

# Treasurer's Report of Assets in the County Treasury

January 2026



From the Office of  
**SHARI L. FREIDENRICH**, CPA, CCMT, CPFA, CPFIM, ACPFIM  
Orange County Treasurer-Tax Collector

COUNTY OF ORANGE

**TREASURER’S REPORT OF ASSETS IN THE COUNTY TREASURY**

**For the Month Ended January 31, 2026**

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OFFICE OF THE TREASURER-TAX COLLECTOR  
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, CPFIM, ACPFIM



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## INTERDEPARTMENTAL COMMUNICATION

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**Date:** March 31, 2026

**To:** Chair Doug Chaffee  
Vice Chair Katrina Foley  
Supervisor Janet Nguyen  
Supervisor Vicente Sarmiento  
Supervisor Donald P. Wagner

**From:** Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM, ACPFIM, Orange County Treasurer

**Subject:** Treasurer's Report of Assets in the County Treasury for the Month Ended January 31, 2026

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The Treasurer's Report of Assets in the County Treasury for the month ended January 31, 2026, is attached and is online at [octreasurer.gov/publicfunds](https://octreasurer.gov/publicfunds). Pursuant to California Government Code Section (GCS) 53646 (b)(1) and (g), the Orange County Treasurer (Treasurer) is issuing this report listing the public funds in the County Treasury records held by the local agency to the chief executive officer, the internal auditor and the legislative body of the local agencies. This report includes the required information detailed in GCS 53646(b)(2), (3), and (4) and includes other fund account information in the County Treasury records for information purposes.

### **COUNTY TREASURY ASSETS**

The report shows the total of all securities, investments and moneys held by the local agency recorded in the County Treasury records as of January 31, 2026. A summary page lists these public funds assets in the County Treasury records for the current month, prior month and prior year. The assets in the County Treasury and the County's custodial accounts as of January 31, 2026, consist of Cash, the Orange County Treasury Pool (OCTP), and a Bond Proceeds Account. In addition, as required to disclose per GCS 53646(b)(1), certain bond funds are held with contracted bond trustees and are not included in this summary. The Net Asset Value of the assets is 1.0022 as of January 31, 2026.

### **NET POOL INTEREST EARNINGS APPORTIONMENT PER GCS 53647 et seq, 27013, 27133(F) and 53844**

Interest on all money deposited belongs to, and shall be paid quarterly into the general fund, of the local agency, unless directed by the governing board or law to be paid to another fund and administrative expense related to investing, depositing, banking, auditing, reporting or handling of the funds may be deducted. Monthly, the Treasurer calculates total interest earnings to be paid to the appropriate fund account. The actual cash payments for October 2025, November 2025, December 2025 and January 2026 interest apportionments are expected to be paid in February 2026, March 2026, April 2026 and May 2026, respectively. The apportionment net yield for January is 4.002% (2.5 basis points charged).

## **TEMPORARY TRANSFERS PER CONSTITUTION ARTICLE XVI SECTION 6**

The Treasurer has the power and duty pursuant to the Constitution and the Board of Supervisor's Resolution 24-011 to make temporary transfers to school districts to address their short-term cash flow needs. The loans are secured by tax receipts to be received by the Treasurer, as the banker for the school districts. There were no temporary transfers outstanding as of January 31, 2026.

## **STATUS OF REQUIRED COUNTY TREASURY AND COMPLIANCE AUDIT & REVIEW REPORTS (some disclosed in prior months' reports)**

During the month of January (or prior to this report date), the Auditor-Controller (AC) and external auditor (Brown Armstrong) issued several reports with status and issuance of reports below:

### **Financial Reports (Pursuant to GCS 26920 (a) and (b)):**

- 1) On January 30, the AC (Eide Bailly) issued the mandated annual Treasurer's Schedule of Assets Held in the County Treasury as of June 30, 2025, with an unmodified opinion (engagement letter issued October 28, 2025). It reported that the SOA presents fairly the assets held in the County Treasury, with a note that the SOA only presents the assets of the County Treasury and does not present fairly the financial position of the County.
- 2) There is no change from the prior month's status. The mandated Quarterly Review of the Treasurer's Schedule of Assets Held in the County Treasury as of March 31, 2025 (August 4, 2025, engagement letter with change to modified accrual basis of accounting), September 30, 2025, and December 31, 2025, are in process.

### **Compliance Reports on Investments (pursuant to GCS 27130 et seq and TOC By-Laws & directive):**

- 1) The mandated Annual Compliance Audit report of the County Treasury's Compliance with California Government Code Article 6 as of June 30, 2024, by Brown Armstrong (BA) is expected to be completed in April 2026. The delay is due to the directive to complete first the non-mandated Investment Oversight Committee quarterly compliance reviews as of March 31, 2025, and June 30, 2025 (now issued). The Treasurer didn't support this directive to delay this state mandated annual compliance audit.
- 2) The mandated Annual Compliance Audit report of the County Treasury's Compliance with California Government Code Article 6 (for the period prior to the Treasurer Oversight Committee dissolution), Section 27134 does not have an engagement letter yet and is under review as to the time-period required.
- 3) On January 13, 2026, Brown Armstrong issued the Quarterly Compliance Monitoring reports of the County Treasurer as directed by the Treasury Oversight Committee for the periods September 30, 2024, and December 31, 2024, with no compliance exceptions noted. With the dissolution of the state law defined Treasury Oversight Committee on March 11, 2025, this TOC directive is no longer in effect.

Although the above reports have been delayed, asset amounts and status in the compliance summary have been reported timely in the prior monthly Treasurer's reports.

## **CERTIFICATION OF COUNTY TREASURY RECORDS PER GCS 53646 (B)(3)**

I certify that this report includes the cash and investments in the records of the County Treasury maintained by the Treasurer as of January 31, 2026. Based on the Treasurer's pooled cash forecast that includes estimated deposits, estimated withdrawals and investment maturities, the local agencies have the ability to meet the pooled funds' expected expenditures for the next six months. I am available if you have any questions on the Treasurer's Report of Assets in the County Treasury at (714) 615-1421.

Enclosures

cc: Distribution List

**ORANGE COUNTY TREASURER-TAX COLLECTOR**  
**Summary of Assets in the County Treasury\***  
**January 31, 2026**

**OCTP**

	January 31, 2026				December 31, 2025		January 31, 2025		
	<u>Market Value</u>	<u>Book Value</u>	<u>NAV</u>	<u>YTD Interest Income</u>	<u>Market Value</u>	<u>NAV</u>	<u>Market Value</u>	<u>NAV</u>	<u>YTD Interest Income</u>
Cash	\$21,659,057	\$21,659,057	1.0000	**	\$18,627,541	1.0000	\$2,539,499	1.0000	**
Investments	\$16,353,380,776	\$16,317,663,977	1.0022	\$368,325,981	\$17,553,773,064	1.0026	\$15,475,478,899	1.0002	\$376,397,464
Total Pooled Assets	\$16,375,039,833	\$16,339,323,034	1.0022	\$368,325,981	\$17,572,400,605		\$15,478,018,398		\$376,397,464

