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FINANCIAL/OPERATING FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure

Annual Financial Information and Operating Data: SOCPFA Lease Revenue Bonds Series 2012 (Juvenile Justice Center), for the year ended 06/30/2013

DOCUMENTS

Financial Operating Filing

OCPPFA 2012 Bonds (Juvenile Justice) 2013 - FINAL.pdf posted 01/30/2014

THE FOLLOWING ISSUERS ARE ASSOCIATED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-6	State	Issuer Name
839097	CA	SOUTH ORANGE CNTY CALIF PUB FING AUTH LEASE REV

THE FOLLOWING 7 SECURITIES HAVE BEEN PUBLISHED WITH THIS CONTINUING DISCLOSURE SUBMISSION:

CUSIP-9	Maturity Date
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**SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY
JUVENILE JUSTICE CENTER FACILITY
LEASE REVENUE REFUNDING BONDS
SERIES 2012
ANNUAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2013**

Dated January 30, 2014

Prepared at the direction of and on behalf of:

County of Orange
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**South Orange County Public Financing Authority
Juvenile Justice Center Facility
Lease Revenue Refunding bonds
Series 2012
Annual Report
For Fiscal Year Ended June 30, 2013**

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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:

South Orange County Public Financing Authority, Juvenile Justice Center Lease Revenue Refunding Bonds, Series 2012 ("2012 Lease Revenue Refunding Bonds").

Annual Report:

The County's Annual Report, as defined by the Continuing Disclosure Certificate (the "Disclosure Certificate"), with respect to the 2012 Lease Revenue Refunding Bonds for the Fiscal Year ended June 30, 2013 is attached hereto.

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 2012 Lease Revenue Refunding 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 2012 Lease Revenue Refunding Bonds, or an investor's decision to buy, sell, or hold the 2012 Lease Revenue Refunding 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: January 30, 2013

COUNTY OF ORANGE, CALIFORNIA

FINANCIAL AND OPERATING DATA

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 Fiscal Year 2012-13 – Table A-6:

**TABLE A-6
COMPARISON OF GENERAL FUND
FINAL OR MODIFIED BUDGETS FOR FISCAL YEARS 2010-11 TO 2013-14**

	2010-11 ⁽¹⁾ Final Budget	2011-12 ⁽¹⁾ Final Budget	2012-13 ⁽¹⁾ Final Budget	2013-14 Modified Budget
REQUIREMENTS				
Public Protection ⁽²⁾	\$961,358,176	\$988,343,935	\$1,023,065,226	\$1,043,272,511
Health & Community & Social Services ⁽³⁾	\$1,487,734,883	\$1,529,848,441	\$1,601,302,690	\$1,586,146,077
Infrastructure & Environmental Resources ⁽⁴⁾	\$111,743,754	\$106,255,171	\$104,212,709	\$98,185,876
General Government & Services	\$158,001,671	\$141,606,884	\$147,546,030	\$138,069,749
Capital Improvements ⁽⁵⁾	\$26,822,089	\$100,403,974	\$68,705,534	\$28,045,072
Debt Service ⁽⁶⁾	\$379,302,637	\$583,679,315	\$561,950,943	\$398,378,412
Insurance, Reserves & Miscellaneous ⁽⁷⁾	\$14,621,657	\$13,620,160	\$34,677,217	\$17,992,066
Increases to Reserves ⁽⁸⁾	\$17,238,565	\$2,483,555	\$45,425,005	\$0
Total Requirements	\$3,156,823,432	\$3,466,241,435	\$3,586,885,354	\$3,310,089,763
AVAILABLE FUNDS				
Fund Balance Available	\$41,570,287	\$42,495,889	\$45,425,005	\$0
Property Taxes ⁽⁹⁾	\$506,936,012	\$603,431,224	\$601,122,362	\$569,100,585
Sales Tax ⁽¹⁰⁾	\$45,026,004	\$7,346,000	\$7,921,000	\$8,426,000
Licenses, Permits & Franchises ⁽¹¹⁾	\$15,155,993	\$16,623,246	\$19,277,343	\$20,216,426
Fines, Forfeitures & Penalties ⁽¹²⁾	\$44,068,061	\$40,151,102	\$39,755,872	\$34,998,448
Use of Money & Property ⁽¹³⁾	\$8,580,037	\$6,860,770	\$6,252,889	\$4,800,217
Intergovernmental Revenues ⁽¹⁴⁾	\$1,387,362,477	\$1,470,923,735	\$1,585,831,268	\$1,583,855,265
Charges for Services ⁽¹⁵⁾	\$460,061,439	\$415,610,462	\$415,036,900	\$421,209,060
Miscellaneous Revenues ⁽¹⁶⁾	\$32,645,717	\$38,927,076	\$253,550,178	\$31,327,132
Other Financing Sources ⁽¹⁷⁾	\$615,417,405	\$823,871,931	\$550,096,898	\$621,671,171
Decreases to Reserves ^{(8) (18)}	\$0	\$0	\$62,615,639	\$14,485,459
Total Available Funds	\$3,156,823,432	\$3,466,241,435	\$3,586,885,354	\$3,310,089,763

