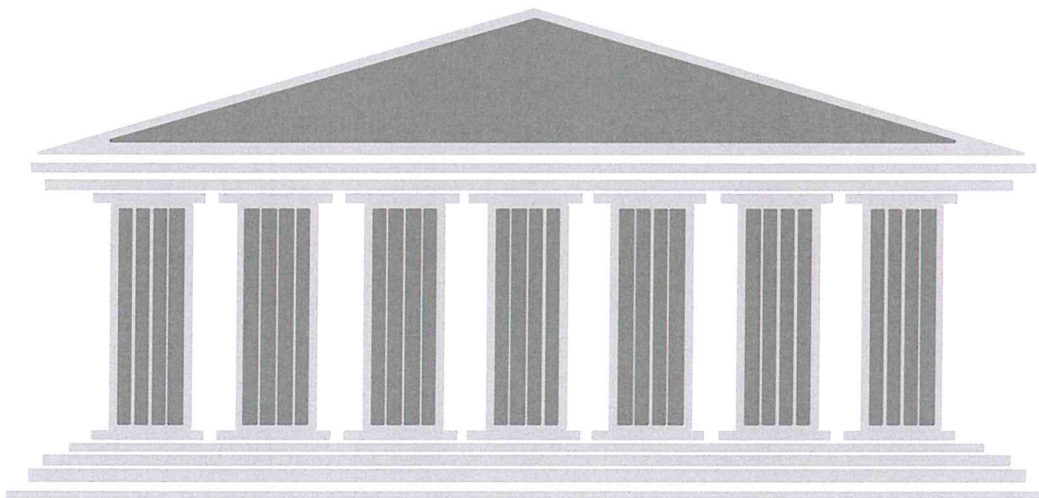


**Treasury/Public Finance Department's
Report On**

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



**Presented to the
Finance and Administration Committee**

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

INVESTMENT PROGRAM

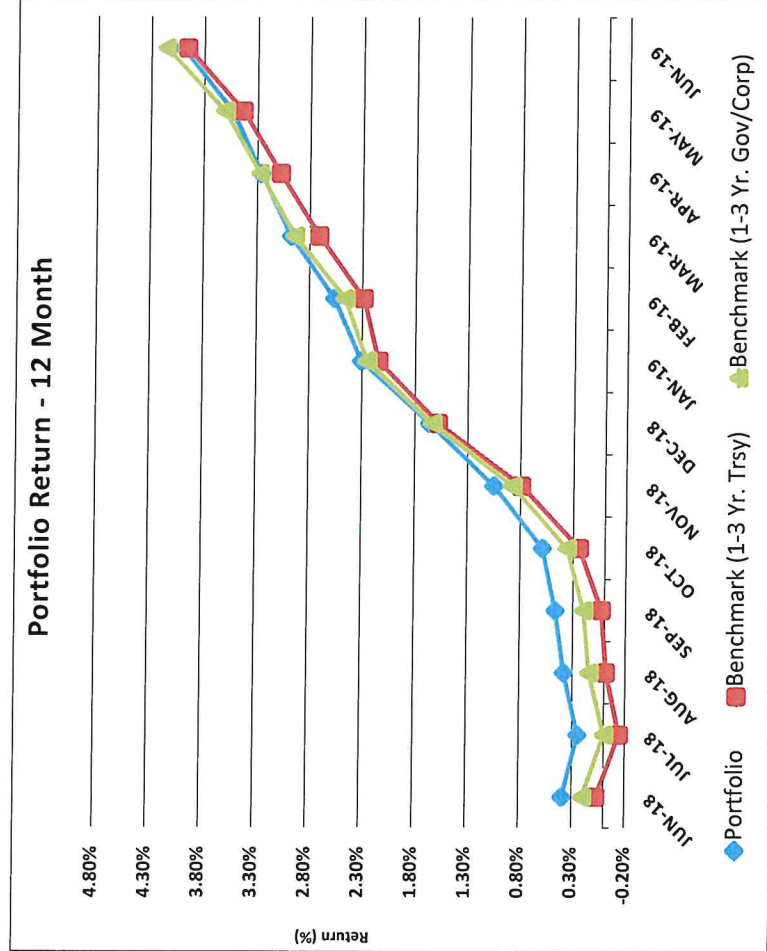
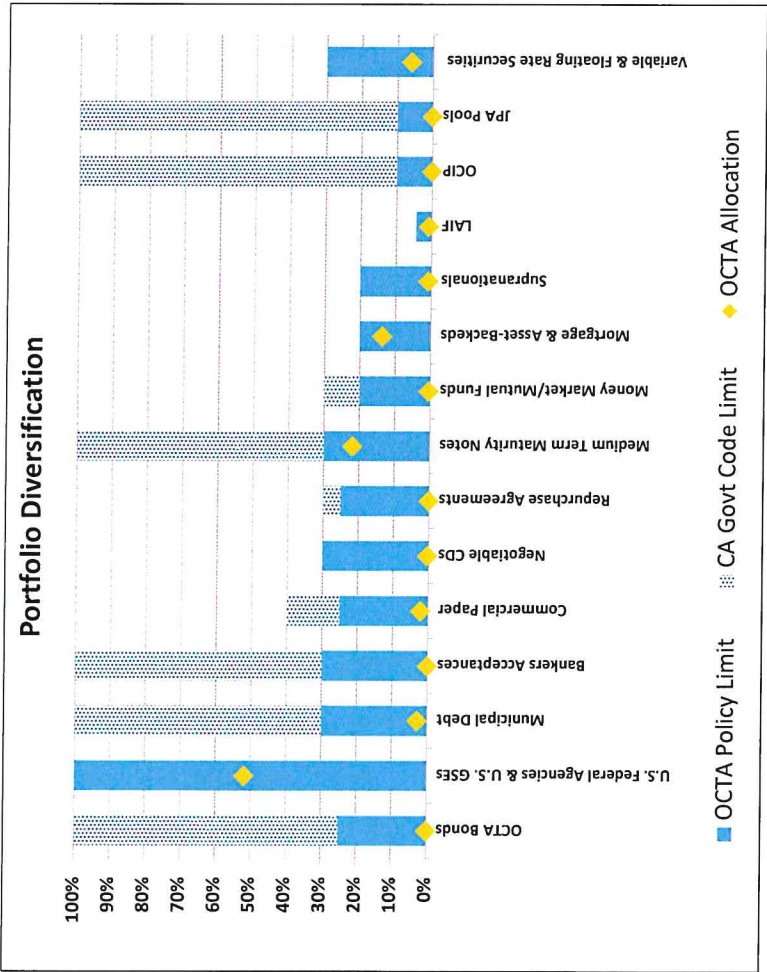
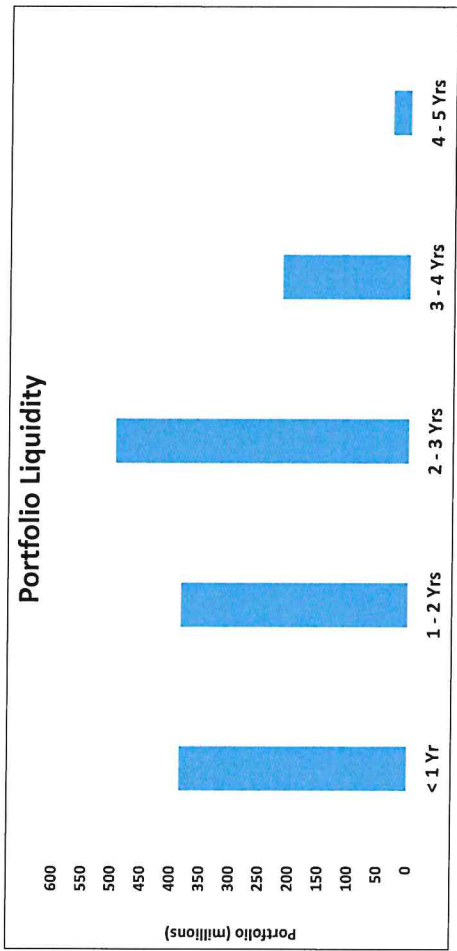
OCTA Investment Dashboard