**CCCD-Bond Proceeds**

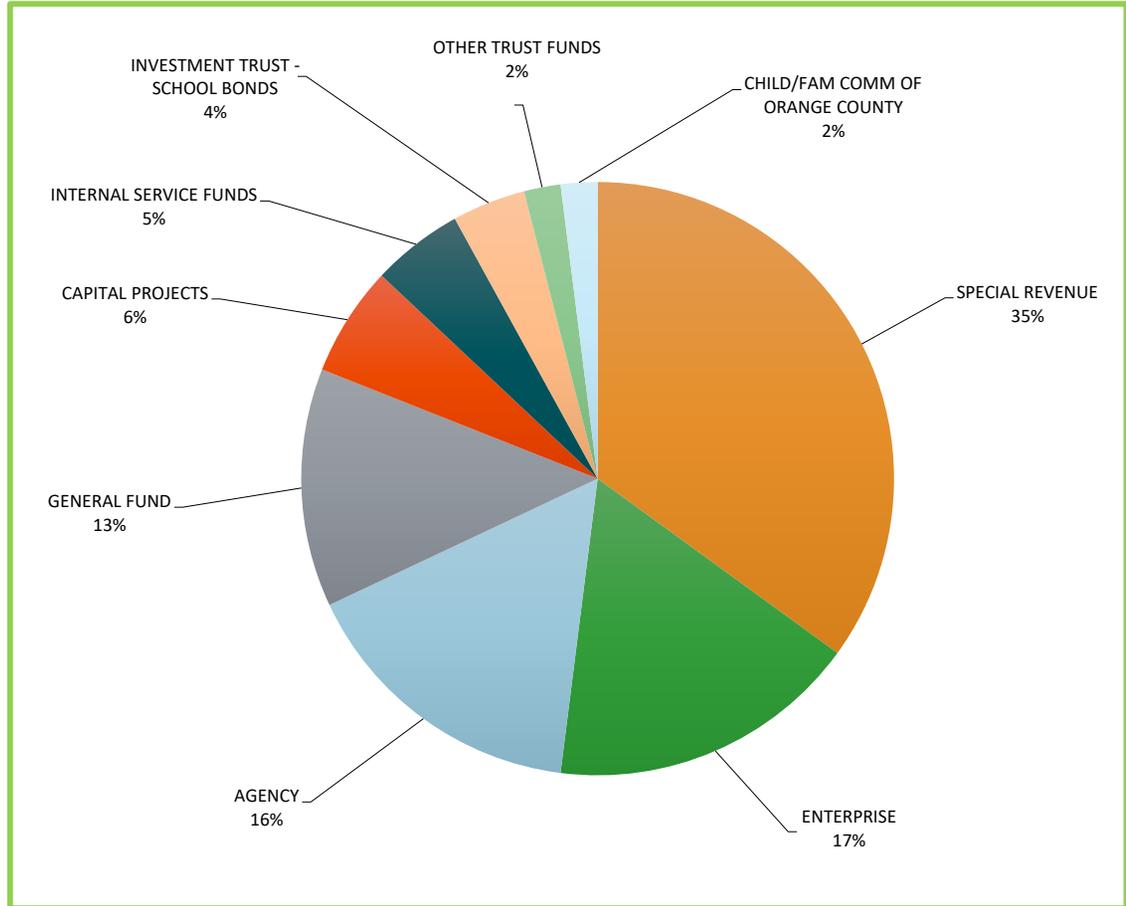
	January 31, 2026				December 31, 2025		January 31, 2025		
	<u>Market Value</u>	<u>Book Value</u>	<u>NAV</u>	<u>YTD Interest Income</u>	<u>Market Value</u>	<u>NAV</u>	<u>Market Value</u>	<u>NAV</u>	<u>YTD Interest Income</u>
Investments	\$24,454,207	\$25,242,542	0.9688	\$478,012	\$24,420,442	0.9721	\$22,964,679	0.9393	\$470,306

\* Market Valuation Source: Northern Trust

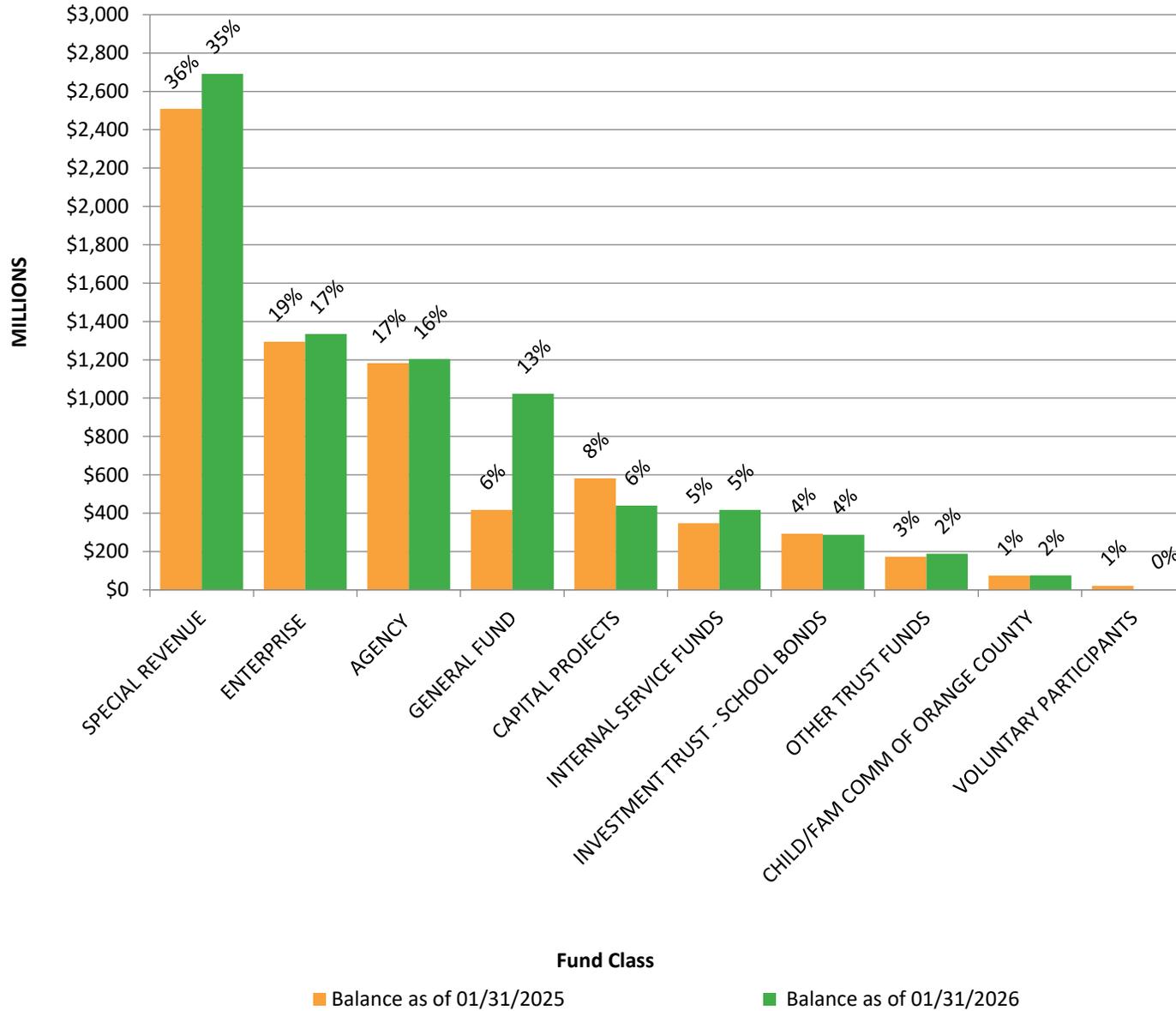
\*\* Cash at Bank accrues ECR used to pay banking related costs.

**ORANGE COUNTY INVESTMENT POOL  
COMPOSITION BY ACCOUNTING FUND  
AS OF JANUARY 31, 2026**

<b>ACCOUNTING FUND</b>	<b>BALANCE</b>
SPECIAL REVENUE	\$ 2,691,664,780
ENTERPRISE	1,334,316,185
AGENCY	1,202,973,159
GENERAL FUND	1,022,705,112
CAPITAL PROJECTS	439,018,625
INTERNAL SERVICE FUNDS	416,428,088
INVESTMENT TRUST - SCHOOL BONDS	287,330,312
OTHER TRUST FUNDS	187,995,376
CHILD/FAM COMM OF ORANGE COUNTY	74,971,520
<b>TOTAL</b>	<b>\$ 7,657,403,157</b>

