

**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
September 30, 2021**

OCTA Investment Dashboard

9/30/2021

Safety of Principal

Securities that fell below OCTA's minimum credit quality requirements during the month of September 2021:

Not applicable.

Securities currently held within OCTA's portfolio that fell below OCTA's minimum credit quality requirements during prior reporting periods:

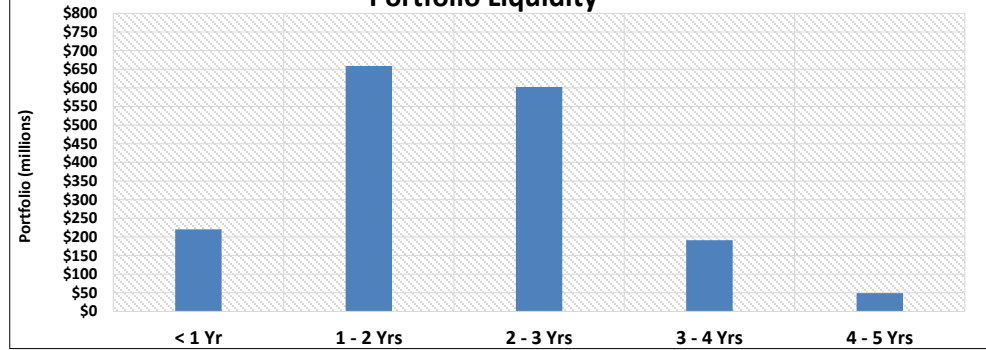
Not applicable.

Securities downgraded or placed on Negative Credit Watch during the month of September 2021, but remain in compliance with OCTA's Investment Policy:

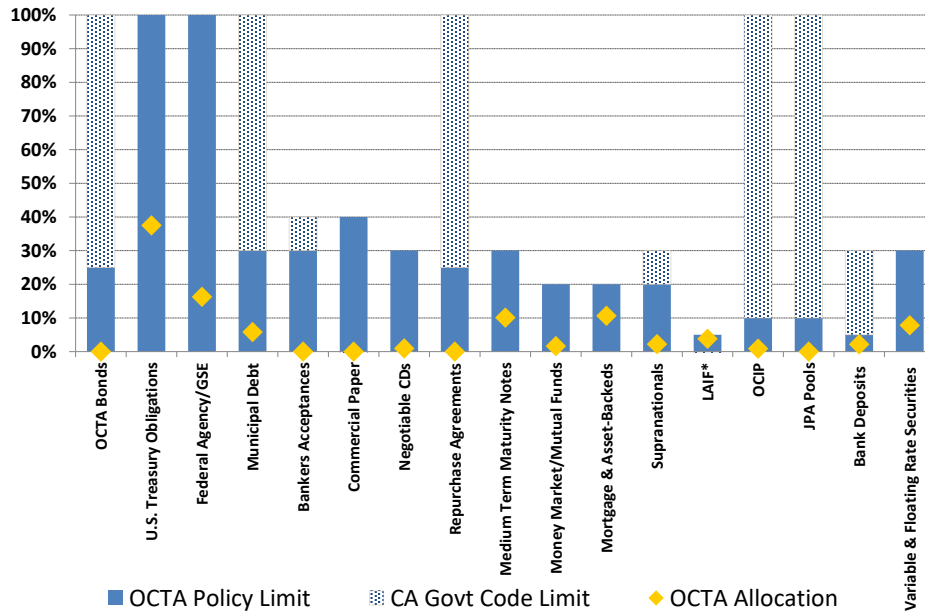
There were zero securities held within OCTA's investment portfolio that were downgraded during the month. The total number of securities on the Negative Credit Watch list remained at zero securities for the month.

For further details please refer to A-8 of this report.

