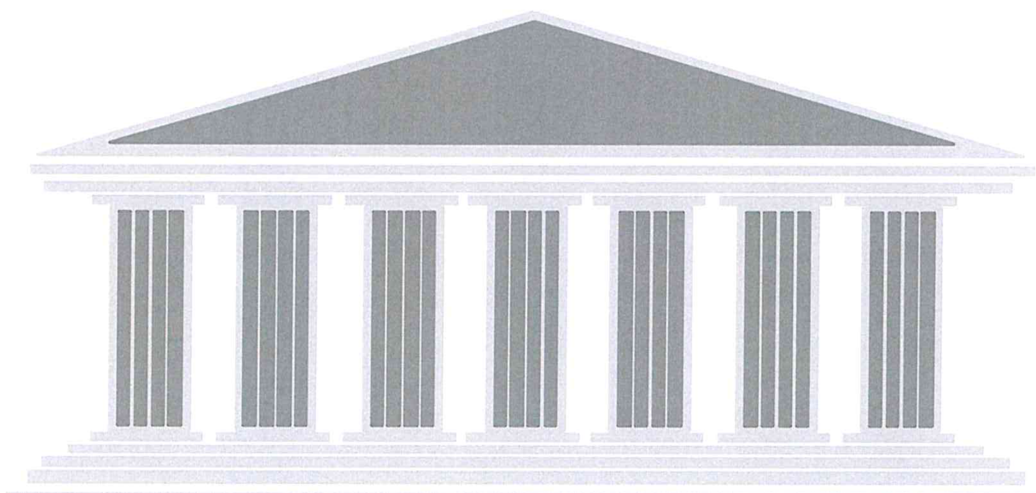
ATTACHMENT A

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
August 31, 2019

INVESTMENT PROGRAM

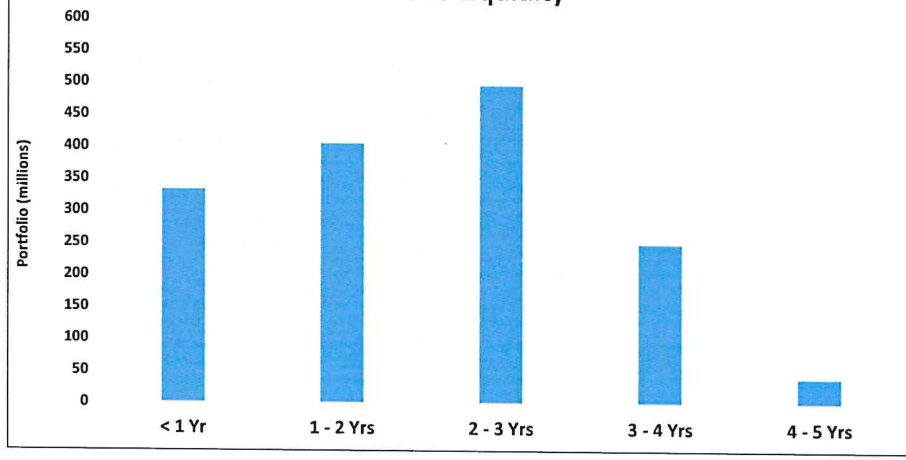
OCTA Investment Dashboard
8/31/2019

Safety of Principal

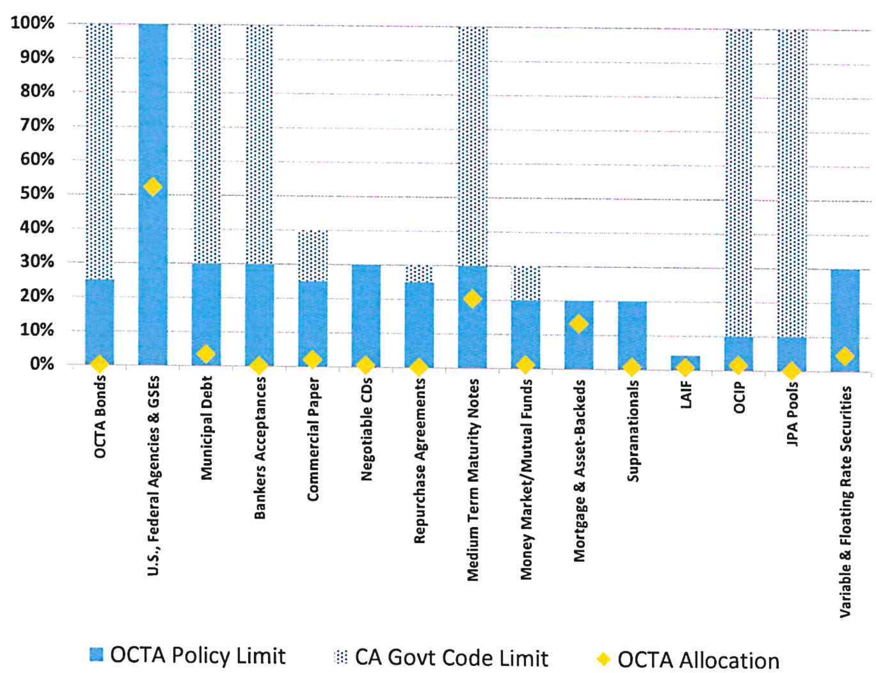
Securities that fall below OCTA's minimum credit quality requirements:

On August 14, 2019, one of OCTA's investment managers, MetLife Investment Management, purchased commercial paper issued by the Arizona Public Service Company. OCTA's Investment Policy requires commercial paper securities to be rated A-1 equivalent or higher by two Nationally Recognized Statistical Rating Organizations (NRSROs). At the time of purchase, this security was rated by 3 NRSRO's, but only one of those ratings was equivalent to A- 1. The Treasurer was informed of this violation, and per OCTA's investment guidelines, MetLife Investment Management was put on a one- year probation effective August 14, 2019. The security was sold on August 15, 2019 earning positive investment earnings for OCTA's portoflio.