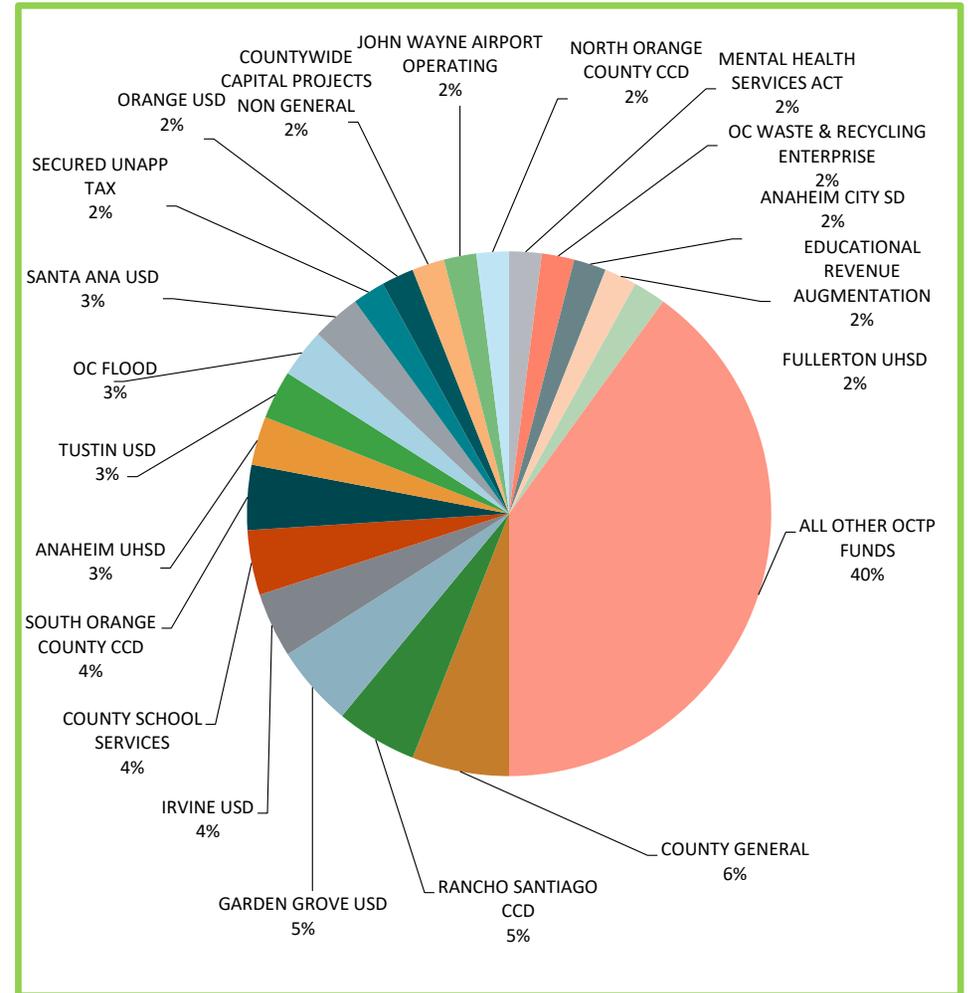


## ORANGE COUNTY INVESTMENT POOL COMPOSITION BY ACCOUNTING FUND AS OF JANUARY 31, 2026



**ORANGE COUNTY TREASURY POOL  
TOP 20 POOL PARTICIPANTS - ACCOUNTING FUND NUMBERS  
AS OF JANUARY 31, 2026**

FUND #	FUND ACCOUNT NAME	BALANCE <sup>(1)</sup>
100	COUNTY GENERAL	\$ 1,022,699,663
92	RANCHO SANTIAGO CCD	810,674,452
72	GARDEN GROVE USD	787,449,915 (1)
75	IRVINE USD	680,919,352 (1)
94	COUNTY SCHOOL SERVICES	674,723,397
96	SOUTH ORANGE COUNTY CCD	584,052,569
64	ANAHEIM UHSD	562,823,945 (1)
87	TUSTIN USD	538,728,727 (1)
400	OC FLOOD	481,149,555
84	SANTA ANA USD	415,341,180 (1)
673	SECURED UNAPP TAX	373,387,210
80	ORANGE USD	368,813,986 (1)
15D	COUNTYWIDE CAPITAL PROJECTS NON GENERAL	367,938,095
280	JOHN WAYNE AIRPORT OPERATING	349,840,881
88	NORTH ORANGE COUNTY CCD	313,910,450 (1)
13Y	MENTAL HEALTH SERVICES ACT	312,538,901
299	OC WASTE & RECYCLING ENTERPRISE	266,748,109
04	ANAHEIM CITY SD	255,032,853 (1)
664	EDUCATIONAL REVENUE AUGMENTATION	254,241,182
70	FULLERTON UHSD	252,915,309 (1)
	ALL OTHER OCTP FUNDS	6,508,784,302 (1)
	<b>TOTAL</b>	<b><u>\$ 16,182,714,033</u></b>



(1) BALANCES INCLUDE GENERAL OBLIGATION BOND PROCEEDS

**Department of Education Bond Fund Balances  
From 01/31/2025 to 01/31/2026**

Fund	Description	Prior Year 01/31/2025	Prior Month 12/31/2025	Current Month 01/31/2026	Monthly \$ Change	Yearly \$ Change	Yearly % Change
042128	ANAHEIM ESD GOB EL 2010, SERIES 2016 (2)	200,963.53	-	-	-	(200,963.53)	-100.00%
042130	ANAHEIM ESD GOB EL 2016, SER 2018A	1,774,861.31	811,580.04	718,401.78	(93,178.26)	(1,056,459.53)	-59.52%
042131	ANAHEIM ESD GOB EL 2010, SERIES 2019	13,822,322.78	6,711,051.21	6,295,578.18	(415,473.03)	(7,526,744.60)	-54.45%
042132	ANAHEIM ESD GOB EL 2010 SERIES 2022	23,242,758.44	11,618,732.15	10,842,968.76	(775,763.39)	(12,399,789.68)	-53.35%
042133	ANAHEIM ESD GOB EL 2016 SERIES B	84,187,973.65	84,167,903.83	84,070,781.35	(97,122.48)	(117,192.30)	-0.14%
082121	BUENA PARK SD GO BOND 2014, MEASURE B SERIES 2021	120,363.57	105,548.13	105,901.53	353.40	(14,462.04)	-12.02%
082122	BUENA PARK SD GOB EL 2014 SERIES 2023	11,341,692.06	2,539,929.35	2,496,774.71	(43,154.64)	(8,844,917.35)	-77.99%
082123	BUENA PARK SD GOB EL 2024 SERIES 2025	-	28,714,650.75	28,648,092.74	(66,558.01)	28,648,092.74	100.00%
122124	CENTRALIA SD GOB EL 2016, SERIES 2020B	1,417,268.32	1,471,310.77	1,476,289.40	4,978.63	59,021.08	4.16%
122126	CENTRALIA ESD GOB EL 2016 SERIES C	3,156,245.51	348,867.58	201,700.34	(147,167.24)	(2,954,545.17)	-93.61%
222121	FULLERTON ELEM BLDG FUND	865.93	898.94	901.98	3.04	36.05	4.16%
222124	FULLERTON ESD GOB EL 2024 SERIES A	-	24,859,873.86	24,494,421.05	(365,452.81)	24,494,421.05	100.00%
282127	HUNTINGTON BEACH CSD GOB EL 2016, SER 2018B (4)	0.01	-	-	-	(0.01)	-100.00%
282128	HUNTINGTON BEACH CSD GOB EL 2016, SERIES 2020C (4)	634.24	-	-	-	(634.24)	-100.00%
302123	LA HABRA SD GOB EL 2024 SERIES A	-	16,939,858.10	16,648,170.20	(291,687.90)	16,648,170.20	100.00%
302128	LA HABRA CSD GOB EL 2012, SER 2018D	13.55	14.10	14.15	0.05	0.60	4.43%
302129	LA HABRA CITY SD EL 2012, SERIES 2021E	21,914.11	41.69	41.83	0.14	(21,872.28)	-99.81%
382121	OCEAN VIEW SD GOB EL 2016, SER 2017A (3)	168.53	-	-	-	(168.53)	-100.00%
382122	OCEAN VIEW USD GOB EL 2016 SERIES C (3)	25,684.33	-	-	-	(25,684.33)	-100.00%
382124	OCEAN VIEW SD GOB EL 2016, SERIES 2020B (3)	10,980.31	-	-	-	(10,980.31)	-100.00%
382126	OCEAN VIEW SD GOB EL 2016 SERIES D (3)	1,047,182.28	-	-	-	(1,047,182.28)	-100.00%
602121	WESTMINSTER BLDG GOB EL 2008, SERIES 2009	0.01	-	-	-	(0.01)	-100.00%
602124	WESTMINSTER SD GOB EL 2016, SERIES 2017A	0.43	-	-	-	(0.43)	-100.00%
602126	WESTMINSTER SD GOB EL 2016, SER 2018B	0.01	-	-	-	(0.01)	-100.00%
602127	WESTMINSTER SD EL 2016 SERIES 2020C	74,191.42	-	-	-	(74,191.42)	-100.00%
602128	WESTMINSTER SD GOB EL 2016 SERIES D	3.89	-	-	-	(3.89)	-100.00%
602129	WESTMINSTER SD GOB EL 2016 SERIES E	2,023,213.68	1,313.02	1,317.46	4.44	(2,021,896.22)	-99.93%
642127	ANAHEIM UHSA GOB EL 2014, SERIES 2019 (1)	1,674.18	-	-	-	(1,674.18)	-100.00%
642128	ANAHEIM UHSD GOB EL 2024 SERIES A	-	162,009,754.40	161,668,684.48	(341,069.92)	161,668,684.48	100.00%
662122	BREA OLINDA GOB EL 1999, SER 2003A BLDG FUND	1,003.20	85.03	85.32	0.29	(917.88)	-91.50%
662123	BREA OLINDA USD GOB EL 2024 SERIES A	-	39,752,274.44	39,625,348.39	(126,926.05)	39,625,348.39	100.00%
702121	FULLERTON HIGH BLDG	7,399,106.00	9,086,309.88	9,118,120.41	31,810.53	1,719,014.41	23.23%
702128	FULLERTON JUHSD GOB EL 2014, SER 2019D	93.94	97.56	97.89	0.33	3.95	4.20%

