ATTACHMENT D

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2025

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS:
Fitch: "__"
S&P Global Ratings: "__"
(See "RATINGS" herein.)

In the opinion of Nossaman LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2025 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax; however, Bond Counsel observes that interest on the Series 2025 Bonds may impact the federal alternative minimum tax applicable to certain corporations. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds. See "TAX MATTERS" herein.

$[principal amount]*
Orange County Local Transportation Authority
(Orange County, California)
Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds),
Series 2025

Dated: Date of Delivery — Due: February 15, as set forth on the inside cover page

The Orange County Local Transportation Authority (the "Authority") is issuing its Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series 2025 (the "Series 2025 Bonds") pursuant to a Master Indenture of Trust, dated as of December 1, 2010, as supplemented and amended from time to time, including by the Fourth Supplemental Indenture, dated as of [March] 1, 2025 (as so supplemented and amended, hereinafter collectively referred to as the "Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Series 2025 Bonds are being issued to: (i) refund all of the $245,480,000 outstanding principal amount of Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds) (the "Series 2010A Bonds"), and (ii) to pay cost of issuance of the Series 2025 Bonds.

The Series 2025 Bonds will be dated their date of delivery. The Series 2025 Bonds will mature on the dates and in the principal amounts and bear interest at the rates, all as set forth on the inside front cover page of this Official Statement. Interest on the Series 2025 Bonds is payable semiannually on February 15 and August 15, commencing August 15, 2025.

The Series 2025 Bonds will be issued in authorized denominations of $5,000 or integral multiples thereof. The Series 2025 Bonds will be issued in book-entry form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Series 2025 Bonds will be paid by wire transfer to DTC, who will remit such principal and interest to its participants, which will in turn remit such principal and interest to the beneficial owners of the Series 2025 Bonds. See "APPENDIX F - BOOK-ENTRY ONLY SYSTEM."

The Series 2025 Bonds are subject to optional redemption* prior to maturity as described herein. See "THE SERIES 2025 BONDS - Redemption."

The Series 2025 Bonds are limited obligations of the Authority payable from and secured by a pledge of a portion of certain revenues derived from a one-half of one percent (0.5%) retail transactions and use tax imposed in Orange County, California for public transportation purposes, which pledge also secures on a parity basis certain other limited tax bonds issued by the Authority. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS" and "THE SALES TAX" herein. **NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY OF ORANGE, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTERERST ON THE SERIES 2025 BONDS, OTHER THAN THE SALES TAX RECEIVED BY THE AUTHORITY TO THE EXTENT PROVIDED IN THE INDENTURE.**

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2025 Bonds are offered when, as and if issued by the Authority and received by the Underwriters subject to the approval of validity by Bond Counsel and certain other conditions. Certain legal matters will be passed upon for the Authority by Nossaman LLP, as Bond Counsel and Disclosure Counsel, and by Woodruff & Smart, A Professional Corporation, Costa Mesa, California, general counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriters. It is anticipated that the Series 2025 Bonds will be available for delivery in book-entry form through DTC on or about March ______, 2025.

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* Preliminary, subject to change.

[BofA Securities, Inc.]

[other underwriters – to come]

Official Statement dated: _______, 2025.

MATURITY SCHEDULE*

$[principal amount]*
Orange County Local Transportation Authority
(Orange County, California)
Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds),
Series 2025

Maturity Date* (February 15)	Principal Amount*	Interest Rate	Price or Yield	CUSIP†
	$	___%	___%	

* Preliminary, subject to change.
† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only. None of the Orange County Local Transportation Authority, the Orange County Transportation Authority, the Underwriters, nor their agents or counsel assume responsibility for the accuracy of such numbers.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

Doug Chaffee, *Chair* (Board of Supervisors, Orange County)
Jamey M. Federico, *Vice Chair* (City Council, City of Dana Point)
Valerie Amezcua (City Council, City of Santa Ana)
Mike Carroll (City Council, City of Irvine)
Jon Dumitru (City Council, City of Orange)
Katrina Foley (Board of Supervisors, Orange County)
Patrick Harper (City Council, City of Fountain Valley)
Michael Hennessey (Public Member)
Fred Jung (City Council, City of Fullerton)
Stephanie Klopfenstein (City Council, City of Garden Grove)
Carlos A. Leon (City Council, City of Anaheim)
Janet Nguyen (Board of Supervisors, Orange County)
Tam T. Nguyen (Public Member)
Vicente Sarmiento (Board of Supervisors, Orange County)
John Stephens (City Council, City of Costa Mesa)
Mark Tettemer (City Council, City of Lake Forest)
Donald P. Wagner (Board of Supervisors, Orange County)
Lan Zhou, *Ex-Officio* (California Department of Transportation)

STAFF

Chief Executive Officer
Darrell E. Johnson

Deputy Chief Executive Officer
Jennifer L. Bergener

Chief Financial Officer
Andrew Oftelie

Department Manager, Treasury & Public Finance
Robert L. Davis

SPECIAL SERVICES

General Counsel
Woodruff & Smart, A Professional Corporation
Costa Mesa, California

Municipal Advisor
KNN Public Finance, LLC
Berkeley, California

Bond Counsel and Disclosure Counsel
Nossaman LLP
Los Angeles, California

Trustee
The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

Verification Agent
Robert Thomas CPA, LLC
Minneapolis, Minnesota

No dealer, broker, salesperson or other person has been authorized by the Orange County Local Transportation Authority (the "Authority") or the Underwriters identified on the cover page of this Official Statement to give any information or to make any representations other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2025 Bonds. Statements contained in this Official Statement which involve estimates, projections, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

Certain statements in this Official Statement, which may be identified by the use of such terms as plan, project, expect, estimate, budget or other similar words, constitute forward-looking statements. Such forward-looking statements refer to the achievement of certain results or other expectations or performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward-looking statements. The Authority does not plan to issue updates or revisions to such forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

The information set forth herein has been obtained from the Authority and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriters. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change since the date hereof in the affairs of the Authority or in any other matters which are material to the full and punctual payment of the Series 2025 Bonds. All summaries of statutes and documents are made subject to the provisions of such statutes and documents, respectively, and do not purport to be complete statements of any or all of such provisions.

In addition, this Official Statement contains forecasts, projections and estimates that are based on current expectations and/or assumptions. When included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements which speak only as of the date of this Official Statement. Any such statements, including, without limitation, the statements set forth under the caption "ORDINANCE AND INVESTMENT PLAN – General Description," inherently are subject to a variety of risks and uncertainties which could cause actual results to differ materially from those that have been projected. Such risks and uncertainties include, among others, changes in economic conditions, federal, state and local statutory and regulatory initiatives, litigation, seismic events, and various other events, conditions and circumstances, many of which are beyond the control of the Authority. The inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the Authority that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The Authority disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the Authority's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when any of its expectations, or events, conditions or circumstances on which such statements are based occur, other than as described under the caption "Continuing Disclosure" herein.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

This Official Statement is submitted in connection with the sale of the Series 2025 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Series 2025 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained therein, and have not been registered or qualified under the securities laws of any state.

In connection with the offering of the Series 2025 Bonds, the Underwriters may effect transactions which stabilize or maintain the market price of the Series 2025 Bonds offered hereby at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Series 2025 Bonds to certain dealers, institutional investors and others at prices lower than the public offering prices stated on the inside front cover page of this Official Statement, and said public offering prices may be changed from time to time by the Underwriters.

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OFFICIAL STATEMENT

$[principal amount][*]
Orange County Local Transportation Authority
(Orange County, California)
Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds),
Series 2025

INTRODUCTION

This introduction is not a summary of the Official Statement. It is only a brief description of and guide to, and is qualified by, the more complete and detailed information contained in the entire Official Statement and the documents summarized or described herein. The offering of the Series 2025 Bonds to potential investors is made only by means of the entire Official Statement and, therefore, potential investors should carefully review the entire Official Statement.

All capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in “APPENDIX C - SUMMARY OF PRINCIPAL DOCUMENTS" or in the Master Indenture of Trust, dated as of December 1, 2010 (the "Master Indenture"), as supplemented and amended, including as supplemented and amended by the Fourth Supplemental Indenture, dated as of [March] 1, 2025 (the "Fourth Supplemental Indenture"), each by and between the Orange County Local Transportation Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Master Indenture, as supplemented and amended, including as supplemented and amended by the Fourth Supplemental Indenture, is hereinafter collectively referred to as the "Indenture."

General

This Official Statement, including the cover page and all appendices hereto (the "Official Statement") sets forth certain information in connection with the offering by the Authority of the Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series 2025 (the "Series 2025 Bonds"). The proceeds of the Series 2025 Bonds will be used to: (i) refund all of the $245,480,000 outstanding principal amount of Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds) (the "Series 2010A Bonds"), which were originally issued in the aggregate principal amount of $293,540,000; and (ii) to pay certain cost incurred in connection with the issuance of the Series 2025 Bonds. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS."

The Authority

The Authority is a local transportation authority created in 1988 pursuant to the provisions of the Local Transportation Authority and Improvement Act, constituting Division 19 of the California Public Utilities Code, Section 180000 et seq. (the “Act”). The Authority is primarily a planning and funding agency and does not operate transportation programs or facilities. The Authority is an affiliate of the Orange County Transportation Authority ("OCTA"), an umbrella agency responsible for transportation matters

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[*] Preliminary, subject to change.

within the County of Orange, California (the "County" or "Orange County"). The Board of Directors of OCTA serves as the Board of Directors of the Authority. See "THE AUTHORITY".

Authority for Issuance

The Series 2025 Bonds are being issued pursuant to authority granted under the Act, the Renewed Measure M Transportation Ordinance and Investment Plan, adopted by the Board of Directors on July 24, 2006 (as amended and supplemented from time to time, the "Ordinance") and approved by more than two-thirds of the electors voting on the ballot measure set forth therein (such ballot measure being hereinafter referred to as "Measure M2") at the general election held in the County on November 7, 2006. In addition, the Series 2025 Bonds are being issued pursuant to the authority granted by Resolution No. [2025-008] adopted by the Board of Directors on [February 24], 2025 (the "Resolution"), and the Indenture. See "THE SERIES 2025 BONDS," "THE SALES TAX," and "ORDINANCE AND INVESTMENT PLAN" herein.

Security for the Series 2025 Bonds

Sales Tax Revenues **-**The Series 2025 Bonds are limited obligations of the Authority payable from and secured by a pledge of a portion of certain revenues (the "Sales Tax Revenues") derived from the imposition of a one-half of one percent (0.5%) retail transactions and use tax imposed for transportation purposes in the incorporated and unincorporated territory of the County. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS - Pledge of Sales Tax Revenues." The one-half of one percent (0.5%) retail transactions and use tax was imposed pursuant to the Ordinance and approved by approximately 70% of the electors voting on Measure M2 at the general election held in the County on November 7, 2006. Pursuant to its terms, the Ordinance became effective on November 7, 2006 and collection of the Measure M2 retail transactions and use tax authorized pursuant to Measure M2 commenced on April 1, 2011 and is scheduled to expire on March 31, 2041. Such retail transactions and use tax imposed by the Ordinance is hereinafter referred to as the "Sales Tax." See "SECURITY AND SOURCE OF PAYMENT FOR BONDS" and “THE SALES TAX” herein.

Outstanding Parity Obligations - Upon their issuance, the Series 2025 Bonds will be secured by a pledge of Sales Tax Revenues on a parity basis with the pledge which secures the Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (the "Series 2019 Bonds"), originally issued in an aggregate par amount of $376,690,000, of which $301,885,000 currently remain outstanding.

No Reserve Fund*.* No Reserve Fund is being established in connection with the Series 2025 Bonds nor was any Reserve Fund established in connection with the Series 2019 Bonds.

Additional Bonds and Parity Obligations

Pursuant to the Indenture, the Authority may issue one or more additional Series of Bonds (each, a "Series of Bonds," and, together with the Series 2019 Bonds and the Series 2025 Bonds, hereinafter collectively referred to as the "Bonds") or incur other obligations secured by a pledge of the Sales Tax Revenues on a parity basis with the pledge which secures the Series 2019 Bonds and the Series 2025 Bonds. As of the date of this Official Statement, the Authority has not issued or incurred other obligations which are secured by a pledge of Sales Tax Revenues on a parity basis with the pledge which secures the Series 2019 Bonds and Series 2025 Bonds. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Issuance of Obligations Payable From Sales Tax Revenues."

Subordinate Obligations

Pursuant to the Indenture, the Authority may issue or incur obligations secured by a pledge of the Sales Tax Revenues on a subordinate basis with the pledge which secures the Series 2019 Bonds and the Series 2025 Bonds (such obligations being hereinafter referred to as "Subordinate Obligations"). Currently, there are no outstanding Subordinate Obligations. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Issuance of Obligations Payable From Sales Tax Revenues."

Future Financing Plans

The Authority does not currently expect to issue Additional Bonds to fund new projects for the remaining term of Measure M2. However, the Authority may, at any time in the future, issue Additional Bonds for projects or refunding purposes, which may be secured by a pledge of the Sales Tax Revenues on either a parity basis or a subordinate basis to the pledge which secures the Series 2019 Bonds and will secure the Series 2025 Bonds.

References; Availability of Documents

Brief descriptions of the Series 2025 Bonds, the security and sources of payment for the Series 2025 Bonds, the Ordinance, the Indenture, the Authority and its financial status are presented herein. Such references and descriptions do not purport to be comprehensive or definitive. All references herein to various documents are qualified in their entirety by reference to the forms thereof, all of which are available at the offices of the Authority.

PLAN OF REFUNDING

The proceeds from the sale of the Series 2025 Bonds will be used to refund, on the date of delivery of the Series 2025 Bonds, all of the outstanding Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds), outstanding in the principal amount of $245,480,000 (the "Series 2010A Bonds"), which were issued to finance certain transportation projects identified in the Ordinance, including various freeway improvement projects, streets and road improvement projects and transit projects.

The Series 2010A Bonds are being redeemed pursuant to the extraordinary optional redemption provisions of the Master Indenture and the First Supplemental Indenture, dated as of December 1, 2010, between the Authority and the Trustee, pursuant to which the Series 2010A Bonds were issued (collectively, the "Series 2010A Bonds Indenture"). The Series 2010A Bonds Indenture provides that the Series 2010A Bonds are subject to redemption prior to their respective stated maturity dates, at the option of the Authority, upon the occurrence of a Tax Law Change (defined below), from any source of available funds, as a whole or in part, on any date at a redemption price equal to 100% of the principal amount of the Series 2010A Bonds to be redeemed plus the Make-Whole Premium (using a discount rate equal to the Comparable Treasury Yield plus 100 basis points), if any, plus accrued interest to the date fixed for redemption.

With respect to the Series 2010A Bonds, the Authority has determined (as provided pursuant to the Series 2010A Bonds Indenture) that a "Tax Law Change" has occurred, pursuant to which the Subsidy Payments (defined below) for the Series 2010A Bonds have been reduced, and the extraordinary optional redemption provisions relating to the Series 2010A Bonds are therefore applicable.