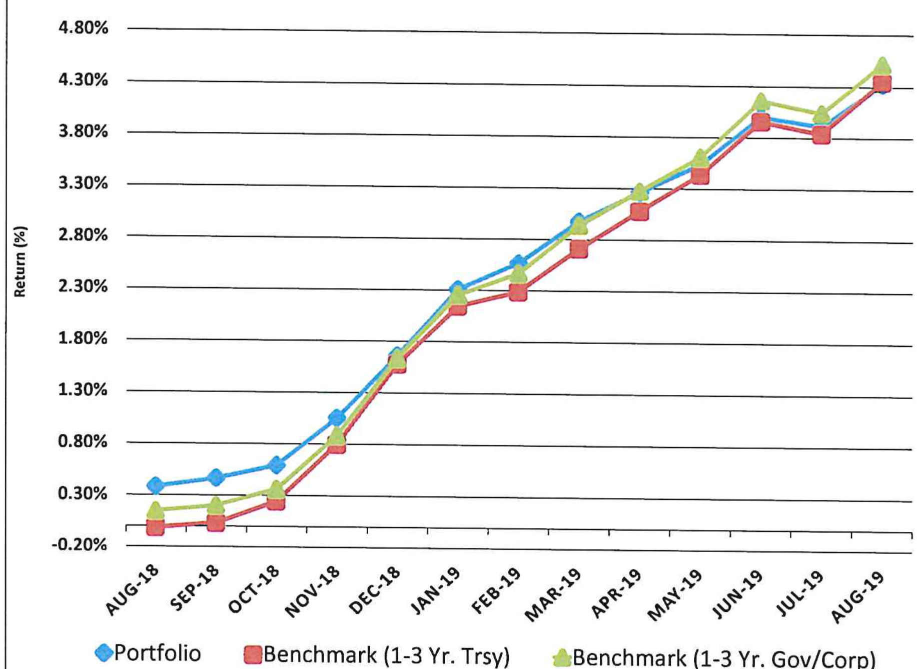
Portfolio Liquidity



Portfolio Diversification



Portfolio Return - 12 Month



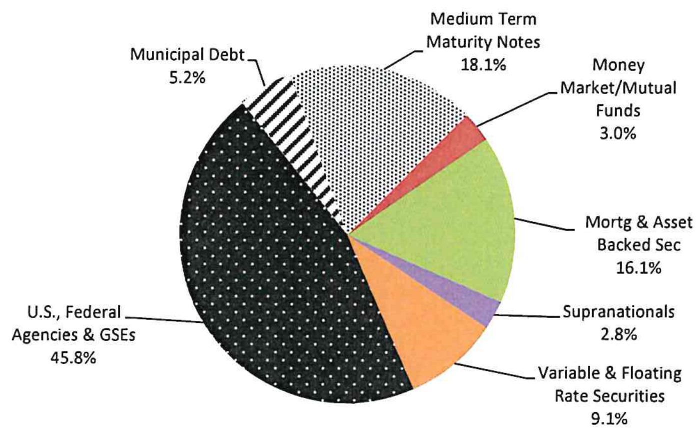
Investment Profile
8/31/2019

Portfolio / Managers	Depository	Role	Type of Investment	Amount ($ Millions)
LIQUID PORTFOLIO:				
OCTA	BNY Mellon	Trustee	Cash	$ 68.0
OCTA	Bank of the West	Broker	Cash	14.4
OCTA	U.S Bank	Trustee	Cash	0.0
Subtotal OCTA Liquid Portfolio				***$ 82.5***
SHORT-TERM PORTFOLIO:				
Investment Managers				
MetLife Investment Management	Union Bank	Custodian	Per OCTA Investment Policy	$ 378.2
Chandler Asset Management	Union Bank	Custodian	Per OCTA Investment Policy	378.8
Payden & Rygel Investment Counsel	Union Bank	Custodian	Per OCTA Investment Policy	383.8
Public Financial Management (PFM)	Union Bank	Custodian	Per OCTA Investment Policy	379.8
Subtotal Short-Term Portfolio (Investment Managers)				***$ 1,520.7***
Pooled Investments				
California State Treasurer	LAIF	Custodian	Per LAIF Investment Policy	$ 10.7
Orange County Treasurer	OCIP	Custodian	Per OCIP Investment Policy	23.6
Subtotal Short-Term Portfolio Pooled Investments (LAIF/OCIP)				***$ 34.3***
Subtotal Short-Term Portfolio				***$ 1,555.0***
BOND PROCEED PORTFOLIO:				
OCTA	Bank of Nova Scotia	Custodian	Per Measure M2 Bond Indenture	$ 333.4
OCTA	BNY Mellon	Trustee	Per Measure M2 Bond Indenture	71.4
Subtotal OCTA Bond Proceeds Portfolio				***$ 404.8***
RESERVE FUNDS PORTFOLIO:				
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				0.6
Subtotal OCTA Reserve Funds Portfolio				***$ 24.9***
TOTAL				**$ 2,067.2**