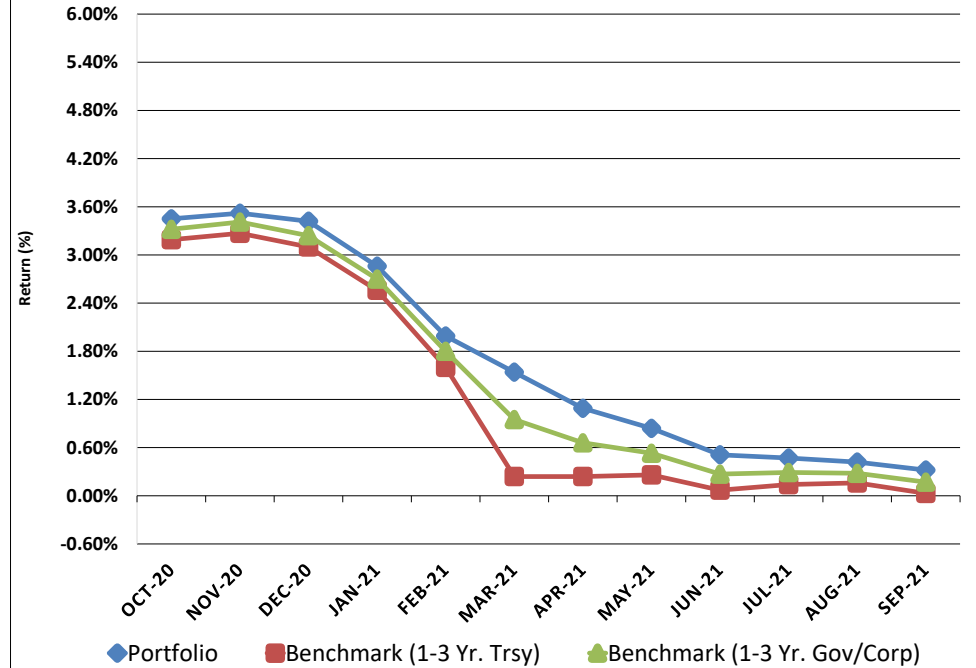
Portfolio Liquidity



Portfolio Diversification



Portfolio Return - 12 Month



*Per CA Government Code LAIF limit is \$75 million

Investment Compliance

9/30/2021

Portfolio Subject to Investment Policy			
Short-Term/Liquid Portfolio ¹	Dollar Amount Invested	Percent Of Portfolio	Investment Policy Maximum Percentages
U.S. Treasury Obligations	\$ 699,125,956	37.5%	100%
Federal Agency/GSE	303,412,167	16.3%	100%
Municipal Debt	108,641,420	5.8%	30%
Commercial Paper	-	0.0%	40%
Negotiable Certificates of Deposit	17,800,000	1.0%	30%
Repurchase Agreements	-	0.0%	25%
Medium Term Maturity Notes/Corporates	188,585,967	10.1%	30%
Money Market/Mutual Funds	30,958,396	1.7%	20%
Mortgage & Asset-Backed	198,910,850	10.7%	20%
Supranationals	41,880,934	2.2%	20%
Local Agency Investment Fund	71,054,530	3.8%	\$ 75 Million
Orange County Investment Pool	16,431,453	0.9%	10%
Joint Powers Authority Pools	-	0.0%	10%
Bank Deposits	40,581,850	2.2%	5%
Variable & Floating Rate Securities	146,221,062	7.8%	30%
Total Short-Term/Liquid Portfolio	\$ 1,863,604,586	100.0%	