"Comparable Treasury Issue" means the United States Treasury security selected by the Designated Banking Institution as having a maturity comparable to the remaining term to maturity of the Series 2010A Bond being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Series 2010A Bond being redeemed.

"Comparable Treasury Price" means, with respect to any date on which a Series 2010A Bond or portion thereof is being redeemed, either (a) the average of five Reference Treasury Dealer quotations for the date fixed for redemption, after excluding the highest and lowest such quotations, and (b) if the Designated Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Designated Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Designated Banking Institution, at 2:00 p.m. New York City time on a Business Day at least two Business Days but no more than 45 calendar days preceding the applicable date fixed for redemption.

"Comparable Treasury Yield" means the yield appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the Designated Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Series 2010A Bond being redeemed. The Comparable Treasury Yield will be determined at least two Business Days but no more than 45 calendar days preceding the applicable date fixed for redemption. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining terra to maturity of the Series 2010A Bond being redeemed, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to maturity of the Series 2010A Bond being redeemed; and (ii) closest to and less than the remaining term to maturity of the Series 2010A Bond being redeemed. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward.

If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price as of the date fixed for redemption.

“Designated Banking Institution” is defined in the Series 2010A Bonds Indenture as an investment banking institution of national standing which is a primary United States government securities dealer designated by the Authority.

"Make-Whole Premium" means, an amount calculated by a Designated Banking Institution (as defined below) equal to the positive difference, if any, between:

(1) The sum of the present values, calculated as of the date fixed for redemption of:

(a) Each interest payment that, but for the redemption, would have been payable on the Series 2010A Bond or portion thereof being redeemed on each regularly scheduled Interest Payment Date occurring after the date fixed for redemption through the maturity date of such Series 2010A Bond (excluding any accrued interest for the period prior to the date fixed for redemption); provided, that if the date fixed for redemption is not a regularly scheduled Interest Payment Date with respect to such Series 2010A Bond, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Series 2010A Bond to the date fixed for redemption; plus

(b) The principal amount that, but for such redemption, would have been payable on the maturity date of the Series 2010A Bond or portion thereof being redeemed; minus

(2) The principal amount of the Series 2010A Bond or portion thereof being redeemed.

The present values of the interest and principal payments referred to in (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Comparable Treasury Yield (as defined herein), plus 40 basis points.

"Subsidy Payments" means payments to be made by the United States Treasury to the Trustee pursuant to Section 54AA of the Code or Section 6431 of the Code or any successor to either of such provision of the Code with respect to the interest due on a Series of taxable Bonds that have been accorded Build America Bonds status under the provisions of the American Recovery and Reinvestment Act of 2009 or any successor thereto or replacement thereof.

"Tax Law Change" means legislation has been enacted by the Congress of the United States or passed by either House of the Congress, or a decision has been rendered by a court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement has been made by or on behalf of the Treasury Authority of the United States, the Internal Revenue Service or other governmental agency of appropriate jurisdiction, the effect of which, as reasonably determined by the Authority, would be to suspend, reduce or terminate the Subsidy Payments from the United States Treasury to the Authority with respect to the Series 2010A Bonds, or payments to state or local government issuers generally with respect to obligations of the general character of, and issued in the same calendar year as, the Series 2010A Bonds; provided, that such suspension, reduction or termination of the Subsidy Payments is not due to a failure by the Authority to comply with the requirements under the Internal Revenue Code of 1986 and the regulations issued thereunder (the "Code") to receive such Subsidy Payments.

BofA Securities, Inc., as the senior underwriter of the Series 2025 bonds and as the Designated Banking Institution, will provide the calculation of the Make-Whole Premium to the Authority and the Trustee. Upon the delivery date of the Series 2025 Bonds, Robert Thomas CPA, LLC, Minneapolis, Minnesota ("Verification Agent"), will deliver a report stating that the firm has verified the mathematical accuracy of certain computations relating to the redemption price of and accrued interest on the Series 2010A Bonds and the adequacy of the moneys available to pay on the redemption date the redemption price of and accrued interest on the Series 2010A Bonds. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The following are the estimated sources and uses of funds with respect to the Series 2025 Bonds and the plan of refunding:

Table 1
Estimated Sources and Uses of Funds

Sources:	
Principal amount of Series 2025 Bonds	$
[Plus/Less] Net Original Issue [Premium/Discount]	
[Transfer from Series 2010A Bonds Funds and Accounts]	
Total Sources	**$**
Uses:	
Redemption Fund (1)	$
Costs of Issuance (2)	
Total Uses	**$**

(1) See "PLAN OF REFUNDING".
(2) Costs of Issuance include underwriters' discount, fees and expenses for Bond Counsel, Disclosure Counsel, Municipal Advisor, Trustee, Verification Agent, rating agencies, and printer, and other miscellaneous costs in connection with the issuance of the Series 2025 Bonds.

THE SERIES 2025 BONDS

General Terms and Provisions

The Series 2025 Bonds will be issued as fully registered bonds, without coupons, in the denomination of $5,000 or any integral multiple thereof. The Series 2025 Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2025 Bonds. Individual purchases will be made in book-entry only form. Purchasers will not receive a certificate representing their beneficial ownership interest in the Series 2025 Bonds. So long as Cede & Co. is the registered owner of the Series 2025 Bonds, as nominee of DTC, references herein to Owners, Bondholders, Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the beneficial owners of the Series 2025 Bonds. So long as Cede & Co. is the registered owner of Series 2025 Bonds, all payments of principal and interest due with respect to the Series 2025 Bonds will be made to Cede & Co., as nominee of DTC. See "APPENDIX F - BOOK - ENTRY ONLY SYSTEM."

The Series 2025 Bonds will be dated their date of delivery and will bear interest from such date. Interest with respect to the Series 2025 Bonds will be computed using a year of 360 days comprised of twelve 30-day months and will be payable on February 15 and August 15 of each year, commencing August 15, 2025. The Series 2025 Bonds will mature on the dates and in the principal amounts and bear interest at the rates, all as set forth on the inside front cover page of this Official Statement.

Redemption*

Optional Redemption of the Series 2025 Bonds. The Series 2025 Bonds maturing prior to February 15, 20__ are not subject to optional redemption prior to their stated maturities. The Series 2025 Bonds maturing on or after February 15, 20__ will be subject to redemption, in whole or in part, at the option of the Authority on any date on and after February 15, 20__, from any available source of funds, at a Redemption Price equal to 100% of the principal amount of the Series 2025 Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Authority shall designate which maturities of the Series 2025 Bonds are to be called for optional redemption. If less than all of the Series 2025 Bonds of a particular maturity are to be optionally redeemed at any one time, the Trustee will select the Series 2025 Bonds to be redeemed from all Series 2025 Bonds of such maturity in accordance with the procedures of the Depository. For purposes of such selection, Series 2025 Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

Sufficient Funds Required for Optional Redemption. Any optional redemption of Series 2025 Bonds and notice thereof may be conditional and rescinded and cancelled if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2025 Bonds called for redemption.

Notice of Redemption; Rescission of Optional Redemption. Each notice of redemption shall be mailed by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date, to each Holder and the Repository. A copy of such notice shall also be provided to each of the Notice Parties. Notice of redemption to the Holders, the Repository and the applicable Notice Parties shall be given by first class mail or electronic means. Each notice of redemption shall state the date of such notice, the date of issue of the Series 2025 Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and in the case of Series 2025 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Series 2025 Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a Series 2025 Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Series 2025 Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice to the Repository or any Notice Party or the failure of any Holder, any Repository or any Notice Party to receive notice or any defect in any such notice shall not affect the sufficiency or validity of the proceedings for redemption.

Unless, upon the giving of such notice, such Series 2025 Bonds shall be deemed to have been paid, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such Series 2025 Bonds to be redeemed, and that if such amounts shall not have been so received said notice shall be of no force and effect and the Authority shall not be required to redeem such Series 2025 Bonds. In the event that such notice of redemption contains such a condition

* Preliminary, subject to change.

and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice to the Holders to the effect that such amounts were not so received and such redemption was not made, such notice to be given by the Trustee in the manner in which the notice of redemption was given.

Any notice of optional redemption may be rescinded by written notice given to the Trustee by the Authority. The Trustee shall give notice of such rescission as soon thereafter as practicable in the same manner, and to the same Persons, as notice of such redemption was given pursuant to the provisions of the Indenture described above.

***Effect of Redemption*.** Notice of redemption having been duly given pursuant to the Indenture and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Series 2025 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice the Series 2025 Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice, together with interest accrued thereon to the date fixed for redemption. Interest on such Series 2025 Bonds so called for redemption shall cease to accrue, and said Series 2025 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Holders of such Series 2025 Bonds will have no rights in respect thereof except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption from funds held by the Trustee for such payment.

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DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service requirements for the Series 2025 Bonds assuming no redemption.

Table 2
Debt Service Schedule

	Series 2025 Bonds		
Fiscal Year Ending June 30,	**Principal**	**Interest**	**Total**
2026	$	$	$
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
TOTAL			

Source:

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PRO FORMA DEBT SERVICE COVERAGE*

The following table sets forth the pro forma debt service coverage for the Outstanding Series 2019 Bonds and the Series 2025 Bonds assuming no redemption.

Table 3
Pro Forma Debt Service Coverage
(Based on Actual Fiscal Year 2023-24 Sales Tax Revenues)

Fiscal Year Ending June 30	Series 2019 Bonds Debt Service(1)	Series 2025 Bonds Debt Service*(2)	Total Series 2019 Bonds and 2025 Bonds Debt Service*(3)	Fiscal Year 2023-24 Sales Tax Revenues(4)	Pro Forma Debt Service Coverage*(4)
2026	$ 27,579,400	$ 22,075,157	$ 49,654,557	$340,495,340	6.86 x
2027	27,578,650	22,075,157	49,653,807	340,495,340	6.86 x
2028	27,580,900	22,075,157	49,656,057	340,495,340	6.86 x
2029	27,579,400	22,075,157	49,654,557	340,495,340	6.86 x
2030	27,582,650	22,075,157	49,657,807	340,495,340	6.86 x
2031	27,578,650	22,075,157	49,653,807	340,495,340	6.86 x
2032	27,580,900	22,075,157	49,656,057	340,495,340	6.86 x
2033	27,582,150	22,075,157	49,657,307	340,495,340	6.86 x
2034	27,580,400	22,075,157	49,655,557	340,495,340	6.86 x
2035	27,583,350	22,075,157	49,658,507	340,495,340	6.86 x
2036	27,581,850	22,075,157	49,657,007	340,495,340	6.86 x
2037	27,580,850	22,075,157	49,656,007	340,495,340	6.86 x
2038	27,582,850	22,075,157	49,658,007	340,495,340	6.86 x
2039	27,580,250	22,075,157	49,655,407	340,495,340	6.86 x
2040	27,579,000	22,075,157	49,654,157	340,495,340	6.86 x
2041	27,578,250	22,075,157	49,653,407	340,495,340	6.86 x
Total	**$441,289,500**	**$353,202,510**	**$794,492,010**		

* Preliminary, subject to change.

(1) Represents outstanding debt service associated with the outstanding principal amount of the Authority's Series 2019 Bonds.

(2) Assumes Authority refunds all of the outstanding Series 2010A Bonds at a net neutral cost. Estimated and subject to change based on the Series 2025 Bonds final pricing results.

(3) Excludes debt service associated with the outstanding principal amount of the Authority's Series 2010A Bonds which will be refunded with the Series 2025 Bonds.

(4) Actual, audited. Assumes Sales Tax Revenues remain the same as Fiscal Year 2023-24 Sales Tax Revenues for the term of the Series 2025 Bonds.

(5) Calculated using Fiscal Year 2023-24 Sales Tax Revenues of $340,495,340 divided by the combined annual debt service for the Series 2019 Bonds and the Series 2025 Bonds. Assumes Sales Tax Revenues will remain the same as Fiscal Year 2023-24 Sales Tax Revenues for the term of the Series 2025 Bonds. Actual amounts of Sales Tax Revenues may vary. See "THE SALES TAX" including Table 5 "Historical Measure M1 and Measure M2 Sales Tax Receipts."

Source: The Authority.

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

Pledge of Sales Tax Revenues

The Bonds are limited obligations of the Authority and are payable as to principal and interest exclusively from (i) Revenues, consisting of Sales Tax Revenues and all investment earnings on amounts held by the Trustee in the funds and accounts established under the Indenture (other than amounts deposited in the Rebate Fund, any Purchase Fund or any Letter of Credit Account), subject to application in accordance with the provisions of the Indenture, and (ii) all amounts held on deposit in the funds and accounts established pursuant to the Indenture (other than amounts deposited in the Rebate Fund, any Purchase Fund or any Letter of Credit Account).

“Sales Tax Revenues” is defined in the Indenture to mean 100% of the amounts collected by the California Department of Tax and Fee Administration ("CDTFA") on behalf of the Authority pursuant to the Act relating to the Sales Tax, less the sum of (i) the costs and expenses of collection of the Sales Tax paid to CDTFA, (ii) 1% of the Sales Tax payable to the Authority for administration of the Ordinance, (iii) 2% of the Sales Tax to be used for an environmental cleanup program to implement street and highway related water quality improvement projects as provided in the Ordinance, and (iv) 18% of the Sales Tax remaining after deducting the amounts referred to in (i), (ii) and (iii) above, which amount, referred to in the Ordinance as the "Local Fair Share Program," is to be applied to provide flexible funding to assist cities in the County and the County to provide for the repair of aging streets and to meet other transportation needs, including residential street projects, traffic and pedestrian safety projects near schools and signal priority for emergency vehicles as provided in the Ordinance. For a general discussion of the Sales Tax as well as historical Sales Tax Revenues, see "THE SALES TAX."

The Indenture provides that the Sales Tax Revenues became immediately subject to the pledge set forth in the Indenture upon the issuance of the Series 2025 Bonds and that the pledge constitutes a first lien on and security interest in the Sales Tax Revenues and certain other amounts held on deposit in the funds and accounts established under the Indenture and immediately attached thereto and became effective, binding and enforceable against the Authority and all others asserting rights therein, to the extent set forth, and in accordance with, the provisions of the Indenture, irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing or further act. Such pledge of Sales Tax Revenues and all amounts held on deposit in the funds and accounts established under the Indenture (other than the Rebate Fund) is irrevocable until all of the Bonds, and all other obligations which are secured by a pledge of Sales Tax Revenues on a parity basis with the pledge which secures the Bond (such other obligations being hereinafter referred to as "Parity Obligations"), and Subordinate Obligations, and amounts owed in connection with the Bonds, Parity Obligations and Subordinate Obligations, are no longer Outstanding.