Short-Term Portfolio - $1.52 Billion
8/31/2019
Part 1 of 2

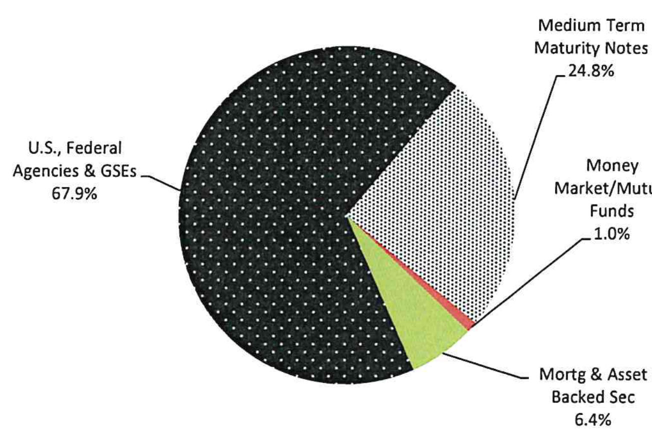
MetLife Investment Management

Book Value	$	378,211,767
Market Value	$	381,254,717



Chandler Asset Management

Book Value	$	378,815,802
Market Value	$	384,803,563



Market Value as Reported By Clearwater

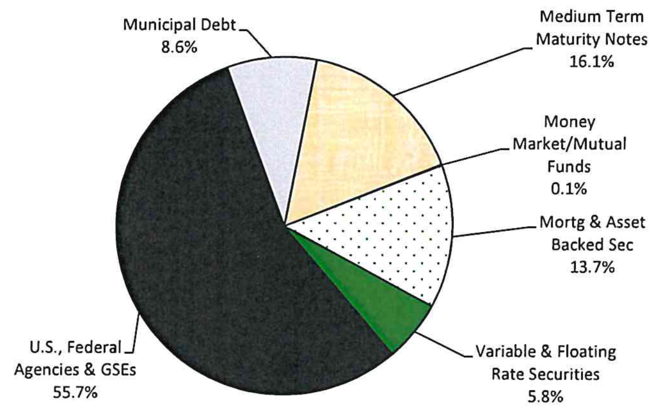
Short-Term Portfolio - $1.52 Billion

8/31/2019

Part 2 of 2

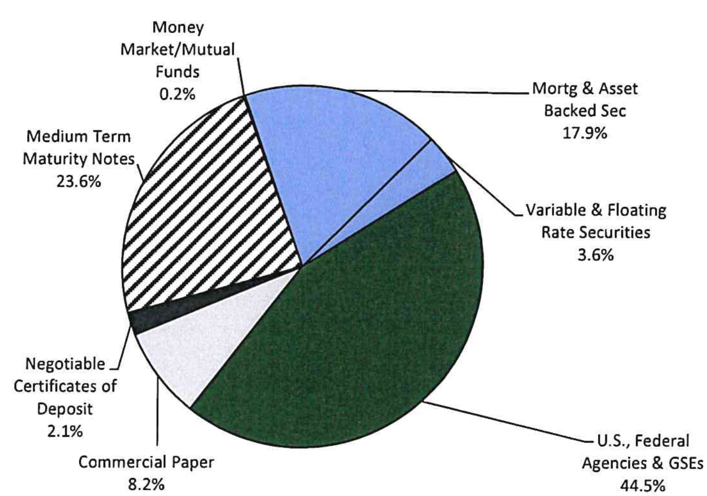
Payden & Rygel

Book Value	$	383,847,462
Market Value	$	386,724,100



Public Financial Management (PFM)

