



BOARD OF DIRECTORS

Agenda Report

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Agenda Item No: FC-2

FROM: Robert Thompson, General Manager
Originator: Wally Ritchie, Director of Finance

SUBJECT:

ANNUAL STATUS REPORT OF THE ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Receive and file the Annual Status Report of the Orange County Sanitation District Financing Corporation.

BACKGROUND

Per Section 2.05 of the Orange County Sanitation District (OC San) Financing Corporation, the Board of Directors will conduct at least one annual meeting where staff shall provide an activity report and conduct other business as necessary.

As of June 30, 2026, OC San will have approximately \$524 million in outstanding debt that is scheduled to be paid off prior to June 30, 2040.

OC San did not issue any new money debt during the 2025-26 Fiscal Year and no new money debt issuances are planned for the 2026-27 Fiscal Year. OC San staff continually review the debt issuances and look for potential savings through refunding existing debt.

A summary of OC San debt history is provided later in this agenda report.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Ensure that investment proposals and decisions are based on clearly defined standards
- Sound engineering and accounting practices, complying with local, state, and federal laws
- Produce appropriate financial reporting

ADDITIONAL INFORMATION

OC San began issuing Certificates of Participation (COPs) in 1990. These COPs were part of the long-term financing plan that included both variable interest rate and traditional fixed rate borrowing.

There remains no variable interest rate COPs at OC San. Following are the current outstanding debt issues of OC San:

Outstanding Debt History

In May 2010, OC San issued \$80 million of fixed rate Build America Bonds (BABs), Series 2010A, at a true interest cost of 3.68 percent for the issue. \$80 Million Outstanding

In December 2010, OC San issued \$157 million of fixed rate BABs, Series 2010C, at a true interest cost of 4.11 percent for the issue. \$23 Million Outstanding

In February 2017, OC San issued \$66 million of fixed rate COPs, Series 2017A, refunding \$92 million of the Series 2007A debt. The true interest cost for this issue is 2.55 percent. \$66 Million Outstanding

In July 2021, OC San issued \$134 million of fixed rate COPs, Series 2021A, refunding \$62 million of the Series 2011A and \$102 million of the Series 2018A debt. The true interest cost for the issue is 1.06 percent. \$58 Million Outstanding

In February 2022, OC San issued \$82 million of fixed rate COPs, Series 2022A, refunding \$100 million of the Series 2012A and \$7 million of the Series 2012B debt. The true interest cost for the issue is 1.59 percent. \$82 Million Outstanding

In May 2024, OC San issued \$140 million of fixed rate COPs, Series 2024A, refunding \$30 million of the Series 2014A and \$128 million of the Series 2015A debt. The true interest cost for the issue is 2.72 percent. \$121 Million Outstanding

In November 2025, OC San issued \$95 million of fixed rate COPs, Series 2025A, refunding \$110 million of the Series 2016A debt. The true interest cost for the issue is 2.66 percent. \$95 Million Outstanding

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A