Neither the faith and credit nor the taxing power of the County of Orange, the State of California or any political subdivision or public agency thereof, other than the Authority, to the extent of the pledge described herein, is pledged to the payment of principal of or interest on the Bonds.

Revenue Fund

As long as any Bonds are Outstanding, Parity Obligations or any Subordinate Obligations remain unpaid, the Authority shall cause all Sales Tax (less the amount payable to the CDTFA) to be transmitted by the CDTFA directly to the Trustee. Following receipt of Sales Tax by the Trustee, the Trustee shall remit to the Authority the sum of (i) the Authority's 1% fee for administration of the Ordinance, (ii) 2% of the Sales Tax to be used for an environmental cleanup program to implement street and highway related water quality improvement projects as provided in the Ordinance, and (iii) 18% of the Sales Tax remaining after deducting the amounts referred to in (i) and (ii) above, which amount shall be set forth in a Certificate of the Authority delivered to the Trustee, and the Trustee shall deposit all of the remaining amount comprising the Sales Tax Revenues in the Revenue Fund, established maintained and held in trust by the Trustee pursuant to the Indenture. Pursuant to the provisions of the Indenture, the Sales Tax Revenues shall be held in trust by the Trustee for the benefit of the Holders of the Bonds, Parity Obligations and Subordinate Obligations and shall be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Investment income on amounts held by the Trustee (other than amounts deposited in the Rebate Fund, any Purchase Fund, any Letter of Credit Account or any Project Fund or other fund or account for which particular instructions are provided) shall also be deposited in the Revenue Fund.

Allocation of Sales Tax Revenues

So long as any Bonds are Outstanding and Parity Obligations, Subordinate Obligations and other amounts payable under the Indenture remain unpaid, the Trustee is required to set aside in each month following receipt and deposit of the Sales Tax Revenues in the Revenue Fund the moneys deposited in the Revenue Fund into the following respective funds (each of which the Trustee is required to establish pursuant to the provisions in the Indenture), in the following amounts and in the following order of priority (provided that deficiencies in any previously required deposit may be made up prior to the deposit to a fund subsequent in priority and provided further that set asides or transfers required with respect to outstanding Parity Obligations shall be made on a parity basis in each month, as provided in the Indenture):

1. **Interest Fund.** Following receipt of the Sales Tax Revenues in each month, the Trustee shall set aside in the Interest Fund as soon as practicable in such month an amount equal to (a) one-sixth of the aggregate half-yearly amount of interest becoming due and payable on the Outstanding Current Interest Bonds (except for Bonds constituting Variable Rate Indebtedness which shall be governed by subparagraph (b) below) during the next ensuing six (6) months (excluding any interest for which there are moneys deposited in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay such interest during said next ensuing six (6) months), until the requisite half-yearly amount of interest on all such Outstanding Current Interest Bonds (except for Bonds constituting Variable Rate Indebtedness which shall be governed by subparagraph (b) below) is on deposit in such fund; provided that from the date of delivery of a Series of Current Interest Bonds until the first Interest Payment Date with respect to such Series of Bonds the amounts set aside in such fund with respect to such Series of Bonds shall be sufficient on a monthly pro rata basis to pay the aggregate amount of interest becoming due and payable on said Interest Payment Date with respect to such Series of Bonds, plus (b) the aggregate amount of interest to accrue during that month on Outstanding Variable Rate Indebtedness, calculated, if the actual rate of interest is not known, at the interest rate specified in writing by the Authority, or if the Authority shall not have specified an interest rate in writing, calculated at the maximum interest rate borne by such Variable Rate Indebtedness during the month prior to the month of deposit plus one hundred (100) basis points (provided, however, that the amount of such deposit into the Interest Fund for any month may be reduced by the amount by which the deposit in the prior month exceeded the actual amount of interest accrued and paid during that month on said Outstanding Variable Rate Indebtedness and provided further that the amount of such deposit into the Interest Fund for any month shall be increased by the amount by which the deposit in the prior month was less than the actual amount of interest accruing during that month on said Outstanding Variable Rate Indebtedness). No deposit need be made into the Interest Fund if the amount contained therein is at least equal to the interest to become due and payable on the Interest Payment Dates falling within the next six (6) months upon all of the Bonds issued hereunder and then Outstanding and on February 15 and August 15 of each year any excess amounts in the Interest Fund not needed to pay interest on such date (and not held to pay interest on Bonds having Interest Payment Dates

other than February 15 and August 15) shall be transferred to the Authority (but excluding, in each case, any moneys on deposit in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay interest on any future Interest Payment Dates following such Interest Payment Dates or any Subsidy Payments).

The Trustee shall deposit into the Interest Fund any Subsidy Payments which shall be used as a credit against the amount of Sales Tax Revenues required to be deposited in the Interest Fund as provided in the Indenture.

2. **Principal Fund; Sinking Accounts.** Following receipt of the Sales Tax Revenues in each month, the Trustee shall deposit in the Principal Fund as soon as practicable in such month an amount equal to at least (a) one-sixth of the aggregate semiannual amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having semiannual maturity dates within the next six (6) months, plus (b) one-twelfth of the aggregate yearly amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having annual maturity dates within the next twelve (12) months, plus (c) one-sixth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next six-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created and for which semiannual mandatory redemption is required from said Sinking Accounts, plus (d) one-twelfth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next 12-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts shall have been created and for which annual mandatory redemption is required from such Sinking Accounts; provided that if the Authority certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Reserve Fund that would be in excess of the Reserve Requirement applicable to such Reserve Fund upon such payment, no amounts need be set aside towards such principal to be so refunded or paid. All of the aforesaid deposits made in connection with future Mandatory Sinking Account Payments shall be made without priority of any payment into any one such Sinking Account over any other such payment.

In the event that the Sales Tax Revenues shall not be sufficient to make the required deposits so that moneys in the Principal Fund on any principal or mandatory sinking account redemption date are equal to the amount of Bond Obligation to become due and payable on the Outstanding Serial Bonds of all Series plus the Bond Obligation amount of and redemption premium on the Outstanding Term Bonds required to be redeemed or paid at maturity on such date, then such moneys shall be applied on a Proportionate Basis and in such proportion as said Serial Bonds and said Term Bonds shall bear to each other, after first deducting for such purposes from said Term Bonds any of said Term Bonds required to be redeemed annually as shall have been redeemed or purchased during the preceding 12-month period and any of said Term Bonds required to be redeemed semiannually as shall have been redeemed or purchased during the six-month period ending on such date or the immediately preceding six month period. In the event that the Sales Tax Revenues shall not be sufficient to pay in full all Mandatory Sinking Account Payments required to be paid at any one time into all such Sinking Accounts, then payments into all such Sinking Accounts shall be made on a Proportionate Basis, in proportion that the respective Mandatory Sinking Account Payments required to be made into each Sinking Account during the then current 12-month period bear to the aggregate of all of the Mandatory Sinking Account Payments required to be made into all such Sinking Accounts during such 12-month period.

No deposit need be made into the Principal Fund so long as there shall be in such fund (i) moneys sufficient to pay the Bond Obligations of all Serial Bonds issued hereunder and then Outstanding and maturing by their terms within the next twelve (12) months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such 12-month period, but less any amounts deposited into the

Principal Fund during such 12-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such 12-month period; provided that if the Authority certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Reserve Fund that would be in excess of the Reserve Requirement applicable to such Reserve Fund upon such payment, no amounts need be on deposit with respect to such principal payments. At the beginning of each Fiscal Year and in any event not later than February 15 of each year, the Trustee shall request from the Authority a Certificate of the Authority setting forth the principal payments for which deposits will not be necessary pursuant to the preceding sentence and the reason therefor. On February 15 of each year or as soon as practicable thereafter any excess amounts in the Principal Fund not needed to pay principal on such date (and not held to pay principal on Bonds having principal payment dates other than February 15) shall be transferred to the Authority.

3. **Reserve Funds.** Upon the occurrence of any deficiency in any Reserve Fund, the Trustee shall make such deposit to such Reserve Fund as is required pursuant to the provisions of the Indenture, each such deposit to be made as soon as possible in each month, until the balance therein is at least equal to the applicable Reserve Requirement. As indicated above under the caption "Introduction," no Reserve Fund is being established in connection with the Series 2025 Bonds nor was any Reserve Fund established in connection with the Series 2019 Bonds.

4. **Subordinate Obligations Fund.** As long as any Subordinate Obligations remain unpaid, Revenues remaining in the Revenue Fund after the transfers described in (1), (2) and (3) above have been made shall be used by the Trustee to pay Subordinate Obligations as may be directed by the Authority in writing from time to time. As of the date of the issuance of the Series 2025 Bonds there are no outstanding Subordinate Obligations.

5. **Fees and Expenses Fund.** At the direction of the Authority, after the transfers described in (1), (2), (3) and (4) above have been made, the Trustee shall deposit as soon as practicable in each month in the Fees and Expenses Fund (i) amounts necessary for payment of fees, expenses and similar charges (including fees, expenses and similar charges relating to any Liquidity Facility or Credit Enhancement for any Series of Bonds or to any Parity Obligations) owing in such month or following month by the Authority in connection with any Series of Bonds or any Parity Obligations and (ii) amounts necessary for payment of fees, expenses and similar charges owing in such month or the following month by the Authority in connection with Subordinate Obligations. The Authority shall inform the Trustee of such amounts, in writing, on or prior to the first Business Day of each month.

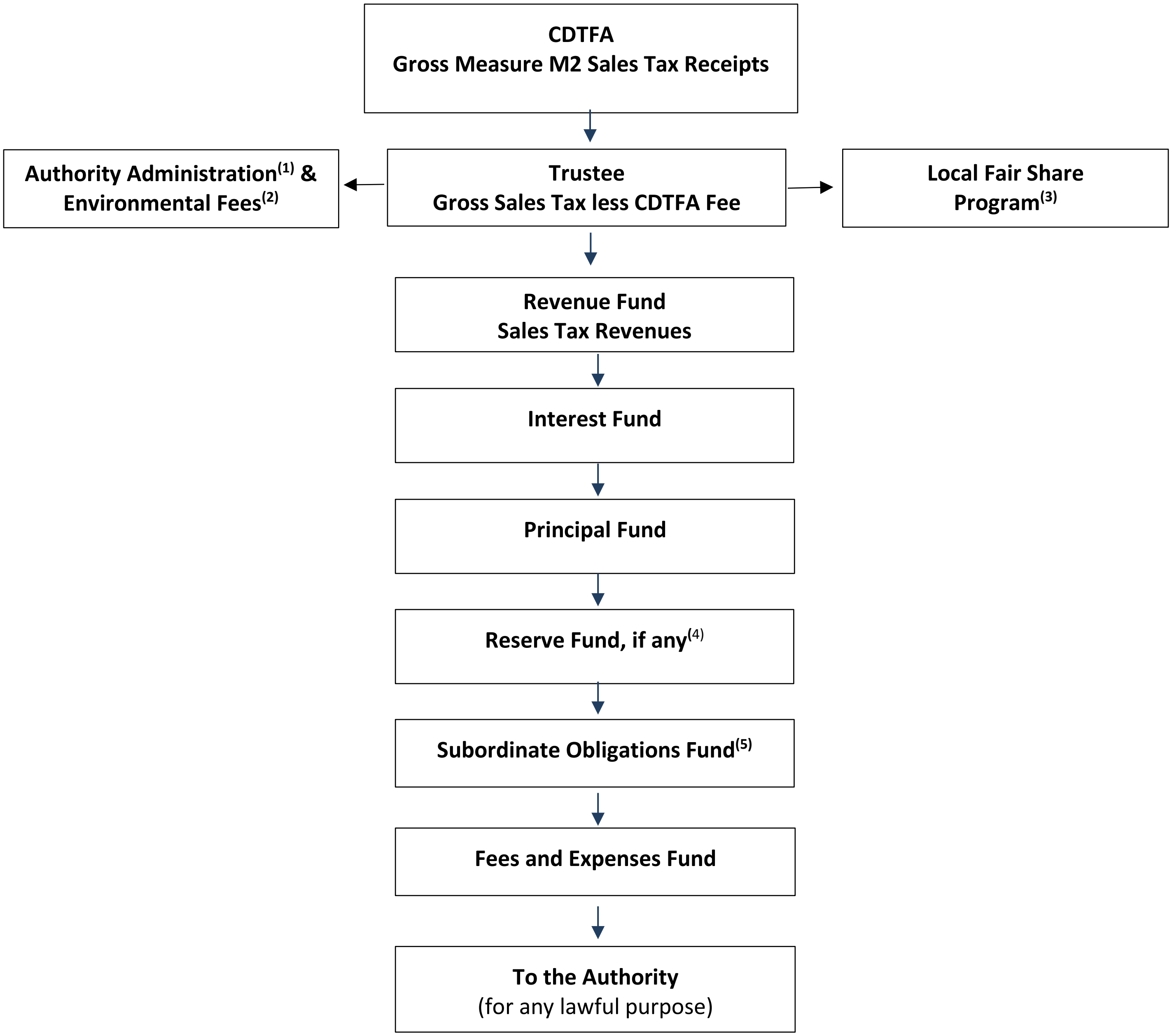
Any Revenues remaining in the Revenue Fund after the foregoing transfers described in (1), (2), (3), (4) and (5) above, except as the Authority shall otherwise direct in writing or as is otherwise provided in a Supplemental Indenture, shall be transferred to the Authority on the same Business Day or as soon as practicable thereafter. The Authority may use and apply the Revenues when received by it for any lawful purpose of the Authority, including Bonds upon the terms and conditions set forth in the Supplemental Indenture relating to such Bonds and the purchase of Bonds as and when and at such prices as it may determine.

If five (5) days prior to any principal payment date, Interest Payment Date or mandatory sinking account redemption date the amounts on deposit in the Revenue Fund, the Interest Fund, the Principal Fund, including the Sinking Accounts therein, and, as and to the extent applicable, any Reserve Fund established in connection with a Series of Bonds with respect to the payments to be made on such upcoming date are insufficient to make such payments, the Trustee shall immediately notify the Authority, in writing, of such deficiency and direct that the Authority transfer the amount of such deficiency to the

Trustee on or prior to such payment date. Pursuant to the Indenture, the Authority covenants and agrees to transfer to the Trustee from any Revenues in its possession (which Revenues shall not include any Sales Tax Revenues posted by the Authority as collateral pursuant to an Interest Rate Swap Agreement), the amount of such deficiency on or prior to the principal payment date, Interest Payment Date or mandatory sinking account redemption date referenced in such notice.

Flow of Funds

After all required deposits have been made by the Trustee to the funds established under the Indenture, the Authority receives all remaining Sales Tax Revenues on a monthly basis to be used for any lawful purpose. The following diagram shows the flow of Sales Tax receipts from CDTFA to the Trustee and to the Authority. See "—Revenue Fund" and "—Allocation of Sales Tax Revenues" above.



