



CONTINUING DISCLOSURE (SUBMISSION STATUS: PUBLISHED)

FINANCIAL/OPERATING FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure

Annual Financial Information and Operating Data: OCPFA 2005 Bonds (Lease Revenue) - Annual Report, for the year ended 06/30/2013

DOCUMENTS

Financial Operating Filing

OCPPFA 2005 Bonds (Lease Revenue) 2013 - FINAL.pdf posted 02/21/2014

THE FOLLOWING ISSUERS ARE ASSOCIATED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-6	State	Issuer Name
68428V	CA	ORANGE CNTY CALIF PUB FING AUTH LEASE REV

THE FOLLOWING 24 SECURITIES HAVE BEEN PUBLISHED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-9	Maturity Date
68428VBF8	07/01/2006
68428VBG6	07/01/2007
68428VBH4	07/01/2007
68428VBJ0	07/01/2008
68428VBK7	07/01/2008
68428VBL5	07/01/2009
68428VBM3	07/01/2009
68428VBN1	07/01/2010
68428VBP6	07/01/2010
68428VBQ4	07/01/2011

68428VBR2	07/01/2011
68428VBS0	07/01/2011
68428VBT8	07/01/2012
68428VBU5	07/01/2012
68428VBV3	07/01/2013
68428VBW1	07/01/2013
68428VBX9	07/01/2014
68428VBY7	07/01/2014
68428VBZ4	07/01/2015
68428VCA8	07/01/2015
68428VCB6	07/01/2016
68428VCC4	07/01/2016
68428VCD2	07/01/2017
68428VCE0	07/01/2017

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\$419,755,000
ORANGE COUNTY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS
SERIES 2005
ANNUAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2013

Dated February 21, 2014

Prepared at the direction of and on behalf of:

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\$419,755,000
Orange County Public Financing Authority
Lease Revenue Refunding Bonds
Series 2005
Annual Report
For Fiscal Year Ended June 30, 2013

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ATTACHMENT A County of Orange Comprehensive Annual Financial Report

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INTRODUCTION

The County of Orange, California (the "County") hereby provides its annual report (the "Annual Report") for the fiscal year ended June 30, 2013 in connection with the following Bonds:

Bond Issue:

\$419,755,000 Orange County Public Financing Authority Lease Revenue Refunding Bonds Series 2005, dated August 3, 2005 (the "Bonds").

Annual Report:

The County's Annual Report required by the Continuing Disclosure Certificate (the "Disclosure Certificate") dated August 1, 2005 with respect to the Bonds for the Fiscal Year ended June 30, 2013 is attached hereto and includes the County's audited financial statements for Fiscal Year ended June 30, 2013.

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 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 County'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 County.

Dated: February 21, 2014

COUNTY OF ORANGE, CALIFORNIA

SECTION A

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

Please refer to the County of Orange Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2013 included as Attachment A.