**Department of Education Bond Fund Balances  
From 01/31/2025 to 01/31/2026**

<b>Fund</b>	<b>Description</b>	<b>Prior Year 01/31/2025</b>	<b>Prior Month 12/31/2025</b>	<b>Current Month 01/31/2026</b>	<b>Monthly \$ Change</b>	<b>Yearly \$ Change</b>	<b>Yearly % Change</b>
702129	FULLERTON JUHSD GOB EL 2014 SERIES 2020E	9,952,210.73	7,679,857.76	7,577,363.88	(102,493.88)	(2,374,846.85)	-23.86%
702130	FULLERTON JUHSD GOB EL 2024 SERIES A (2025)	-	117,506,648.60	117,199,600.00	(307,048.60)	117,199,600.00	100.00%
722126	GARDEN GROVE GOB ELECTION 2016, SERIES 2017	0.01	-	-	-	(0.01)	-100.00%
722127	GARDEN GROVE USD GOB EL 2016 SERIES 2019	0.65	-	-	-	(0.65)	-100.00%
722128	GARDEN GROVE USD EL 2016, SERIES 2021	4.98	-	-	-	(4.98)	-100.00%
722129	GARDEN GROVE USD GOB EL 2016 SERIES 2022	17,888,817.62	6,606,972.28	6,432,511.80	(174,460.48)	(11,456,305.82)	-64.04%
752121	IRVINE USD SFID#1 GOB EL 2016, SERIES 2016A	73,879,024.30	78,127,663.63	77,973,009.07	(154,654.56)	4,093,984.77	5.54%
772129	LOS ALAMITOS USD GOB EL 2008, SERIES F (4)	13.18	-	-	-	(13.18)	-100.00%
772130	LOS ALAMITOS USD GOB EL 2008 SERIES 2020G (4)	15.93	-	-	-	(15.93)	-100.00%
772131	LOS ALAMITOS USD GOB EL 2018 SERIES 2020B (4)	1.83	-	-	-	(1.83)	-100.00%
772132	LOS ALAMITOS USD GOB EL 2008 SERIES H MEASURE K (4)	38.71	-	-	-	(38.71)	-100.00%
772133	LOS ALAMITOS USD GOB EL 2018 SERIES C MEASURE G (4)	3,994,760.23	-	-	-	(3,994,760.23)	-100.00%
782126	NEWPORT-MESA USD GOB EL 2005, SER 2017	7,264,430.27	111,754.14	112,132.30	378.16	(7,152,297.97)	-98.46%
802121	ORANGE USD, GOB ELEC 2016, SERIES 2018	3,695,531.35	8,338,592.61	8,366,809.49	28,216.88	4,671,278.14	126.40%
802122	ORANGE USD GOB EL 2016 SERIES 2022	41,698,516.82	23,177,073.07	23,176,029.26	(1,043.81)	(18,522,487.56)	-44.42%
842122	SANTA ANA USD GOB EL 2018, SERIES A	12,543.57	51.91	52.09	0.18	(12,491.48)	-99.58%
842123	SANTA ANA USD EL 2018, SERIES 2021B	654,964.64	2,600.89	2,609.69	8.80	(652,354.95)	-99.60%
842130	SANTA ANA USD GOB 2018 EL 2022 SERIES C	49,698,553.66	45,127,211.93	44,711,648.24	(415,563.69)	(4,986,905.42)	-10.03%
872132	TUSTIN USD GOB EL 2012 SERIES C	10,515,767.25	3,527,842.50	3,161,928.64	(365,913.86)	(7,353,838.61)	-69.93%
872133	TUSTIN USD GOB EL 2024 SERIES 2025	-	86,245,898.52	85,175,987.23	(1,069,911.29)	85,175,987.23	100.00%
882123	NOCCCD GOB EL 2014, SERIES B	17,685,186.49	-	-	-	(17,685,186.49)	-100.00%
882124	NOCCCD GOB EL 2014 SERIES C	162,778,786.62	119,962,164.92	117,304,038.25	(2,658,126.67)	(45,474,748.37)	-27.94%
902125	COAST CCD, TECH ENDOW, GOB EL 2012, SER 2013B BLDG	2,074,835.38	774,313.52	776,882.47	2,568.95	(1,297,952.91)	-62.56%
902126	COAST CCD GOB ELECTION 2012, SERIES 2016C	4,967,181.93	5,156,579.20	5,174,028.07	17,448.87	206,846.14	4.16%
902129	COAST CCD GOB EL 2012, SERIES 2019F	24,552,031.39	19,318,111.10	19,250,720.98	(67,390.12)	(5,301,310.41)	-21.59%
992121	LOWELL JSD GOB EL 2018 SERIES 2019	842.58	947.89	951.10	3.21	108.52	12.88%
992122	LOWELL JOINT SD GOB EL 2024 SERIES 2025	-	26,933,882.90	25,027,064.06	(1,906,818.84)	25,027,064.06	100.00%
<b>Grand Total</b>		<b>581,185,239.34</b>	<b>937,738,262.20</b>	<b>927,837,058.57</b>	<b>(9,901,203.63)</b>	<b>346,651,819.23</b>	<b>59.65%</b>

- (1) GOB(s) closed in March 2025
- (2) GOB(s) closed in June 2025
- (3) GOB(s) closed in August 2025
- (4) GOB(s) closed in December 2025

**Orange County Treasurer-Tax Collector  
Temporary Transfers to School Districts\*\*  
Fiscal Years 2011/2012 through 2025/2026**

<u>Temporary Transfer-from OCEIP</u>	<u>Transfer Date</u>	<u>Maturity</u>	<u>Int Rate*</u>		<u>Original Amount</u>	<u>Principal Paydown</u>	<u>Principal Outstanding</u>
Anaheim Union High	4/30/2012	10/31/2012	0.560%	\$	55,000,000	\$ 55,000,000	\$ -
Anaheim Union High	10/10/2012	1/31/2013	0.440%		15,000,000	15,000,000	-
Anaheim Union High	2/28/2013	8/31/2013	0.380%		47,000,000	47,000,000	-
Anaheim Union High	4/28/2014	7/31/2014	0.470%		26,000,000	26,000,000	-
Anaheim Union High	10/23/2015	12/31/2015	0.760%		17,000,000	17,000,000	-
Anaheim Union High	8/23/2016	12/31/2016	0.780%		15,000,000	15,000,000	-
Anaheim City	4/29/2013	8/31/2013	0.380%		14,700,000	14,700,000	-
Anaheim City	9/9/2013	12/31/2013	0.340%		12,000,000	12,000,000	-
Anaheim City	4/28/2014	7/31/2014	0.470%		12,000,000	12,000,000	-
Anaheim City	8/1/2014	12/31/2014	0.460%		12,000,000	12,000,000	-
Anaheim City	8/3/2015	12/31/2015	0.760%		10,000,000	10,000,000	-
Brea Olinda	4/30/2012	10/31/2012	0.560%		3,000,000	3,000,000	-
Capistrano Unified	4/29/2013	7/31/2013	0.360%		15,000,000	15,000,000	-
Capistrano Unified	8/9/2013	12/31/2013	0.340%		55,000,000	55,000,000	-
Capistrano Unified	10/1/2014	12/31/2014	0.460%		25,000,000	25,000,000	-
Capistrano Unified	10/9/2015	4/30/2016	0.800%		40,000,000	40,000,000	-
Capistrano Unified	8/8/2016	1/31/2017	0.780%		60,000,000	60,000,000	-
Capistrano Unified	10/10/2017	1/31/2018	1.340%		60,000,000	60,000,000	-
Capistrano Unified	9/28/2018	1/31/2019	2.238%		40,000,000	40,000,000	-
Capistrano Unified	9/27/2019	1/31/2020	2.130%		40,000,000	40,000,000	-
Capistrano Unified	9/24/2020	1/29/2021	0.926%		40,000,000	40,000,000	-
Capistrano Unified	10/7/2021	1/31/2022	0.571%		25,000,000	25,000,000	-
Capistrano Unified	10/5/2022	1/31/2023	3.042%		25,000,000	25,000,000	-
Capistrano Unified	10/11/2024	1/31/2025	4.301%		25,000,000	25,000,000	-
Capistrano Unified	9/29/2025	1/31/2026	4.038%		45,000,000	45,000,000	-
Fullerton Joint Union High	4/30/2012	10/31/2012	0.560%		15,000,000	15,000,000	-
Fullerton Joint Union High	4/29/2013	8/31/2013	0.380%		15,000,000	15,000,000	-
La Habra City	4/30/2012	10/31/2012	0.560%		4,000,000	4,000,000	-
La Habra City	4/10/2013	8/31/2013	0.380%		4,000,000	4,000,000	-
La Habra City	4/28/2014	7/31/2014	0.470%		2,000,000	2,000,000	-
La Habra City	3/15/2021	10/31/2021	0.680%		10,000,000	10,000,000	-
Ocean View	4/29/2013	8/31/2013	0.380%		3,000,000	3,000,000	-
Placentia Yorba-Linda	10/10/2012	1/31/2013	0.440%		20,000,000	20,000,000	-
Placentia Yorba-Linda	2/28/2013	8/31/2013	0.380%		40,000,000	40,000,000	-
Santa Ana Unified	4/30/2012	10/31/2012	0.560%		70,000,000	70,000,000	-
Santa Ana Unified	4/15/2013	8/31/2013	0.380%		45,000,000	45,000,000	-
Santa Ana Unified	4/28/2014	7/31/2014	0.470%		35,000,000	35,000,000	-
Savanna School District	11/2/2015	1/6/2016	0.760%		1,000,000	1,000,000	-
<b>Total Temporary Transfers</b>					<b>\$ 997,700,000</b>	<b>\$ 997,700,000</b>	<b>\$ -</b>