Book Value	$	379,814,319
Market Value	$	386,386,067

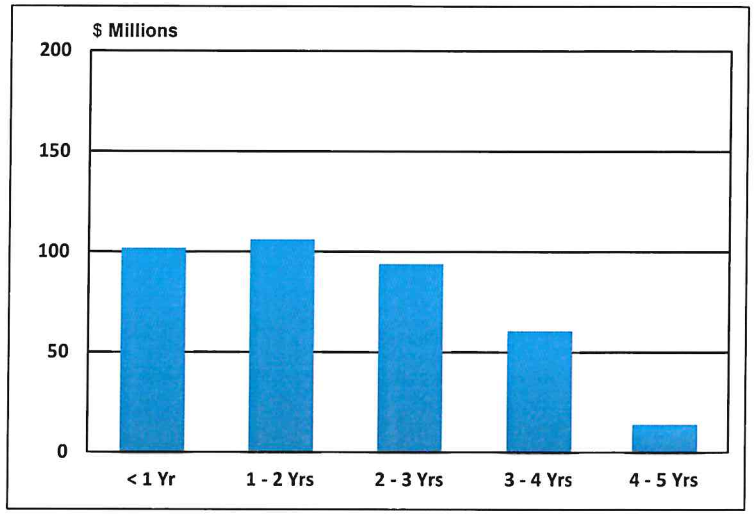


Market Value as Reported By Clearwater

Short-Term Portfolio Maturity Schedule
8/31/2019

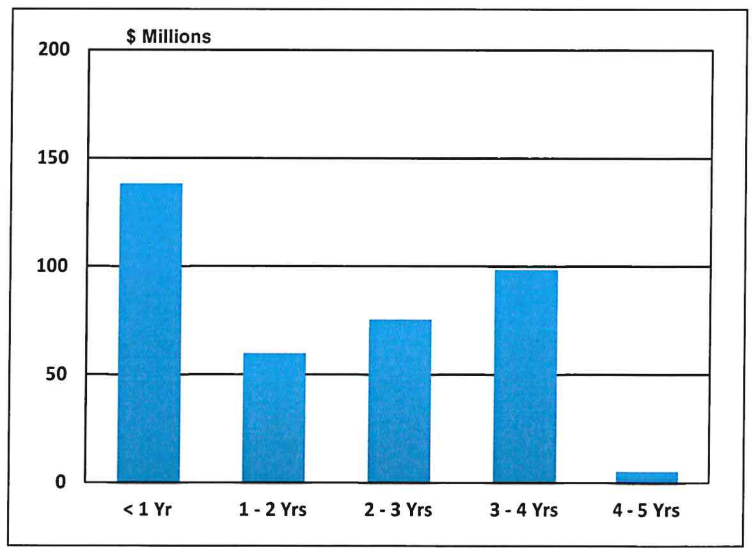
MetLife Investment Management ($378.2 M)

Monthly Return	0.51%
TSY Benchmark	0.81%
Gov/Corp Benchmark	0.80%
Fiscal YTD Return	4.01%
TSY Benchmark	4.69%
Gov/Corp Benchmark	4.88%
12 Month Return	3.65%
TSY Benchmark	4.35%
Gov/Corp Benchmark	4.52%



Chandler Asset Management ($378.8 M)

Monthly Return	0.81%
Benchmark Comparison	0.81%
Gov/Corp Benchmark	0.80%
Fiscal YTD Return	5.01%
TSY Benchmark	4.69%
Gov/Corp Benchmark	4.88%
12 Month Return	4.50%
TSY Benchmark	4.35%
Gov/Corp Benchmark	4.52%



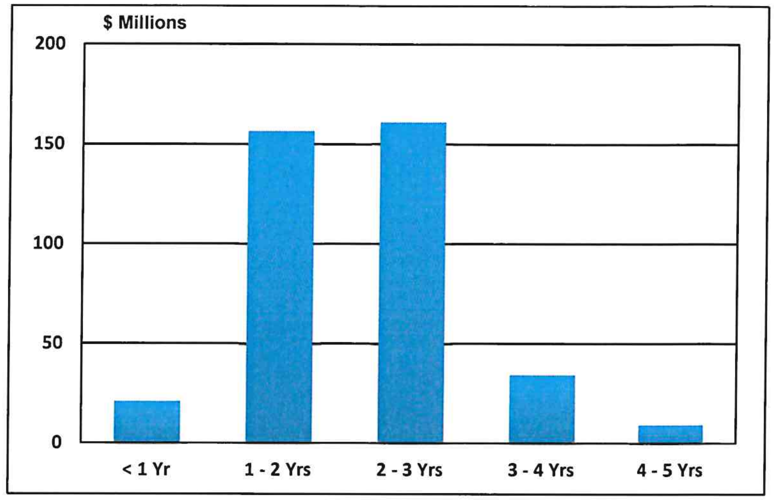
Yield Curve Change
From 7/31/19 to 8/31/19

	7/31/19	8/31/19	Change
1 Year	1.793%	1.699%	-0.0940%
2 Year	1.580%	1.437%	-0.1430%
3 Year	1.538%	1.355%	-0.1830%
5 Year	1.527%	1.311%	-0.2160%
30 Year	2.265%	1.953%	-0.3120%

Short-Term Portfolio Maturity Schedule
8/31/2019

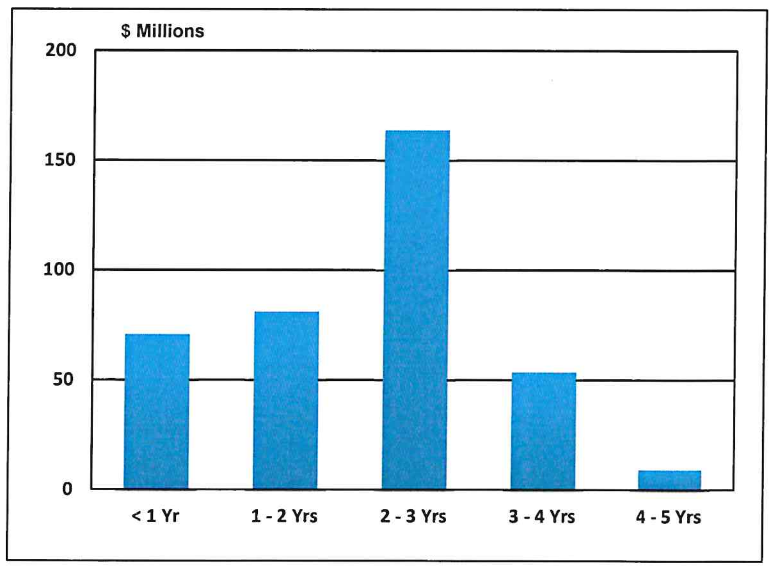
Payden & Rygel ($383.8 M)

Monthly Return	0.81%
TSY Benchmark	0.81%
Gov/Corp Benchmark	0.80%
Fiscal YTD Return	4.95%
TSY Benchmark	4.69%
Gov/Corp Benchmark	4.88%
12 Month Return	4.50%
TSY Benchmark	4.35%
Gov/Corp Benchmark	4.52%



Public Financial Management ($379.8 M)