2. Final Budget of the County for the current Fiscal Year (in the form of Table A-6)

**TABLE A-6
COMPARISON OF GENERAL FUND
ADOPTED BUDGETS FOR FISCAL YEAR
2011-12, 2012-13, 2013-14**

	2011-12		2012-13			2013-14	
	Adopted Budget	Final Modified Budget ⁽¹⁾	Adopted Budget	Final Modified Budget ⁽¹⁾	Variance Between Adopted Budget and Final Budget	Modified Budget ⁽²⁾	Change from 2012-13 Adopted Budget
REQUIREMENTS							
Public Protection ⁽²⁾	\$957,378,616	\$988,343,935	\$995,871,840	\$1,023,065,226	2.73%	\$1,043,272,511	4.76%
Health & Community & Social Services	\$1,501,340,962	\$1,529,848,441	\$1,513,876,452	\$1,601,302,690	5.77%	\$1,586,146,077	4.77%
Infrastructure & Environmental Resources ⁽³⁾	\$107,947,471	\$106,255,171	\$103,558,805	\$104,212,709	0.63%	\$98,185,876	-5.19%
General Government & Services	\$138,654,644	\$141,606,884	\$142,552,714	\$147,546,030	3.50%	\$138,069,749	-3.14%
Capital Improvements ⁽⁴⁾	\$25,196,758	\$100,403,974	\$25,446,688	\$68,705,534	170.00%	\$28,045,072	10.21%
Debt Service ⁽⁵⁾	\$341,613,105	\$583,679,315	\$286,150,943	\$561,950,943	96.38%	\$398,378,412	39.22%
Insurance, Reserves & Miscellaneous ⁽⁶⁾	\$15,175,643	\$13,620,160	\$19,467,085	\$34,677,217	78.13%	\$17,992,066	-7.58%
Increases to Reserves ⁽⁷⁾	\$1,680,178	\$2,483,555	\$0	\$45,425,005	--	\$0	--
Total Requirements	\$3,088,987,377	\$3,466,241,435	\$3,086,924,527	\$3,586,885,354	16.20%	\$3,310,089,763	7.23%
AVAILABLE FUNDS							
Fund Balance Available	\$20,000,000	\$42,495,889	\$0	\$45,425,005	--	\$0	--
Property Taxes ⁽⁸⁾	\$525,312,108	\$603,431,224	\$601,122,362	\$601,122,362	0.00%	\$569,100,585	-5.33%
Sales Tax	\$7,346,000	\$7,346,000	\$7,921,000	\$7,921,000	0.00%	\$8,426,000	6.38%
Licenses, Permits & Franchises ⁽⁹⁾	\$16,623,246	\$16,623,246	\$18,038,501	\$19,277,343	6.87%	\$20,216,426	12.07%
Fines, Forfeitures & Penalties	\$40,147,136	\$40,151,102	\$39,755,872	\$39,755,872	0.00%	\$34,998,448	-11.97%
Use of Money & Property	\$6,860,770	\$6,860,770	\$6,252,889	\$6,252,889	0.00%	\$4,800,217	-23.23%
Intergovernmental Revenues ⁽¹⁰⁾	\$1,398,279,156	\$1,470,923,735	\$1,495,635,243	\$1,585,831,268	6.03%	\$1,583,855,265	5.90%
Charges for Services	\$457,829,692	\$415,610,462	\$415,731,891	\$415,036,900	-0.17%	\$421,209,060	1.32%
Miscellaneous Revenues ⁽¹¹⁾	\$37,151,613	\$38,927,076	\$253,784,153	\$253,550,178	-0.09%	\$31,327,132	-87.66%
Other Financing Sources ⁽¹²⁾	\$579,437,656	\$823,871,931	\$247,548,906	\$550,096,898	122.22%	\$621,671,171	151.13%
Decreases to Reserves ⁽⁷⁾ ⁽¹³⁾	\$0	\$0	\$1,133,710	\$62,615,639	--	\$14,485,459	--
Total Available Funds	\$3,088,987,377	\$3,466,241,435	\$3,086,924,527	\$3,586,885,354	16.20%	\$3,310,089,763	7.23%