6/30/2019

Safety of Principal

Securities that fall below OCTA's minimum credit quality requirements:

None



Investment Profile

6/30/2019

<u>Portfolio Manager</u>	<u>Depository</u>	<u>Role</u>	<u>Type of Investment</u>	<u>Amount (\$ Millions)</u>
<i>LIQUID PORTFOLIO</i>				
OCTA	BNY Mellon	Trustee	Cash	86.7
OCTA	Bank of the West	Broker	Cash	30.4
OCTA	U.S Bank	Trustee	Cash	0.0
<i>SHORT-TERM PORTFOLIO</i>				
Logan Circle Partners	Union Bank	Custodian	Per OCTA Investment Policy	376.3
Chandler Asset Management	Union Bank	Custodian	Per OCTA Investment Policy	377.8
Payden & Rygel Investment Counsel	Union Bank	Custodian	Per OCTA Investment Policy	381.5
Public Financial Management (PFM)	Union Bank	Custodian	Per OCTA Investment Policy	377.8
<i>POOLED INVESTMENTS</i>				
California State Treasurer	LAIF	Custodian	Per LAIF Investment Policy	10.6
Orange County Treasurer	OCIP	Custodian	Per OCIP Investment Policy	0.1
<i>BOND PROCEED PORTFOLIO</i>				
OCTA	Bank of Nova Scotia	Custodian	Per Measure M2 Bond Indenture	366.7
OCTA	BNY Mellon	Trustee	Per GIC Agreement	36.2
<i>RESERVE FUNDS PORTFOLIO</i>				
91 Express Lanes 2013 Ref. Bonds	U.S Bank	Trustee	Commercial Paper	11.3
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	10.0
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	3.0
Bank Deposits/Cash				0.5
TOTAL				\$2,068.9