\* Int Rate is the Educational Investment Pool monthly apportionment gross yield for the last active month plus 10 basis points.

\*\* Temporary Transfers are authorized by California Constitution Article XVI Section 6, and OC Board of Supervisors Resolution 24-011.

These transactions are reported in the County's books as Due to/From other Governmental Entities within the School Fund #650.

# ORANGE COUNTY TREASURER-TAX COLLECTOR CASH AVAILABILITY PROJECTION FOR THE SIX MONTHS ENDING JULY 31, 2026

The OCTP consists of funds in the County Treasury deposited by various entities required to do so by statute. The Treasurer, shall have the power and duty pursuant to Constitution Article XVI Section 6 and the Board of Supervisor's Resolution 24-011, to make temporary transfers to school districts to address their short-term cash needs. The loans are secured by tax receipts to be received by the County Treasurer, as the banker for the school districts. As reported, there were no temporary transfers outstanding as of January 31, 2026.

Pursuant to Government Code Section 29808, the Auditor-Controller may direct that amounts authorized by order, requisition, or other means be transferred from the accounts or funds of any district, public corporation, or public agency into one or more clearing funds in the County Treasury. This is for the purpose of enabling warrants for such entities to be drawn against the designated clearing funds. Legal investments made by the Board of Supervisors, acting in a fiduciary capacity, are not subject to this provision except to the extent funds are transferred into clearing accounts under this section.

The Treasurer, in the projection of cash availability to disburse funds as directed by the Auditor-Controller and the Department of Education, is primarily relying on historical trends involving deposits and withdrawals and known future cash flows. No representation is made as to an individual depositor's ability to meet their anticipated expenditures with anticipated revenues.

The Cash Availability Projection for the six months ending July 31, 2026, indicates the ability of the pool to meet projected expenditures. However, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected and those differences may be material.

<b>ORANGE COUNTY TREASURY POOL</b>				
<b>Month</b>	<b>Investment Maturities</b>	<b>Projected Deposits</b>	<b>Projected Disbursements</b>	<b>Cumulative Available Cash</b>
January 2026 - Ending Cash				\$ 21,659,057
February	\$ 1,180,300,347	\$ 1,105,626,139	\$ 1,612,026,221	\$ 695,559,322
March	\$ 984,873,986	\$ 1,576,572,423	\$ 1,956,461,307	\$ 1,300,544,424
April	\$ 1,118,432,083	\$ 3,420,296,462	\$ 2,327,452,407	\$ 3,511,820,562
May	\$ 986,941,528	\$ 794,086,651	\$ 1,943,121,082	\$ 3,349,727,659
June	\$ 987,157,300	\$ 1,040,307,385	\$ 1,791,780,952	\$ 3,585,411,392
July	\$ 1,132,457,458	\$ 727,893,866	\$ 1,529,606,023	\$ 3,916,156,693

**ORANGE COUNTY TREASURER-TAX COLLECTOR  
STATEMENT OF ACCOUNTABILITY  
FOR THE MONTH ENDED JANUARY 31, 2026**

	<b>January 2026</b>
<b>Cash Accountability at the Beginning of the Period:</b>	<b>\$ 17,399,419,355</b>
<b>OCTP Cash Deposits:</b>	
County	726,166,413
School and Community College Districts	678,290,540
<b>Total Cash Receipts</b>	<b>1,404,456,953</b>
<b>OCTP Cash Disbursements:</b>	
County	1,337,129,023
School and Community College Districts	1,257,761,784
<b>Total Cash Disbursements</b>	<b>2,594,890,807</b>
<b>Net Change in Cost Value of OCTP and Cash</b>	<b>(1,190,433,854)</b>
<b>Net Change in the CCCD Bond Proceeds Account</b>	<b>129,598</b>
<b>Cash Accountability at the End of the Period:</b>	<b>\$ 16,209,115,099</b>
<b>Assets in the County Treasury at the End of the Period (Cost):</b>	
<b>Pooled Investments:</b>	
Orange County Treasury Pool	\$ 16,161,054,976
<b>Total Pooled Investments</b>	<b>16,161,054,976</b>
<b>Bond Proceeds Account:</b>	
CCCD Series 2017E Bonds	26,401,066
<b>Total Bond Proceeds Account</b>	<b>26,401,066</b>
<b>OCTP Cash:</b>	
Cash in Banks	21,540,306
Cash - Other	118,751
<b>Total Cash</b>	<b>21,659,057</b>
<b>Total Assets in the County Treasury at the End of the Period:</b>	<b>\$ 16,209,115,099</b>

# APPENDIX

Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM, ACPFIM

OC Treasurer-Tax Collector



Report of the Schedule of Assets  
Held in the County Treasury  
June 30, 2025  
**Orange County Treasury**

Independent Auditor’s Report ..... 1

Financial Schedule

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Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance with  
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## Independent Auditor's Report

To the Board of Supervisors  
County of Orange California

### Report on Schedule of Assets Held in the County Treasury

#### ***Opinion***

We have audited the Schedule of Assets Held in the County Treasury (Schedule) of the County of Orange, California (County) as of and for the year ended June 30, 2025, and the related notes.

In our opinion, the accompanying Schedule presents fairly, in all material respects, the assets held in the County Treasury of the County, as of June 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Emphasis of Matter – Reporting Entity***

As discussed in Note 1, the Schedule presents only the assets of the County Treasury, and does not purport to, and does not, present fairly the financial position of the County as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Schedule***

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Matter***

We have audited, in accordance with GAAS, the financial statements of the County as of and for the year ended June 30, 2025, and our report thereon, dated December 18, 2025, expressed unmodified opinions on those financial statements.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30 2026, on our consideration of the County Treasury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County Treasury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County Treasury's internal control over financial reporting and compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed name and address.

Laguna Hills, California  
January 30, 2026

Orange County Treasurer  
Schedule of Assets Held in the County Treasury  
(Dollar Amounts in Thousands)  
June 30, 2025

	<u>Orange County Treasury Pool</u>	<u>Bond Proceeds Account</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 1,906,100	\$ 1,302	\$ 1,907,402
Investments	13,628,751	22,462	13,651,213
Interest Receivable	94,479	286	94,765
Total Assets	<u>\$ 15,629,330</u>	<u>\$ 24,050</u>	<u>\$ 15,653,380</u>

## Note 1 – Summary of Significant Accounting Policies

### The Financial Reporting Entity

Under various State laws, the Orange County Treasurer-Tax Collector (TTC) is responsible for tax collection, banking, safekeeping, depositing, disbursing, reporting and accountability of public funds in the County Treasury that includes cash and investments. The surplus cash (investments) invested in the County Treasury is called the Orange County Investment Fund (OCIF). The OCIF consists of an external investment pool called the Orange County Treasury Pool (OCTP) and a Bond Proceeds Account that are included in the Schedule of Assets. State law defines three public fund objectives. First, provide maximum security of principal invested with the secondary objective to provide adequate liquidity to pool participants. The last objective is to achieve a market rate of return within the parameters of prudent risk management while conforming to all applicable statutes and resolutions governing the investment of public funds.