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- (1) Final Budgets include all mid-year budget adjustments. Budgeted amounts differ from actual expenditures and revenues in Table A-3 and A-5. The variances between budget and actual are due to lower than budgeted expenditures and corresponding lower than budgeted revenue from reimbursement claims and charges for services, unspent contingencies, and appropriations requirements for the Taxable Pension Obligation Bonds with no corresponding expenditures.
 - (2) Increases in Public Protection primarily a result of AB 109, Statewide Public Safety Realignment offset by Board approved reductions as a result of Vehicle License Fee Adjustment Amount (VLFAA) loss.
 - (3) Decreases to Infrastructure & Environmental Resources since FY 2012-13 primarily due to exclusion of pass-through Proposition 50 and Proposition 84 grants to other non-County governments.
 - (4) Increase in FY 2011-12 for Capital Improvements a result of the appropriation of \$73.5 million in VLFAA to support debt prepayment on information technology projects and deferred maintenance for critical public safety facilities. This action was taken by the Board of Supervisors on February 7, 2012. As a result of the tentative VLFAA ruling, capital and information technology projects deferred in FY 2013-14.
 - (5) The FY 2011-12 budget includes appropriations of the proceeds of Taxable Pension Obligation Bonds, 2011 Series A and Taxable Pension Obligation Bonds 2012 Series A, respectively, and subsequent prepayment to the retirement system. FY 2011-12 and FY 2012-13 budgets include appropriations for debt service to repay the Taxable Pension Obligation Bonds, 2011 Series A in an amount of \$275.9 million and Taxable Pension Obligation Bonds, 2012 Series A of \$229.9 million, respectively. FY 2012-13 budget also includes appropriation for the acquisition of the Taxable Pension Obligation Bonds 2013 Series A in an amount of \$268.5 million. FY 2013-14 budget includes appropriation[s?] for the acquisition of the Taxable Obligation Bonds 2014 Series in an amount of \$325.4 million. Due to a change in accounting policy, FY 2013-14 does not require appropriations for debt service to repay the Taxable Pension Obligation Bonds 2013 Series A. In addition, FY 2011-12 includes a \$38 million reduction in debt service related to the 2005 Lease Revenue Refunding Bonds. In FY 2012-13 the County was successful in refunding the Juvenile Justice Center Facility Lease Revenue Refunding Bonds, Series 2002 for a gross savings of approximately \$8.5 million.
 - (6) Increase in FY 2012-13 includes \$5.0 million to fund the construction of U.S Immigration and Customs Enforcement (ICE) Court Modular project and \$16.7 million in appropriations for the reimbursement of Property Tax Administration Fees as a result of the City of Alhambra vs County of Los Angeles lawsuit.
 - (7) In FY 2011-12, reserve increase of \$2.5 million was related to unanticipated fund balance and revenues. FY 2012-13 net decrease to reserves is a result of reimbursement required by the City of Alhambra vs County of Los Angeles lawsuit and reclassification of reserved realignment funds.
 - (8) FY 2011-12 and FY 2012-13 each include \$73.5 million in additional VLFAA. This additional VLFAA revenue was excluded from the FY 2013-14 Adopted Budget based on the tentative VLFAA ruling. As part of the FY 2013-14 Adopted Budget, the Board of Supervisors approved additional reductions in response to the loss in revenues. This reduction was mitigated by higher anticipated property tax revenues from growth in property assessed valuations as well as additional pass-through revenues from former Redevelopment Agencies.
 - (9) Licenses, Permits and Franchises increased from anticipated increased housing permit activities.
 - (10) This funding is comprised of Federal and State grants & reimbursements, matching funds and State-distributed revenues.
 - (11) Increase in FY 2012-13 due to booking of revenues from departments for debt service of the Taxable Pension Obligation Bonds, 2012 Series A. Prior to FY 2012-13, revenues were recorded in Other Financing Sources. Due to change in accounting policy, FY 2013-14 does not include appropriations or revenues for debt service for the Taxable Pension Obligation Bonds, 2013 Series A.
 - (12) Includes operating transfers and residual equity transfers from other funds within the County including transfers from the Teeter Program and departmental transfers from Non-General Funds for the reimbursement of program expenditures. FY 2011-12 budget includes an additional \$229.9 million to account for the Taxable Pension Obligation Bonds, 2011 Series A and Taxable Pension Obligation Bonds, 2012 Series A. FY 2011-12 also includes a Board approved one-time prepayment of debt for various information technology projects. In FY 2012-13, revenues for the repayment of the Taxable Pension Obligation Bonds, 2012 Series A were booked in the Miscellaneous Revenues category. FY 2013-14 includes revenues for the Taxable Pension Obligation Bonds, 2014 Series A in an amount of \$325.4 million. Additionally, starting in FY 2011-12, there were decreases in Teeter penalties due to lower anticipated delinquencies and lower financing requirements for various information technology projects.
 - (13) Budgeted draw from reserves in FY 2013-14 primarily a result of recognition of deferred 2011 realignment revenues reserved as part of the year end process.

Source: County of Orange, County Budget Office

3. Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in Appendix A to the Official Statement relating to the Bonds, in the following charts and tables or under the following captions:

a. County Financial Information – Tables A-3 through A-5 , and Tables A-7 through A-13