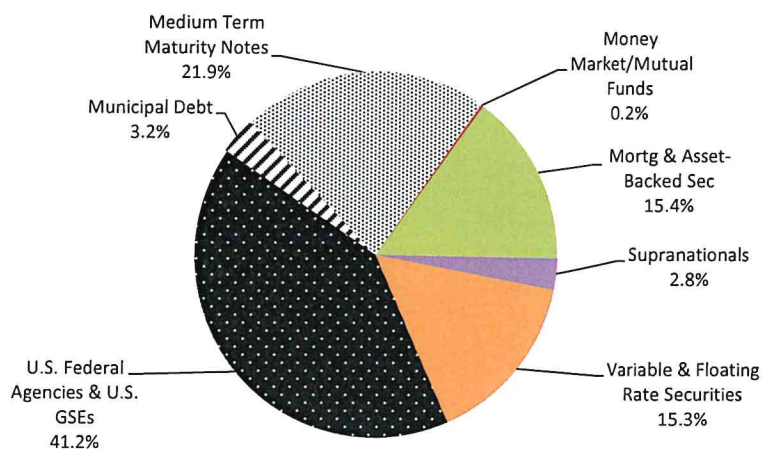
Short-Term Portfolio - \$1.51 Billion

6/30/2019

Part 1 of 2

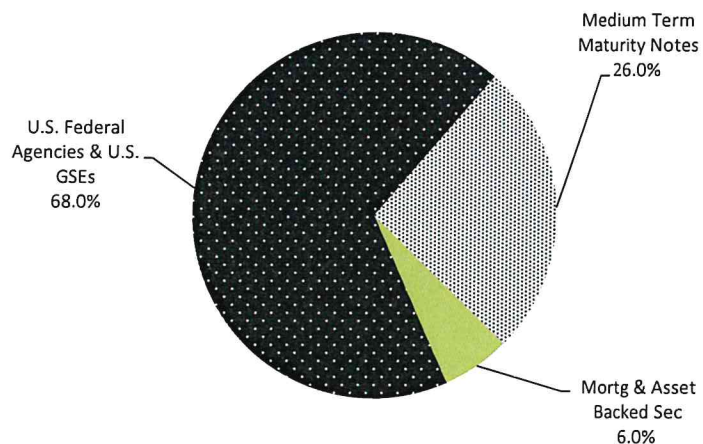
Logan Circle Partners

Book Value	\$	376,337,672
Market Value	\$	378,954,232



Chandler Asset Management

Book Value	\$	377,782,851
Market Value	\$	381,989,552



Market Value Reported By Clearwater

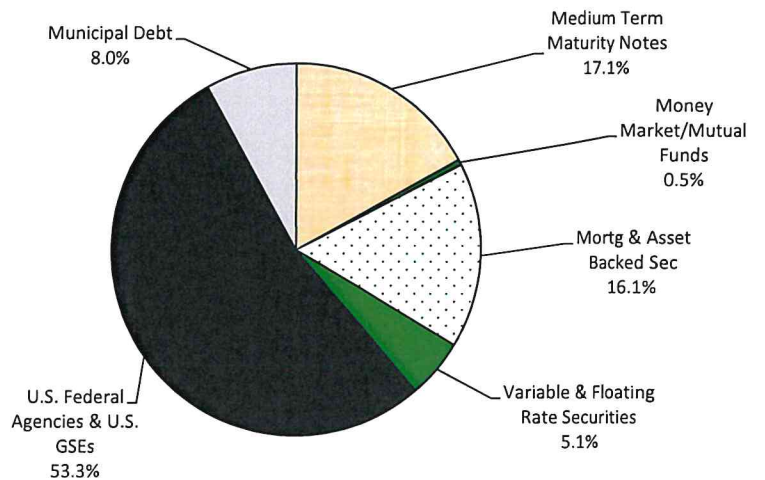
Short-Term Portfolio - \$1.51 Billion

6/30/2019

Part 2 of 2

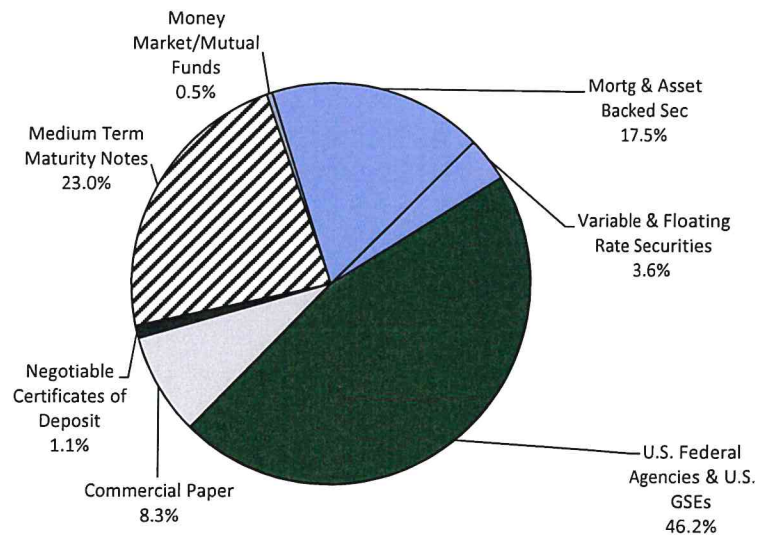
Payden & Rygel

Book Value	\$	381,528,258
Market Value	\$	384,198,613



Public Financial Management (PFM)

Book Value	\$	377,797,644
Market Value	\$	382,975,174



Market Value Reported By Clearwater

Short-Term Portfolio Maturity Schedule

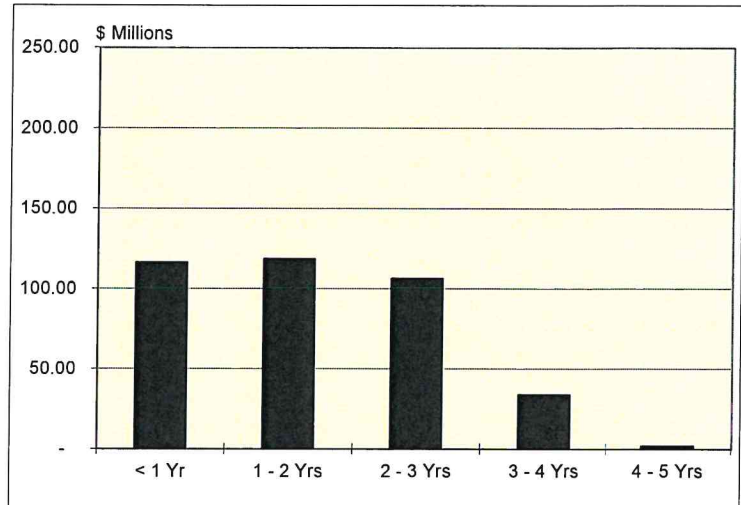
6/30/2019

Logan Circle Partners (\$376.3 M)