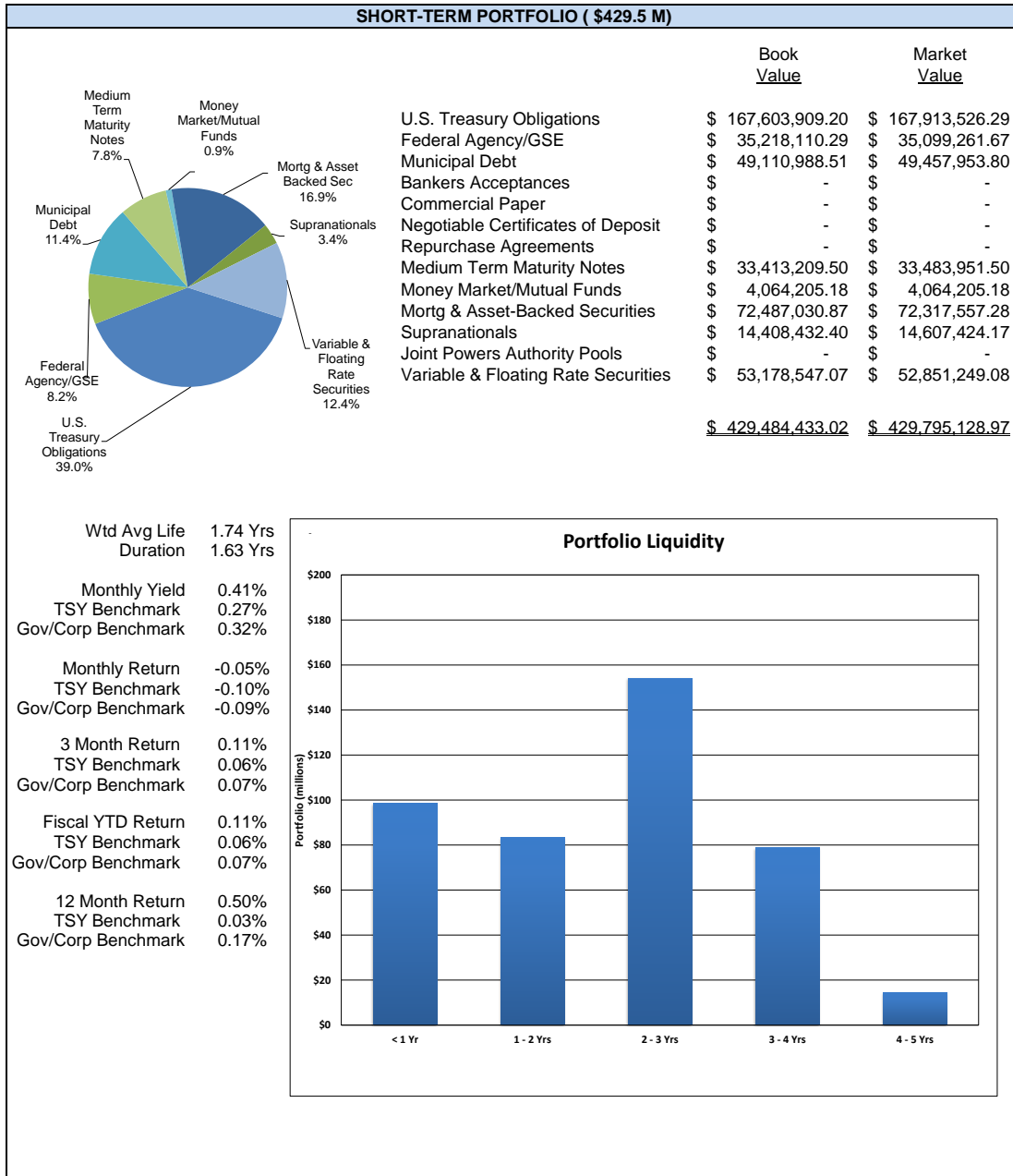
1. Excludes portion of Liquid Portfolio subject to Indenture

Portfolio Subject to Indenture					
	Dollar Amount Invested	Credit Quality	OCTA Term	Indenture Requirements	
				Credit Quality	Term
Liquid Portfolio*					
Money Market Funds	85,625,740	AAA/Aaa	45 days	Min. A2/A	Max. 4 years
Total Liquid Portfolio	\$ 85,625,740				
Bond Proceeds Portfolio					
<u>2019 M2 Sales Tax Bonds</u>					
Money Market Funds	\$ 13,297	AAA/Aaa	45 days	Min. A2/A	Max. 4 years
<u>2021 Bond Anticipation Notes (BANs)</u>					
US Treasuries Obligations	438,960,573	AAA/Aaa	N/A	Min. A2/A	N/A
Total Bond Proceeds Portfolio	438,973,870				
Reserve Funds Portfolio					
Commercial Paper	\$ 25,090,963	P-1/F-1	60-150 days	Min. A-1/P-1	Max. 180 days
Bank Deposits	220,659				
US Treasuries Obligations	375	AAA/Aaa	30 days	Min. A2/A	Max. 5 years
Total Reserve Funds Portfolio	25,311,997				
Total Portfolio Subject to Indenture	464,285,867				
Portfolio Total	\$ 2,413,516,193				

*Reflects portion of Liquid Portfolio subject to Indenture (OCTA Sales Tax Revenue)