(1) Authority administrative fee is 1% of Gross Sales Tax receipts net of the CDTFA Fee.
(2) Environmental fee is 2% of Gross Sales Tax receipts net of the CDTFA Fee.
(3) Local Fair Share Program amounts are 18% of Gross Sales Tax receipts net of the CDTFA, Authority Administration and Environmental Fees.
(4) As of the date of this Official Statement, no debt service reserve fund has been established for any of the Bonds.
(5) As of the date of this Official Statement, the Authority has no Subordinate Obligations outstanding.

Issuance of Obligations Payable from Sales Tax Revenues

Issuance of Additional Bonds. Subsequent to the issuance of the Series 2025 Bonds, the Authority may by Supplemental Indenture establish one or more additional Series of Bonds, payable from Sales Tax

Revenues and secured by the pledge made under the Indenture, and the Authority may issue, and the Trustee may authenticate and deliver to the purchasers thereof, Bonds of any Series so established, in such principal amount as shall be determined by the Authority, but only upon compliance by the Authority with the provisions of the Indenture described below, each of which is a condition precedent to the issuance of any such additional Series of Bonds.

(a) No Event of Default shall have occurred and then be continuing.

(b) If a Supplemental Indenture providing for the issuance of such Series of Bonds shall require either (i) the establishment of a Reserve Fund to provide additional security for such Series of Bonds or (ii) that the balance on deposit in an existing Reserve Fund be increased, forthwith upon the receipt of the proceeds of the sale of such Series, to an amount at least equal to the Reserve Requirement with respect to such Series of Bonds and all other Bonds secured by such Reserve Fund to be considered Outstanding upon the issuance of such additional Series of Bonds, the Supplemental Indenture providing for the issuance of such additional Series of Bonds shall require deposit of the amount necessary. Said deposit may be made from the proceeds of the sale of such Series of Bonds or from other funds of the Authority or from both such sources or may be made in the form of a Reserve Facility. Nothing in the Indenture requires a Series of Bonds to have a Reserve Fund. No Reserve Fund has been established for the Series 2019 Bonds or the Series 2025 Bonds.

(c) The aggregate principal amount of Bonds issued under the Indenture shall not exceed any limitation imposed by law or by any Supplemental Indenture.

(d) The Authority shall place on file with the Trustee a Certificate of the Authority certifying that the amount of Sales Tax Revenues or Pro Forma Sales Tax Revenues, as the case may be, collected during twelve (12) consecutive months during the eighteen (18) months period preceding the date on which such additional Series of Bonds will become Outstanding shall have been at least equal to 2.0 times Maximum Annual Debt Service on all Series of Bonds and Parity Obligations then Outstanding and the additional Series of Bonds then proposed to be issued, which Certificate of the Authority shall also set forth the computations upon which such Certificate is based.

Nothing in the Indenture contained shall prevent or be construed to prevent the Supplemental Indenture providing for the issuance of an additional Series of Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by the Indenture, additional security for the benefit of such additional Series of Bonds or any portion thereof. In the event additional assets or revenues are included within the definition of "Revenues" by a Supplemental Indenture, such additional assets or revenues shall be included in the calculations to be provided pursuant to the provisions of the Indenture described in subparagraph (d) above as if such additional assets or revenues had always been included in "Revenues."

Issuance of Refunding Bonds. Refunding Bonds may be authorized and issued by the Authority without compliance with the provisions of the Indenture described above under subparagraph (d); provided that the Trustee shall have been provided with a Certificate of the Authority to the effect that the Authority has determined: (i) that Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding following the issuance of such Refunding Bonds is less than or equal to Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding prior to the issuance of such Refunding Bonds, or (ii) that the Authority expects a reduction in total debt service on all Bonds Outstanding and all Parity Obligations outstanding to result from the refunding to be effected with the proceeds of such Refunding Bonds. Such Refunding Bonds may be issued in an aggregate principal amount sufficient (together with any additional funds available or to become available) to provide funds for the payment of all or a portion of the following: (i) the principal or Redemption Price of the Outstanding Bonds or outstanding Parity Obligations to be refunded; (ii) all expenses incident to the calling, retiring or paying of such Outstanding Bonds or outstanding Parity Obligations and the Costs of Issuance of such Refunding Bonds; (iii) interest on all Outstanding Bonds or outstanding Parity Obligations to be refunded to the date such Bonds or Parity Obligations will be called for redemption or paid at maturity; (iv) interest on the Refunding Bonds from the date thereof to the date of payment or redemption of the Bonds or Parity Obligations to be refunded; and (v) funding a Reserve Fund for the Refunding Bonds, if required.

Parity Obligations. As defined in the Indenture, Parity Obligations means any debt or other obligation of the Authority payable on a parity with the Bonds. Parity Obligations may be issued or incurred by the Authority, provided that the following conditions to the issuance or incurrence of such Parity Obligations are satisfied: (i) such Parity Obligations have been duly and legally authorized by the Authority for any lawful purpose; (ii) no Event of Default shall have occurred and then be continuing, as evidenced by the delivery of a Certificate of the Authority to that effect, which Certificate of the Authority shall be filed with the Trustee; and (iii) such Parity Obligations are being issued or incurred either (a) for purposes of refunding in compliance with the requirements for the issuance of Refunding Bonds described above under the caption "Issuance of Refunding Bonds;" or (b) the Authority shall have placed on file with the Trustee a Certificate of the Authority, upon which the Trustee may conclusively rely certifying (on the basis of calculations made no later than the date of sale or incurrence of such Parity Obligations, as applicable) that the requirements of the Indenture described above under subparagraph (d) under the caption "Issuance of Additional Bonds" relating to the issuance of an additional Series of Bonds have been satisfied with respect to such Parity Obligations, which Certificate shall also set forth the computations upon which such Certificate is based.

Subordinate Obligations. As defined in the Indenture, Subordinate Obligations means any obligations of the Authority secured by and payable from the Sales Tax Revenues on a basis which is subordinate to the Bonds and Parity Obligations. Subordinate Obligations may be issued or incurred by the Authority without limitation. See “APPENDIX C - SUMMARY OF PRINCIPAL DOCUMENTS - Limitations on the Issuance of Obligations Payable from Sales Tax Revenues; Parity Obligations; Subordinate Obligations." Currently, there are no outstanding Subordinate Obligations of the Authority.

THE SALES TAX

Authorization, Collection and Application of the Sales Tax

The Act, among other things, authorizes the Authority to establish a retail transactions and use tax applicable in the incorporated and unincorporated territory of the County in accordance with the California Transactions and Use Tax Law (Revenue and Taxation Code Sections 7251 et seq.). In accordance with the Act, on November 7, 2006, the voters of the County approved Measure M2 which enacted the Ordinance imposing the Sales Tax in the County for a period of thirty years, with collections commencing April 1, 2011 and scheduled to end March 31, 2041. The Sales Tax consists of a one-half of one percent (0.5%) sales tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and a use tax at the same rate upon the storage, use or other consumption in the County of such property purchased from any retailer for storage, use or other consumption in the County, subject to certain limited exceptions described below.

Collection of the Sales Tax is currently administered by CDTFA, which assumed responsibility for collection of the Sales Tax effective July 1, 2017 pursuant to The Taxpayer Transparency and Fairness Act of

2017. Prior to July 1, 2017, collection of the Sales Tax was administered by the California State Board of Equalization. The Taxpayer Transparency and Fairness Act of 2017 restructured the California State Board of Equalization into three separate entities: (i) CDTFA; (ii) the California State Board of Equalization; and (iii) the Office of Tax Appeals.

CDTFA is authorized to charge a fee for collection of the Sales Tax (the "CDTFA Fee") based on the cost of administering the Sales Tax. The CDTFA Fee, the amount of which is agreed with the California Department of Finance, is calculated based on a legislatively-approved costing model and includes direct, indirect, and central agency charges. For Fiscal Year 2023-24, the CDTFA Fee was $3,331,820 (approximately 1.0% of Sales Tax receipts collected during the period).

Sales Tax (net of the CDTFA Fee) is transmitted to the Trustee on a monthly basis. The amount transmitted reflects the estimated amount for transactions that occurred approximately two months prior to the month of transmittal. Cleanup adjustments are made pursuant to a schedule developed by CDTFA. The current schedule provides that cleanup adjustments are made approximately two (2) months after the end of each calendar quarter (i.e. cleanup adjustments for the calendar quarter ended December 31 are made the following February, cleanup adjustments for the calendar quarter ended March 31 are made the following May, cleanup adjustments for the calendar quarter ended June 30 are made the following August, and cleanup adjustments for the calendar quarter ended September 30 are made the following November).

Following receipt of Sales Tax by the Trustee, the Trustee applies amounts received in accordance with the provisions of the Indenture. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS -Revenue Fund" and "Security and Source of Payment for the Bonds - Allocation of Sales Tax Revenues" herein.

The Sales Tax of 0.5% is in addition to a 7.25% sales and use tax currently levied statewide by the State. In general, the statewide sales tax applies to the gross receipts of retailers from the sale of tangible personal property and the statewide use tax is imposed on the storage, use or other consumption in the State of property purchased from a retailer for such storage, use or other consumption. The statewide use tax does not apply to cases where the sale of the property is subject to the sales tax, therefore the application of the statewide use tax is generally applied to purchases made outside of the State for use within the State.

The Sales Tax is generally imposed upon the same transactions and items subject to the 7.25 percent statewide sales and use tax, with generally the same exceptions. Many categories of transactions are exempt from the statewide sales and use tax and from the Sales Tax. The most important of these exceptions are sales of food products for home consumption, prescription medicine, edible livestock and their feed, seed and fertilizer used in raising food for human consumption, and gas, electricity and water when delivered to consumers through mains, lines, and pipes. In addition, "Occasional Sales" (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller's permit) are generally exempt from the statewide sales and use tax and from the Sales Tax.

Action by the State legislature or by voter initiative could change the transactions and items upon which the statewide sales and use tax and the Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial effect on the Sales Tax Revenues. The Authority is not currently aware of any proposed legislative change which would have a material adverse effect on Sales Tax Revenues. See also "--Proposition 218" below. It is also possible that the increasing use of the internet to conduct electronic commerce may affect the levels of Sales Tax Revenues. See "RISK FACTORS – Impact of Internet Sales on Sales Tax Revenues" below.

Other Sales Taxes Imposed in the County

In addition to the 7.25% statewide sales and use tax and the Sales Tax of 0.5%, the following sales and use taxes are imposed by certain cities within the County causing the total sales tax rates in the County to range from 7.75% to 9.25%. No portion of the statewide sales and use tax or the following taxes imposed by certain cities within the County are pledged to the repayment of the Series 2025 Bonds.

Table 4
Cities within Orange County with Additional Sales and Use Tax

Sales and Use Tax	Tax Rate	Effective Date	Termination Date
Fountain Valley	1.0 %	April 1, 2017	March 31, 2037
Garden Grove	1.0	April 1, 2019	none
La Habra	0.5	April 1, 2009	December 31, 2028
La Palma	1.0	April 1, 2017	none
Los Alamitos	1.5	April 1, 2021	none
Placentia	1.0	April 1, 2019	none
Santa Ana	1.5	April 1, 2019	March 31, 2029
Seal Beach	1.0	April 1, 2017	none
Stanton	1.0	April 1, 2015	none
Westminster	0.5	April 1, 2017	none
Westminster	1.0	April 1, 2023	March 31, 2043

Source: CDTFA, California City and County Sales and Use Tax Rates (January 1, 2025).

Accounting for all the various sales taxes described above, transactions in the County are currently being taxed at an effective rate of 7.75%, outside of the cities listed in the table above, which have an effective tax rate of 8.25% in the city of La Habra, 8.75% in the cities of Fountain Valley, Garden Grove, La Palma, Placentia, Seal Beach and Stanton, and 9.25% in the cities of Los Alamitos, Santa Ana and Westminster.

Historical Taxable Sales

For information concerning historical taxable sales in the County, see "APPENDIX A - "ECONOMIC AND DEMOGRAPHIC DATA FOR THE COUNTY OF ORANGE – Taxable Transactions."

Historical Sales Tax

Collection of the Sales Tax authorized by the Ordinance and Measure M2 commenced on April 1, 2011 and remains in effect through March 31, 2041. The Sales Tax authorized by the Ordinance and Measure M2 extended a one-half of one percent (0.5%) retail transactions and use tax (hereinafter referred to as the "Measure M1 Sales Tax") imposed in the County pursuant to the Revised Orange County Traffic Improvement and Growth Maintenance Ordinance adopted by the Board of Directors on August 2, 1990 (the "Measure M1 Ordinance") and approved by a majority of the electors voting on the ballot measure set forth therein (such ballot measure being hereinafter referred to as "Measure M1") at the general election held in the County on November 6, 1990. Pursuant to its terms, the Measure M1 Ordinance became effective on November 6, 1990 and expired on March 31, 2011.

The table set forth below presents information concerning: (i) historical Measure M1 Sales Tax receipts collected pursuant to the Measure M1 Ordinance for each of the fiscal years ending June 30, 2000 through June 30, 2010 and for the nine-month period commencing July 1, 2010 and ending March 31, 2011, and (ii) historical Sales Tax receipts collected pursuant to the Ordinance and Measure M2 for the three-month period commencing April 1, 2011 through June 30, 2011 and each of the fiscal years ending June 30, 2012 through June 30, 2024.

Table 5
HISTORICAL MEASURE M1 AND MEASURE M2 SALES TAX RECEIPTS
For Fiscal Years Ended June 30, 2000 through 2024

Fiscal Year Ended June 30	M1 Sales Tax Receipts	M2 Sales Tax Receipts	Total Sales Tax Receipts[(1)]	% Change From Prior Fiscal Year
2000	$204,416,898	--	$204,416,898	--
2001	216,495,452	--	216,495,452	5.91%
2002	212,741,853	--	212,741,853	-1.73
2003	223,232,863	--	223,232,863	4.93
2004	237,957,371	--	237,957,371	6.60
2005	251,229,425	--	251,229,425	5.58
2006	271,438,409	--	271,438,409	8.04
2007	274,112,445	--	274,112,445	0.99
2008	265,253,491	--	265,253,491	-3.23
2009	230,103,533	--	230,103,533	-13.25
2010	221,831,300	--	221,831,300	-3.60
2011	174,489,202[(2)]	$ 61,756,868[(3)]	236,246,070	6.50
2012	--	250,892,931	250,892,931	6.20
2013	--	266,384,076	266,384,076	6.17
2014	--	279,599,946	279,599,946	4.96
2015	--	291,615,675	291,615,675	4.30
2016	--	300,944,523	300,944,523	3.20
2017	--	308,768,664	308,768,664	2.60
2018	--	321,480,529	321,480,529	4.12
2019	--	332,358,188	332,358,188	3.38
2020	--	317,963,821	317,963,821	-4.33
2021	--	345,345,181	345,345,181	8.61
2022	--	424,896,566	424,896,566	23.04
2023	--	439,123,114	439,123,114	3.35
2024	--	431,412,458	431,412,458	-1.76

(1) Amounts are gross Sales Tax receipts without deducting the CDTFA Fee. See "THE SALES TAX - Authorization, Collection and Application of the Sales Tax."