The OCTP is managed on behalf of the pool participants that consist of the County, local school and community college districts (Educational Districts) and other district funds, who are required by State statute to deposit funds in the County Treasury with the TTC, and other non-mandatory local agencies and districts (Voluntary Pool Participants). Monies of the County, Educational Districts and other legally separate external local agencies required to deposit funds with the Treasurer, which are not part of the County reporting entity, are commingled (pooled) for banking and investment purposes only and invested on the participants' behalf for the purpose of benefiting from economies of scale through pooled banking and investment activities. The OCTP is not registered with the Securities and Exchange Commission (SEC) as an investment company and therefore is exempt from SEC rules. The County will act on a "best efforts" basis to stabilize the OCTP Net Asset Value (NAV) at or above \$0.9975 (in absolute dollar amounts). OCTP does not have any legally binding guarantees of share values. On August 1, 2024, Fitch affirmed their highest credit rating for the OCTP of AA+ for credit risk and a rating of S1. There is no assurance that such ratings will continue for any given period of time or that any such rating may not be lowered, suspended or withdrawn entirely by the respective rating agency if, in the judgment of such rating agency, circumstances so warrant.

Under State of California Government Code (CGC) Section 53600.3, the Board of Supervisors (Board) is the governing body authorized to make investment decisions on behalf of the county and therefore fiduciaries subject to the prudent investor standard to safeguard the principal and maintain the liquidity needs of the County. CGC Section 63646(a)(1) states that, in the case of County government, the Treasurer may render a Statement of Investment Policy (IPS) to the Board to be reviewed and approved at a public meeting. The Treasurer did render a proposed 2025 Treasurer's IPS on December 17, 2024, that the Board deleted from the public agenda. The 2024 Treasurer's IPS expired on December 31, 2024. On February 11, 2025, the Board approved a County of Orange California Investment Policy submitted by County Counsel with the Board responsible for making investment decisions per CGC Section 53600.3. The Investment Policy (IP) renamed the pooled funds from the Orange County Treasurer's Pool to the Orange County Treasury Pool.

On February 25, 2025, the Board terminated the Voluntary Participant Program effective June 30, 2025, which pursuant to CGC Section 27000.3 (b) defined the Treasurer as the fiduciary of these local agency discretionary funds. As of February 28, 2025, the majority of the VPP funds on deposit had been disbursed back to the local agencies. On March 11, 2025, the Board adopted a resolution dissolving the Treasury Oversight Committee originally created pursuant to CGC Section 27131 and established an Investment Oversight Committee (IOC) not defined in State law. The Board directed voting members of the Audit Oversight Committee (Board Chair and Vice Chair, five Board appointed members) to sit as voting members of the newly created Investment Oversight Committee (IOC) and added the Superintendent of Schools as a member of the IOC.

The OCTP is governed by the IP approved on February 11, 2025. The Bond Proceeds Account is governed by a governing board bond resolution that is set up for a specific purpose and to identify if the investment maturities may extend beyond five years.

Financial Statement Presentation

This schedule is prepared using the economic resources measurement focus and the accrual basis of accounting.

The accompanying schedule of assets presents only the assets of the County Treasury that includes the Orange County Treasury Pool (OCTP) and Bond Proceed Account and is not intended to present fairly the financial position of the county as a whole in conformity with accounting principles generally accepted in the United States of America (GAAP).

Earnings on investments are recognized as revenue in the period in which they are earned, and investment costs are recognized as an expense when incurred, regardless of the timing of related cash flows. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (GASB 31) as amended by GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), the statement reflects the fair value of certain investments. Pool participants' shares are valued using a cost basis and income is distributed to individual eligible participants based on their average daily balances during the period based on County Treasury records and consist of (1) interest income based on stated rates (2) amortization of discounts and premiums on a straight-line basis and reduced by (3) actual investment administrative costs of such investing, depositing or handling of funds. This method used to determine participants shares sold and redeemed differs from the method used to report investments because the cost method is not designed to distribute to participants all unrealized gains and losses in the value of the pool's investments. The deposit and investment disclosures are in accordance with GASB Statement No. 40 *Deposit and Investment Risk Disclosures, an amendment to GASB Statement No. 3*.

Use of Estimates

The preparation of the schedule of assets in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the schedule of assets and accompanying notes. Actual results could differ from those estimates. Where significant estimates have been made in preparing these financial statements, they are described in the applicable footnotes.

**Note 2 – Cash, Cash Equivalents and Investments**

Cash and Cash Equivalents

Cash and cash equivalents are demand deposits, cash on hand, Money Market Mutual Funds (MMMF) which are readily converted to cash without any penalty and traded in an established market, LAIF and securities purchased within 90 days to maturity. These amounts are offset by reconciling items such as outstanding checks and deposits in transit. At June 30, 2025, the carrying amount of the County's cash was negative \$161,019, the total bank balance amounted to \$38,389, the MMMF balance was \$1,828,306, the LAIF balance was \$1,448 and securities purchased within 90 days to maturity was \$198,976. The Bond Proceeds Account MMMF balance was \$1,302.

Securities purchased within 90 days to maturity are classified as cash equivalents for presentation purposes; however, they are included in the fair value hierarchy table because they are measured at fair value.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2025, the OCTP maintained bank accounts at Wells Fargo Bank. Federal Depository Insurance Corporation (FDIC) insurance is available for demand deposits and interest saving deposit funds deposited at any one financial institution up to a maximum of \$250. Demand deposits of public funds at financial institutions that are not covered by the FDIC are required to be collateralized under CGC Section 53652 et. seq., which also prescribes the amount of collateral at market value that is required to secure these deposits. All such collateral is considered to be held by an agent of depository pursuant to CGC Section 53658. The pledge to secure deposits is administered by the California Department of Financial Protection and Innovation. Obligations pledged to secure deposits must be delivered to an institution other than the institution in which the deposit is made; however, the trust department of the same institution may hold them. Written agreements are required to provide, among other things, that the collateral securities are held separately from the assets of the custodial institution.

Collateral is required for demand deposits at 110% of all deposits not covered by FDIC Obligations of the United States and its agencies, or obligations of the State or its municipalities, school districts, and district corporations are pledged. Collateral of 150% is required if a deposit is secured by first mortgages or first trust deeds upon improved residential real property located in California.

#### Investments

The CGC Sections 53601 and 53635, ordinances and resolutions, the County's IP and bond indenture documents govern the investments that may be purchased and may include certain restrictions on investment maturity, maximum portfolio percentages, term, value, credit quality and timing to minimize the risk of loss. The IP contains allowable investment instruments in compliance with CGC Sections 53601 (Bond Proceeds Account) and 53635 (OCTP) including obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper, banker's acceptances, repurchase agreements, corporate notes, negotiable certificate of deposit, supranational instruments, MMMF, share of beneficial interest of a Joint Powers Authority that invest in authorized securities and the state pool (LAIF). The IP also adds additional restrictions on allowable instruments for the OCTP including expressly prohibits the use of leverage, reverse repurchase agreements (as defined in CGC Section 53601), structured notes, structured investment vehicles, derivatives, and MMMF that do not maintain a constant net asset value. Investments are reported at fair value in compliance with GASB 72 by the Treasurer. Investments are marked-to-market on a daily basis, and the fair value of investments is provided by the custodial bank.

Unless otherwise required in a trust agreement, educational districts (school and community college districts), including certain bond-related funds are required by legal provisions to deposit all monies received from any source in the County Treasury. At June 30, 2025, the OCTP includes approximately 65.7% of these involuntary participant deposits. Involuntary (Education Code Sections 41001 and 41002) and other external pool participant funds (CGC Section 27001.1) are deemed to be held in trust and such funds shall not be deemed funds or assets of the County and the relationship of the depositing entity and the County shall not be one of creditor-debtor.

#### Investment in State Investment Pool

The County is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the CGC Section 16429.1 under the oversight of the Treasurer of the State of California. The fair value of the investments in this pool is reported in the accompanying Schedule at amounts based on the pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on a cost basis.