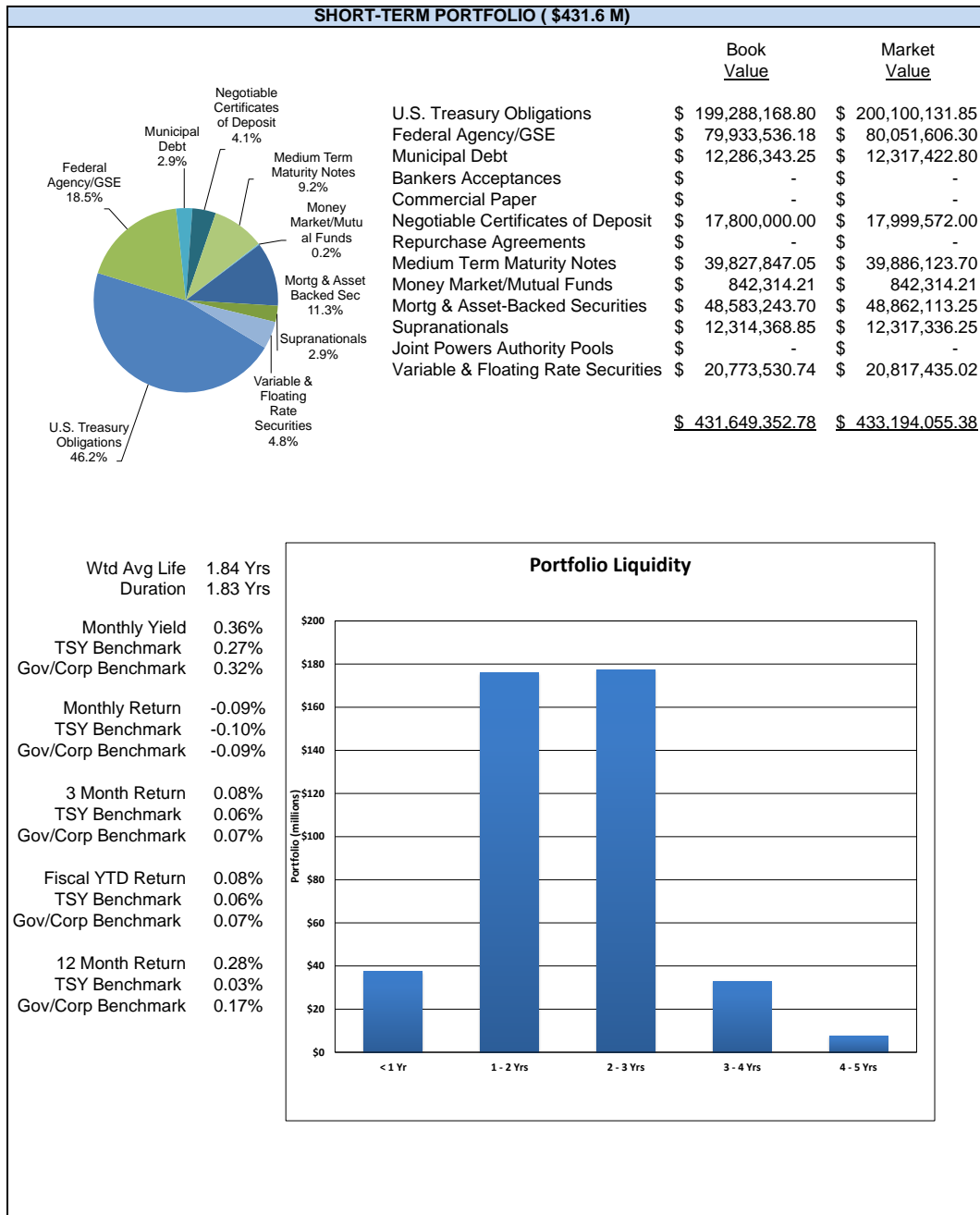
Investment Manager Diversification and Maturity Schedules