Monthly Return	0.82%
TSY Benchmark	0.81%
Gov/Corp Benchmark	0.80%
Fiscal YTD Return	5.10%
TSY Benchmark	4.69%
Gov/Corp Benchmark	4.88%
12 Month Return	4.63%
TSY Benchmark	4.35%
Gov/Corp Benchmark	4.52%



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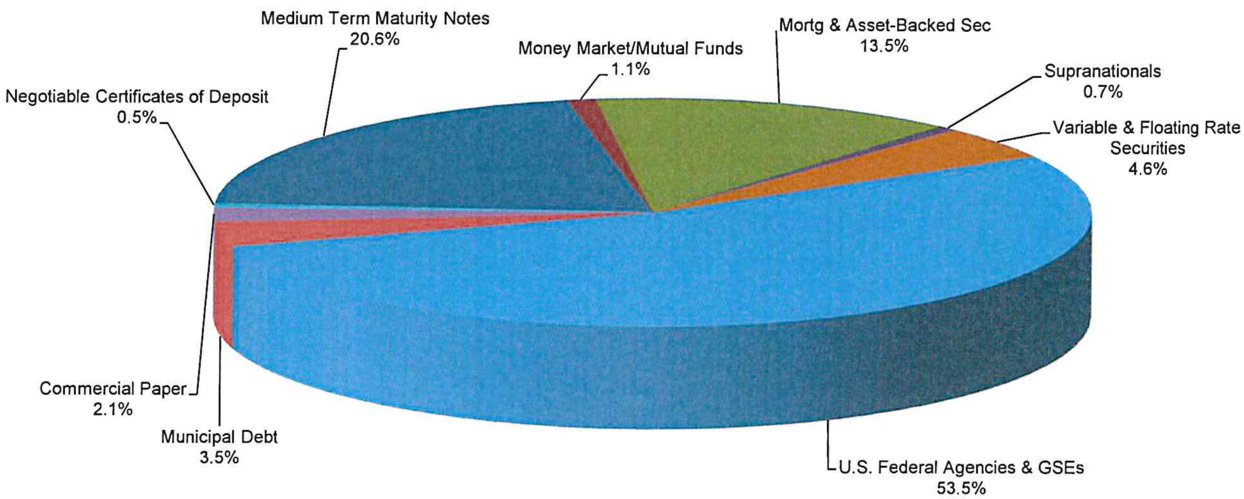
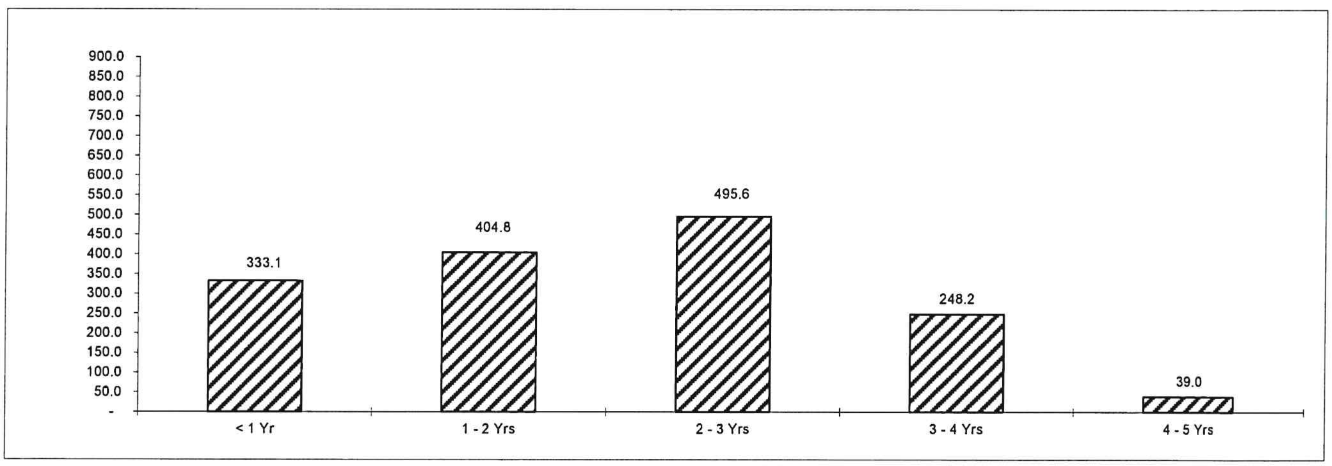
Short-Term Portfolio
8/31/2019