Monthly Return 0.41%
 TSY Benchmark 0.52%
 Gov/Corp Benchmark 0.55%

Fiscal YTD Return 3.45%
 TSY Benchmark 3.97%
 Gov/Corp Benchmark 4.17%

12 Month Return 3.45%
 TSY Benchmark 3.96%
 Gov/Corp Benchmark 4.16%

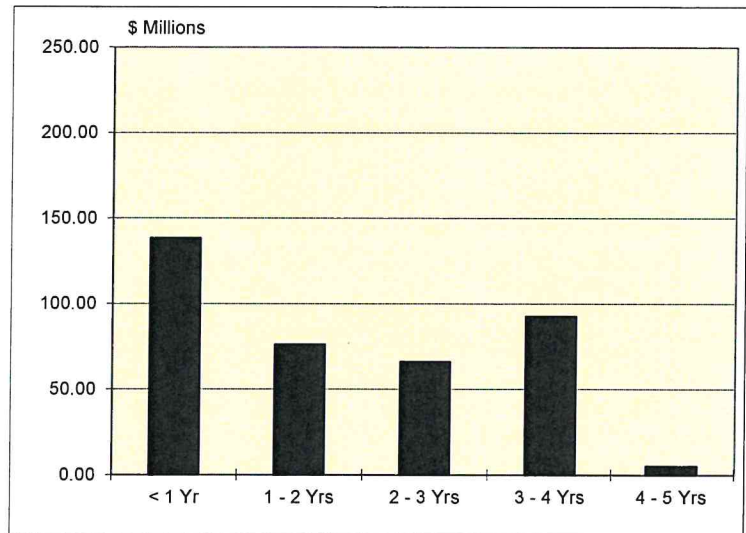


Chandler Asset Management (\$377.8 M)

Monthly Return 0.53%
 Benchmark Comparison 0.52%
 Gov/Corp Benchmark 0.55%

Fiscal YTD Return 3.96%
 TSY Benchmark 3.97%
 Gov/Corp Benchmark 4.17%

12 Month Return 4.10%
 TSY Benchmark 3.96%
 Gov/Corp Benchmark 4.16%



Yield Curve Change From 5/31/19 to 6/30/19			
	5/31/19	6/30/19	Change
1 Year	2.040%	1.916%	-0.1240%
2 Year	1.839%	1.762%	-0.0770%
3 Year	1.806%	1.708%	-0.0980%
5 Year	1.864%	1.734%	-0.1300%
30 Year	2.625%	2.467%	-0.1580%

Short-Term Portfolio Maturity Schedule

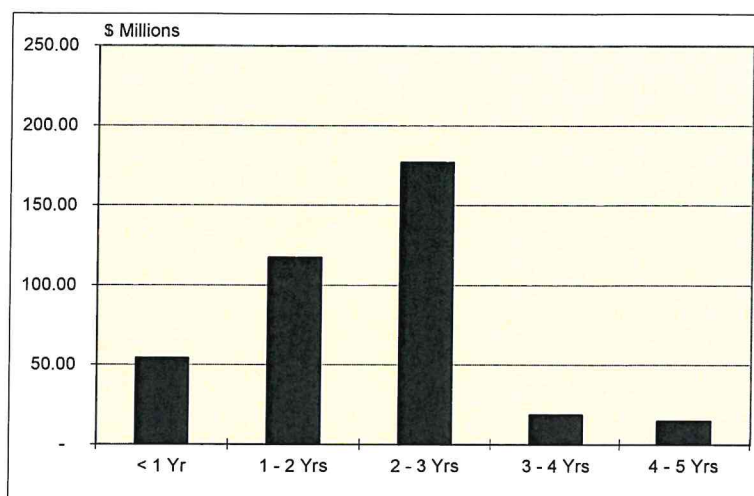
6/30/2019

Payden & Rygel (\$381.5 M)

Monthly Return 0.52%
 TSY Benchmark 0.52%
 Gov/Corp Benchmark 0.55%

Fiscal YTD Return 3.99%
 TSY Benchmark 3.97%
 Gov/Corp Benchmark 4.17%

12 Month Return 4.17%
 TSY Benchmark 3.96%
 Gov/Corp Benchmark 4.16%

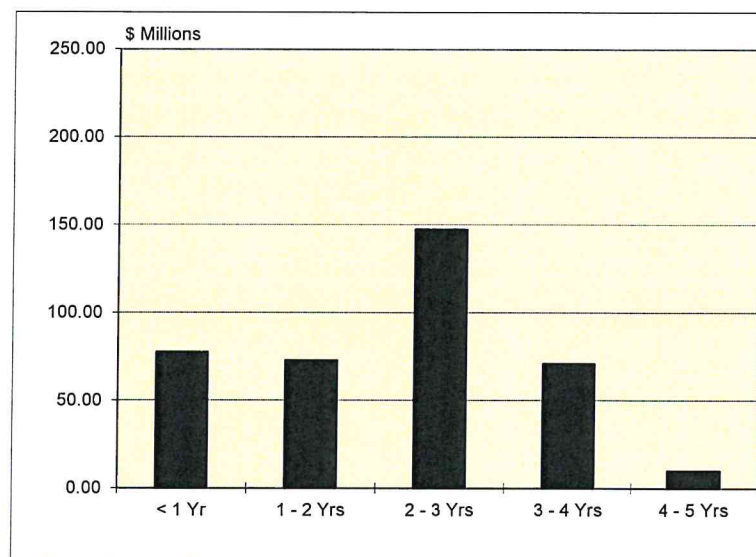


Public Financial Management (\$377.8 M)