MetLife Investment Management
9/30/2021



Investment Manager Diversification and Maturity Schedules

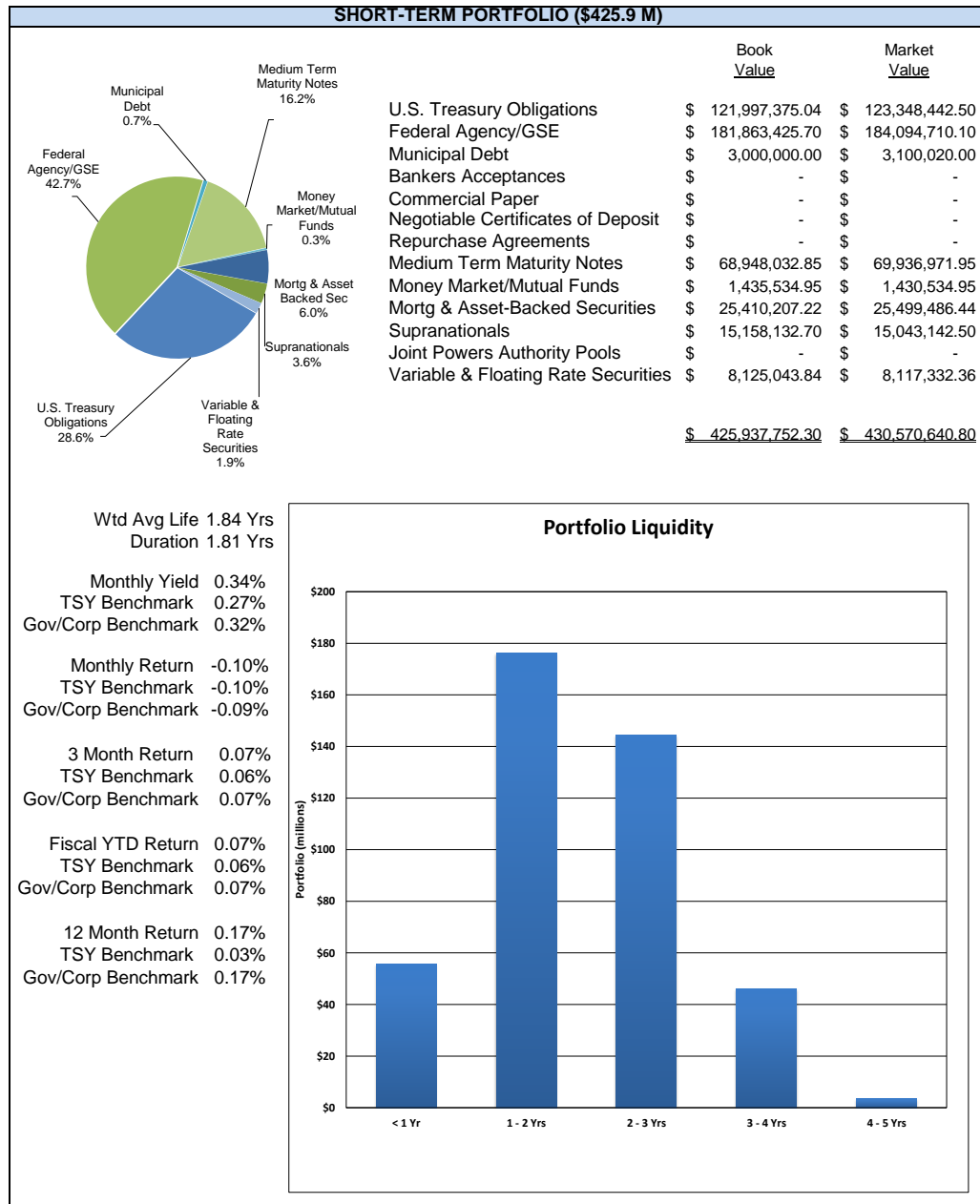
PFM
9/30/2021



Investment Manager Diversification and Maturity Schedules

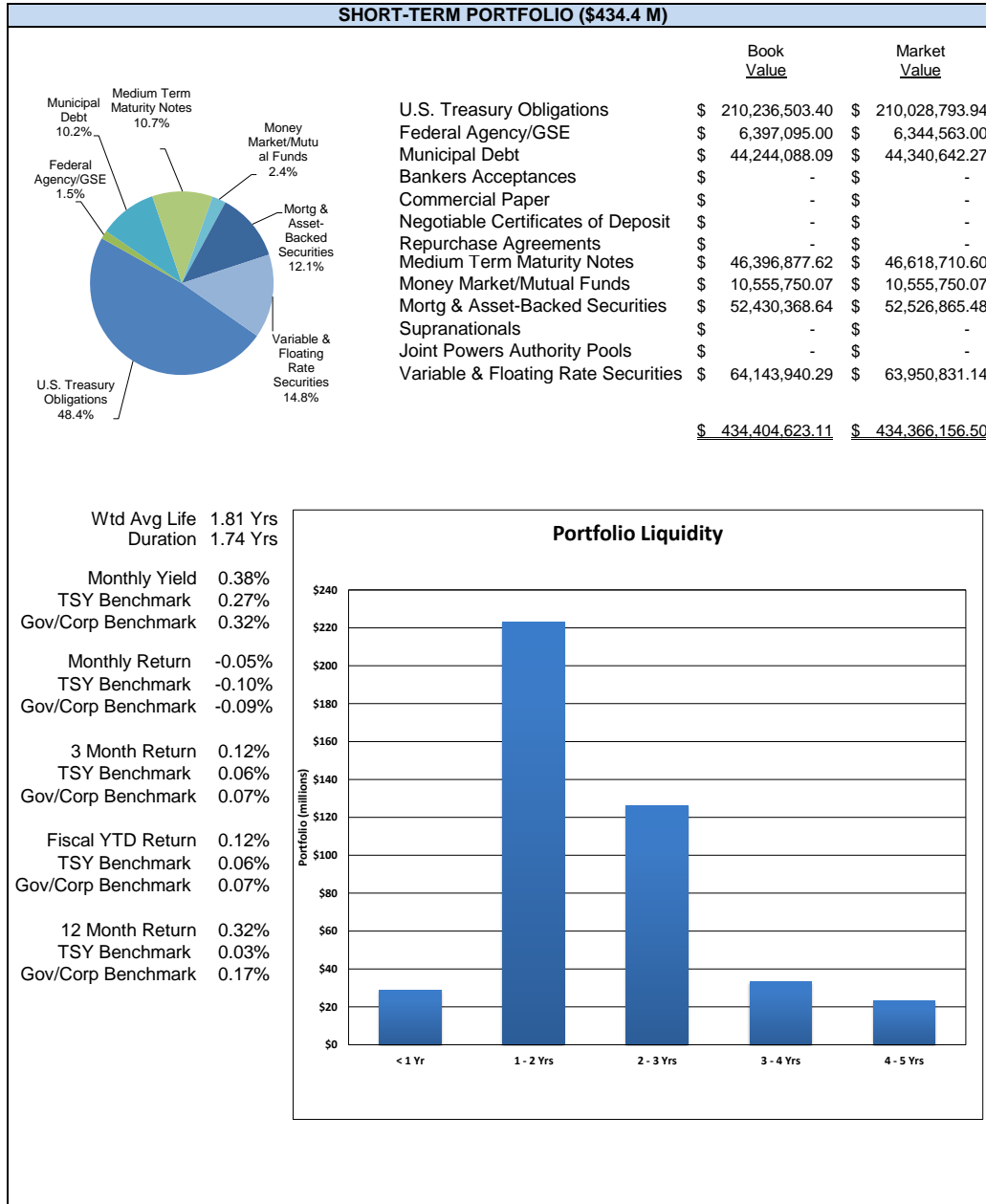