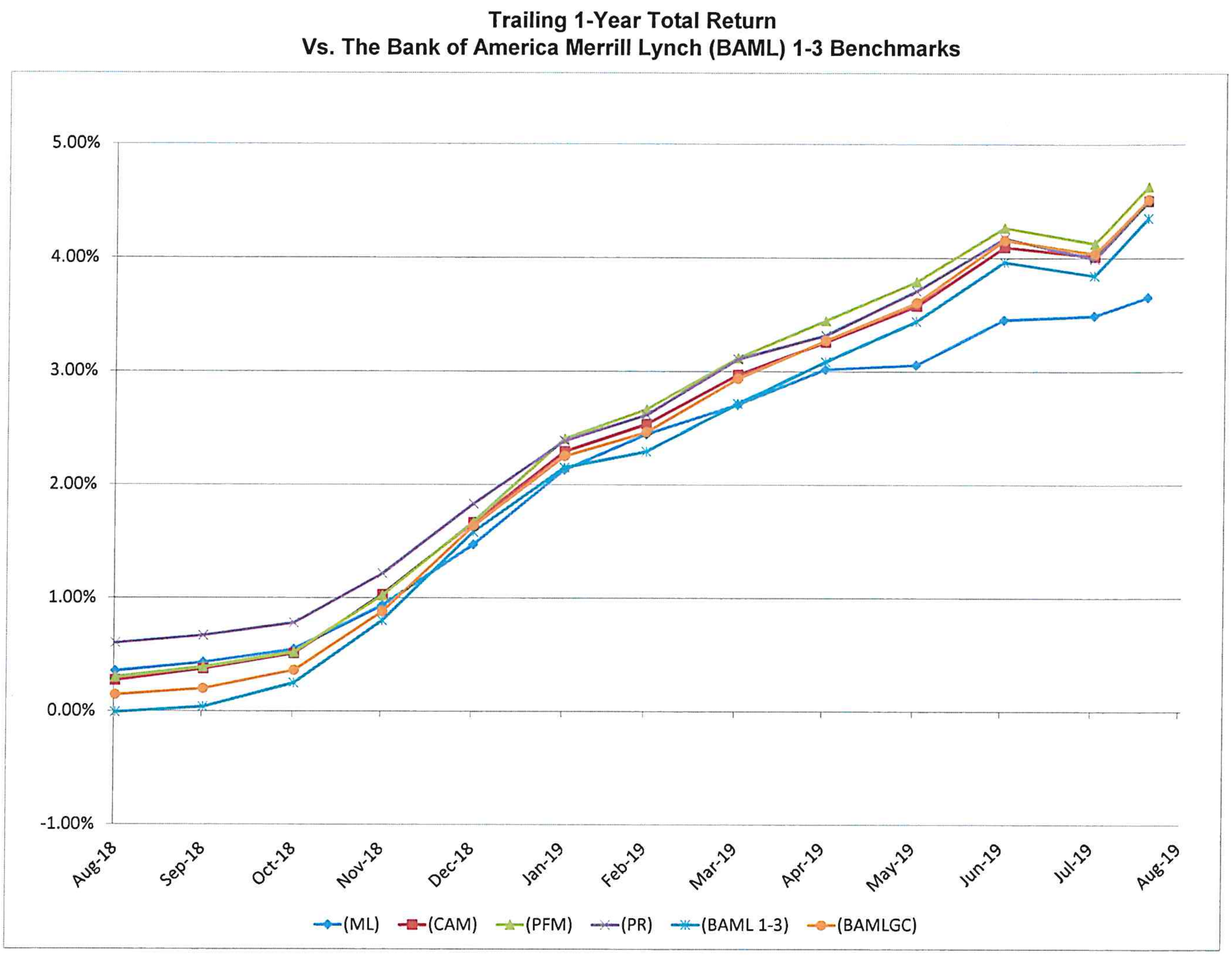
Portfolio Composition



Maturity Schedule



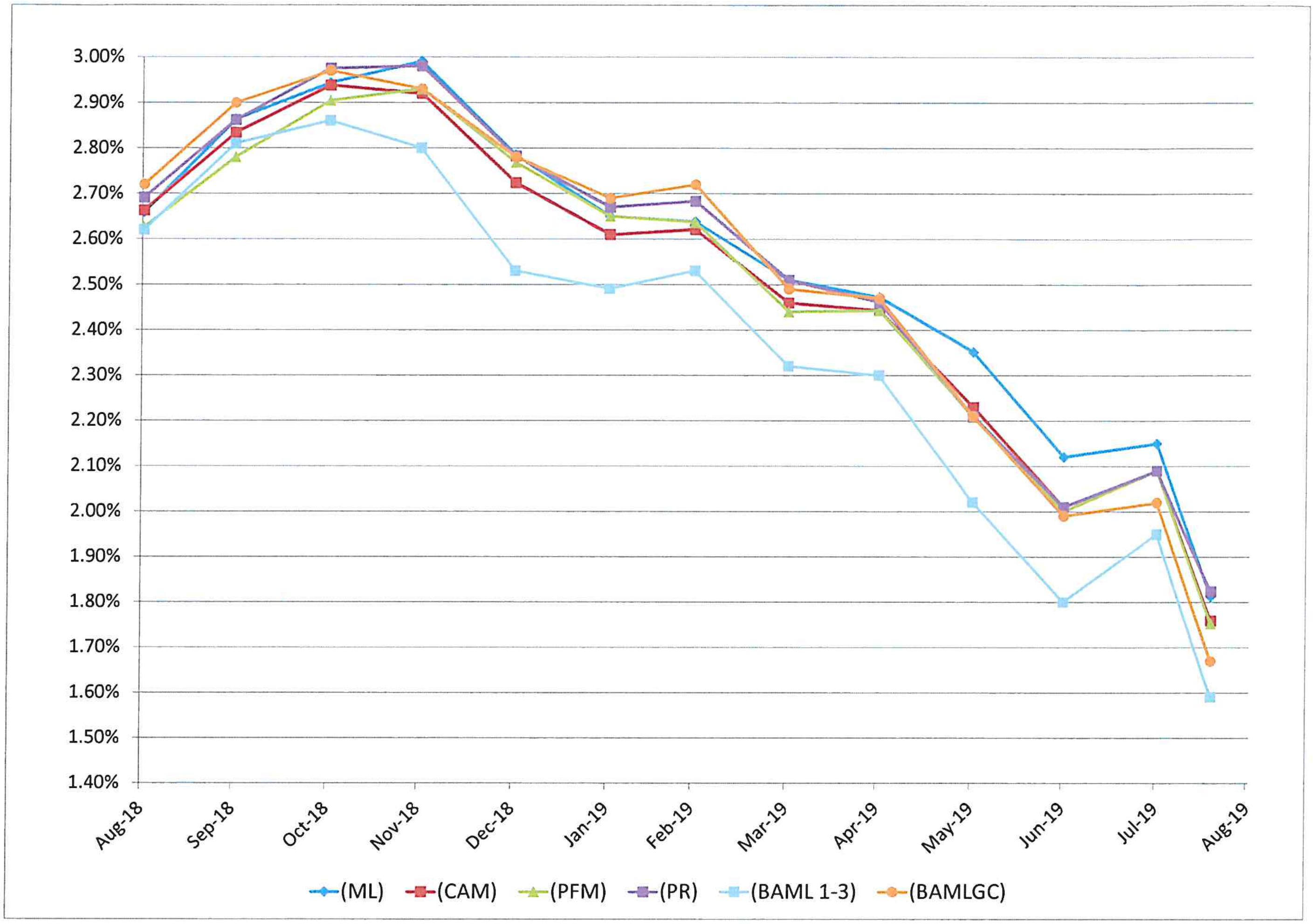
Short-Term Portfolio Performance
8/31/2019



