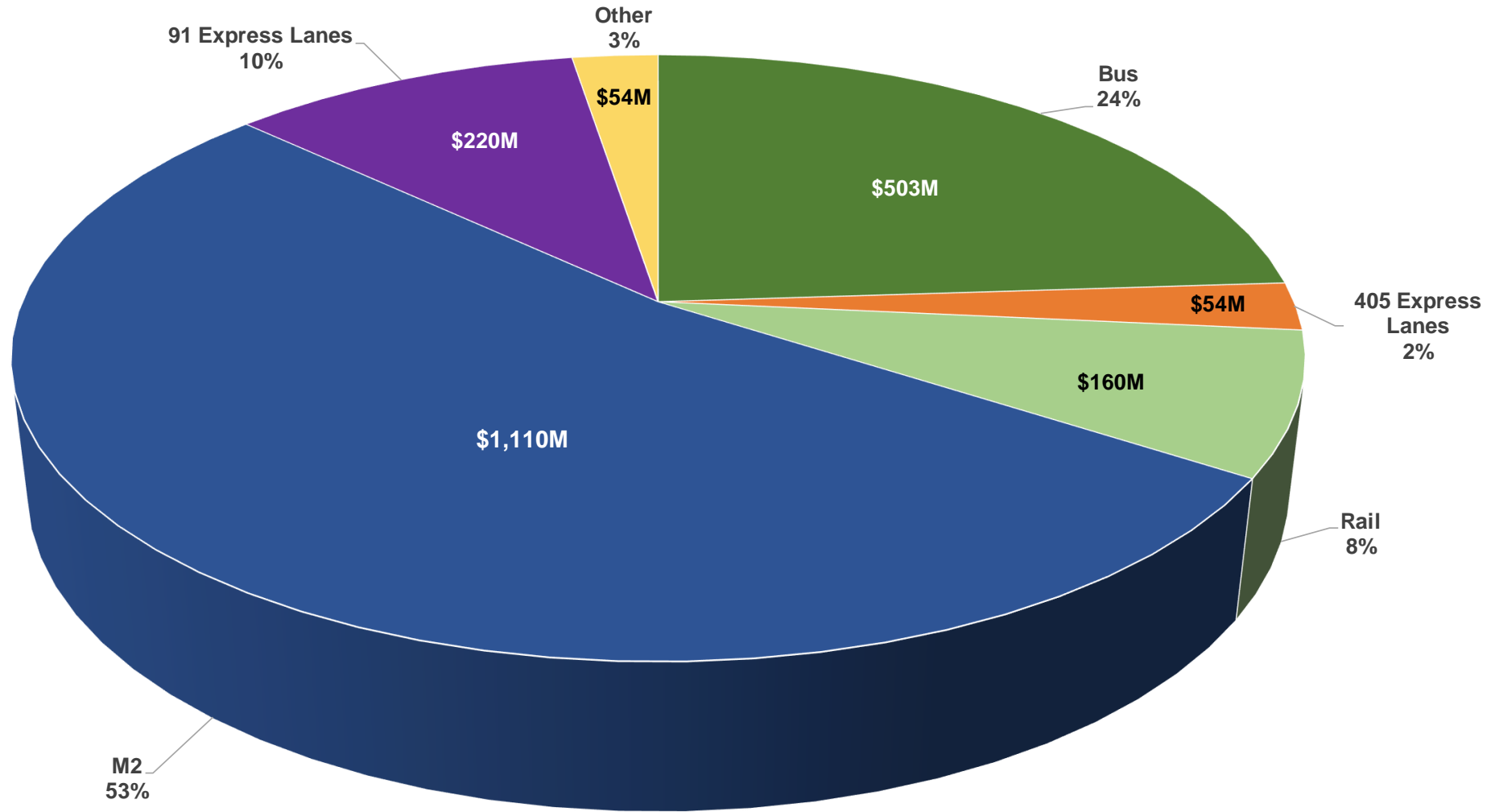


Orange County Transportation
Authority
M2 Program Financial Update

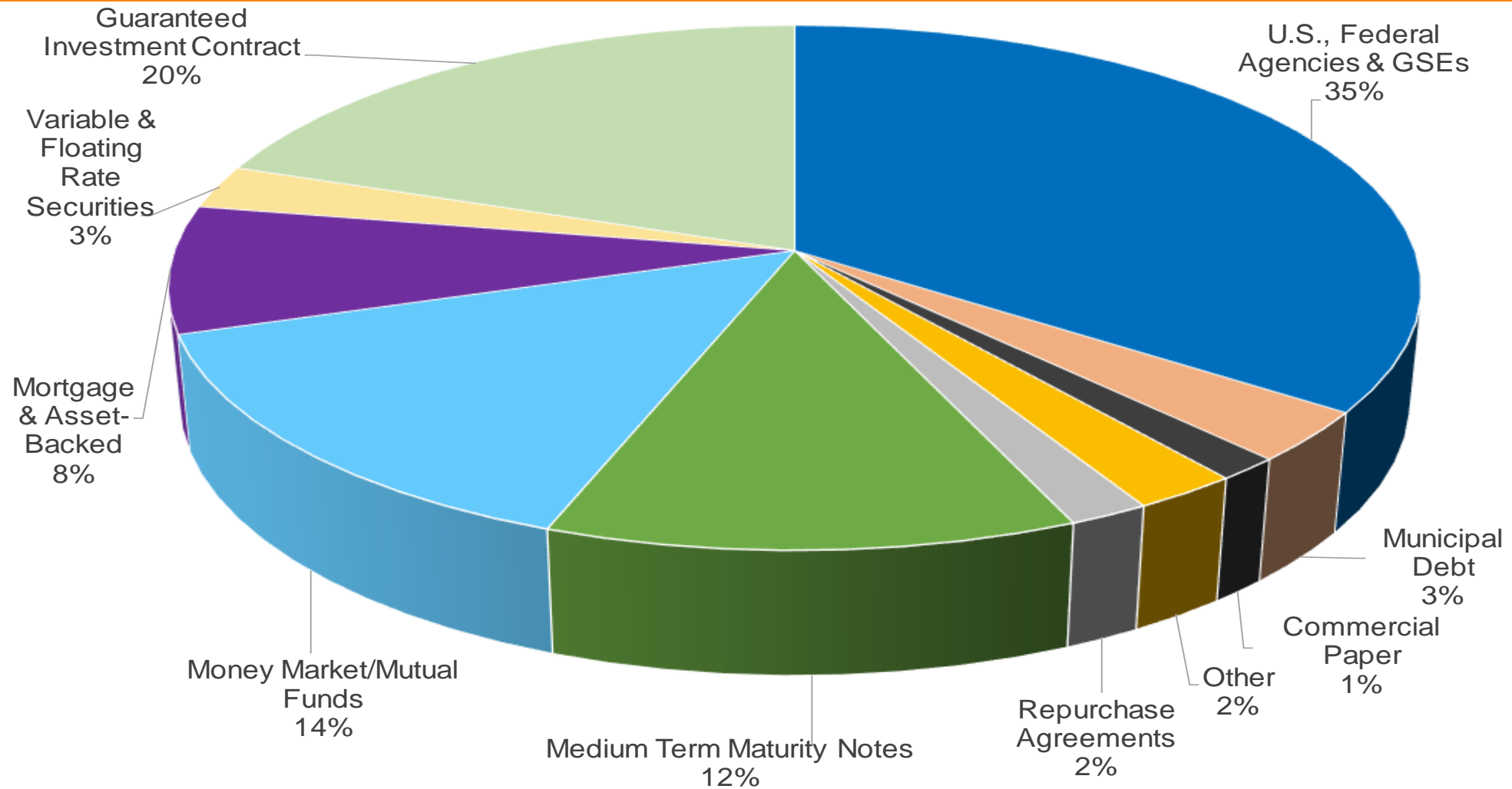
M2 Program Financial Update

- M2 Program investment allocations
- Impact of COVID-19 on sales tax forecasts
- Debt service coverage
- Next steps

OCTA Cash Balance By Program (\$2.1 Billion)