(2) Represents amounts collected for the nine-month period July 1, 2010 through March 31, 2011 (when Measure M1 expired).

(3) Represents amounts collected relating to the three-month period commencing April 1, 2011 (when Measure M2 commenced) and ending June 30, 2011.

The following table shows quarterly receipts of Sales Tax collected by CDTFA for the account of the Authority for the fiscal years shown and the changes in such amounts from the prior fiscal year.

Table 6
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
QUARTERLY GROSS SALES TAX RECEIPTS[(1)]
(For Fiscal Years Ending June 30, 2020 through 2024 and
First Quarter of Fiscal Year Ending June 20, 2025)

	Fiscal Year Ended June 30					
Quarter	**2020**	**2021**	**2022**	**2023**	**2024**	**2025[(3)]**
1st Quarter[(2)]	$87,031,368	$ 76,976,653	$100,370,631	$111,340,361	$109,162,931	$104,982,443
2nd Quarter[(2)]	93,305,292	85,812,786	111,193,982	115,458,121	111,532,407	--
3rd Quarter[(2)]	63,741,508	82,196,797	101,552,916	102,795,587	104,338,020	--
4th Quarter[(2)]	73,885,653	100,358,945	111,779,037	109,529,045	106,379,100	--
Fiscal Year Total	**$317,963,821**	**$345,345,181**	**$424,896,566**	**$439,123,114**	**$431,412,458**	**--**
Percent Change	(3.87%)	8.61%	23.04%	3.35%	(1.76%)	--

(1) Amounts shown are Gross Sales Tax receipts, which include the CDTFA Fee. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS."
(2) First quarter is the period from July 1 through September 30 of each year. Second quarter is the period from October 1 through December 31 of each year. Third quarter is the period from January 1 through March 31 of each year. Fourth quarter is the period from April 1 through June 30 of each year.
(3) Latest data available.
Source: The Authority.

Historical Sales Tax Revenues and Debt Service Coverage

Sales Tax Revenues means 100% of the amounts relating to the Sales Tax collected by CDTFA on behalf of the Authority pursuant to the Act, less the sum of the following:

(i) the costs and expenses of collection of the Sales Tax paid to CDTFA,

(ii) 1% of the Sales Tax payable to the Authority for administration of the Ordinance,

(iii) 2% of the Sales Tax to be used for an environmental cleanup program to implement street and highway related water quality improvement projects as provided in the Ordinance, and

(iv) 18% of the Sales Tax remaining after deducting the amounts referred to in (i), (ii) and (iii) above, which amount is referred to in the Ordinance as the "Local Fair Share Program," and is to be applied to provide flexible funding to assist cities in the County and the County to provide for the repair of aging streets and to meet other transportation needs, including residential street projects, traffic and pedestrian safety projects near schools and signal priority for emergency vehicles as provided in the Ordinance.

The table below presents information regarding Historical Sales Tax Revenues and the Debt Service Coverage Ratio for each of the fiscal years ending June 30, 2019 through June 30, 2024.

Table 7
HISTORICAL DEBT SERVICE COVERAGE RATIO
Fiscal Year Ended June 30,

	2019	2020	2021	2022	2023	2024
Gross Sales Tax Receipts	**$332,358,188**	**$317,963,821**	**$345,345,181**	**$424,896,566**	**$439,123,114**	**$431,412,458**
Less CDTFA and Oversight Fees	3,547,220	3,282,840	2,786,100	3,019,640	3,517,870	3,331,820
Net Sales Tax Receipts after CDTFA Fees	**$328,810,968**	**$314,680,981**	**$342,559,081**	**$421,876,926**	**$435,605,244**	**$428,080,638**
Less Authority Administrative Expense (1%)	3,288,110	3,146,810	3,425,591	4,218,769	4,356,052	4,280,806
Less Environmental Cleanup (2%)	6,576,219	6,293,620	6,851,182	8,437,539	8,712,105	8,561,613
Net Sales Tax Receipts	**$318,946,639**	**$305,240,551**	**$332,282,308**	**$409,220,618**	**$422,537,087**	**$415,238,219**
Less Local Funding Allocation (18%)(1)	57,410,395	54,943,299	59,810,815	73,659,711	76,056,676	74,742,879
Sales Tax Revenues(2)	**$261,536,244**	**$250,297,252**	**$272,471,493**	**$335,560,907**	**$346,480,411**	**$340,495,340**
Debt Service on Outstanding Bonds(3)	**$ 28,794,000**	**$ 44,123,080**	**$ 43,839,650**	**$ 43,826,400**	**$ 54,883,650**	**$ 54,871,900**
Debt Service Coverage Ratio(3)	**9.08 x**	**5.67 x**	**6.22 x**	**7.66 x**	**6.31 x**	**6.21 x**
Subsidy Payments Received for Series 2010A Bonds(3)	$6,512,847.75	$5,704,994.55	$5,721,617.00	$5,699,963.50	$5,901,954.57	$5,699,963.50
Debt Service on Outstanding Bonds Less Actual Subsidy Payments Received for Series 2010A Bonds	$22,281,152	$38,418,085	$38,118,033	$38,126,437	$48,981,695	$49,171,937
Debt Service Coverage Ratio Taking Into Account Subsidy Payments Received	11.74 x	6.52 x	7.15 x	8.80 x	7.07 x	6.92 x

(1) Local Funding Allocation is 18% of Net Sales Tax Receipts, which represents Gross Sales Tax Receipts less the CDTFA Fees, Authority Administration Expense and Environmental Fee.
(2) Sales Tax Revenues are pledged to repayment of Outstanding Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS."
(3) During the periods shown above, the Outstanding Bonds are the Series 2010A Bonds and the Series 2019 Bonds. Gross Debt Service on the Series 2010A Bonds is subject to Subsidy Payments as such term is defined in the Indenture and is subject to sequestration. Amounts do not take into account Subsidy Payments received.

Source: The Authority.

THE AUTHORITY

Establishment of the Authority and Responsibilities of the Authority

On June 27, 1988, the Authority was created pursuant to the Act. The Authority is primarily a planning and funding agency and does not operate transportation programs or facilities. Pursuant to the Act, the Authority developed and implemented the twenty-year Revised Orange County Traffic Improvement and Growth Management Plan, adopted by the County and the cities within the County in June 1989. The Authority is responsible for carrying out the provisions of the Ordinance, including the collection and allocation of the Sales Tax and the development and implementation of the hereinafter defined Investment Plan. See "ORDINANCE AND INVESTMENT Plan" herein.

Consolidation and Formation of the Orange County Transportation Authority

In the fall of 1990, the State Legislature enacted Senate Bill 838 which required the functional consolidation of the County's various transportation agencies. Included in this consolidation were the

Authority, the Orange County Transportation Commission, the Orange County Transit District, the Orange County Service Authority for Freeway Emergencies and the Orange County Consolidated Transportation Service Agency. Pursuant to the consolidation required by Senate Bill 838, on June 20, 1991, the consolidated umbrella agency known as the Orange County Transportation Authority or OCTA assumed the combined duties of the various transportation entities noted above, including the Authority. The purpose of this functional consolidation was to create a single board of directors accountable for transportation decision-making in the County. OCTA has approximately 1,348 employees and participates in the Orange County Employees Retirement System (OCERS). The Authority is a component unit of OCTA and does not have its own employees or pension program and is not responsible for OCTA's pension program. See "APPENDIX B -2 – AUDITED FINANCIAL STATEMENTS OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2024 – Note 14" for information concerning OCTA's pension program.

As specified in the legislation, the Board of Directors of OCTA also serves as the Board of Directors of the Authority. This 18-member Board of Directors is made up of five representatives of the Orange County Board of Supervisors, ten city council representatives selected by the cities in the supervisorial district in which they represent, two public members elected by the other members and a non-voting ex-officio member appointed by the Governor. The Director of District 12 of the California Department of Transportation serves as Governor's ex-officio, non-voting member.

Executive Staff

Key staff members are identified below.

Darrell E. Johnson, Chief Executive Officer. Darrell E. Johnson has served as the Chief Executive Officer of the Orange County Transportation Authority (OCTA) since March 2013. Under the policy direction of the Board of Directors, he oversees the planning, financing and coordination of Orange County's freeway, street, and rail development. He also manages countywide transit operations, commuter rail services, paratransit service, toll roads and environmental programs. Since becoming CEO, Mr. Johnson has prioritized innovative financing strategies to maximize the impact of Measure M2 sales tax revenues. His leadership has been instrumental in advancing a more sustainable and equitable transportation network, including innovative environmental mitigation efforts, water-quality programs, and the transition to a zero-emission bus fleet. Mr. Johnson joined OCTA in 2003 and has held several leadership roles, including Deputy Chief Executive Officer. Before joining OCTA, he gained valuable experience in operations and planning through various positions at Amtrak. He holds a Bachelor of Arts degree in Political Science and Administrative Studies from the University of California, Riverside, and completed the Senior Executives in State and Local Government Program at Harvard Kennedy School, Harvard University.

Jennifer L. Bergener, **Deputy Chief Executive Officer.** Jennifer L. Bergener was appointed Deputy Chief Executive Officer in January 2020. Ms. Bergener works directly with the Chief Executive Officer in advancing efforts to fulfill OCTA's mission of keeping the County moving with an innovative, balanced and sustainable transportation system. Ms. Bergener is a transportation industry veteran with diversified experience in programming, finance, project development and delivery, as well as government affairs. She began her career at Amtrak where she provided project development and cost controls and she also worked at the San Mateo County Transit District as a grant and program writer. For over 20 years, Ms. Bergener has been at OCTA serving in roles with increasing responsibility, primarily in rail planning, project and program delivery and new transit services development. She also served as the Managing Director for LOSSAN, which is the managing agency for the state-supported, Amtrak-operated Pacific Surfliner intercity passenger rail service. Ms. Bergener holds a Bachelor of Science Degree in Accounting and Economics from the University of San Diego.

Andrew Oftelie, **Chief Financial Officer.** Andrew Oftelie is the Chief Financial Officer of OCTA, serving in this position since June 2013. Reporting directly to the Chief Executive Officer, Mr. Oftelie oversees a staff of 165 employees and directs and manages all financial and administrative functions for the organization including public finance, investor relations, treasury, financial planning, budgeting, accounting, financial reporting, revenue and grants administration, information technology, contracts administration and general administration. Mr. Oftelie also serves as the appointed Treasurer of the organization. Mr. Oftelie joined OCTA in 1999 and has served in various positions at OCTA since 1999. Immediately prior to being promoted to the position of CFO, Mr. Oftelie served as the Director of Finance and Administration since 2010. Mr. Oftelie holds a Master of Science degree in Public Administration from California State University, Long Beach, and a Bachelor of Science Degree in Finance from the University of Southern California. Mr. Oftelie is also a graduate of the Executive Development Program offered by the Eno Center for Transit Leadership.

ORDINANCE AND INVESTMENT PLAN

General Description

The Ordinance, approved by more than two-thirds of the electors of the County voting on Measure M2 on November 7, 2006, provides for (i) continuation of the Sales Tax, initially approved by a majority of the electors of the County voting on Measure M1 on November 6, 1990, and (ii) implementation of a Countywide transportation investment plan, adopted by the Board of Directors on July 24, 2006 (as supplemented and amended from time to time pursuant to its terms, hereinafter referred to as the "Investment Plan"), designed to result in Countywide transportation improvements for freeways, highways, local streets and roads, bus and rail transit, transportation-related water quality (hereinafter referred to as "Environmental Cleanup") and transit services for seniors and disabled persons. The Investment Plan, designed to reduce traffic congestion, strengthen the economy of the County and improve quality of life, includes continued investment to expand and improve the County's freeway system, a commitment to maintaining and improving the network of streets and roads throughout the County, an expansion of the Metrolink rail transit system (which operates train lines connecting the counties of Los Angeles, Orange, San Bernardino, Ventura, and Riverside), additional transit services for seniors and the disabled and funds to cleanup runoff from roads to eliminate beach pollution and beach closures.

The freeway program consists of 30 projects of which 14 have been completed to date, including various improvements to Interstate 5 (I-5), State Route 22 (SR-22), State Route 57 (SR-57), State Route 91 (SR-91) and Interstate 405 (I-405). The streets and roads program provides annual competitive funding for local jurisdictions to address bottlenecks and gaps in the streets system, synchronize signals, pavement rehabilitation or other transportation needs. The transit program provides funding for Metrolink operations and aims to increase rail services within the County and provide additional Metrolink service north of the city of Fullerton to the Los Angeles County line. The program also provides for track improvements, the addition of trains and parking capacity, upgraded station, and safety enhancements.

Amendment of Ordinance and Investment Plan

Pursuant to the original Ordinance, the Board of Directors may amend the original Ordinance, including the original Investment Plan, to provide for the use of additional federal, State or local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. In order to amend the original Ordinance or the original Investment Plan, the Authority is required to notify the Board of Supervisors of the County and the city council of each city located in the County, to provide each such entity with a copy of the proposed amendment, and to hold a public hearing concerning the proposed amendment prior to adoption, which shall require approval by a vote of not less than two thirds of the members of the Board of Directors.

Subsequent to adoption and approval of the original Ordinance on July 24, 2006, the original Ordinance has been amended by the Board of Directors on November 9, 2012, November 25, 2013, and December 14, 2015 to modify Taxpayer Oversight Committee membership eligibility and to account for additional funding provided for fare stabilization as a result of reallocation of funds within the transit improvement category. In addition, on June 22, 2020, in response to the coronavirus pandemic, the Board amended the Ordinance to remove minimum Maintenance of Effort ("MOE") requirements for cities receiving Local Fair Share funds during Fiscal Year 2019-20. On March 24, 2021, **t**he Board approved an amendment to the Ordinance to adjust the MOE requirements for local jurisdictions, ensuring flexibility in funding allocations for transportation projects. MOE is the amount of discretionary funding (e.g., general fund revenues) that local jurisdictions must spend on streets and roads purposes to ensure that they are not supplanting discretionary transportation spending with M2 revenues.

Investment Plan Allocations

Subsequent to adoption and approval of the original Investment Plan in 2006, the original Investment Plan has been amended to reallocate funds within the freeway improvement category and to reallocate funds within the transit improvement category.

The allocation of gross revenues and of net revenues are set forth below.

Allocation - Gross Revenues

Taxpayer Safeguards, Audits and CDTFA Fees:	2.5%
Environmental Cleanup:	2.0%

Allocation – Net Revenues

Freeways:	43.0%
Streets and Roads Projects, including the 18% to Local Fair Share Program:	32.0%
Transit Projects:	25.0%

Based on management and continued monitoring of risks, the Authority currently anticipates that the full scope of the projects and programs identified in the Investment Plan will be delivered.