	MetLife Investment Mgmt (ML)	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)
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%
Jul-19	3.49%	4.01%	4.13%	3.99%	3.84%	4.04%
Aug-19	3.65%	4.50%	4.63%	4.50%	4.35%	4.52%

Short-Term Portfolio Performance
8/31/2019

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



	MetLife Investment Mgmt (ML)	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)
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%
Jul-19	2.15%	2.09%	2.09%	2.09%	1.95%	2.02%
Aug-19	1.81%	1.76%	1.75%	1.82%	1.59%	1.67%

Investment Policy Compliance
8/31/2019

Portfolio Subject to Investment Policy

Short-Term Portfolio	Dollar Amount Invested	Percent Of Portfolio	Investment Policy Maximum Percentages
U.S. Federal Agencies & GSEs	$ 813,022,694	52.3%	100%
Municipal Debt	52,710,283	3.4%	30%
Bankers Acceptances	-	0.0%	30%
Commercial Paper	31,211,383	2.0%	25%
Negotiable Certificates of Deposit	7,875,000	0.5%	30%
Repurchase Agreements	-	0.0%	25%
Medium Term Maturity Notes	313,754,124	20.2%	30%
Money Market/Mutual Funds	16,122,276	1.0%	20%
Mortgage & Asset-Backed	205,470,886	13.2%	20%*
Supranationals	10,484,250	0.7%	20%
Local Agency Investment Fund	10,678,071	0.7%	$ 65 Million
Orange County Investment Pool	23,591,302	1.5%	10%
Joint Powers Authority Pools	-	0.0%	10%
Variable & Floating Rate Securities	70,038,453	4.5%	30%
Total Short-Term Portfolio	**$ 1,554,958,723**	**100.0%**	