#### Fair Value Measures

The Treasurer categorizes its fair value measurements within the fair value hierarchy established by GASB 72. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices based on quoted identical assets in an active market.
- Level 2: Investments reflect prices that are based on identical or similar assets in inactive markets or similar assets in active markets. Inputs other than quotes are observable.
- Level 3: Investments reflect prices based on significant unobservable inputs.

Fair value measurement is based on pricing received from the custodial bank. Investments in MMMF of \$1,828,306 for the OCTP and \$1,302 for the Bond Proceeds Account are priced using cost which approximates fair value, and with a net asset value of \$1.00 (in absolute dollar amounts) per share, and per GASB Statement No. 72, are not subject to the fair value hierarchy. Additionally, cash equivalents such as securities purchased with less than 30 days to maturity and LAIF are not subject to the fair value hierarchy.

When quoted prices in active markets are available, investments are classified within level 1 of the fair value hierarchy. For investments classified within level 2, the Treasurer's custodian generally uses external pricing, vendor or matrix pricing models. The Treasurer uses the market approach method as a valuation technique in the application of GASB 72. This method uses prices and other relevant information generated by market transactions

involving identical or similar assets or groups of assets. The following table presents a summary of the County Treasury's investments according to the assigned fair value hierarchy level at June 30, 2025.

	Fair Value	Fair Value Measurement		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>OCTP</b>				
U.S. Treasuries	\$ 3,986,889	\$ --	\$ 3,986,889	\$ --
U.S. Government Agencies:				
Federal Home Loan Bank (FHLB) Bonds	5,558,979	--	5,558,979	--
Federal Farm Credit Bank (FFCB)	3,226,283	--	3,226,283	--
Federal Home Loan Mortgage Corporation (FREDDIE MAC)	732,584	--	732,584	--
Federal National Mortgage Association (FNMA)	124,016	--	124,016	--
Sub-Total	<u>13,628,751</u>	<u>\$ -</u>	<u>\$ 13,628,751</u>	<u>\$ -</u>
Securities Purchased Within 90 Days to Maturity				
U.S. Treasury Bills	198,976	--	198,976	--
<b>Total Investments</b>	<u>13,827,727</u>	<u>--</u>	<u>13,827,727</u>	<u>--</u>
Cash Equivalents Not Subject to Fair Value Hierarchy				
Money Market Mutual Funds	1,828,306			
Local Agency Investment Fund (LAIF)	1,448			
<b>Total Investments and Cash Equivalents - OCTP</b>	<u>\$ 15,657,481</u>			
<b>Bond Proceeds Account</b>				
U.S. Treasuries	\$ 7,025	\$ --	\$ 7,025	\$ --
U.S. Government Agencies:				
Federal Farm Credit Bank (FFCB)	9,180	--	9,180	--
Federal Home Loan Mortgage Corporation (FREDDIE MAC)	3,984	--	3,984	--
Federal National Mortgage Association (FNMA)	1,634	--	1,634	--
Federal Home Loan Bank (FHLB) Bonds	639	--	639	--
<b>Sub-Total</b>	<u>22,462</u>	<u>\$ -</u>	<u>\$ 22,462</u>	<u>\$ -</u>
Cash Equivalents Not Subject to Fair Value Hierarchy				
Money Market Mutual Funds	1,302			
<b>Total Investments and Cash Equivalents - Bond Proceeds Account</b>	<u>\$ 23,764</u>			
<b>Total</b>	<u>\$ 15,681,245</u>			

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, fixed income securities of longer maturities are more sensitive to changes in market interest rates. Declines in the fair value of investments are managed by limiting the length of the maturity of the securities and providing daily and ongoing liquidity in the portfolio. The County manages its exposure to interest rate risk by carefully matching incoming cash flows and maturing investments to meet expenditures and by limiting duration. The duration of OCTP as of June 30, 2025, is 0.65 year. The table below shows the maturities distribution of the OCTP as of June 30, 2025. The Bond Proceeds Account does not have duration limits and is currently invested out to 2036.

<u>Maturities</u>	<u>Par Value</u>	<u>% of Portfolio</u>
1 day to 30 days	\$ 2,629,747	16.67%
31 days to 180 days	4,995,000	31.67%
181 days to 365 days	3,500,000	22.19%
1 year to 2 years	3,623,000	22.97%
2 years to 3 years	825,000	5.23%
3 years to 5 years	200,000	1.27%
Total	<u>\$ 15,772,747</u>	<u>100.00%</u>

In general, the maximum maturity allowed is five years unless the Board or governing body has granted express authority either specifically or as part of an investment policy. Actual weighted average days to maturity by investment type for the OCTP and the Bond Proceeds Account are presented in the table after the Concentration of Credit Risk section below. The OCTP at June 30, 2025, has 48.34% of investments maturing in six months or less and 51.66% maturing between six months and five years. As of June 30, 2025, the OCTP had no variable-rate notes.

Credit Risk

This is the risk that an issuer or other counterparty to an investment or cash and cash equivalent may not fulfill its obligations or that negative perceptions of the issuer’s ability to make these payments will cause the price to decline. The IP, which is more restrictive than the government code, sets forth the minimum acceptable credit ratings for investments from at least two of the following NRSROs: S&P, Moody’s, or Fitch. All short-term and long-term investments, except those noted below, 1) must have the minimum ratings required below by at least two NRSROs, and 2) the lowest rating of any NRSRO must meet or exceed the minimum rating required below:

S&P	A-1, “AA”
Moody’s	P-1, MIG 1/VMIG 1, “Aa”
Fitch	F-1, “AA”

If an issuer of Long-term debt has a Short-term debt rating, then it may not be less than the minimum required Short-term debt ratings above.

Exceptions to the Rating Policy above:

- a) Municipal debt issued by the County of Orange, California, U.S. Government obligations and LAIF are exempt from the credit rating requirements listed above.
- b) MMMF that have retained an investment advisor registered or exempt from registration with the SEC with not less than five years’ experience managing MMMF with assets under management in excess of \$500 million require the highest rating or highest letter and numerical ranking provided by at least one NRSRO.

No investment may be purchased from an issuer and all related entities, including parent and subsidiaries, that have been placed on “credit watch-negative” by any of the NRSROs or whose credit rating by any of the NRSROs is less than the minimum rating required by the IP for that class of security unless the issuer has a short-term rating of A-1+ or F1+ or a long-term rating of at least AA or Aa2; and the County Investment Manager has approved the purchase in writing prior to purchase.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The investment policy of the County is more restrictive for certain investment types on the percentage or amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

The following table presents a summary of the investments in the County Treasury by interest rate risk, credit risk and concentration of credit risk (single issuers that represent 5 percent or more of total investments) as of June 30, 2025.

Orange County Treasurer  
Notes to Schedule  
(Dollar Amounts in Thousands)  
June 30, 2025

<u>OCTP</u>	Fair Value	Principal	Maximum Maturity	Weighted Average Maturity (Years)	Rating (1)	% of Portfolio
U.S. Treasuries	\$ 4,185,865	\$ 4,250,000	5 Years	0.821		26.73%
U.S. Government Agencies:						
Federal Home Loan Bank (FHLB) Bonds	5,558,979	5,613,000	5 Years	0.521	AA	35.51%
Federal Farm Credit Bank (FFCB)	3,226,283	3,220,000	5 Years	1.093	AA	20.60%
Federal Home Loan Mortgage Corporation (FREDDIE MAC)	732,584	735,000	5 Years	2.323	AA	4.68%
Federal National Mortgage Association (FNMA)	124,016	125,000	5 Years	1.040	AA	0.79%
Money Market Mutual Funds	1,828,306	1,828,306	N/A	0.003	AAA	11.68%
Local Agency Investment Fund (LAIF)	1,448	1,441	N/A	0.003	NR	0.01%
	<b>\$ 15,657,481</b>	<b>\$ 15,772,747</b>		<b>0.747</b>	(2)	<b>100.00%</b>

<u>Bond Proceeds Account</u>	Fair Value	Principal	Maximum Maturity	Weighted Average Maturity (Years)	Rating (1)	% of Portfolio
U.S. Treasuries	\$ 7,025	\$ 7,300	2/15/2036	5.840		29.56%
U.S. Government Agencies:						
Federal Farm Credit Bank (FFCB)	9,180	9,666	11/2/2035	6.378	AA	38.63%
Federal Home Loan Mortgage Corporation (FREDDIE MAC)	3,984	3,500	7/15/2032	6.471	AA	16.76%
Federal National Mortgage Association (FNMA)	1,634	1,500	5/15/2029	3.877	AA	6.88%
Federal Home Loan Bank (FHLB) Bonds	639	650	11/16/2028	2.273	AA	2.69%
Money Market Mutual Funds	1,302	1,302	7/1/2025	0.003	AAA	5.48%
	<b>\$ 23,764</b>	<b>\$ 23,918</b>		<b>5.603</b>	(2)	<b>100.00%</b>

<b>Total</b>	<b>\$ 15,681,245</b>	<b>\$ 15,796,665</b>				
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(1) The County obtains credit ratings from S&P, Moody's, and Fitch. The ratings indicative of the greatest degree of risk have been disclosed. NR means not rated. The County is not required to disclose the credit ratings of obligations of the U.S. government or obligations explicitly guaranteed.