- (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) Net increase since FY 2010-11 primarily due to increased caseloads and demand for social and health care services as a result of the economic recession and anticipation of the Affordable Care Act.
- (4) Decreases to Infrastructure & Environmental Resources since FY 2010-11 primarily due to multiple Board approved cuts as a result of the VLFAA loss. Additional decreases since FY 2012-13 due to exclusion of pass-through Proposition 50 and Proposition 84 grants to other non-County governments.
- (5) 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.
- (6) The FY 2010-11 and FY 2011-12 budgets include 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 include 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 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.
- (7) 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.
- (8) In FY 2010-11 and FY 2011-12, reserve increases of \$17.2 million and \$2.5 million were related to unanticipated fund balance and revenues. FY 2012-13 net decrease to reserves a result of reimbursement required by the City of Alhambra vs County of Los Angeles lawsuit and reclassification of reserved realignment funds.
- (9) Includes \$35 million in additional property tax allocation from the State in FY 2010-11 and \$50 million annually thereafter pursuant to SB8 (2009) (b) (2). 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.
- (10) After FY 2010-11, Sales Taxes are lower due to the reduction of \$38 million in the transportation sales tax revenue received as support for the 2005 Lease Revenue Refunding Bonds.
- (11) Licenses, Permits and Franchises increased from anticipated increased housing permit activities.
- (12) Fines, Forfeitures & Penalties revenue decreased from FY 2010-11 due to the decrease in statutory fee collections from the Superior Courts as well as ongoing property tax penalties and revenues received from delinquent taxes.
- (13) Use of Money & Property continues to decrease due to lower interest rates and investment yields.
- (14) This funding is comprised of Federal and State grants & reimbursements, matching funds and State-distributed revenues. Overall increase since FY 2010-11 is a result of increase in caseloads due to the economic recession along with additional revenues from the State for the 2011 Realignment of various public safety, social services and health programs.
- (15) Charges for Services decreased in FY 2011-12 due to State's realignment of Court Security function.
- (16) 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.
- (17) 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 2010-11 and FY 2011-12 budgets include an additional \$275.9 and \$229.9 million respectively 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.
- (18) 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 of the type contained in Appendix A to the Official Statement, as follows:

- a) County Financial Information – Tables A-3 through A-5 and Tables A-7 through A-19:

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

- (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 Report 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	General	Total	General
	Governmental Funds	Fund	Governmental Funds	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

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
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	<u>\$2,349,875</u>	<u>\$2,324,355</u>	<u>\$2,403,749</u>	<u>\$2,482,662</u>	<u>\$2,681,002</u>
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	<u>\$2,593,304</u>	<u>\$2,492,812</u>	<u>\$2,542,371</u>	<u>\$2,550,622</u>	<u>\$2,654,002</u>
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)	<u>216,500</u>	<u>148,697</u>	<u>116,768</u>	<u>142,600</u>	<u>\$94,223</u>
Net Change in Fund Balances	<u>\$ (26,929)</u>	<u>\$ (19,760)</u>	<u>\$ (21,854)</u>	<u>\$ 74,640</u>	<u>\$ 121,223</u>
Fund Balances – Beginning of Year	<u>314,973</u>	<u>288,044</u>	<u>268,284</u>	<u>278,594</u>	<u>353,234</u>
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	<u>314,973</u>	<u>288,044</u>	<u>300,448</u>	<u>278,594</u>	<u>323,323</u>
FUND BALANCES – End of Year	<u>\$ 288,044</u>	<u>\$ 268,284</u>	<u>\$ 278,594</u>	<u>\$ 353,234</u>	<u>\$444,546</u>

- (1) Interfund transfers reflect the flow of assets between funds and component units of the County. See Note 9 in the Notes to the County's Basic Financial Statements Fiscal Year Ended June 30, 2012 in Attachment A.
- (2) Adjustment to fund balances due to the implementation of Governmental Accounting Standards Board Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in Fiscal Year 2010-11.
- (3) 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.

Sources: Orange County Comprehensive Annual Financial Reports.