**TABLE A-3
GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
JUNE 30, 2012 AND JUNE 30, 2013
(IN THOUSANDS)**

	Revenues and Other Financing Sources		Expenditures and Other Financing Uses		Net Change in Fund Balances	
	2012	2013	2012	2013	2012	2013
General Fund	\$2,666,040 ⁽¹⁾	\$2,865,893	\$2,621,311	\$2,744,670	\$44,729	\$121,223
Roads	89,098	59,444	124,043	80,652	(34,945)	(21,208)
Flood Control District	175,414	134,978	119,594	160,101	55,820	(25,123)
Other Public Protection	51,856	63,559	46,064	44,059	5,792	19,500
Teeter Plan Notes	17,094	73,641	12,036	15,808	5,058	57,833
Other Governmental	676,891	621,950	856,260	592,923	(179,369)	29,027
TOTAL	\$3,676,393	\$3,819,465	\$3,779,308	\$3,638,213	(\$102,915)	\$181,252

(1) Adjustment to FY 2012 amount compared to the prior report are due to the Health Care Agency's ("HCA") Low Income Health Program ("LIHP") becoming effective November 1, 2010 and funded through a claiming process based on certified public expenditures. Due to a statewide administrative delay, the process for the County to submit the required claims to receive funding (revenue) was not implemented until late in Fiscal Year 2011-12, at which time the final settlement for the previous fiscal year was made in the amount of (\$29,911) was not recorded as an accrued expenditure in Fiscal Year 2011-12.

Source: Orange County Comprehensive Annual Financial Reports dated June 30, 2013.

TABLE A-4
GENERAL FUND AND GENERAL FUNDS COMBINED BALANCE SHEET ⁽¹⁾
JUNE 30, 2012 AND JUNE 30, 2013
(In Thousands)

	2011-12		2012-13	
	Total Governmental Funds	General Fund	Total Governmental Funds	General Fund
<u>ASSETS</u>				
Pooled Cash/Investments	\$1,517,857	\$315,476	\$1,586,772	\$351,100
Imprest Cash Funds	1,946	1,885	1,925	1,864
Restricted Cash and Investments with Trustee	240,333	1,536	210,602	1,574
Investments	6,129	--	123	-
Deposits In-Lieu of Cash	35	--	5	-
Receivables				
Accounts	13,452	10,138	12,635	9,747
Taxes	56,105	11,483	46,260	8,942
Interest/Dividends	2,217	568	1,119	431
Deposits	2,054	480	5,104	491
Advances	30	30	30	30
Loans	2,958	--	--	--
Allowance for Uncollectible Receivables	(411)	(189)	(4,211)	(4,036)
Due from Other Funds	67,840	46,551	95,398	50,495
Due from Component Unit	283	283	366	366
Due from Other Governmental Agencies	446,828	335,658	457,599	335,970
Inventory of Materials and Supplies	1,290	546	1,411	655
Prepaid Costs	244,546	222,414	278,281	260,291
Land and Improvements Held for Resale	145	--	145	-
Advances to Other Funds	2,500	2,500	2,500	2,500
Notes Receivable	32,249	--	34,262	--
Total Assets	\$2,638,386	\$949,359	\$2,730,326	\$1,020,420
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts Payable	65,835	45,544	55,842	36,223
Retainage Payable	6,244	1,290	7,019	1,696
Salaries and Employee Benefits Payable	70,157	65,414	71,671	66,906
Interest Payable	893	893	30	-
Deposits from Others	29,526	1,188	45,068	1,335
Due to Other Funds	63,544	21,618	91,452	43,601
Due to Component Unit	4	--	1	-
Due to Other Governmental Agencies	46,765	22,779	28,859	10,903
Deferred Revenue	213,745	176,424	227,894	123,290
Unearned Revenue	54,654	30,466	41,125	19,642
Bonds Payable	229,880	229,880	268,360	268,360
Advances from Other Funds	2,500	--	6,418	3,918
Notes Payable	118,764	--	--	--
Estimated Litigation and Claims	626	629	--	--
Total Liabilities	\$903,140	\$596,125	\$843,739	\$575,874
Fund Balances				
Nonspendable	248,517	225,460	282,375	263,446
Restricted	1,344,407	26,336	1,392,235	34,679
Assigned	144,348	100,448	133,713	68,157
Unassigned	(2,026)	990	78,264	78,264
Total Fund Balances	\$1,735,246	\$353,234	\$1,886,587	\$444,546
Total Liabilities and Fund Balances	\$2,638,386	\$949,359	\$2,730,326	\$1,020,420

(1) The Notes to the County's Basic Financial Statements are an integral part of this table and can be found in the County's Comprehensive Annual Financial Report for Fiscal Year Ending June 30, 2013 in Attachment A.