Chandler Asset Management

9/30/2021



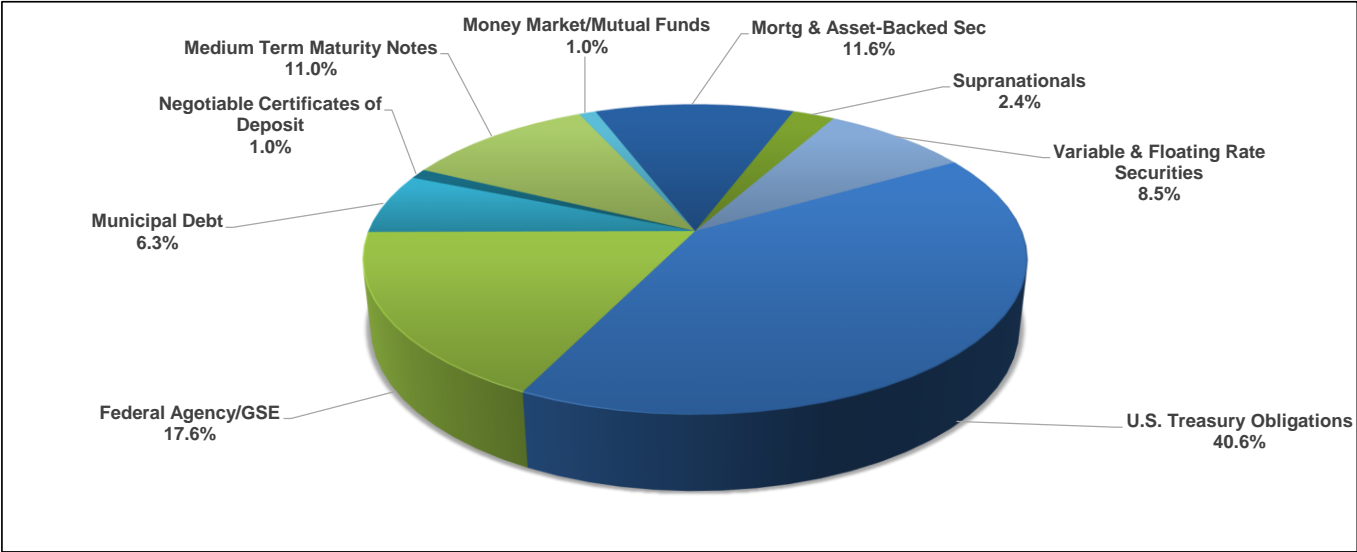
Investment Manager Diversification and Maturity Schedules

Payden & Rygel
9/30/2021

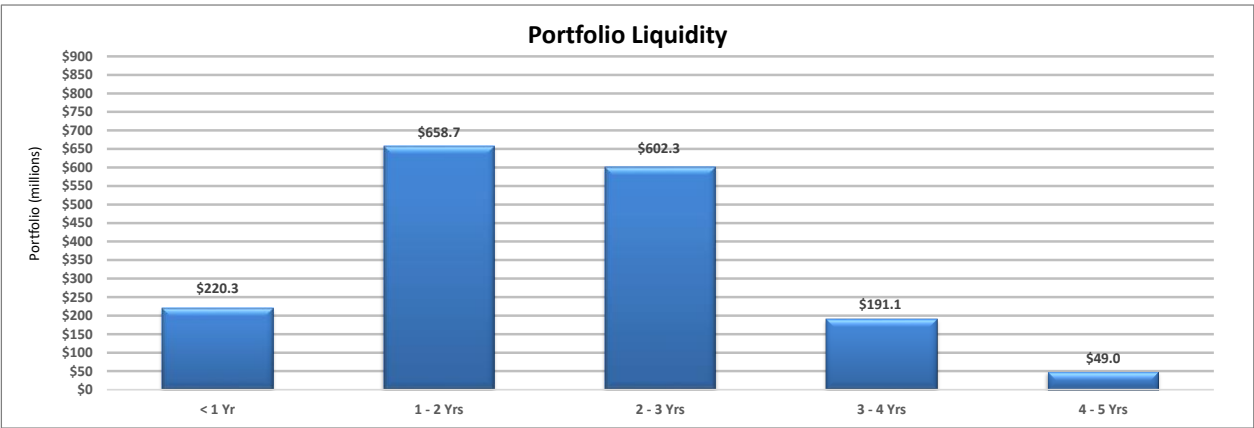


Short-Term Portfolio
9/30/2021

Portfolio Composition



Portfolio Liquidity



Rating Downgrades & Negative Credit Watch

9/30/2021

<u>Investment Manager / Security</u>	<u>Par Amount</u>	<u>Maturity</u>	<u>S&P</u>	<u>Moody's</u>	<u>Fitch Ratings</u>
Rating Downgrades:					
N/A					
Negative Credit Watch:					
N/A					