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

<u>Fiscal Year</u>	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
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
LARGET 2012-13 LOCAL SECURED TAXPAYERS
FISCAL YEAR 2012-13

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2012-13 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	The Irvine Company	Commercial/Land Holdings	\$8,431,714,461	2.06%
2.	Walt Disney World Co.	Theme Park	4,354,527,691	1.06%
3.	Irvine Apartment Communities	Apartments	873,244,509	0.21%
4.	Oxy USA Inc.	Oil & Gas	731,091,935	0.18%
5.	United Laguna Hills Mutual	Retirement Community	705,879,841	0.17%
6.	LBA Realty Funds	Commercial	659,393,284	0.16%
7.	Heritage Fields El Toro LLC	Mixed-Use Development	597,219,012	0.15%
8.	Rreef America REIT Corp	Commercial	558,289,231	0.14%
9.	BRE Properties	Apartments	500,465,739	0.12%
10.	Linn Western Operating, Inc.	Oil & Gas	424,473,234	0.10%
11.	Realty Associate Funds	Commercial	403,291,319	0.10%
12.	Maguire Properties LP	Commercial	381,756,820	0.09%
13.	Retail Property Trust	Commercial	335,421,414	0.08%
14.	B Braun Medical Inc.	Industrial	334,855,985	0.08%
15.	Arden Realty LP	Commercial	330,115,060	0.08%
16.	OC/SD Holdings LLC	Apartments	315,447,704	0.08%
17.	Knotts Berry Farm	Theme Park	301,718,333	0.07%
18.	Lennar Homes of California Inc.	Residential	266,024,678	0.07%
19.	Allergan Pharmaceuticals	Industrial	246,247,764	0.06%
20.	Mainplace Shoppingtown LLC	Commercial	222,707,045	0.05%
		TOTAL	\$20,973,885,059	5.11%

Source: California Municipal Statistics, Inc.

**TABLE A-9
COUNTY OF ORANGE
TOP TEN UNSECURED TAXPAYERS
FISCAL YEAR 2012-13 ⁽¹⁾**

	<u>Taxpayers</u>	<u>Unsecured Tax Charge</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	\$1,240,254
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	\$18,314,364

(1) Adjustments to FY 2012-13 compared to the prior report are due to multiple entities being rolled up to a parent company.

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)

<u>Fiscal Year Ending June 30</u>	
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)

<u>Fiscal Year Ending June 30</u>	<u>Equipment</u>	<u>Real Property</u>	<u>Total</u>
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.	<u>88,708,296</u>	
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.	<u>355,000</u>	
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		<u>21,861,034</u>	
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.	<u>558,590,513</u>	
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.

TABLE A-14
ORANGE COUNTY EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT RETURNS

Year Ended December 31	Actuarial Value Investment Return	Market Value Investment Return
2004	8.35%	11.26%
2005	8.72%	8.11%
2006	9.71%	13.17%
2007	10.49%	11.18%
2008	4.23%	(20.76%)
2009	3.6%	17.32%
2010	5.02%	10.47%
2011	3.28%	0.04%
2012	3.49%	11.92%
9-Year Average Annualized Return	6.28%	6.35%

Source: County of Orange Retirement System Actuarial Valuation and Review, December 31, 2012.

TABLE A-15
ORANGE COUNTY EMPLOYEES' RETIREMENT SYSTEM
CONTRIBUTIONS
(IN THOUSANDS OF DOLLARS)

	Years Ended December 31 ⁽¹⁾			
	2009	2010	2011	2012
Contributions Received ⁽²⁾	\$510,315	\$550,366	\$571,405	\$598,020
Net Investment Income (Loss)	1,058,705	888,542	50,456	1,004,770
Net Securities Lending Income and Other Income ⁽³⁾	6,150	--	--	--
Participant's Benefits ⁽⁴⁾	(412,620)	(448,937)	(484,875)	(531,057)
Withdrawals and Refunds	(9,052)	(10,446)	(8,874)	(10,097)
Administrative Expenses	(10,893)	(12,368)	(12,828)	(14,209)
Increases (Decreases) in Plan Net Assets	\$1,142,605	\$967,157	\$115,284	1,047,427

- (1) Includes pension fund portion only and excludes Retiree Medical Trust amounts held at OCERS (See "Post Employment Health Care Benefits" section herein for information regarding the Retiree Medical Trust held at OCERS).
(2) Discount on prepaid contributions is reflected in Contributions Received. This includes the discounts attributable to the early employer payments of certain pension obligations in calendar years 2010 and 2011.
(3) Beginning December 31, 2010, the OCERS Comprehensive Annual Financial Reports include these items in Net Investment Income.
(4) Participant benefits include death benefits.

Source: OCERS Comprehensive Annual Financial Reports.