Monthly Return 0.53%
 TSY Benchmark 0.52%
 Gov/Corp Benchmark 0.55%

Fiscal YTD Return 4.08%
 TSY Benchmark 3.97%
 Gov/Corp Benchmark 4.17%

12 Month Return 4.27%
 TSY Benchmark 3.96%
 Gov/Corp Benchmark 4.16%

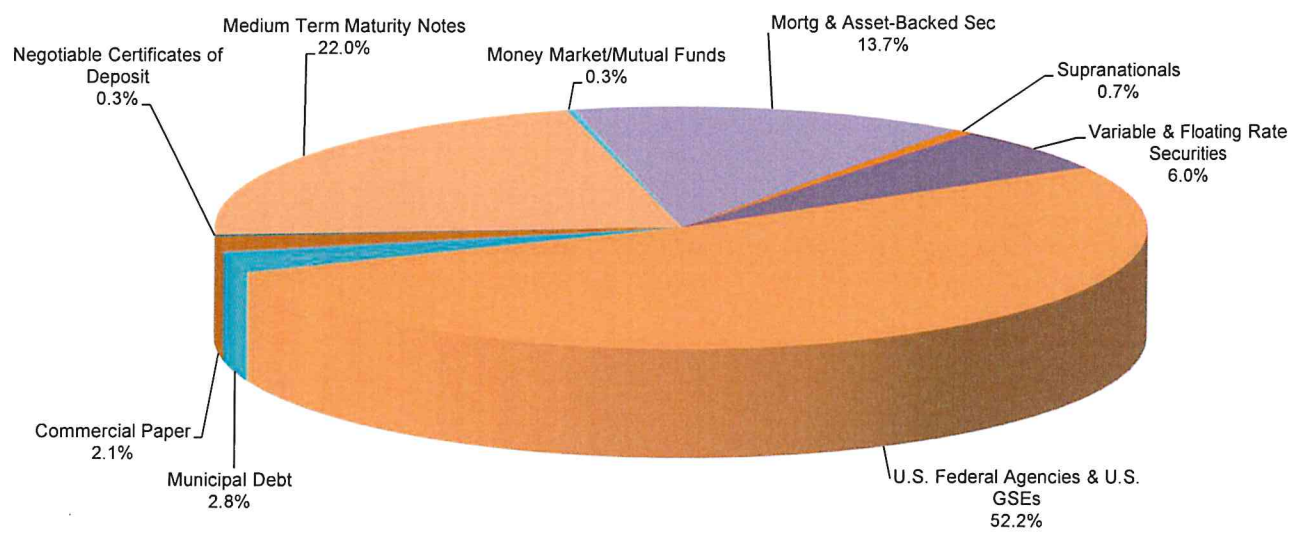


Yield Curve Change From 5/31/19 to 6/30/19			
	5/31/19	6/30/19	Change
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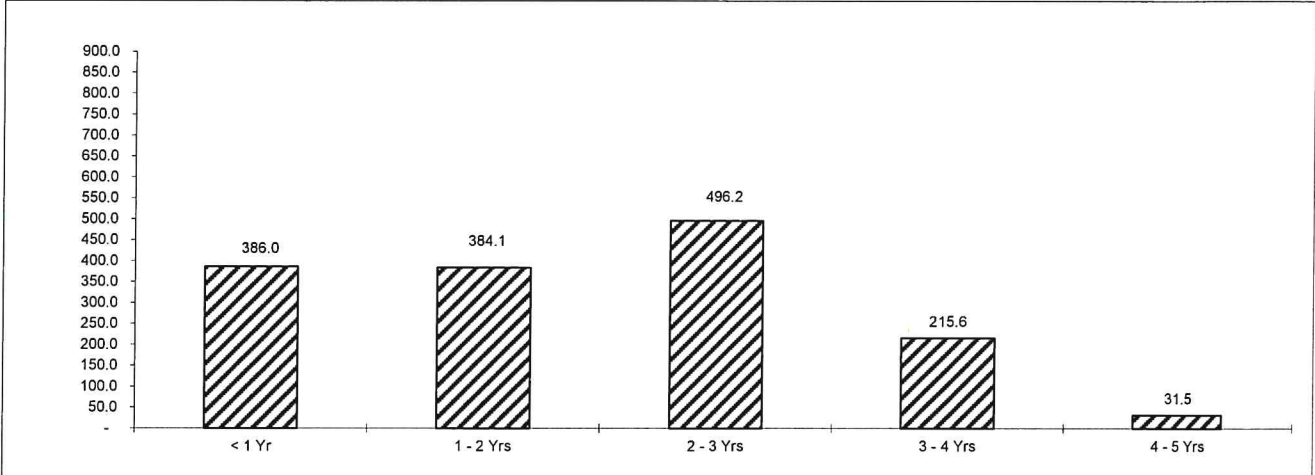
Short-Term Portfolio

