



**August 28, 2019**

**To:** Finance and Administration Committee

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

**Subject:** Orange County Transportation Authority Investment and Debt Programs Report – June 2019

**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 June 30, 2019. 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 June 30, 2019, the Orange County Transportation Authority's (OCTA) outstanding investments totaled \$2.07 billion. The portfolio is divided into three managed portfolios: the liquid portfolio for immediate cash needs, bond proceeds portfolio to meet Measure (M2) transportation program 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 2.4 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.

The OCTA's month-end balance in the Local Agency Investment Fund was \$10,610,270, with an average monthly effective yield of 2.4 percent. The OCTA's month-end balance in the Orange County Investment Pool was \$147,916. For the month of May, the monthly gross yield for the OCIP was 2.3 percent.

OCTA's debt portfolio had an outstanding principal balance of \$1.02 billion as of June 30, 2019. Approximately 62 percent of the outstanding balance is comprised of M2 debt, ten percent is associated with the 91 Express Lanes Program, and 28 percent is for the Transportation Infrastructure Finance and Innovation Act Loan.

***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 June 30, 2019.

***Attachment***

- A. Orange County Transportation Authority Investment and Debt Programs  
– For the Period Ending June 30, 2019.

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