Delivery Plans

To date, the Board has adopted three delivery plans to ensure the implementation of the Ordinance and Investment Plan, ensure fiscal sustainability, and to assist in the implementation of Measure M2 projects and programs: the Early Action Plan adopted in 2007, the M2020 Plan adopted in 2012 (intended to last through 2020), and the Next 10 Delivery Plan adopted on November 14, 2016.

Due to significant changes in sale tax revenue projections, the M2020 Plan was replaced after four years with the Next 10 Delivery Plan that covered Fiscal Year 2016-17 through FY 2025-26. To ensure and reconfirm the ability to deliver Measure M2 goals through 2041, the Board annually reviews and updates the Next 10 Delivery Plan to incorporate changes in sales tax revenue forecast assumptions, external revenue, and project cost and schedule refinement. The Next 10 Delivery Plan was last updated in 2024 which covers Fiscal Year 2024-25 through Fiscal Year 2033-34.

According to the 2024 update to the Next 10 Delivery Plan, the 2024 Measure M2 sales tax revenues are forecasted to be $14.0 billion, which represents a 5.4% decrease, or an $800 million decrease from what was assumed in the 2023 Next 10 Delivery Plan. Sales tax collections for Fiscal Year 2023-24 decreased by 1.8 percent to $431 million, compared to the prior fiscal year. Future annual growth rates are assumed to average approximately 3.2 percent. Such assumptions are used solely for budgeting and planning purposes and are expected to fluctuate from year to year.

FINANCIAL POLICIES

Investment Policy. The Board of Directors of OCTA has delegated investment authority to the OCTA Treasurer to invest its funds in accordance with an investment policy ("Investment Policy") adopted on an annual basis. Each Investment Policy is governed by the provisions of the California Government Code and governs the investment of the funds of OCTA and its affiliates, including the Authority, which are not held in the funds and accounts established pursuant to the Indenture. The current Investment Policy, dated July 1, 2024, is available upon request to OCTA's Chief Financial Officer or can be viewed on OCTA's website at www.octa.net.

Amounts held in the funds and accounts established pursuant to the Indenture are invested in Investment Securities and in accordance with the maturity and diversification guidelines set forth in the Investment Policy. See "APPENDIX C - SUMMARY OF PRINCIPAL DOCUMENTS - Definitions" and "Investment in Funds and Accounts."

Debt Policy. The Authority adopted a debt policy on January 7, 2019 which describes the policies, guidelines and procedures relating to all debt issuances. The current debt policy is available upon request to OCTA's Chief Financial Officer.

RISK FACTORS

Economy of the County and the State

The Series 2025 Bonds are secured by a pledge of Sales Tax Revenues. The level of Sales Tax Revenues collected at any time is dependent upon the level of retail sales within the County, which level of retail sales is, in turn, dependent upon the level of economic activity in the County and in the State generally. As a result, any substantial deterioration in the level of economic activity within the County or in the State could have a material adverse impact upon the amount of Sales Tax Revenues and therefore upon the ability of the Authority to pay principal of and interest on the Series 2025 Bonds.

In Fiscal Years 2008 through 2010, the national economic recession and regional general economic conditions resulted in reductions in economic activity and taxable Sales within the County, and correspondingly Sales Tax Revenues received by the Authority declined. Sales Tax Revenues increased in Fiscal Years 2011 through 2019. As a result of the COVID-19 pandemic, economic activity and taxable sales within the County decreased, and correspondingly the Sales Tax Revenues in the Fiscal Year 2020 decreased compared to prior years. In Fiscal Year 2021, Sales Tax Revenues recovered, amounting to approximately $272 million for such Fiscal Year, which represented an approximately 8.86% increase over Fiscal Year ended June 30, 2020. See the caption "THE SALES TAX—Historical Sales Tax."

Over the last three years, the County, like the rest of the nation, experienced and continues to experience significant increases in costs of food, energy and other products. Ongoing high inflation may affect consumer spending decisions and as a result adversely impact sales transactions in the County and ultimately the amount of Sales Tax Revenues received by the Authority. The Authority cannot predict the impact of inflationary pressures on the County's economy or on Sales Tax Revenues.

See "THE SALES TAX — Historical Sales Tax" and "APPENDIX A — "ECONOMIC AND DEMOGRAPHIC DATA FOR THE COUNTY OF ORANGE" which is the most current information available from the sources cited therein.

Changes in Taxable Items

With limited exceptions, the Sales Tax is imposed upon the same transactions and items subject to the sales tax levied statewide by the State. The State Legislature or the voters within the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Sales Tax are imposed. Any such change or limitation could have an adverse impact on the Sales Tax Revenues collected. For a further description of the Sales Tax, see "THE SALES TAX" herein.

Impact of Internet Sales on Sales Tax Revenues

In June 2018, the United States Supreme Court published its decision in South Dakota v. Wayfair (the "Wayfair Decision"), in which the Supreme Court held that sales to a customer in a particular state alone are sufficient to create a nexus for purposes of determining whether a seller is required to collect sales taxes of the applicable state. Prior to the Wayfair Decision, courts had interpreted the dormant Commerce Clause of the United States Constitution to require that a company must have physical nexus in a state in order for the seller to be liable for the collection of the state's sales tax. Physical nexus is defined as having either property or payroll in the state, including a resident employee working from home or inventory stored in that state.

In response to the Wayfair Decision, in 2019 the State of California issued guidance to taxpayers that might be affected by the decision. Under such guidance retailers/businesses located outside of the State are required to register with the CDTFA, collect the California use tax, and pay the tax to the CDTFA based on the amount of their sales into California, even if they do not have a physical presence in the state. The State's passage of Assembly Bill 147, signed by Governor Newsom on April 25, 2019, provide the implementation rules for the Wayfair Decision in California. The new collection requirements apply to those retailers/businesses that meet certain minimum sales thresholds, including third party sellers who sell through a marketplace facilitator such as Amazon, in which case the marketplace facilitator is responsible for collection and remittance of the tax on behalf of the sellers on its platform. The new collection requirements started with transactions beginning on October 1, 2019 (4th quarter of 2019) and were not retroactive. Since the fourth quarter of 2019, the Authority has collected significant new Sales Tax related to the implementation of the Wayfair decision. While the specific dollar amounts by business are confidential, most of the new Sales Tax is related to third party sellers which sell through the marketplace facilitator platforms on Amazon and EBay. Thus far, the Wayfair Decision has been beneficial to the Authority with respect to Sales Tax Revenues. However, the Authority is unable to predict the extent of future internet sales into California and the Authority believes that some Internet transactions still may avoid taxation and in the future may continue to avoid taxation either through error or deliberate non-reporting, and this potentially may reduce the amount of Sales Tax Revenues.

Proposition 218

On November 5, 1996, voters in the State approved an initiative known as the Right to Vote on Taxes Act ("Proposition 218"). Proposition 218 added Articles XIIIC and XIIID to the California Constitution. Article XIIIC requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government, which is defined to include local or regional governmental agencies such as the Authority. The extension of the Sales Tax in November 2006 received the approval of more than 2/3 of the voters as required by Article XIIIC. However, Article XIIIC also removes limitations that may have applied to the voter initiative power with regard to reducing or repealing previously authorized taxes. In the opinion of the Authority, however, any attempt by the voters to use the initiative provisions under Proposition 218 to rescind or reduce the levy and collection of the Sales Tax in a manner which would prevent the payment of debt service on the Series 2025 Bonds would violate the Impairment Clause of the United States Constitution and, accordingly, would be precluded. However, it is likely that the interpretation and application of Proposition 218 will continue to be determined by the courts.

Further Initiatives

Proposition 218 was adopted as a measure that qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures could be adopted, which may affect the Authority's ability to levy and collect the Sales Tax.

Impact of Bankruptcy of the Authority

While an involuntary bankruptcy petition cannot be filed against the Authority, the Authority is authorized to file for bankruptcy under certain circumstances. Should the Authority file for bankruptcy, there could be adverse effects on the holders of the Series 2025 Bonds.

If the Sales Tax Revenues are “special revenues” under the Bankruptcy Code, then Sales Tax Revenues collected after the date of the bankruptcy filing should be subject to the lien of the Indenture. “Special revenues” are defined to include taxes specifically levied to finance one or more projects or systems, excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the governmental entity. If a court determined that the Sales Tax was levied to finance the general purposes of the Authority, rather than specific projects, then the Sales Tax Revenues would not be special revenues. No assurance can be given that a court would not hold that the Sales Tax Revenues are not special revenues or that the Series 2025 Bonds are not of a type protected by the “special revenues” provisions of the Bankruptcy Code. Were the Sales Tax Revenues determined not to be “special revenues,” or were the Series 2025 Bonds determined to not be protected by the Bankruptcy Code, then Sales Tax Revenues collected after the commencement of a bankruptcy case would likely not be subject to the lien of the Indenture. The holders of the Series 2025 Bonds may not be able to assert a claim against any property of the Authority other than the Sales Tax Revenues, and were these amounts no longer subject to the lien of the Indenture following commencement of a bankruptcy case, then there could thereafter be no amounts from which the holders of the Series 2025 Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system from which the special revenues are derived, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. The law is not clear as to whether, or to what extent, the Sales Tax Revenues would be consider to be “derived” from a project or system. To the extent that the Sales Tax Revenues are determined to be derived from a project or system, the Authority may be able to use Sales Tax Revenues to pay necessary operating expenses, before the remaining Sales Tax Revenues are turned over to the Trustee to pay amounts owed to the holders of the Series 2025 Bonds. It is not clear precisely which expenses would constitute necessary operating expenses.

If the Authority is in bankruptcy, the parties (including the Trustee and the holders of the Series 2025 Bonds) may be prohibited from taking any action to collect any amount from the Authority or to enforce any obligation of the Authority, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the Series 2025 Bonds from funds in the Trustee's possession. The procedure pursuant to which the Sales Tax Revenues are paid directly to the Trustee by the CDTFA may no longer be enforceable, and the Authority may be able to require that the Sales Tax Revenues be paid directly to it by the CDTFA.

If the Authority has possession of Sales Tax Revenues (whether collected before or after commencement of the bankruptcy) and if the Authority does not voluntarily pay such moneys to the Trustee, it is not entirely clear what procedures the Trustee or the holders of the Series 2025 Bonds would have to follow to attempt to obtain possession of such Sales Tax Revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful.

The Authority may be able to borrow additional money that is secured by a lien on any of its property (including the Sales Tax Revenues), which lien could have priority over the lien of the Indenture, or to cause some of the Sales Tax Revenues to be released to it, free and clear of lien of the Indenture, in each case as long as the bankruptcy court determines that the rights of the Trustee and the holders of the Series 2025 Bonds will be adequately protected.

The Authority may also be able, without the consent and over the objection of the Trustee and the holders of the Series 2025 Bonds, to alter the priority, principal amount, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the Series 2025 Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the Series 2025 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Authority that could result in delays or reductions in payments on the Series 2025 Bonds, or result in losses to the holders of the Series 2025 Bonds. Regardless of any specific adverse determinations in an Authority bankruptcy proceeding, the fact of an Authority bankruptcy proceeding could have an adverse effect on the liquidity and value of the Series 2025 Bonds.

Risk of Bankruptcy of Related Entities

As described above under the caption "The Authority – Consolidation and Formation of the Orange County Transportation Authority," OCTA has assumed the combined duties of the Authority, the Orange County Transportation Commission, the Orange County Transit District, the Orange County Service Authority for Freeway Emergencies, and the Orange County Consolidated Transportation Service Agency. As a result, no assurance can be given that, if any of OCTA, the Orange County Transportation Commission, the Orange County Transit District, the Orange County Service Authority for Freeway Emergencies, or the Orange County Consolidated Transportation Service Agency were to go into bankruptcy, the Authority would not become a part of such bankruptcy case. If the Authority were to become a part of such a bankruptcy case, then there could be delays or reductions in payments on the Series 2025 Bonds or other losses for the owners of the Series 2025 Bonds.

No Acceleration Provision

The Indenture does not contain a provision allowing for the acceleration of the Series 2025 Bonds in the event of a default in the payment of principal and interest on the Series 2025 Bonds when due. In the event of a default by the Authority, each Holder of a Series 2025 Bond will have the rights to exercise the remedies, subject to the limitations thereon, set forth in the Indenture." See "APPENDIX C – SUMMARY OF PRINCIPAL DOCUMENTS – Events of Default and Remedies."

Loss of Tax Exemption

As discussed under "Tax Matters," interest on the Series 2025 Bonds could become includable in federal gross income, possibly from the date of issuance of the Series 2025 Bonds, as a result of acts or omissions of the Authority subsequent to the issuance of the Series 2025 Bonds. Should interest become includable in federal gross income, the Series 2025 Bonds are not subject to redemption by reason thereof and will remain outstanding until maturity or earlier redemption.

Cybersecurity

The Authority relies upon secure information technology systems for data capture, processing, storage, and reporting. Increased global information technology security requirements, vulnerabilities, threats, and a rise in sophisticated and targeted cybercrime pose a risk to the security of the Authority's systems, its information networks, and to the confidentiality, availability, and integrity of its data. To help mitigate risk and keep pace with the increased sophistication of cybersecurity attacks, OCTA stays on alert and continuously takes steps to improve its cybersecurity maturity and posture. OCTA's cybersecurity protection and response activities cover identity, endpoint, server, network, data, email, privacy, and compliance areas, in addition to a monitoring 24x7 Security Operations Center (SOC). The Authority's information technology systems, and those of its third-party providers or partners, could become subject to employee error or malfeasance, cyber-attacks by common hackers, criminal groups or nation-state organizations, or social activist (hacktivist) organizations, geopolitical events, natural disasters, failures or impairments of telecommunications networks, or other catastrophic events. Network, system, application, and data breaches could result in operational disruptions or information misappropriation, including, but not limited to, interruption to systems availability, denial of access to, and misuse of applications required by the Authority's partners to conduct business with the Authority. There can be no assurance that a system or network failure, or security breach, will not occur. This could lead to system interruption, delays or downtimes and operational disruptions, the disclosure, modification or destruction of proprietary and/or highly sensitive and other key information. The costs of remedying any such damage or protecting against future attacks could be material. Further, cybersecurity breaches could expose the Authority to material litigation and other legal risks, which could cause the Authority to incur material costs related to such legal claims or proceedings.

Natural and Manmade Disasters

Seismic events, floods, droughts, wildfires, riots, terrorism or other calamities may occur from time to time in the County. Any such event (or combination of events) may have a negative impact on the County economy and reduce the amount of sales and use taxes collected in the County, and in turn could potentially have a material adverse effect on amount the Sales Tax Revenues received by the Authority.

Numerous scientific studies on global changes to the climate show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, wildfires may become more common and intense, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. The Authority is unable to predict the impact climate change will have on Sales Tax Revenues; however, the effects could be material. See "—Flooding" and "—Wildfires" below.