(2) The total Weighted Average Maturity (WAM) is the portfolio's weighted-average maturity.

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments in the County Treasury are as follows: OCTP: FHLB \$5,558,979, and FFCB \$3,226,283 and Bond Proceeds Account: FFBC \$9,190 and FREDDIE MAC \$3,984.

As of June 30, 2025, all investments in the County Treasury were in compliance with credit ratings and single issuer limits, as applicable.

#### Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Treasurer will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The IP does not permit investments in uninsured and unregistered securities not held by the County. The Treasurer utilizes third party Delivery Versus Payment (DVP) which mitigates any custodial credit risk. Securities purchased by the County are held by third party custodians selected by the Treasurer in their trust department to mitigate custodial credit risk. On June 30, 2025, the Treasurer held all investments in the County Treasury in the custodial bank. In addition, the County did not have any securities lending during the year (or at year-end).

#### Foreign Currency Risk

The IP requires all securities to be U.S. dollar denominated. The investments in the County Treasury are not exposed to foreign currency risk.

#### **Note 3 – Interest Receivable**

Interest receivable consists of interest accrued on investments including interest purchased with certain securities. At June 30, 2025, interest receivable totaled \$94,479 for OCTP and \$286 for the Bond Proceeds account.

**Note 4 – Subsequent Events**

As allowed by CGC Section 63646(a)(1) in the case of County government, the Treasurer may and did render a proposed 2026 Treasurer's Investment Policy Statement (IPS) for a public meeting on December 16, 2025. On December 12, 2025, a Board member deleted this agenda item from the published public agenda. The CEO submitted a revised Investment Policy (IP), effective January 1, 2026, that the Board approved as part of the Strategic Financial Plan agenda item on December 16, 2025. The main changes to the IP, effective January 1, 2026, were to increase the maximum duration of the OCTP from 1.5 to 3.0 years, extend the maximum maturity limit on Medium-Term Notes from 2 years to 5 years, and to reflect changes in government code language increasing the maximum maturity local agencies may invest in Commercial Paper from 270 to 397 days.



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Supervisors  
County of Orange, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the Schedule of Assets Held in the County Treasury (Schedule) of the County of Orange, California (County), as of and for the year ended June 30, 2025, and the related notes to the Schedule and have issued our report thereon dated January 30, 2026. Our report contained an emphasis of matter regarding the Schedule presenting only the assets of the County Treasury, and does not purport to, and does not, present fairly the financial position of the County as of June 30, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the Schedule, we considered the County Treasury's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of the County Treasury's internal control. Accordingly, we do not express an opinion on the effectiveness of the County Treasury's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County Treasury's Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Laguna Hills, California  
January 30, 2026



January 30, 2026

To the Investment Oversight Committee,  
Audit Oversight Committee,  
Board of Supervisors, and  
Auditor-Controller  
County of Orange, California

We have audited the Schedule of Assets Held in the County Treasury (Schedule) of the County of Orange, California (County) as of and for the year ended June 30, 2025, and have issued our report thereon dated January 30, 2026. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards***

As communicated in our letter dated April 11, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the Schedule that has been prepared by management with your oversight is presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the County solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated January 30, 2026.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the County is included in Note 1 to the Schedule. There have been no initial selection of accounting policies during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Accounting Estimates and Related Disclosures*

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such sensitive accounting estimates were identified.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the County's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

We have included an emphasis of matter in the auditor's report to describe that the Schedule presents only the assets of the County Treasury, and does not purport to, and does not, present fairly the financial position of the County as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated January 30, 2026.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

This information is intended solely for the information and use of the Investment Oversight Committee, Audit Oversight Committee, Board of Supervisors and management and is not intended to be and should not be used by anyone other than these specified parties.



Laguna Hills, California

**ORANGE COUNTY**  
**TREASURER'S INVESTMENT PORTFOLIO**  
**COMPLIANCE MONITORING**  
**FOR THE QUARTER ENDED**  
**SEPTEMBER 30, 2024**

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Supervisors and the County of Orange Treasurer-Tax Collector  
(Treasury Oversight Committee dissolved on March 11, 2025)  
Orange County, California

We have performed the procedures enumerated below on the compliance monitoring of the County of Orange Treasurer-Tax Collector's ("Treasurer") investment portfolio for the quarter ended September 30, 2024. The Treasurer is responsible for ensuring compliance with the Treasurer's 2024 Investment Policy Statement (2024 IPS).

The Treasurer has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the Treasurer's investment portfolio complied with the 2024 IPS. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

We selected 15 business days to test and analyzed the FIS Quantum data to determine if the Treasurer's investment portfolio complies with the 2024 IPS. We performed the following procedures:

- A. Authorized Investments (2024 IPS Sections VI, VII, IX, and XI): We selected one investment purchased for each of the 15 days tested to determine it conformed with the 2024 IPS restrictions at the time of purchase.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- B. Diversification Limits (2024 IPS Section VIII.1): We verified that the selected investments did not exceed the diversification limits.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- C. Maximum Maturity Limits (2024 IPS Section VIII.2): We verified that the maximum maturity of selected investments purchased did not exceed five years or that any investments exceeding this limit were allowed per the 2024 IPS.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- D. Lower Maturity Limits (2024 IPS Section VIII.1): We verified that the maximum maturity of the selected investment types purchased with lower limits than those covered by 2024 IPS Section VIII.2 did not exceed 180 days for repurchase agreements and bankers' acceptances, 270 days for commercial paper, 18 months for negotiable certificates of deposit, two years for medium-term notes, and three years for municipal debt.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- E. Issuer Concentration Limits (2024 IPS Section VIII.1): We verified that the selected investments did not exceed the issuer concentration limits per the 2024 IPS.

**Finding:** No discrepancies were noted as a result of our procedures.

- F. Financial Reporting (2024 IPS Section XXI): We verified that any compliance exceptions identified during testing were reported in the Treasurer's Monthly Investment Report.

**Finding:** No compliance exceptions were noted as a result of our procedures.

We were engaged by the Treasurer to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the 2024 IPS. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The Treasurer has requested a copy of the report be provided to the Investment Oversight Committee.

We are required to be independent of the Treasury Oversight Committee and the Treasurer and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

\*\*\*\*\*

This report is intended solely for the information and use of the Board of Supervisors and the Treasurer (Treasury Oversight Committee dissolved March 11, 2025) and a copy is being issued to the Investment Oversight Committee as per the engagement letter. Our report is not expected to be restricted to the use of specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
January 13, 2026

**ORANGE COUNTY**  
**TREASURER'S INVESTMENT PORTFOLIO**  
**COMPLIANCE MONITORING**  
**FOR THE QUARTER ENDED**  
**DECEMBER 31, 2024**

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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(Treasury Oversight Committee dissolved on March 11, 2025)  
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- A. Authorized Investments (2024 IPS Sections VI, VII, IX, and XI): We selected one investment purchased for each of the 15 days tested to determine it conformed with the 2024 IPS restrictions at the time of purchase.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- B. Diversification Limits (2024 IPS Section VIII.1): We verified that the selected investments did not exceed the diversification limits.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- C. Maximum Maturity Limits (2024 IPS Section VIII.2): We verified that the maximum maturity of selected investments purchased did not exceed five years or that any investments exceeding this limit were allowed per the 2024 IPS.

**Finding:** No compliance exceptions were noted as a result of our procedures.

- D. Lower Maturity Limits (2024 IPS Section VIII.1): We verified that the maximum maturity of the selected investment types purchased with lower limits than those covered by 2024 IPS Section VIII.2 did not exceed 180 days for repurchase agreements and bankers' acceptances, 270 days for commercial paper, 18 months for negotiable certificates of deposit, two years for medium-term notes, and three years for municipal debt.

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**Finding:** No compliance exceptions were noted as a result of our procedures.

We were engaged by the Treasurer to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the 2024 IPS. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The Treasurer has requested a copy of the report be provided to the Investment Oversight Committee.

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BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
January 13, 2026