6/30/2019

Total Portfolio Composition

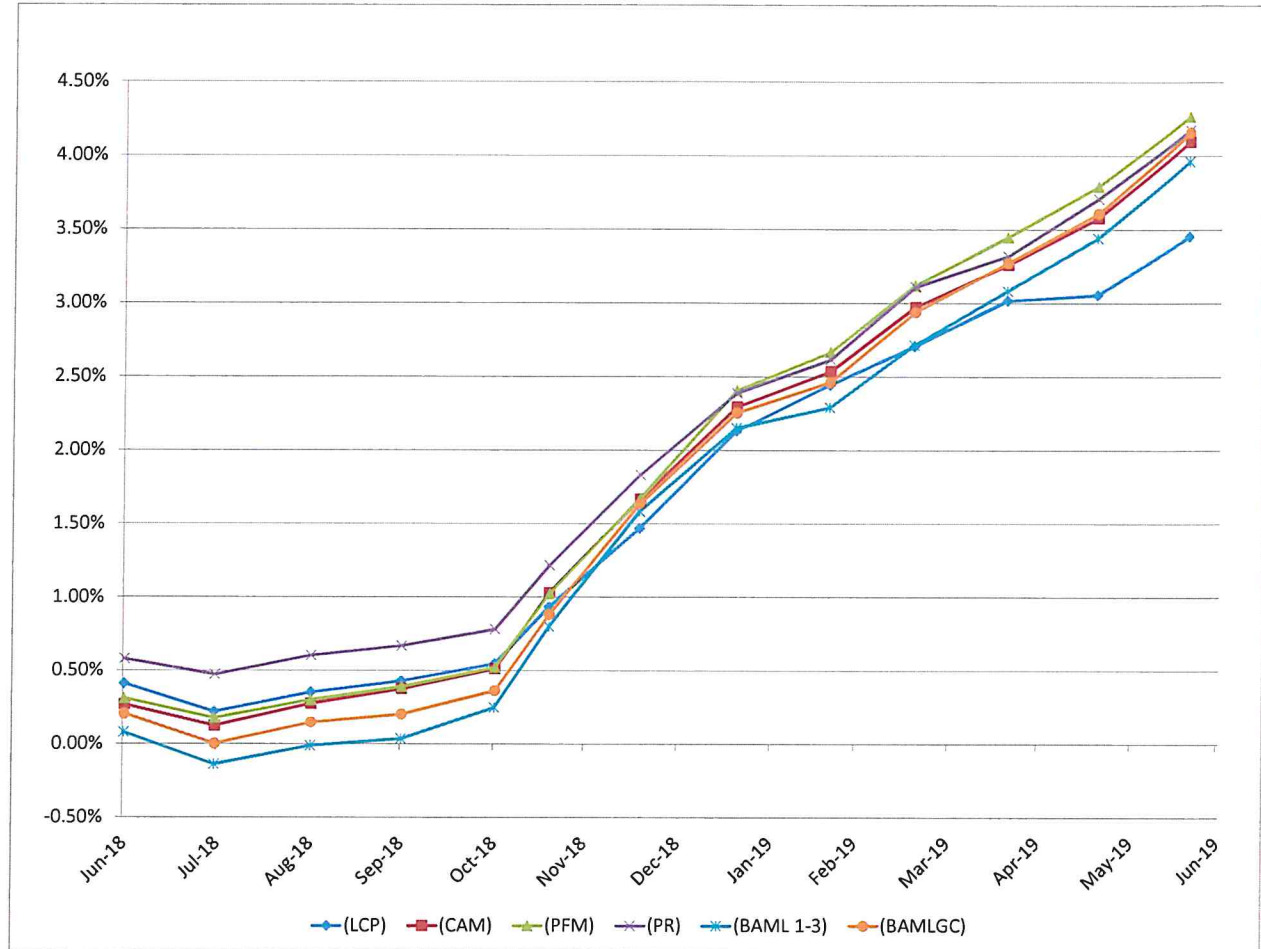


Total Portfolio Maturity Schedule



Short-Term Portfolio Performance 6/30/2019

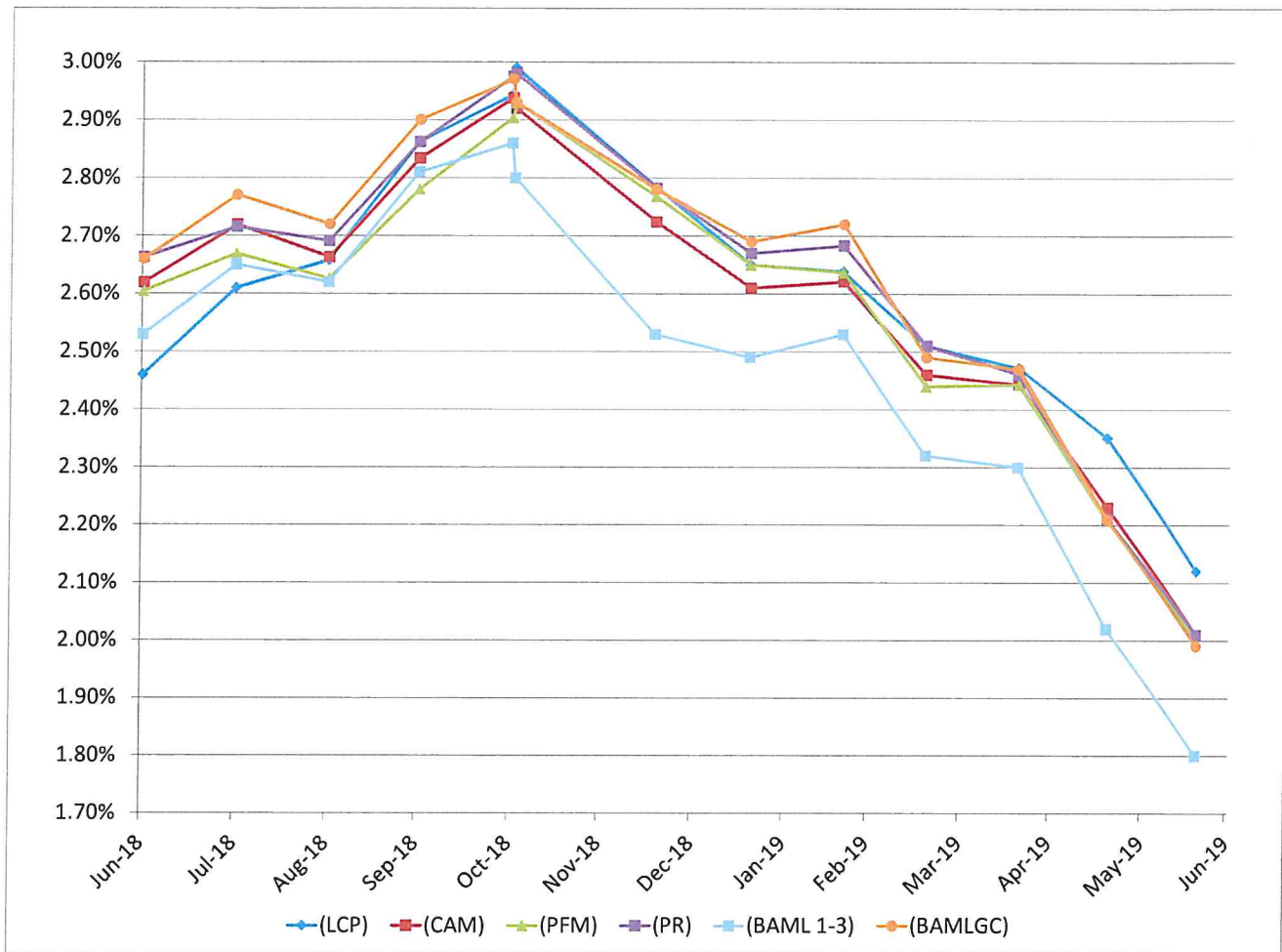
Trailing 1-Year Total Return
Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks