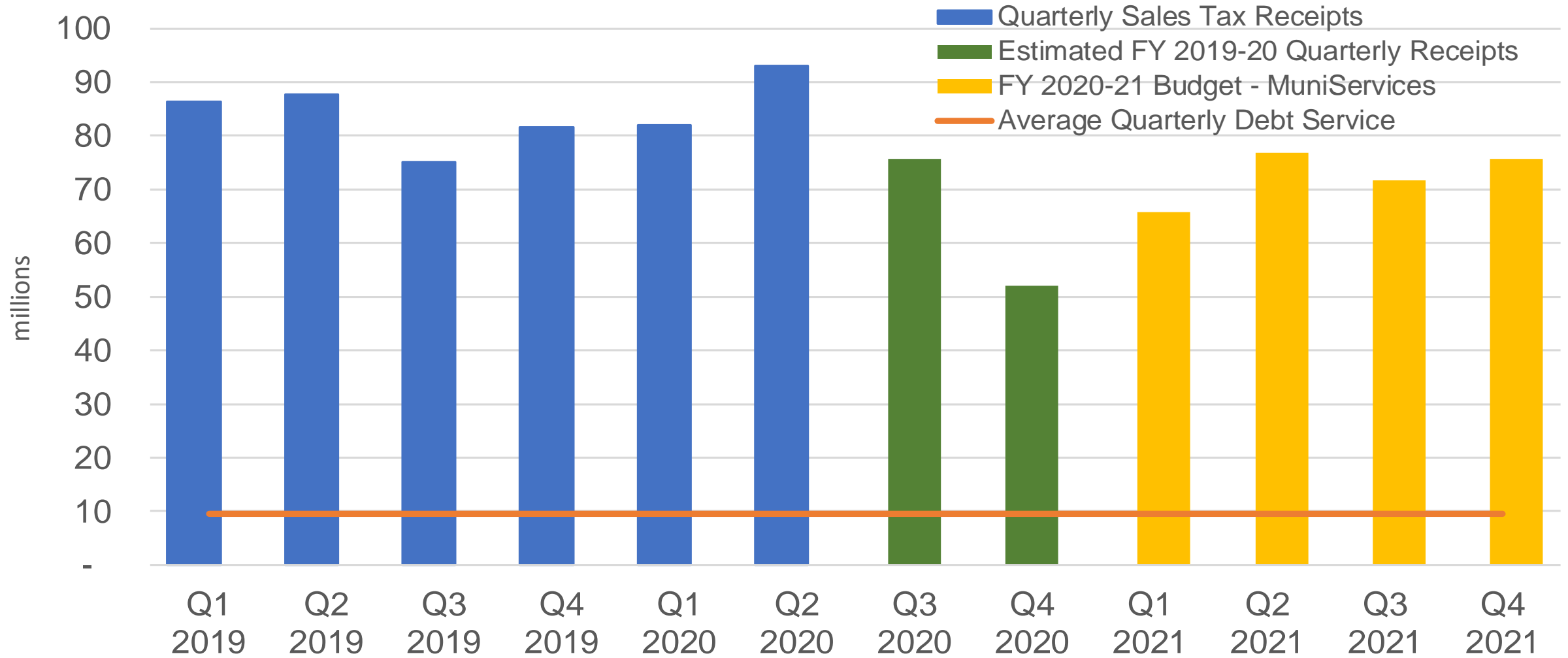
M2 Investment Allocation (\$1.1 Billion)



M2 Program

- Sales tax collections
 - Fiscal Year (FY) 2018-19: \$331 million
 - FY 2019-20 (estimated): \$303 million
 - FY 2020-21 (forecast): \$290 million
- Historically strong debt service coverage and cash balances
 - Outstanding sales tax revenue bonds of \$627 million
 - Annual debt service of \$39 million
 - FY 2019 coverage ratio - 8.8x
 - Cash balance of \$1.1 billion
 - Economic uncertainty of \$1.9 billion
- Future financing
 - No need for additional financing until FY 2022-23

M2 Program: Sales Tax vs Debt Service



Next Steps

- Proactively reach out to rating agencies and investors
- Continue to assess impacts of COVID-19 to the debt and investment markets
- Continue to assess impacts of COVID-19 to the M2 Program