Sources: Orange County Comprehensive Annual Financial Reports June 30, 2012 and 2013.

TABLE A-5
COUNTY OF ORANGE
COMPARISON OF STATEMENT OF GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(IN THOUSANDS)
FISCAL YEARS 2008-09 THROUGH 2012-13

	2008-09	2009-10	2010-11	2011-12	2012-13
REVENUES					
Taxes	\$ 534,455	\$ 557,087	\$ 555,229	\$ 610,493	\$668,819
Licenses, Permits & Franchises	10,242	10,899	15,121	16,481	13,190
Fines, Forfeitures & Penalties	39,728	41,067	42,442	41,986	36,562
Use of Money and Property	9,809	5,818	6,404	5,394	3,510
Intergovernmental Revenues	1,344,385	1,320,306	1,346,710	1,419,777	1,551,407
Charges for Services	393,235	370,324	418,768	369,167	389,367
Other Revenues	18,021	18,854	19,075	19,364	18,147
TOTAL REVENUES	\$2,349,875	\$2,324,355	\$2,403,749	\$2,482,662	\$2,681,002
EXPENDITURES					
General Government	\$ 148,298	\$ 156,057	\$ 155,629	\$ 142,577	169,625
Public Protection	1,016,275	951,930	975,366	1,004,669	1,047,148
Public Ways and Facilities	41,557	40,436	41,687	37,654	36,614
Health and Sanitation	575,988	558,491	573,531	578,584	609,572
Public Assistance	735,614	738,227	753,177	735,713	749,128
Capital Outlay	40,615	15,291	10,142	16,713	12,459
Principal Retirement	18,206	18,301	18,619	19,484	20,252
Interest	16,751	14,079	14,220	15,228	9,204
Debt Issuance Costs	--	--	--	--	--
TOTAL EXPENDITURES	\$2,593,304	\$2,492,812	\$2,542,371	\$2,550,622	\$2,654,002
Excess (Deficit) of Revenues Over Expenditures	\$(243,429)	\$(168,457)	\$(138,622)	\$(67,960)	\$27,000
Other Financing Sources (Uses)					
Transfers In ⁽¹⁾	327,171	259,631	231,664	213,289	184,891
Transfers Out ⁽¹⁾	(110,671)	(110,934)	(115,029)	(70,689)	(90,668)
Principal Payment on Demand Bonds	--	--	--	--	--
Capital Lease Proceeds	--	--	133	--	--
Total Other Fin. Sources (Uses)	216,500	148,697	116,768	142,600	\$94,223
Net Change in Fund Balances	\$(26,929)	\$(19,760)	\$(21,854)	\$74,640	\$121,223
Fund Balances – Beginning of Year	314,973	288,044	268,284	278,594	353,234
Adjustments due to Change in Accounting Principle ⁽²⁾			32,164		
Adjustment due to HCA Claim ⁽³⁾					(29,911)
Fund Balances – Beginning of Year as Restated			300,448		323,323
FUND BALANCES – End of Year	\$ 288,044	\$ 268,284	\$ 278,594	\$ 353,234	\$444,546

(1) The Notes to the County's Basic Financial Statements are an integral part of this table and can be found in the County's Comprehensive Annual Financial Report for Fiscal Year Ending June 30, 2013 in Attachment A.

Sources: Orange County Comprehensive Annual Financial Reports.