	Logan Circle Partners (LCP)	Chandler Asset Mgmt (CAM)	Public Fin Mgmt (PFM)	Payden & Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Jun-18	0.41%	0.27%	0.31%	0.58%	0.08%	0.20%
Jul-18	0.22%	0.12%	0.18%	0.47%	-0.14%	0.00%
Aug-18	0.35%	0.27%	0.30%	0.60%	-0.01%	0.15%
Sep-18	0.43%	0.38%	0.39%	0.67%	0.04%	0.20%
Oct-18	0.55%	0.51%	0.52%	0.78%	0.25%	0.36%
Nov-18	0.93%	1.03%	1.02%	1.22%	0.80%	0.88%
Dec-18	1.47%	1.67%	1.67%	1.83%	1.58%	1.64%
Jan-19	2.13%	2.29%	2.41%	2.39%	2.15%	2.25%
Feb-19	2.44%	2.54%	2.67%	2.62%	2.29%	2.46%
Mar-19	2.71%	2.97%	3.12%	3.11%	2.72%	2.94%
Apr-19	3.02%	3.26%	3.45%	3.32%	3.08%	3.27%
May-19	3.06%	3.58%	3.79%	3.71%	3.44%	3.61%
Jun-19	3.45%	4.10%	4.27%	4.17%	3.96%	4.16%

Short-Term Portfolio Performance 6/30/2019

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



	Logan Circle Partners (LCP)	Chandler Asset Mgmt (CAM)	Public Fin Mgmt (PFM)	Payden Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Jun-18	2.46%	2.62%	2.60%	2.66%	2.53%	2.66%
Jul-18	2.61%	2.72%	2.67%	2.72%	2.65%	2.77%
Aug-18	2.66%	2.66%	2.63%	2.69%	2.62%	2.72%
Sep-18	2.86%	2.83%	2.78%	2.86%	2.81%	2.90%
Oct-18	2.94%	2.94%	2.90%	2.98%	2.86%	2.97%
Nov-18	2.99%	2.92%	2.93%	2.98%	2.80%	2.93%
Dec-18	2.78%	2.72%	2.77%	2.78%	2.53%	2.78%
Jan-19	2.65%	2.61%	2.65%	2.67%	2.49%	2.69%
Feb-19	2.64%	2.62%	2.64%	2.68%	2.53%	2.72%
Mar-19	2.51%	2.46%	2.44%	2.51%	2.32%	2.49%
Apr-19	2.47%	2.44%	2.44%	2.46%	2.30%	2.47%
May-19	2.35%	2.23%	2.21%	2.21%	2.02%	2.21%
Jun-19	2.12%	2.01%	2.00%	2.01%	1.80%	1.99%

Investment Policy Compliance

6/30/2019

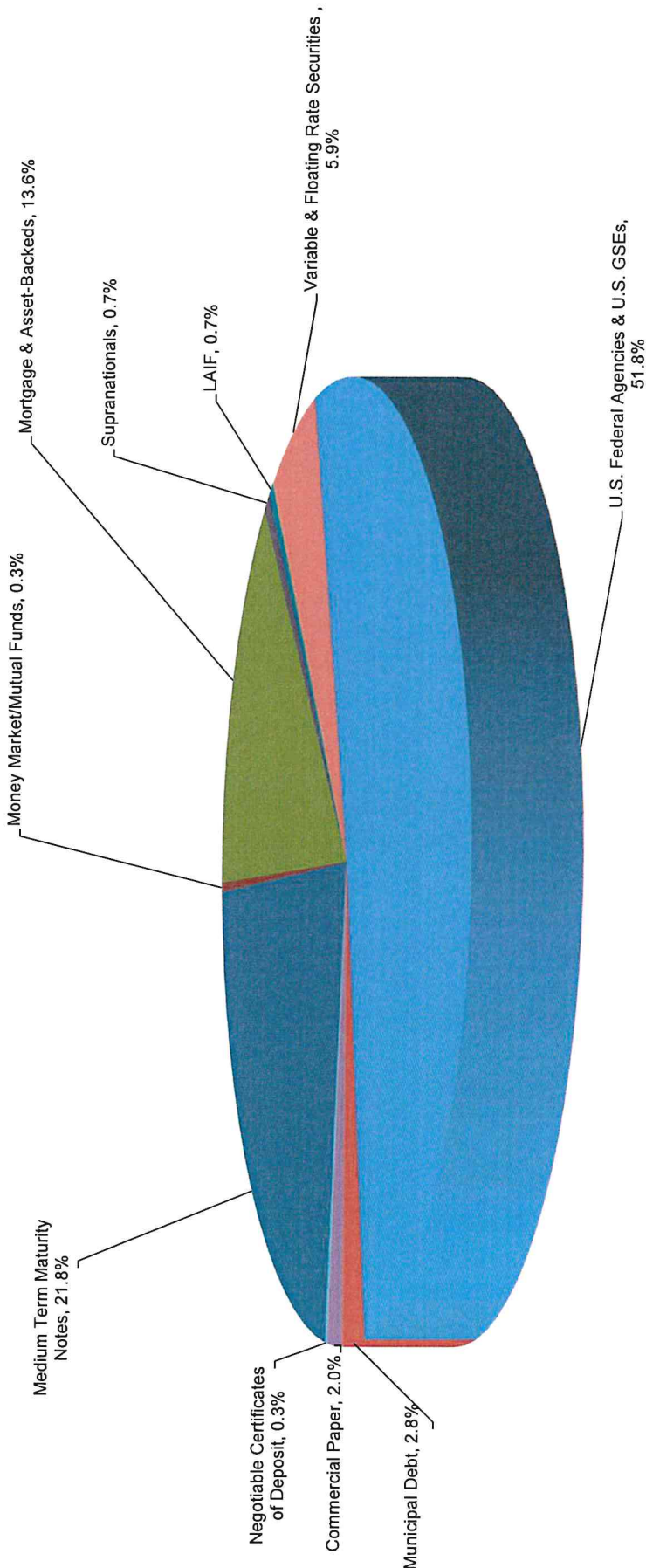
Portfolio Subject to Investment Policy	Dollar Amount Invested	Percent Of Portfolio	Investment Policy Maximum Percentages
<u>Liquid and Short-Term Portfolio</u>			
U.S. Federal Agencies & U.S. GSEs	789,584,824	51.8%	100%
Municipal Debt	42,748,133	2.8%	30%
Bankers Acceptances	-	0.0%	30%
Commercial Paper	31,211,383	2.0%	25%
Negotiable CDs	4,000,000	0.3%	30%
Repurchase Agreements	-	0.0%	25%
Medium Term Maturity Notes	332,395,114	21.8%	30%
Money Market/Mutual Funds	4,538,037	0.3%	20%
Mortgage & Asset-Backeds	207,893,230	13.6%	20%*
Supranationals	10,484,250	0.7%	20%
LAIF	10,610,270	0.7%	\$ 65 Million
OCIP	147,916	0.0%	10%
JPA Pools	-	0.0%	10%
Variable & Floating Rate Securities	90,591,454	5.9%	30%
TOTAL	1,524,204,610	100.0%	