TABLE A-16
ORANGE COUNTY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS ⁽¹⁾
(IN THOUSANDS OF DOLLARS)

Actuarial Valuation December 31	Actuarial Value of Assets	Market Value of Assets	Actuarial Accrued Liability (AAL)	Total Unfunded Actuarial Accrued Liability (UAAL) ⁽²⁾	Actuarial Funded Ratio ⁽³⁾	Market Funded Ratio ⁽⁴⁾	Covered Payroll ⁽⁵⁾	UAAL as a Percentage of Covered Payroll ⁽⁶⁾
2003	4,790,099	4,960,000	6,099,433	1,309,334	78.53%	81.32%	1,243,964	105.25%
2004	5,245,821	5,557,000	7,403,972	2,158,151	70.85%	75.05%	1,257,085	171.68%
2005	5,786,617	6,078,000	8,089,627	2,303,010	71.53%	75.13%	1,276,764	180.38%
2006	6,466,085	6,987,000	8,765,045	2,298,960	73.77%	79.71%	1,322,952	173.78%
2007	7,288,900	7,894,000	9,838,686	2,549,786	74.08%	80.23%	1,457,159	174.98%
2008	7,748,380	6,457,000	10,860,715	3,112,335	71.34%	59.45%	1,569,764	198.27%
2009	8,154,687	7,615,000	11,858,578	3,703,891	68.77%	64.22%	1,618,491	228.85%
2010	8,672,592	8,564,000	12,425,873	3,753,281	69.79%	68.92%	1,579,239	237.66%
2011	9,064,355	8,693,000	13,522,978	4,458,623	67.03%	64.28%	1,619,474	275.31%
2012	9,469,208	9,566,874	15,144,888	5,675,680	62.52%	63.17%	1,609,600	352.55%

(1) The 12/31/03, 12/31/04, 12/31/05, 12/31/06, 12/31/07, 12/31/08, 12/31/09, 12/31/10, 12/31/11, and 12/31/12 Actuarial Value of Assets exclude \$143,744, \$155,245, \$158,219, \$168,224, \$174,348, \$126,688, \$108,324, \$108,532, \$97,767, and \$103,261 of the Investment Account.

(2) Actuarial Accrued Liability minus Actuarial Value of Assets.

(3) Actuarial Value of Assets divided by Actuarial Accrued Liability.

(4) Market Value of Assets divided by Actuarial Accrued Liability.

(5) Annual payroll against which UAAL is amortized.

(6) UAAL divided by Covered Payroll.

Source: OCERS Comprehensive Annual Financial Reports.

TABLE A-17
ORANGE COUNTY EMPLOYEES' RETIREMENT SYSTEM
COUNTY CONTRIBUTIONS
(IN THOUSANDS OF DOLLARS)

Year Ended June 30	County Cash Contribution	Investment Account Contribution	Total Annual Required Contribution	Percentage Contributed
2006	201,251	11,596	212,847	100
2007	223,505	11,000	234,505	100
2008	253,620	11,000	264,620	100
2009	256,531	36,500	293,031	100
2010	279,574	11,000	290,574	100
2011	296,084	11,000	307,084	100
2012	310,736	11,000	321,736	100
2013	356,794	0	356,794	100

Sources: Orange County Comprehensive Annual Financial Reports for years 2006 through 2012. County payroll records for 2013.

TABLE A-18
ORANGE COUNTY RETIREE MEDICAL PLAN
SCHEDULE OF FUNDING PROGRESS
(IN THOUSANDS OF DOLLARS)

Actuarial Valuation as of June 30 ⁽¹⁾	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a=c)	Funded Ratio (a/b)	Annual Covered Payroll (d)	UAAL as a Percentage of Covered Payroll (c/d)
2009	94,110	456,005	361,895	20.64%	1,267,427	28.6%
2011	116,804	528,639	411,835	22.10%	1,227,601	33.5%

(1) Valuation reports are received every other year.

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

TABLE A-19
ORANGE COUNTY RETIREE MEDICAL PLAN
CALCULATION OF OPEB ASSET
(IN THOUSANDS OF DOLLARS)

	2009-10	2010-11	2011-12	2012-13
Annual Required Contribution	35,148	36,378	41,169	42,713
Interest on Net OPEB Obligation	(3,561)	(3,378)	(3,017)	(2,608)
Amortization of Net OPEB Obligation	2,941	2,848	2,688	2,392
Annual OPEB Cost	34,528	35,848	40,840	42,497
Contributions Made	(32,163)	(33,877)	(35,197)	(48,336)
Adjustment to Contribution Made ⁽¹⁾	11,377			
Increase/(Decrease) in Net OPEB Obligation	13,742	1,971	5,643	(5,839)
Net OPEB Obligation/(Asset), Beginning of Year	(57,322)	(43,580)	(41,609)	(35,966)
Net OPEB Obligation/(Asset), End of Year	(43,580)	(41,609)	(35,966)	(41,805)

(1) Adjustment due to the 2009 correction of the calculation of contributions made in the 2007 valuation.

Source: Orange County Comprehensive Annual Financial Reports.

(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 attached County Investment Policy Statement.

ATTACHMENT A

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