a) County Financial Information – Tables A-7 through A-13

**TABLE A-7
COUNTY OF ORANGE
DETAIL OF ASSESSED VALUATION ⁽¹⁾**

Fiscal Year	Secured	Unsecured	Total	% Change
1999-00	\$ 195,323,008,643	\$ 13,813,463,645	\$ 209,136,472,288	8.57%
2000-01	213,564,809,154	14,983,491,508	228,548,300,662	9.28
2001-02	233,481,525,233	15,485,055,439	248,966,580,672	8.93
2002-03	252,221,711,352	17,463,152,919	269,684,864,271	8.32
2003-04	270,854,284,436	17,069,543,691	287,923,828,127	6.76
2004-05	294,656,787,665	17,145,607,805	311,802,395,470	8.29
2005-06	325,401,404,927	17,175,454,566	342,576,859,493	9.87
2006-07	361,161,415,703	19,845,975,295	381,007,390,998	11.22
2007-08	393,203,962,346	19,465,816,713	412,669,779,059	8.31
2008-09	408,491,848,742	20,317,375,534	428,809,224,276	3.91
2009-10	402,572,097,312	20,393,498,698	422,965,596,010	-1.36
2010-11	400,814,188,871	19,937,386,517	420,751,575,388	-0.52
2011-12	405,588,977,572	19,180,663,956	424,769,641,528	0.95
2012-13	414,121,659,108	18,780,614,687	432,902,273,795	1.91

(1) Figures in table include incremental value for redevelopment agencies. Property is assessed at taxable full cash value, pursuant to California Revenue and Taxation Code Section 135(a).

Sources: Orange County Office of Auditor-Controller, Assessed Valuation Reports.

**TABLE A-8
COUNTY OF ORANGE
TOP TEN SECURED TAXPAYERS
FISCAL YEAR 2012-13**

<u>Taxpayers</u>	<u>Secured Taxes</u>
1. Irvine Company	\$116,988,170
2. Walt Disney Parks and Resorts US	\$50,121,913
3. So Cal Edison Company	\$29,544,063
4. Pacific Bell Telephone Company (AT&T)	\$8,012,669
5. United Laguna Hills Mutual	\$7,177,170
6. Heritage Fields El Toro	\$6,624,181
7. Oxy USA Inc.	\$6,002,620
8. Southern California Gas Company	\$4,564,643
9. Linn Western Operating Inc.	\$4,440,743
10. <u>OC/SD Holdings LLC</u>	<u>\$4,419,276</u>
Total Tax Charge for Top 10 Secured	\$237,895,448

Source: Orange County Treasurer-Tax Collector

**TABLE A-9
COUNTY OF ORANGE
TOP TEN UNSECURED TAXPAYERS
FISCAL YEAR 2012-13**

<u>Taxpayers</u>	<u>Unsecured Taxes</u>
1. Time Warner Cable	\$3,313,339
2. Cox Communications inc.	\$3,213,922
3. The Boeing Company	\$2,388,014
4. Broadcom Corp.	\$1,774,957
5. Allergan USA Inc.	\$1,663,652
6. Southwest Airlines Company	\$1,240,251
7. Jazz Semiconductor Inc.	\$1,222,524
8. Kimberly-Clark Worldwide Inc.	\$1,220,993
9. New Albertson's Inc.	\$1,188,189
10. <u>Western Digital Technologies Inc.</u>	<u>\$1,088,520</u>
Total Tax Charge for Top 10 Unsecured	\$18,314,361

Source: Orange County Treasurer-Tax Collector

TABLE A-10
COUNTY OF ORANGE
OUTSTANDING LONG-TERM DEBT AND LEASE OBLIGATIONS

Description	Source of Repayment	Outstanding Principal Balance (June 30, 2013) ⁽¹⁾	Final Maturity Date
Orange County Public Facilities Corporation Refunding Certificates of Participation (Civic Center Parking Facilities Project), 1991	General Fund	\$2,821,474	2018
County of Orange Refunding Recovery Bonds, 2005 Series A	General Fund	\$34,270,000	2015
Orange County Public Financing Authority Lease Revenue Refunding Bonds, Series 2005	General Fund	\$105,410,000	2017
County of Orange Taxable Pension Refunding Obligation Bonds, Series 1996 A ⁽²⁾	General Fund	\$16,464,760	2016
County of Orange Taxable Pension Refunding, Obligation Bonds, Series 1997 A ⁽²⁾	General Fund	\$21,462,484	2021
Orange County Public Financing Authority Lease Revenue Bond, Series 2006 (Cogeneration Project)	General Fund	\$18,185,000	2018
South Orange County Public Financing Authority Juvenile Justice Center Facility Lease Revenue Refunding Bonds, Series 2012	General Fund	\$29,860,000	2019
SUBTOTAL- GENERAL FUND OBLIGATIONS		\$228,473,718	
Airport Revenue Refunding Bonds, Series 2003	Airport Revenues	\$23,685,000	2018
Airport Revenue Bonds, Series 2009A	Airport Revenues	\$65,235,000	2039
Airport Revenue Bonds, Series 2009B	Airport Revenues	\$152,825,000	2039
Orange County Public Financing Authority Waste Management System Refunding Revenue Bonds, Series 1997	Solid Waste System Revenues	\$7,020,000	2013
Orange County Development Agency Tax Allocation Refunding Bonds, Series 2001 (Neighborhood Development and Preservation Project)	Redevelopment Property Tax Trust Fund	\$16,625,000	2022
Orange County Development Agency Santa Ana Heights Project Area 2003 Tax Allocation Refunding Bonds	Redevelopment Property Tax Trust Fund	\$24,875,000	2023
TOTAL		\$518,738,718	

