



CONTINUING DISCLOSURE (SUBMISSION STATUS: PUBLISHED)

FINANCIAL/OPERATING FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure

Annual Financial Information and Operating Data: Orange County CFD No. 87-4 Series A of 1997 - Cont Disclosure, for the year ended 06/30/2013

DOCUMENTS

Financial Operating Filing

Cont Disc CFD 87-4 1997 A Bonds - 2013 FINAL.pdf posted 02/28/2014

THE FOLLOWING ISSUERS ARE ASSOCIATED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-6	State	Issuer Name
68423P	CA	ORANGE CNTY CALIF CMNTY FACS DIST SPL TAX

THE FOLLOWING 16 SECURITIES HAVE BEEN PUBLISHED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-9	Maturity Date
68423PPM6	08/15/1998
68423PPN4	08/15/1999
68423PPP9	08/15/2000
68423PPQ7	08/15/2001
68423PPR5	08/15/2002
68423PPS3	08/15/2003
68423PPT1	08/15/2004
68423PPU8	08/15/2005
68423PPV6	08/15/2006
68423PPW4	08/15/2007

68423PPX2	08/15/2008
68423PPY0	08/15/2009
68423PPZ7	08/15/2010
68423PQA1	08/15/2019
68423PQB9	08/15/2011
68423PQC7	08/15/2012

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**COUNTY OF ORANGE, CALIFORNIA
COMMUNITY FACILITIES DISTRICT NO. 87-4
OF THE COUNTY OF ORANGE (FOOTHILL RANCH)
SERIES A OF 1997 SPECIAL TAX BONDS
ANNUAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2013**

Dated February 28, 2014

Prepared at the direction of and on behalf of:

County of Orange
10 Civic Center Plaza, Third Floor
Santa Ana, CA 92701-4062

Prepared by:

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5000 Birch Street, Suite 6000
Newport Beach, CA 92660

**County of Orange, California
Community Facilities District No. 87-4
of the County of Orange (Foothill Ranch)
Series A of 1997 Special Tax Bonds
Annual Report
For Fiscal Year Ended June 30, 2013**

TABLE OF CONTENTS

INTRODUCTION.....1

SECTION A2

 1. Audited Financial Statements for Fiscal Year Ended June 30, 2013..... 2

 2. Principal Amount of Bonds Outstanding as of June 30, 2013..... 2

 3. Balance in Each Fund Under the Resolution as of June 30, 2013 2

 4. Number of Parcls Newly Categorized Under the RMA 2

 5. Update of Table 2 in the Official Statement 3

SECTION B4

 6. Update of Tables in the Official Statement for the Bonds under the caption *The Community Facilities District – Special Tax Levies, Collections and Charges*..... 4

 Table 3 – Maximum Special Tax Rates and Special Tax Levy 4

 Table 4 – Special Tax Levy and Delinquencies..... 5

 Table 5 – Special Tax Revenue at Maximum Special Tax Rate..... 5

 Table 6 – Estimated Debt Service Coverage 6

 Table 7 – Top Ten Taxpayers 7

 7. Changes to the RMA..... 7

 8. Any information not already included above that is required to be filed in the annual report to the California Debt and Investment Advisory Commission 7

ATTACHMENTS

Attachment A – Annual Report to the California Debt and Investment Advisory Commission

INTRODUCTION

The Community Facilities District No. 87-4 of the County of Orange (Foothill Ranch) (the “District”) hereby provides its annual report (the “Annual Report”) for the fiscal year ended June 30, 2013 in connection with the following Bonds:

Bond Issue:

1. Community Facilities District No. 87-4 of the County of Orange (Foothill Ranch), Series A of 1997 Special Tax Bonds.

Annual Report:

The District’s Annual Report required by the Continuing Disclosure Certificate (the “Disclosure Certificate”) dated June 25, 1997 with respect to the Bonds for the Fiscal Year ended June 30, 2013 will be submitted separately pursuant to Section 4a of the Continuing Disclosure agreement.