Flooding. Orange County's geography and climate increase its susceptibility to flooding. According to the County's General Plan, Safety Element, the major flooding threat in Orange County is the Santa Ana River. In 1938, the Santa Ana River flooded parts of Anaheim, Santa Ana, and Garden Grove, reportedly killing more than 50 people. Although the Prado Dam helped to substantially reduce the flood damage, the 1969 storm caused the largest dollar loss in Orange County history. Portions of the County are located in a 100-year flood zone. The East Garden Grove-Wintersburg Channel and Ocean View Channel system is one of the underlying channel systems of the Santa Ana River floodplain. This drainage system does not have the capacity to contain the 100-year flood because the channel banks and levees are overtopped at several locations.

In addition to the Santa Ana River, other areas subject to flooding during severe storms include the area adjacent to Atwood Channel, Brea Creek Channel, Carbon Canyon Channel, Capistrano Beach Storm Channel, El Modena Irvine Channel, Fullerton creek Channel, Hickey Canyon Storm Channel, Houston Storm Channel, Horno Creek Channel, Modjeska Canyon, Silverado Canyon, Niguel Storm Drain, Oso Creek Channel, San Juan Creek Channel, Santiago Creek Channel, and Trabuco Creek Channel.

In the central portion of the County, areas adjacent to Santiago Creek and Collins Channel may be inundated. Large portions of the San Diego Creek watershed in the City of Irvine and unincorporated area of the County are also subject to inundation. In the southern part of the County, the flooding is mostly confined to the canyon areas; however, these areas are also of concern since their development is expanding. The occurrence of flooding within the County could result in substantial damage to business and property within the County which, in turn, could substantially reduce the ability of the Authority to collect Sales Tax Revenue.

Earthquakes. Orange County, like most areas in the State, is a region of high seismic activity and, therefore, is subject to potentially destructive earthquakes. According to the County's General Plan, Safety Element, two potentially hazardous, active fault zones run along the coastal and inland edges of the County. The Newport-Inglewood Fault, which angles from offshore near Dana Point, inland through the City of Newport Beach, on into Los Angeles County through the cities of Long Beach and Torrance. This fault zone produced the catastrophic 1933 Long Beach earthquake with a Richter scale magnitude of 6.3. It is believed this fault is capable of generating a maximum 7.5 magnitude earthquake. Paralleling this fault zone across the northeasterly edge of the County is the Whittier Fault, a westward continuation of the longer Elsinore Fault which trends along the northeast side of the Santa Ana Mountains into Mexico. It is estimated that the maximum credible earthquake capable from the Whittier-Elsinore Fault Zone is 7.0 magnitude. Earthquakes on faults located outside the County can cause damage within the County. Depending on their magnitude, earthquakes generated within a fifty-mile radius of a given point are considered noteworthy and could cause minor to moderate damage. The occurrence of an earthquake within the County could result in substantial damage to business and property within the County which, in turn, could substantially reduce the ability of the Authority to collect Sales Tax Revenue.

Wildfires. The State continues to battle significant wildfires during fire season and this trend is likely to continue, resulting in significant destruction and economic and public safety challenges for the State and the County. Recently, the Palisades and Eaton fires, two of the most destructive fires on record in California occurred in Los Angeles County beginning on January 7, 2025 and took over two weeks to contain, resulting in approximately 23,700 acres and 14,000 acres, respectively, of damage. In Orange County, Anaheim Hills suffered a destructive wildfire, known as the Canyon 2 Fire, in October 2017, burning approximately 9,217 acres, when a Santa Ana wind event with gusts reaching over 50 mph occurred. In 1993, the Laguna Canyon Fire occurred in Orange County after igniting on October 27 and burning more than 16,000 acres before it was fully contained on October 31, 1993.

According to the County's General Plan – Safety Element, fire is a constant threat in all parts of the County. A relatively large portion of the County is covered by natural (though modified) vegetation. Of these different vegetation types, coastal sage scrub, chaparral, and grasslands reach some degree of flammability during the dry summer months and, under the right conditions, during the winter months. In addition, the County's General Plan states that portions of the County are located in a high and very high fire hazard zone. The occurrence of a fire within the County could result in substantial damage to businesses and property within the County which, in turn, could substantially reduce Sales Tax Revenues.

TAX MATTERS

In the opinion of Nossaman LLP, Bond Counsel to the Authority ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Series 2025 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Series 2025 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX E hereto.

To the extent the issue price of any maturity of the Series 2025 Bonds is less than the amount to be paid at maturity of such Series 2025 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2025 Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Series 2025 Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2025 Bonds is the first price at which a substantial amount of such maturity of the Series 2025 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2025 Bonds accrues daily over the term to maturity of such Series 2025 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2025 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2025 Bonds. Beneficial owners of the Series 2025 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2025 Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Series 2025 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2025 Bonds is sold to the public.

Series 2025 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such beneficial owner. Beneficial owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2025 Bonds. The Authority has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2025 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2025 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2025 Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2025 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2025 Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2025 Bonds may otherwise affect a beneficial owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the beneficial owner or the beneficial owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2025 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2025 Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2025 Bonds ends with the issuance of the Series 2025 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the beneficial owners regarding the tax-exempt status of the Series 2025 Bonds in the event of an audit examination by the IRS. Under current procedures, the beneficial owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees may not be practicable. Any action of the Internal Revenue Service, including but not limited to selection of the Series 2025 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues, may affect the market price for, or the marketability of, the Series 2025 Bonds, and may cause the Authority or the beneficial owners to incur significant expense.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2025 Bonds are subject to the approving opinion of Nossaman LLP, Los Angeles, California, Bond Counsel, the form of which is attached hereto as Appendix E. Approval of other legal matters will be passed upon for the Authority by Woodruff & Smart, A Professional Corporation, general counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriters.

LEGALITY FOR INVESTMENT IN CALIFORNIA

Under provisions of the Act, the Series 2025 Bonds are legal investments in California for all trust funds, funds of insurance companies, commercial and savings banks, trust companies and State school funds, and are eligible to secure deposits of public moneys.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending or, to the best knowledge of the Authority, threatened concerning the validity of the Series 2025 Bonds. The Authority is not aware of any pending or threatened litigation questioning the political existence of the Authority or contesting the Authority's ability to impose and collect the Sales Tax or pledge the Revenues, including, without limitation, the Sales Tax Revenues, pursuant to the Indenture.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Verification Agent, Robert Thomas CPA, LLC, Minneapolis, Minnesota, will deliver to the Authority, on or before the delivery date of the Series 2025 Bonds, its verification report indicating that it has verified, in accordance with the Statement on Standards for Consulting Services established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Defeasance

Securities deposited in the Redemption Fund, to pay, when due, the maturing principal of, and interest on, the Refunded 2010 Bonds becoming due on or before their respective maturity dates or the Redemption Date, as applicable. In its report, the Verification Agent will rely on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the Authority. In addition, the Verification Agent will rely on any information provided to it by the Authority's retained advisors, consultants or legal counsel. The Verification Agent is not engaged to perform audit or attest services under American Institute of Certified Public Accountants auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with its engagement to deliver such report.

MUNICIPAL ADVISOR

The Authority has retained KNN Public Finance, LLC, Berkeley, California, as municipal advisor (the "Municipal Advisor") in connection with the authorization and issuance of the Series 2025 Bonds and certain other financial matters. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other negotiable instruments.

CONTINUING DISCLOSURE

[***update to include historical continuing disclosure compliance report from Underwriters***] Pursuant to the Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), the form of which is attached hereto as Appendix D, the Authority will agree to provide certain financial information and operating data relating to the Authority (hereinafter referred to as the "Annual Report") by not later than six (6) months following the end of the Authority's fiscal year (presently June 30), commencing with the report for the Fiscal Year ended June 30, 2025, and to provide notices of the occurrence of certain enumerated events as specified in the Continuing Disclosure Certificate. The Annual Report and notices of enumerated events will be filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website (EMMA). The specific nature of the information to be contained in the Annual Report and in the notices of enumerated events is specified in the Continuing Disclosure Certificate. The Authority has agreed to provide Annual Reports and notices of enumerated events for the benefit of the Bondholders and Beneficial Owners of the Series 2025 Bonds in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Authority and OCTA for the fiscal year ended June 30, 2024, included as Appendix B-1 and Appendix B-2 to this Official Statement, have been audited by Crowe LLP, independent auditors, as stated in their report therein. See "APPENDIX B – 1 AUDITED FINANCIAL STATEMENTS OF THE ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY/ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FISCAL YEAR ENDED JUNE 30, 2024" and "APPENDIX B-2 AUDITED FINANCIAL STATEMENTS OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FISCAL YEAR ENDED JUNE 30, 2024." Crowe LLP was not requested to consent to the inclusion of their report in Appendix B-1 or Appendix B-2, nor has Crowe LLP undertaken to update their reports or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this

Official Statement, and no opinion is expressed by Crowe LLP with respect to any event subsequent to the date of their reports.

RATINGS

Fitch Ratings ("Fitch") and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") have assigned the Series 2025 Bonds ratings of "___" and "___," respectively. The ratings described above reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch, 33 Whitehall Street, New York, New York 10004; and S&P Global Ratings, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on its own investigations, studies and assumptions. There is no assurance that any of such ratings will continue for any given period of time or that any of such ratings will not be revised downward or withdrawn entirely, if in the judgment of the applicable rating agency, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect on the market price of the Series 2025 Bonds. To give notices required to be given to Moody's Investors Service, Inc. ("Moody's") pursuant to the Indenture in connection with the issuance of the Series 2025 Bonds, representatives of the Authority met with Moody's, which assigns a rating to the Series 2010A Bonds. The Authority did not request that Moody's assign a rating to the Series 2025 Bonds.

UNDERWRITING

The Series 2025 Bonds are being purchased by the Underwriters named on the cover hereof (each an "Underwriter," and, collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2025 Bonds at a price equal to $___________ (the aggregate principal amount of the Series 2025 Bonds, less an underwriters' discount of $___________, plus a net original issue premium of $__________. The purchase agreement relating to the Series 2025 Bonds provides that the Underwriters will purchase all of the Series 2025 Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said purchase agreement, the approval of certain legal matters by counsel and certain other conditions.

BofA Securities, Inc., an underwriter of the Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Bonds.

The Series 2025 Bonds may be offered and sold to certain dealers and others at prices lower than the offering prices stated on the cover page hereof. The offering prices may be changed from time to time.

The language set forth below under this caption has been provided by and is being included in this Official Statement at the request of the Underwriters. The Authority cannot and does not assume any responsibility for the accuracy of any of the information set forth below under this caption.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Authority, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

OTHER MATTERS

This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers, Owners or Beneficial Owners of any of the Series 2025 Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof.

Additional information may be obtained upon request from the office of the Authority at 550 South Main Street, Orange, California 92863-1584, (714) 560-5563.

The execution and delivery of this Official Statement have been duly authorized by the Authority.

ORANGE COUNTY LOCAL
TRANSPORTATION AUTHORITY

By:____________________________________
Chief Executive Officer

APPENDIX A

ECONOMIC AND DEMOGRAPHIC DATA FOR THE COUNTY OF ORANGE

The following economic data for the County of Orange (the "County") is presented for information purposes only. The Bonds are not a debt or obligation of the County.

General

The boundaries of the jurisdiction of the Orange County Local Transportation Authority are the same as those of the County. The County is located in Southern California, and is one of the major metropolitan areas in the State and nation. The County is bordered on the north by Los Angeles County and San Bernardino County, on the east by Riverside County, on the southeast by San Diego County, and on the west and southwest by the Pacific Ocean. The County encompasses 798 square miles, has a population of over 3 million, and approximately 42 miles of ocean shoreline providing beaches, marinas, and other recreational areas for use by residents and visitors.

The County was incorporated as a general law County in 1889 and converted to a charter county on March 5, 2002, with voter approval. The County is governed by a five-member Board of Supervisors (Board), who each serve four-year terms, and annually elect a Chair and Vice-Chair. The Supervisors represent districts that are each approximately equal in population. The district boundaries were revised effective January 6, 2022, incorporating the results of the 2020 census. A County Executive Officer (CEO) oversees 15 County departments, and elected officials serving as department heads oversee six County departments.

The County is located in the most heavily populated region of California, necessitating easy access to road, rail, air and sea transportation. The County is also a major Southern California tourist center with a large number of amusement parks and recreational and entertainment activities. The County's Pacific Coast shoreline includes five state beaches and parks, five municipal beaches, and five County beaches.

The County provides a wide range of services to its residents, including public protection, public assistance/social services, health and mental health services, infrastructure and environmental services such as airport, road, flood control, landfill and waste management services, libraries, beaches and parks. The County administers the numerous health and social service programs as the administrative agent of the State and pursuant to State law.

Population

The County is the third most populous county in the State of California (the “State”) and the sixth most populous in the United States. During the 10-year period from 2015 through 2024, the population of the County increased by approximately 0.74%, compared to 0.82% for the State and 6.07% for the United States.

POPULATION ESTIMATES
COUNTY OF ORANGE, STATE OF CALIFORNIA AND UNITED STATES

Year(1)	County	State	United States
2015	3,148,491	38,810,306	320,635,163
2016	3,165,028	39,036,749	322,941,311
2017	3,185,541	39,273,915	324,985,539
2018	3,192,479	39,429,439	326,687,501
2019	3,192,408	39,503,656	328,239,523
2020	3,188,326	39,535,623	331,577,720
2021	3,172,352	39,327,868	332,099,760
2022	3,158,071	39,114,785	334,017,321
2023	3,141,065	39,061,058	336,806,231
2024	3,150,835	39,128,162	340,110,988

(1) As of January 1.
Source: California State Department of Finance for County and State populations, and United States Census Bureau for United States population.

The table below show the population projections for the County and the State for the years shown. The County is expected to have a growth rate of 3.11% between 2025 and 2040, which is less than the projected growth rate of the State of 4.49% over the same period.

POPULATION PROJECTIONS
ORANGE COUNTY and STATE OF CALIFORNIA

Year	County	State
2025	3,147,059	39,155,670
2030	3,193,151	39,694,960
2035	3,226,344	40,351,593
2040	3,244,826	40,914,063

Source: California State Department of Finance for County and State populations

Personal Income

The United States Department of Commerce, Bureau of Economic Analysis (the "BEA") produces economic accounts statistics that enable government and business decision-makers, researchers, and the public to follow and understand the performance of the national economy. The BEA defines "personal income" as income received by persons from all sources, including income received from participation in production as well as from government and business transfer payments. Personal income represents the sum of compensation of employees (received), supplements to wages and salaries, proprietors' income with inventory valuation adjustment and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, personal income receipts on assets, and personal current transfer receipts, less contributions for government social insurance. Per capital personal income is calculated as the personal income divided by the resident population based upon the Census Bureaus' annual midyear population estimates.