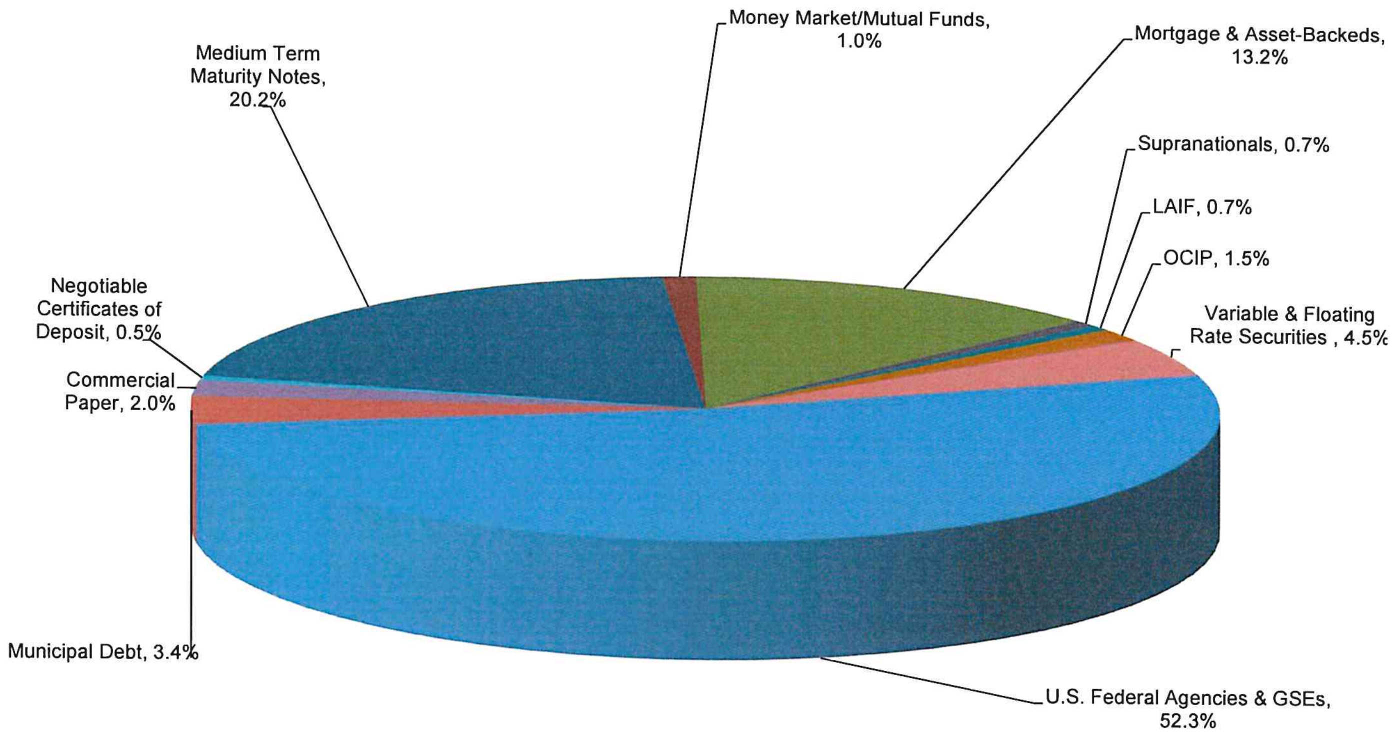
Portfolio Subject to Indenture

Bond Proceeds Portfolio	Dollar Amount Invested
Money Market Funds	$ 71,434,726
Guaranteed Investment Contract	333,400,000
Total Bond Proceeds Portfolio	$ 404,834,726
Reserve Funds Portfolio	
Commercial Paper	$ 24,909,601
Total Portfolio Subject to Indenture	$ 429,744,327
Portfolio Total**	**$ 1,984,703,050**

**Asset-backed securities, excluding mortgages, may not exceed 10 percent of the allocation*
***Liquid Portfolio not included ($82.5 million as of 8/31/2019)*

Investment Allocation for Short-Term Portfolio*

8/31/2019



*Allocation percentages include pooled investments

Negative Credit Watch
8/31/2019

Manager / Security	Par Amount	Maturity	S&P	Moody's	Fitch Ratings
PFM					
Pfizer Inc.	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.

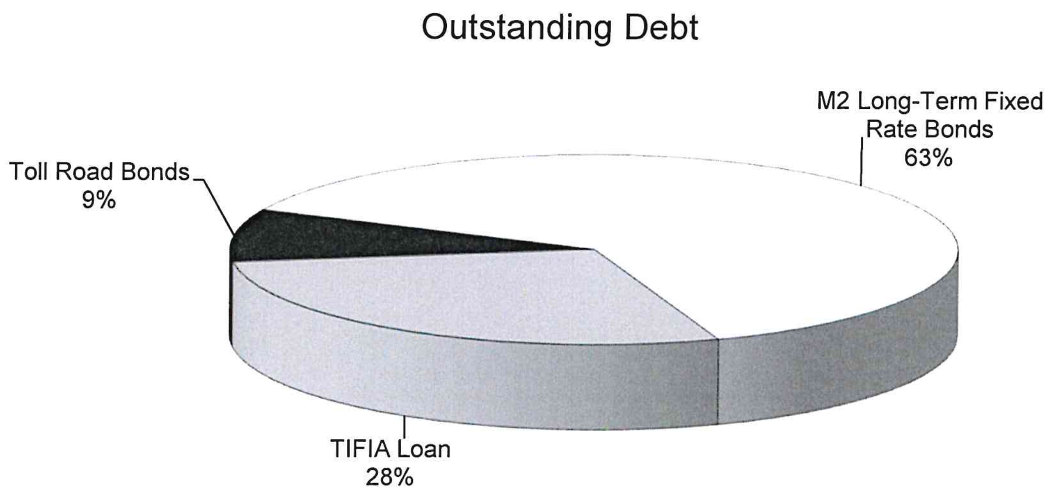
Manager / Security	Par Amount	Maturity	S&P	Moody's	Fitch Ratings
MetLife Investment Mgmt					
Bristol-Myers Squibb Co.	2,160,000	5/14/2021	A+	A2	A-

On January 3, 2019, S&P, and Fitch 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 8/31/19



TOTAL OUTSTANDING DEBT: $1,013,905,000

Outstanding Debt
As of 8/31/19

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 2020:		17,270,000
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ Moody's/ S&P):		AA+/Aa2/AA+
Final Maturity:		2041

2010 Series B Tax-Exempt Sales Tax Revenue Bonds

Issued:	$	59,030,000
Outstanding:		8,530,000
Debt Service FY 2020:		8,913,850
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ Moody's/ S&P):		AA+/Aa2/AA+
Final Maturity:		2020

2019 M2 Sales Tax Bond

Issued:	$	376,690,000
Outstanding:		376,690,000
Debt Service FY 2020:		17,939,230
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ S&P):		AA+/AA+
Final Maturity:		2041

91 Express Lanes

2013 OCTA 91 Express Lanes Refunding Bonds

Issued:	$	124,415,000
Outstanding:		91,685,000
Debt Service FY 2020:		10,798,325
Pledged Revenue Source:		91 Toll Road Revenues
Ratings (Fitch/ Moody's/ S&P):		A+/A1/AA-
Final Maturity:		2030

405 Express Lanes

2017 TIFIA Loan

Outstanding:	$	287,000,000
Accrued Debt Service FY 2020:	$	9,103,437
Pledged Revenue Source:		405 Toll Road Revenues
Ratings (Moody's):		Baa2
Final Maturity:		2057