(1) Total General Fund debt service for Fiscal Year 2013-14 excluding the defeased Pension Obligation Bonds, Series 1996A and Series 1997A is \$45,070,362.

(2) The outstanding Taxable Refunding Pension Obligation Bonds, Series 1996A and Series 1997A were economically defeased on June 22, 2000, through the deposit with the trustee of \$175.492 million principal amount of AAA-rated debt securities issued by Fannie Mae, together with irrevocable instructions that these securities and other cash amounts and investments held by the trustee, will be used solely to retire the remaining Pension Obligation Bonds as they mature.

Source: County of Orange, CEO Public Finance Unit.

**TABLE A-11
COUNTY OF ORANGE
CAPITAL LEASE PAYMENTS
(IN THOUSANDS)**

Fiscal Year Ending June 30	
2014	\$9,832
2015	8,574
2016	8,762
2017	8,987
2018	9,172
2019-2023	41,599
2024-2028	<u>12,886</u>
Total minimum lease payments	99,812
Less: Amount Representing Interest	<u>(32,459)</u>
Present Value of Net Minimum Lease Payments	<u><u>67,353</u></u>

Source: Orange County Comprehensive Annual Financial Report dated June 30, 2013.

**TABLE A-12
COUNTY OF ORANGE
OPERATING LEASE PAYMENTS
(IN THOUSANDS)**

Fiscal Year Ending June 30	Equipment	Real Property	Total
2014	\$1,691	\$24,130	\$25,821
2015	3	22,585	22,588
2016	1	20,284	20,285
2017	1	14,240	14,241
2018	--	9,691	9,691
2019-2023	--	26,831	26,831
2024-2028	--	5	5
TOTAL	<u>\$1,696</u>	<u>\$117,766</u>	<u>\$119,462</u>

Source: Orange County Comprehensive Annual Financial Report dated June 30, 2013.

**TABLE A-13
COUNTY OF ORANGE
DIRECT AND OVERLAPPING DEBT**

ORANGE COUNTY

2012-13 Assessed Valuation: \$432,902,273,795 (includes unitary utility valuation)

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/30/13</u>
Metropolitan Water District	23.259%	\$ 38,397,120
Coast Community College District	100.	648,598,698
North Orange County Joint Community College District	97.709	208,505,144
Rancho Santiago Community College District	100.	293,246,944
Unified School Districts	100.	1,371,377,449
Anaheim Union High School District	100.	105,183,955
Fullerton Joint Union High School District	91.574	47,905,024
Huntington Beach Union High School District	100.	210,579,998
School Districts	100.	429,195,870
Irvine Ranch Water District Improvement Districts	100.	537,000,000
Moulton-Niguel Water District Improvement Districts	100.	27,775,000
Santa Margarita Water District Improvement Districts	100.	156,670,000
South Coast Water District	100.	2,450,000
Cities	100.	33,515,000
Orange County Community Facilities Districts	100.	404,429,210
Other Community Facilities Districts	100.	1,509,820,616
City and Special District Special Assessment Bonds	100.	846,434,387
County 1915 Act Bonds	100.	88,708,296
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$6,959,792,711
 <u>OTHER DIRECT AND OVERLAPPING DEBT:</u>		
Orange County General Fund Obligations	100. %	\$ 190,546,000 (1)
Orange County Pension Obligations	100.	306,287,244
Orange County Office of Education Certificates of Participation	100.	15,770,000
Municipal Water District of Orange County Water Facilities Corporation	100.	10,035,000
Unified School District Certificates of Participation	100.	412,536,844
High School District Certificates of Participation	91.574-100.	117,328,979
School District Certificates of Participation	100.	68,109,320
City of Anaheim General Fund Obligations	100.	539,077,465
Other City General Fund Obligations	100.	470,222,026
Moulton-Niguel Water District Certificates of Participation	100.	83,535,000
Other Special District General Fund Obligations	100.	355,000
TOTAL GROSS OTHER DIRECT AND OVERLAPPING DEBT		\$2,213,802,878
Less: MWDOC Water Facilities Corporation (100% supported)		10,035,000
City of Anaheim supported obligations		529,057,465
Other city authority supported bonds		21,861,034
TOTAL NET OTHER DIRECT AND OVERLAPPING DEBT		\$1,652,849,379
 <u>OVERLAPPING TAX INCREMENT DEBT:</u>		
Anaheim Redevelopment Agency	100. %	\$ 207,780,000
Brea Redevelopment Agency	100.	191,157,189
Westminster Redevelopment Agency	100.	133,355,000
Fullerton Redevelopment Agency	100.	89,775,000
Buena Park Redevelopment Agency	100.	88,795,000
Other Redevelopment Agencies	100.	558,590,513
TOTAL OVERLAPPING TAX INCREMENT DEBT		\$1,269,452,702
 GROSS COMBINED TOTAL DEBT		\$10,443,048,291
	(2)	
NET COMBINED TOTAL DEBT		\$9,882,094,792