Other Matters:

This Annual Report is provided solely for purposes of the Disclosure Certificate. The filing of this Annual Report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial, operating or other information about the County, the District or the Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the Fiscal Year to which this Annual Report relates (other than as contained in this Annual Report), or that no other information exists, which may have a bearing on the District’s financial condition, the security for the Bonds, or an investor’s decision to buy, sell, or hold the Bonds. The information contained in this report has been obtained from sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. No statement in this Annual Report should be construed as a prediction or representation about future financial performance of the District.

While the financial statements of the County (which includes the District) for Fiscal Year ended June 30, 2013 have been incorporated herein by reference in order to comply with SEC Rule 15c2-12, the Bonds are a limited obligation of the District and neither the faith and credit nor the taxing power of the County is pledged to the payment of the Bonds. No income, receipts, funds (including the County general fund) or moneys of the County are pledged to the repayment of the Bonds.

SECTION A

1. Audited Financial Statements for Fiscal Year Ended June 30, 2013.

The audited Financial Statements will be submitted separately pursuant to Section 4a of the Continuing Disclosure agreement.

While the financial statements of the County (which includes the District) for Fiscal Year ended June 30, 2013 have been incorporated herein by reference in order to comply with SEC Rule 15c2-12, the Bonds are a limited obligation of the District and neither the faith and credit nor the taxing power of the County is pledged to the payment of the Bonds. No income, receipts, funds (including the County general fund) or moneys of the County are pledged to the repayment of the Bonds.

2. Principal amount of Bonds outstanding as of June 30, 2013

Principal amount of bonds outstanding as of June 30, 2013 was \$5,865,000

3. Balance in each fund under the Resolution as of June 30, 2013

Community Facilities District No. 87-4 (Foothill Ranch) Account Balances as of June 30, 2013	
Fund	Balance
Special Tax Fund	\$7,677,258
Rebate Fund	\$936
Special Reserve Fund	\$0
Reserve Fund	\$1,081,500
Acquisition and Construction Fund	\$0

Source: US Bank

4. Number of parcels that were newly categorized under the Rate and Method of Apportionment for the Special Tax as residential Developed Property or nonresidential Developed Property for the most recent Special Tax levy.

The number of parcels newly categorized under the Rate and Method of Apportionment for the Special Tax as Residential Developed Property and Nonresidential Developed Property are as follows:

Residential Developed: 3,382 parcels; change from 2012-2013 is 0.
 Non-Residential Developed: 226 parcels; change from 2012-2013 is 1.

5. An update of Table 2 in the Official Statement for the Bonds setting forth the information based on assessed valuation only for the most recent Special Tax levy preceding the filing of the Annual Report, but only if additional direct and overlapping debt secured by a tax or assessment levied on parcels within the District has been issued during such fiscal year.

Table 2 Community Facilities District No. 87-4 (Foothill Ranch) Value to Debt Ratio for Fiscal Year 2013-14		
Assessed Value ¹	Total Direct and Overlapping Debt	Value to Debt Ratio
\$2,225,524,231	\$51,412,645	43.29

Source: David Taussig & Associates, Inc.

¹ Assessed values are calculated using gross assessed value for all parcels that are subject to the special tax, as shown on the County of Orange 2013-2014 Assessor's Roll.

SECTION B

6. Update of Tables in the Official Statement under the caption “The Community Facilities District – Special Tax Levies, Collections and Charges”

Table 3 – Special Tax Rates and Special Tax Levy

Table 3 Community Facilities District No. 87-4 (Foothill Ranch) Maximum Special Tax Rates and Special Tax Levy for Fiscal Year 2013-14				
Class	Land Use	Square Footage of Improvements	"Table 1" Special Tax Rate ²	Levied Special Tax
1	Single Family Detached	More than 2,700	\$5,827.76 /unit	\$2,482.42 /unit
2	Single Family Detached	2,200 to 2,699	\$5,267.67 /unit	\$2,243.84 /unit
3	Single Family Detached	1,900 to 2,199	\$4,549.25 /unit	\$1,937.82 /unit
4	Single Family Detached	1,500 to 1,899	\$3,672.48 /unit	\$1,564.35 /unit
5	Single Family Detached	Less than 1,500	\$2,954.06 /unit	\$1,258.32 /unit
6	Condominium	Not Applicable	\$1,597.55 /unit	\$680.50 /unit
7	Apartment	Not Applicable	\$1,198.17 /unit	\$510.38 /unit
8	Commercial / Industrial	Not Applicable	the greater of: \$7,583.65 /acre \$0.4963 /sf of improvements	\$3,230.37 /acre \$0.2114 /sf of improvement
0	Undeveloped	Not Applicable	\$12,500.00 /acre	\$176.26 /acre

Source: David Taussig & Associates, Inc.