DEBT PROGRAM

(M2 Sales Tax Revenue Bonds, 91 Toll Revenue Bonds, 2021 TIFIA Loan (I-405), 2021 Bond Anticipation Notes (BANs))

Outstanding Debt¹

As of 9/30/21

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 2022:		17,270,000
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ Moody's/ S&P):		AA+/Aa2/AA+
Final Maturity:		2041

2019 M2 Sales Tax Bond

Issued:	\$	376,690,000
Outstanding:		368,625,000
Debt Service FY 2022:		26,556,400
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:		78,515,000
Debt Service FY 2022:		10,795,825
Pledged Revenue Source:	91 Toll Road Revenues	
Ratings (Fitch/ Moody's/ S&P):		A+/A1/AA-
Final Maturity:		2030

405 Express Lanes

2021 Bond Anticipation Notes²

Issued:	\$	662,820,000
Outstanding:		662,820,000
Debt Service FY 2022:		17,498,989
Pledged Revenue Source:	Collateral ³	
Ratings (Moody's/ S&P):		Aa3/AA
Final Maturity:		2024

2021 TIFIA Loan⁴

Amount Available	\$	628,930,000
Outstanding:		-
Accrued Interest:		-
Pledged Revenue Source:	405 Toll Road Revenues	
Ratings (Moody's/Kroll):		Baa2/BBB-
Final Maturity:		2058

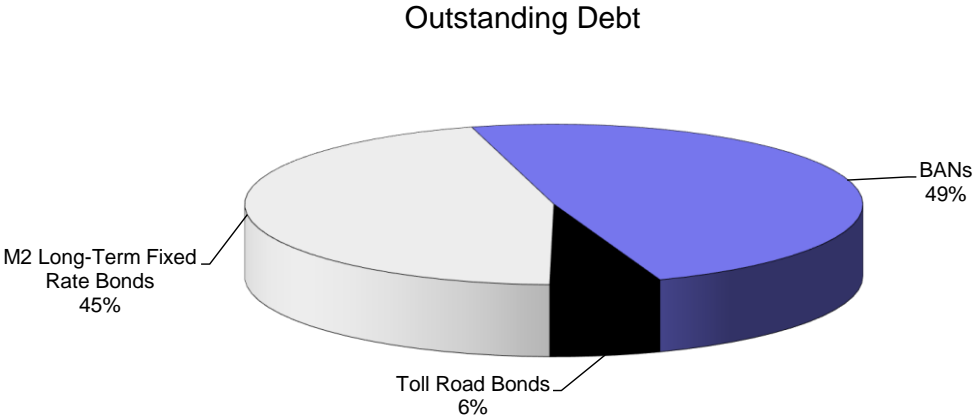
1. Comprised of OCTA's debt obligations (M2 Sales Tax Revenue Bonds, 91 Toll Revenue Bonds, 2021 TIFIA Loan (I-405), and 2021 BANs) currently outstanding and irrespective of OCTA's investment program.

2. Bond Anticipation Notes were issued on September 21, 2021 as a short-term borrowing for the I-405 Improvement Project

3. Comprised of (a) proceeds from draws under the TIFIA Loan Agreement; (b) any legally available funds of OCTA except (i) LTF Revenue, (ii) federal grant funds, (iii) any revenues and assets with respect to the SR 91 Express Lanes, and (iv) any revenues received from operation of the freeway callbox system in Orange County and the freeway service patrol; (c) proceeds from the purchase and sale of OCTA bonds by OCTLA under and pursuant to the Standby Bond Purchase Agreement; and (d) all amounts held by the Trustee in the funds and accounts established under the indenture, including investment earnings thereon, excluding amounts deposited to the Rebate Fund

4. On September 9, 2021, the 2017 TIFIA Loan interest rate was reset, subsequently the outstanding balance on the 2017 loan was paid off and replaced by the 2021 TIFIA Loan, lowering the overall interest rate from 2.91% to 1.95%.

Total Outstanding Debt*
As of 9/30/21



TOTAL OUTSTANDING DEBT: \$1,359,960,000

*Comprised of OCTA's debt obligations (M2 Sales Tax Revenue Bonds, 91 Toll Revenue Bonds, 2021 TIFIA Loan (I-405), and 2021 BANs) currently outstanding and irrespective of OCTA's investment program.