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Table A-13 Continued

Ratios to 2012-13 Assessed Valuation:

Total Direct and Overlapping Tax and Assessment Debt	1.61%
Combined Direct Debt (\$496,833,244).....	0.11%
Gross Combined Total Debt.....	2.41%
Net Combined Total Debt.....	2.28%

Ratios to Redevelopment Incremental Valuation (\$43,639,326,700):

Total Overlapping Tax Increment Debt.....	2.91%
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Source: California Municipal Statistics, Inc.

b. County Investment Policy

The County Treasurer is granted the authority to deposit and invest County and County agency funds under the County Treasurer's control pursuant to California Government Code Section 27000 et seq. and Section 53600 et seq. and certain actions of the County Board of Supervisors. Additionally, school districts located in the County are required to deposit their moneys with the County Treasurer pursuant to the California Education Code. The deposits of funds from other districts and local agencies may be invested with the County Treasurer pursuant to a procedure established by California Government Code Section 53684 and other statutory provisions.

The County Treasurer has established the County Money Market Fund, the Educational Money Market Fund and the John Wayne Airport Investment Pool, all three of which are invested like money market funds in cash-equivalent securities and provide liquidity for immediate cash needs. The County Treasurer has also established the Extended Fund (the "Extended Fund"), which is for cash requirements between one and five years, and serves the needs of both the County and school districts. The County Investment Pool (the "County Pool") describes the County Money Market Fund and its portion of the Extended Fund. The Orange County Educational Investment Pool describes the Educational Money Market Fund and its portion of the Extended Fund. Copies of the Investment Policy are located at bos.ocgov.com/ocinvestments.

On January 8, 2013 the Board adopted the County's annual Investment Policy Statement (the "Investment Policy"), containing strict guidelines for permitted investments which apply to funds currently invested in the County Pool, the Educational Pool, the John Wayne Airport Investment Pool, and other specific investments. Certain other funds are invested separately and are not subject to the Investment Policy. The investment practices and policies of the Treasurer are based on compliance with State law and prudent money management. The primary goal is to invest public funds in a manner which will provide the maximum security of principal invested with secondary emphasis on providing adequate liquidity to pool participants and lastly 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 maximum maturity of investment in the money market funds is 13 months, with a maximum weighted average maturity of 60 days. The maximum maturity of the Extended Fund is five years, with duration not to exceed the Merrill Lynch 1-3 Year index +25% (2.34). The investments in the pools are marked to market daily to determine the value of the pools. To further maintain safety, adherence to an investment strategy of diversification in regard to instruments and maturities, as well as maintenance of internal controls for proper accounting and reporting, compliance, document safekeeping, collateralization and qualified financial broker-dealers is required.

See County Investment Policy Statement included as Attachment B.

ATTACHMENT A

COUNTY OF ORANGE COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2013