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

Portfolio Subject to Indenture	Dollar Amount Invested
<u>Bond Proceeds Portfolio</u>	
Money Market Funds	36,198,143
Guaranteed Investment Contract	366,700,000
	<hr/> 402,898,143
<u>Reserve Funds Portfolio</u>	
Commercial Paper	24,825,845

Investment Allocation for Liquid and Short-Term Portfolio

6/30/2019



Negative Credit Watch

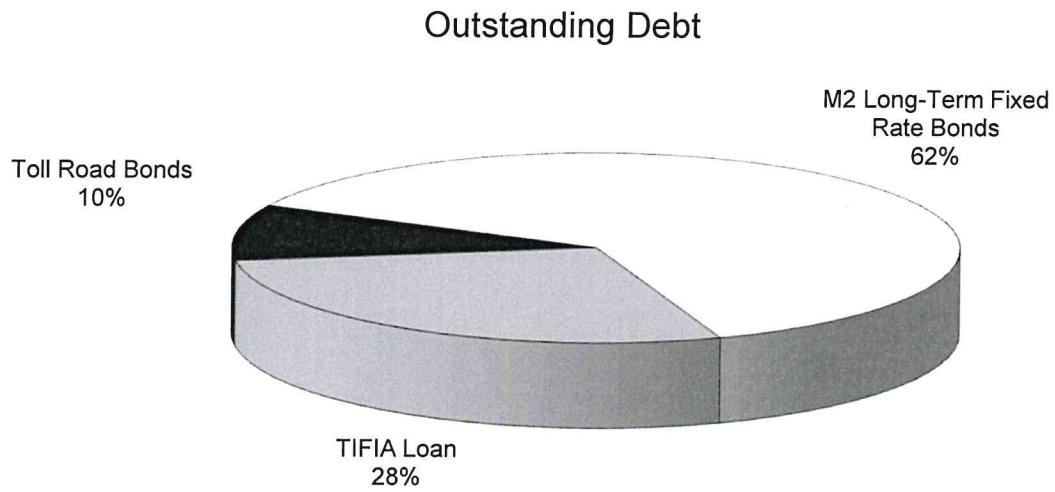
6/30/2019

<u>Manager / Security</u>	<u>Par Amount</u>	<u>Maturity</u>	<u>S&P</u>	<u>Moody's</u>	<u>Fitch Ratings</u>
PFM					
<i>IBM</i>	1,750,000	2/5/2021	A	A1	A
On October 30, 2018, Fitch placed the long-term ratings of IBM under review for possible downgrade.					
<i>Pfizer Inc.</i>	2,300,000	Various*	AA	A1	A+
On June 17, 2019, S&P, and Fitch placed the long-term ratings of Pfizer Inc. under review for possible downgrade.					
Payden & Rygel					
<i>IBM</i>	1,155,000	1/27/2020	A	A1	A
On October 30, 2018, Fitch placed the long-term ratings of IBM under review for possible downgrade.					
CAM					
<i>IBM</i>	3,500,000	2/19/2021	A	A1	A
On October 30, 2018, Fitch placed the long-term ratings of IBM under review for possible downgrade.					
Logan Circle					
Bristol-Myers Squibb Co.	2,160,000	5/14/2021	A+	A2	A-
On January 3, 2019, Fitch and S&P placed the long-term ratings of Bristol-Myers Squibb Co. under review for possible downgrade.					
*9/15/21 & 3/11/22					

DEBT PROGRAM

Total Outstanding Debt

As of 6/30/19



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

Outstanding Debt

As of 6/30/19

Orange County Local Transportation Authority (OCLTA-M2)

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

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

2010 Series B Tax-Exempt Sales Tax Revenue Bonds

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

2019 M2 Sales Tax Bond

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

91 Express Lanes

2013 OCTA 91 Express Lanes Refunding Bonds

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

405 Express Lanes

2017 TIFIA Loan

Outstanding:	\$ 287,000,000
Accrued Debt Service FY 2019:	\$ 7,684,792
Pledged Revenue Source:	405 Toll Road Revenues
Ratings	Baa2
Final Maturity	2057