² Based on the special tax rates per Table 1 of the Rate and Method escalated pursuant to Section C of the Rate and Method. The Maximum Special Tax for a parcel of Developed Property for fiscal year 2013-2014 would be the greater of this amount or the Base Maximum Special Tax multiplied by the square footage of such parcel. See Appendix C of the Official Statement – Rate and Method of Apportionment of Special Tax.

Table 4 – Special Tax Levy and Delinquencies

Table 4 Community Facilities District No. 87-4 (Foothill Ranch) Special Tax Delinquencies					
Fiscal Year Ended June 30	Total Special Tax Levy	Delinquent at FY End	Percent Delinquent at FY End	Delinquent as of 6/30/2013	Percent Delinquent as of 6/30/2013
2009	\$6,778,764	\$170,530	2.52%	\$3,881	0.06%
2010	\$7,054,736	\$135,116	1.92%	\$10,606	0.15%
2011	\$6,909,461	\$90,230	1.31%	\$16,392	0.24%
2012	\$6,908,455	\$72,134	1.04%	\$23,676	0.34%
2013	\$7,138,789	\$58,576	0.82%	\$58,576	0.82%

Source: County of Orange Treasurer/Tax-Collector as of June 30, 2013.

Table 5 – Special Tax Revenue at Maximum Special Tax Rate

Table 5 Community Facilities District No. 87-4 (Foothill Ranch) Special Tax Revenue at Maximum Special Tax Rate			
Category	Number of Units, BSF, or Acres³	Maximum Special Tax⁴	Potential Revenue
Single Family Detached (More than 2,700 SF)	219 Units	\$5,827.76	\$1,276,279.44
Single Family Detached (2,200 to 2,699 SF)	593 Units	\$5,267.67	\$3,123,728.31
Single Family Detached (1,900 to 2,199 SF)	581 Units	\$4,549.25	\$2,643,114.25
Single Family Detached (1,500 to 1,899 SF)	798 Units	\$3,672.48	\$2,930,639.04
Single Family Detached (Less than 1,500 SF)	188 Units	\$2,954.06	\$555,363.28
Condominium	1001 Units	\$1,597.55	\$1,599,147.55
Apartment	500 Units	\$1,198.17	\$599,085.00
Commercial / Industrial (charged at bldg sf rate)	3,642,057 BSF	\$0.4963	\$1,807,552.89
Commercial / Industrial (charged at acre rate)	253.177 Acres	\$7,583.65	\$1,920,005.76
Undeveloped	26.09 Acres	\$12,500.00	\$326,125.00
Grand Total:			\$16,781,040.52

Source: David Taussig & Associates, Inc.

³ Based on building permits as of March 1, 2013.

⁴ Based on the Special Tax rates set forth in Table 1 and escalated pursuant to Section C of the Rate and Method. See Appendix C of the Official Statement – Rate and Method of Apportionment of Special Tax.

Table 6 – Estimated Debt Service Coverage

Table 6 Community Facilities District No. 87-4 (Foothill Ranch) Estimated Debt Service Coverage				
Bond Year Ending August 15	Estimated Maximum Special Tax Revenues⁵	Series 1997 Bonds Debt Service	Series 2004 Bonds Debt Service	Estimated Debt Service Coverage
2014	\$16,781,000	\$988,000	\$6,167,000	2.35
2015	\$17,357,000	\$1,006,000	\$6,281,000	2.38
2016	\$17,953,000	\$1,025,000	\$3,721,000	3.78
2017	\$18,570,000	\$1,047,000	\$3,799,000	3.83
2018	\$19,209,000	\$1,065,000	\$3,576,000	4.14
2019	\$19,869,000	\$1,089,000	\$700,000	11.11

Source: David Taussig & Associates, Inc.