The table below presents the latest available personal income data for the County, the State and the United States for the calendar years 2019-2023 (the most recent year available).

PERSONAL INCOME
CALENDAR YEARS 2019-2023
(ORANGE COUNTY, STATE OF CALIFORNIA, and UNITED STATES)

Year and Area	***Personal Income (thousands of dollars)***	***Per Capita Personal Income (dollars)***
2019		
Orange County	221,785,219	69,619
California	2,539,747,399	64,219
United States	18,349,584,000	55,566
2020		
Orange County	239,165,288	75,074
California	2,769,103,047	70,098
United States	19,600,945,000	59,123
2021		
Orange County	257,606,430	81,505
California	3,009,556,560	76,882
United States	21,403,979,000	64,460
2022		
Orange County	264,973,116	84,109
California	3,003,826,087	76,941
United States	22,077,232,000	66,244
2023		
Orange County	278,760,587	88,897
California	3,166,135,354	81,255
United States	23,380,269,000	69,810

Source: U.S. Bureau of Economic Analysis, "CAINC1 County and MSA personal income summary: personal income, population, per capita personal income" (accessed Wednesday, January 1, 2025).

Industry and Employment

The following table sets forth estimates of the civilian labor force, employment, unemployment, and unemployment rate for the County and the State for calendar years 2019-2023 (the most recent year available).

**CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
BY ANNUAL AVERAGE
CALENDAR YEARS 2019-2023
(ORANGE COUNTY and STATE OF CALIFORNIA)**

Year and Area	*Civilian Labor Force*	*Civilian Employment*	*Civilian Unemployment*	*Civilian Unemployment Rate*
2019				
Orange County	1,613,900	1,568,400	45,500	2.8%
California	19,385,300	18,589,600	795,700	4.1%
2020				
Orange County	1,563,800	1,424,300	139,500	8.9%
California	18,958,600	17,037,000	1,921,600	10.1%
2021				
Orange County	1,557,200	1,464,100	93,100	6.0%
California	18,956,600	17,568,700	1,387,800	7.3%
2022				
Orange County	1,579,300	1,528,500	50,700	3.2%
California	19,169,300	18,348,900	820,400	4.3%
2023				
Orange County	1,588,900	1,532,400	56,500	3.6%
California	19,308,300	18,388,300	920,000	4.8%

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Source: State of California, Employment Development Department, *Industry Employment & Labor Force by Annual Average, March 2023 Benchmark.*

The following table summarizes the employment figures by industry for calendar years 2019 through 2023 (the most recent year available) for the Anaheim-Santa Ana-Irvine Metropolitan Division, which is located entirely within the County.

INDUSTRY EMPLOYMENT & LABOR FORCE – ANNUAL AVERAGE
ANAHEIM-SANTA ANA-IRVINE METROPOLITAN DIVISION
(ORANGE COUNTY)

	2019	2020	2021	2022	2023
Total Farm	1,900	1,900	2,000	1,700	1,700
Mining, Logging and Construction	106,600	101,700	102,500	105,600	104,900
Manufacturing	160,100	150,100	149,800	155,400	156,500
Non-Durable Goods	41,300	37,700	38,300	39,400	39,000
Service Providing	1,408,700	1,281,000	1,335,500	1,405,000	1,420,400
Private Service Providing	1,246,100	1,124,900	1,179,900	1,246,800	1,259,200
Trade, Transportation, and Utilities	261,400	244,100	252,000	258,300	262,100
Wholesale Trade	81,300	76,800	77,500	79,000	80,800
Retail Trade	150,600	137,600	143,400	145,500	146,100
Transportation, Warehousing &	29,500	29,600	31,100	33,800	35,200
Information	26,000	24,100	24,000	24,300	22,600
Financial Activities	117,600	115,900	117,100	112,300	104,100
Professional and Business Services	328,400	309,200	321,700	331,500	321,400
Private Education and Health Services	233,100	225,800	237,300	249,300	264,300
Leisure and Hospitality	227,700	161,800	180,400	217,900	229,600
Other Services	52,000	44,100	47,500	53,100	55,300
Government	162,500	156,100	155,700	158,200	161,200
Total, All Industries(1)	1,677,200	1,534,600	1,589,800	1,667,700	1,683,600

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(1) "Total, All Industries" data is not directly comparable to the employment data found herein.

Source: State of California, Employment Development Department, *Industry Employment & Labor Force by Annual Average, March 2023 Benchmark.*

Major Employers

The table below lists the top ten employers in the County.

MAJOR EMPLOYERS
(ORANGE COUNTY)

Employer Name	Number of Employees	Percentage of Total County Employment
The Walt Disney Co.	34,000	2.11%
University of California, Irvine	24,867	1.54
County of Orange	18,576	1.15
Providence South Division (California)	13,037	0.81
Kaiser Permanente	9,952	0.59
Hoag Memorial Hospital Presbyterian	7,888	0.49
Albertsons Southern California Division	7,633	0.47
Target Corp.	6,000	0.37
Allied Universal	5,929	0.37
Walmart Inc.	5,900	0.37

Source: County of Orange, Annual Comprehensive Financial Report for the Year Ended June 30, 2023

Taxable Transactions

The table below summarizes the taxable transactions in the County by type of business for calendar years 2019 through 2023.

TAXABLE TRANSACTIONS
(ORANGE COUNTY)

Type of Business	2019	2020	2021	2022	2023
Motor Vehicle and Parts Dealers	$9,646,526,739	$9,482,959,502	$11,324,257,077	$11,775,653,740	$11,056,747,594
Home Furnishings and Appliance Stores	2,907,709,660	2,578,348,192	3,104,703,815	3,116,189,758	2,946,552,606
Building Material and Garden Equipment and Supplies Dealers	3,174,207,965	3,539,540,558	3,817,835,573	4,006,426,622	3,930,919,477
Food and Beverage Stores	2,483,191,271	2,630,703,334	2,705,682,068	2,843,138,161	2,851,552,302
Gasoline Stations	4,142,022,986	2,670,300,017	4,110,466,208	5,137,708,929	4,536,118,384
Clothing and Clothing Accessories Stores	$4,501,642,203	3,445,232,536	5,265,145,151	5,645,155,920	5,510,685,144
General Merchandise Stores	5,561,760,935	5,214,858,182	6,114,659,025	6,661,625,939	6,433,829,094
Food Services and Drinking Places	8,559,216,354	6,232,835,461	8,795,493,087	10,252,166,719	10,807,335,466
Other Retail Group	6,158,834,863	8,462,565,019	8,412,348,476	8,661,055,989	9,248,654,357
Total Retail and Food Services	**$47,135,112,976**	**$44,257,342,801**	**$53,650,590,480**	**$58,099,121,777**	**$57,322,394,424**
All Other Outlets	22,553,862,076	19,576,171,999	24,603,345,190	29,927,948,906	29,976,022,330
Total All Outlets	**$69,688,975,052**	**$63,833,514,800**	**$78,253,935,670**	**$88,027,070,683**	**$87,298,416,754**

Source: CDTFA - Taxable Sales – Counties by Type of Business.

Assessed Value

The table below shows the assessed value of taxable property in the County for the last ten fiscal years.

ASSESSED VALUE OF TAXABLE PROPERTY [1]
FISCAL YEARS 2013-14 THROUGH 2022-23
(ORANGE COUNTY)

Fiscal Year	Residential Property	Industrial / Commercial Property	Other Property[2]	Unsecured Roll Gross Total[3]	Total Taxable Assessed Value	Less: Exempt & Non-Reimbursed Exemptions	Net Taxable Assessed Value
2022-23	$561,048,590	$151,755,945	$2,210,300	$24,515,260	$739,530,095	$(18,432,565)	$721,251,212
2021-22	525,246,642	144,813,561	2,421,503	24,015,723	696,497,429	(18,432,565)	678,064,864
2020-21	504,644,318	140,164,352	2,403,862	22,897,695	670,110,227	(14,813,332)	655,296,895
2019-20	480,900,743	134,341,781	2,582,299	22,599,621	640,424,444	(14,679,567)	625,744,877
2018-19	454,536,503	127,625,128	2,489,493	21,677,257	606,328,381	(13,748,645)	592,579,736
2017-18	427,214,695	119,884,555	2,827,145	20,772,113	570,698,508	(12,895,747)	557,802,761
2016-17	400,931,553	114,636,194	2,787,769	20,582,609	538,938,125	(12,807,570)	526,130,555
2015-16	377,592,570	110,440,476	3,294,159	20,394,462	511,721,667	(12,722,344)	498,999,323
2014-15	352,800,864	105,523,254	3,694,094	20,902,660	482,920,872	(11,661,965)	471,258,907
2013-14	328,138,473	102,580,010	3,792,261	19,281,087	453,791,831	(10,943,554)	442,848,277

(1) Article XIIIA, added to the California Constitution by Proposition 13 in 1978, fixed the base valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. The full cash value can be increased to reflect the annual inflation up to 2 percent, the current fair value at time of ownership change and the fair value for new construction. Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

(2) Other property includes: timeshares, rural/agricultural land, unique miscellaneous, mineral rights, water rights and personal property and fixtures.

(3) Unsecured roll includes properties for which taxes assessed are not a lien on real property and are not sufficient, in the opinion of the Assessor, to secure payment of taxes. It consists of improvements, business personal property, boats and aircrafts, and it can also include land and improvements that are identified as real estate of others, as defined by the Assessor (reference Revenue and Taxation Code Section 134).

Source: Orange County Assessor Department, contained in the County Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023.

Construction Activity

The following table summarizes the building permits valuations and number of building permits for the County during calendar years 2020 through 2024.

BUILDING PERMIT AND VALUATIONS
(ORANGE COUNTY)

	2020	2021	2022	2023	2024(1)
Permit Valuation ($ Millions)					
Residential	$ 1,899	$ 2,417	$ 2,235	$ 2,561	$ 2,886
Nonresidential	$ 1,958	$ 1,813	$ 1,908	$ 2,018	$ 1,517
Total Valuation	**$ 3,857**	**$ 4,230**	**$ 4,143**	**$ 4,579**	**$ 4,403**
New Dwelling Units					
Single Family	2,863	3,289	2,929	2,651	2,572
Multi-Family	3,032	4,382	3,405	7,882	5,825
Total Units	**5,895**	**7,671**	**6,334**	**10,533**	**8,397**

(1) 2024 numbers are estimates.
Source: *Chapman University Economic & Business Review, December 2024*

Recreation and Tourism

The County is a tourist center in Southern California because of the broad spectrum of amusement parks and leisure, recreational, and entertainment activities that it offers, as well as the year-round mild climate. Along the County's Pacific Coast shoreline are five state beaches and parks, five municipal beaches, and five County beaches. There are three small-craft harbors in the County; Newport, Huntington, and Dana Point harbors.

Other major recreational and amusement facilities include Disneyland, Disney's California Adventure, Knott's Berry Farm, and the Spanish Mission of San Juan Capistrano. Also located within the County are the Anaheim Convention Center, Angel Stadium of Anaheim (home of the Los Angeles Angels of Anaheim, a major league baseball team), Honda Center of Anaheim (home of the Anaheim Ducks, a national hockey team), Segerstrom Center for the Arts, and the Art Colony at Laguna Beach with its annual Sawdust Art Festival.

Education

Elementary and secondary education in the County is provided by 28 school districts serving more than 600 schools and approximately 450,000 students. In addition, the County has several colleges and universities (including the University of California, at Irvine, and California State University at Fullerton), law schools and four community colleges.

Transportation

The County is situated in one of the most heavily populated areas in California and has access to excellent roads, rail, air, and sea transportation. The Santa Ana Freeway (I-5) provides direct access to downtown Los Angeles and connects with the San Diego Freeway (I-405) southeast of the City of Santa Ana providing a direct link with San Diego. The Garden Grove Freeway (SR 22) and the Riverside Freeway (SR 91) provide east-west transportation, linking the San Diego Freeway, Santa Ana Freeway and the Newport Freeway (SR 55). The Newport Freeway provides access to certain beach communities.

Drivers in the County have access to several toll roads. The 91 Express Lanes is a 10-mile express lanes toll road in the median of the SR 91 connecting Orange County and Riverside County. The San Joaquin Toll Road (SR 73) runs from Costa Mesa to Mission Viejo connecting to the I-405 and the I-5 freeways. The Foothill Eastern Toll Roads consisting of SR 241, SR 261 and SR 133 Toll Roads connect to the SR 91 near the Riverside County line and the I-5 freeway in the City of Irvine, the Laguna Canyon Road, and other cities in South County. The 405 Express Lanes covers the 14-mile stretch between the SR-73 freeway in Costa Mesa and the I-605 freeway near the Los Angeles County line with two lanes in either direction.

Rail freight service is provided by the Burlington Northern Santa Fe Railway and the Union Pacific Railroad Company. Amtrak provides passenger service to San Diego to the south, Riverside and San Bernardino Counties to the east, and Los Angeles and Santa Barbara to the north. Metrolink provides passenger service to San Bernardino and Riverside Counties to the east, San Diego County to the south and Los Angeles County to the north. Bus service is provided by Greyhound Bus Lines. The Orange County Transportation Authority provides bus service between most cities in the County. Most interstate common carrier truck lines operating in the State serve the County.

John Wayne Airport is located in the unincorporated area between the cities of Costa Mesa, Irvine, and Newport Beach and is owned and operated by the County. The airport is classified as a medium air traffic hub by the Federal Aviation Administration, serving the County and portions of Los Angeles, Riverside, San Bernardino and San Diego counties (its "Trade Area"). The airport is an origination and destination airport, primarily for short-to-medium haul markets in its Trade Area. Several airlines operate out of the airport, including commercial airlines such as Air Canada, Alaska, Allegiant, American, Delta, Frontier, Southwest, Spirit, United, Skywest Commercial, and WestJet), and commuter airlines such as SkyWest Commuter (dba United Express and Delta Connection) and two cargo airlines (FedEx and UPS).

APPENDIX B-1

AUDITED FINANCIAL STATEMENTS
OF THE
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

AND

APPENDIX B-2

AUDITED FINANCIAL STATEMENTS
OF THE
ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

APPENDIX C

SUMMARY OF PRINCIPAL DOCUMENTS

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Orange County Local Transportation Authority Measure M Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series 2025 (the "Series 2025 Bonds"). The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of Series 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the front portion of this Official Statement or in Appendix C - "Summary of Principal Documents."

The following information has been obtained from DTC, and neither the Orange County Local Transportation Authority (the "Authority") nor any underwriter identified on the cover page of this Official Statement makes any representation as to its accuracy or completeness. For further information, beneficial owners should contact DTC in New York, New York.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond (each a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners, are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial

Owners will not receive certificates representing their ownership interests in the Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, defaults and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy (the "Omnibus Proxy") to the Authority and the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2025 Bonds and redemption proceeds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest, including upon redemption, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered in accordance with the provisions set forth in the Indenture.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered in accordance with the provisions of the Indenture.