⁵ The Bond Year Ending 2014 figures reflect actual Fiscal Year 2013-14 Maximum Special Tax Revenues. Amounts in years Bond Year Ending 2015 through 2019 reflect projected Maximum Special Tax Revenues based on development as of March 1, 2013, escalated in accordance with the Rate and Method.

Table 7 – Top Ten Taxpayers

<p align="center">Table 7 Community Facilities District No. 87-4 (Foothill Ranch) Top Ten Taxpayers for Fiscal Year 2013-14</p>		
Property Owner	Total Levy	Percent of Total Levy
EQR-Sombra 2008 LTD	\$153,112.90	2.18%
Oakley Inc.	\$111,373.81	1.59%
Sequoia Equities Paloma	\$102,075.27	1.46%
Comref Southern CA Industrial	\$95,849.55	1.37%
AEW LT 50 Icon LLC	\$65,064.44	0.93%
LBA/PPF Industrial-Towne	\$64,413.96	0.92%
Metropolitan Life Insurance Co.	\$63,906.22	0.91%
Foothill-Pacific Towne	\$53,768.17	0.77%
Regal Cinemas	\$52,561.35	0.75%
DCT Foothill LP	\$49,369.75	0.70%
All Other Taxpayers	\$6,202,289.85	88.43%
Total	\$7,013,785.27	100.00%

Source: David Taussig & Associates, Inc. and County of Orange 2013-2014 Assessor's Roll

7. Changes to the Rate and Method of Apportionment of the Special Tax approved or submitted to the qualified electors for approval prior to the filing of the Annual Report.

There were no changes to the Rate and Method of Apportionment of the Special Tax.

8. Any information not already included above that is required to be filed in the annual report to the California Debt and Investment Advisory Commission.

See attached Mello-Roos Community Facilities District (CFD) Yearly Fiscal Status Report filed with the California Debt and Investment Advisory Commission.

ATTACHMENT A

**CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION
YEARLY FISCAL STATUS REPORT**

STATE OF CALIFORNIA

**MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

Submitted:
Thursday, October 10, 2013
11:48:29AM
CDIAC #: 1997-0155

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year _____

I. GENERAL INFORMATION

A. Issuer Orange County CFD No 87-4

B. Community Facilities District Number/ Name Foothill Ranch

C. Name/ Title/ Series of Bond Issue

D. Date of Bond Issue 6/11/1997

E. Original Principal Amount of Bonds \$10,815,000.00

F. Reserve Fund Minimum Balance Required \$1,081,500.00

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2013

A. Principal Amount of Bonds Outstanding \$5,865,000.00

B. Bond Reserve Fund \$1,081,500.00

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$0.00

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed or Appraised Value Reported as of: 1/1/2013
(Use Appraised Value only in first year of CFD or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$2,225,524,231.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$7,138,789.00

B. Total Amount of Unpaid Special Taxes Annually \$58,576.00

C. Are the Special Taxes are Paid Under the County's Teeter Plan. Y

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2013

A. Total Number of Delinquent Parcels 61

B. Total Amount of Taxes Due on Delinquent Parcels \$58,576.00
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date) *(Attach additional sheets if necessary.)*

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels

STATE OF CALIFORNIA

MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT

For Office Use Only
Fiscal Year _____

Submitted:
Thursday, October 10, 2013
11:48:29AM
CDIAC #: 1997-0155

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915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

VII. ISSUE RETIRED

This issue is retired and no longer subject to the Yearly Fiscal Status report filing requirements.
(Indicate reason for retirement)

Matured Refunded Entirely Other

If Matured, indicate final maturity date:

If Refunded Entirely, state refunding bond title:

and issue date:

If Other:

VIII. NAME OF PARTY COMPLETING THIS FORM

Name Mark Finley
Title Public Finance Accountant
Firm/ Agency County of Orange
Address 10 Civic Center Plaza 3rd Fl
City/ State/ Zip Santa Ana, CA 92701
Phone Number 714 8343749 Date of Report 10/10/2013
E-Mail Mark.Finley@ocgov.com

IX. ADDITIONAL INFORMATION\ COMMENTS

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bonds after January 1, 1993 to report specific information to the Commission by October 30th of each year.

Note: If there are one or more loans associated with this Authority Issue, CDIAC must confirm receipt of this report prior to online