

County of Orange Community Facilities Districts



CEO Public Finance

Local Agency Special Tax and Accountability Act
Report for Community Facilities Districts 2001-1,
2002-1, 2003-1, and 2004-1 (Ladera Ranch)

Financial Information for
2001-2014

Background:

California Senate Bill 165 enacted the Local Agency Special Tax and Accountability Act (the "Act"). This Act requires that any local bond measure subject to voter approval 1) contain a statement indicating the specific purposes of the bonds, 2) require that the proceeds of the bonds be applied to those purposes, 3) require that the creation of an account into which the proceeds shall be deposited, and 4) require an annual report containing specified information concerning the use of the proceeds. The Act applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code.

Requirements 1 – 3, stated above, are fulfilled at the formation and bond finance of the Community Facilities District and requirement 4 is satisfied through filing this annual report.

The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.

The requirements of the Act apply to the funds of Community Facilities Districts 2001-1, 2002-1, 2003-1, and 2004-1 of the County of Orange.

Community Facilities District 2001-1

Community Facilities District 2001-1 was formed on July 17, 2001. The County of Orange issued \$32,985,000 Community Facilities District No. 2001-1 of the County of Orange (Ladera Ranch) Series A of 2002 Special Tax Bonds, less \$70,204.80 Original Issue Discount, on May 23, 2002. The underwriter discount, paid at transaction completion, was \$461,790. The following Accounts were established and funded with bond proceeds:

Accounts	Initial Deposit
Capital Project Fund	28,655,994.10
Cost of Issuance	335,000.00
Reserve Account	2,953,800.00
Capitalized Interest	433,211.10
Administrative Expense Account	75,000.00

On May 23, 2002, bond proceeds of \$28,655,994.10 were deposited in the Capital Projects Fund. The following table summarizes the Capital Projects Fund balances:

Balance	Expended Amount	Project Status
	6/30/2002	
23,262,962.56	5,393,031.54	Ongoing
	6/30/2003	
11,362,267.95	17,293,726.15	Ongoing

Balance	Expended Amount	Project Status
6/30/2004		
11,470,949.75	17,185,044.35	Ongoing
6/30/2005		
8,607,399.21	20,048,594.89	Ongoing
6/30/2006		
8,639,757.71	20,016,236.39	Ongoing
6/30/2007		
1,772,640.43	26,883,353.67	Ongoing
6/30/2008		
232,825.31	28,423,168.79	Ongoing
6/30/2009		
223,867.19	28,432,126.91	Ongoing
6/30/2010		
220,509.43	28,435,484.67	Ongoing
6/30/2011		
520,357.13	28,135,636.97	Ongoing
6/30/2012		
221,189.30	28,434,804.80	Ongoing
6/30/2013		
221,352.69	28,434,641.41	Ongoing
6/30/2014		
0.00	28,655,994.10	Complete

On May 23, 2002, bond proceeds of \$335,000.00 were deposited in the Cost of Issuance Fund. The following table summarizes the Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2002		
49,662.50	285,337.50	Ongoing
6/30/2003		
0.00	335,000.00	Complete

On November 30, 2005, the bonds were refunded under the Marks Roos Act by the South Orange County Public Financing Authority (SOCPFA) (pooled with CFDs 1999-1 and 2000-1). SOCPFA issued \$84,015,000 Special Tax Revenue Bonds 2005 Series A (Ladera Ranch).

A new Cost of Issuance Account was established with \$166,745.62 bond proceeds from the refunded bonds. The following table summarizes the refunded bonds Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2006		
22,384.66	144,360.96	Ongoing

Balance	Expended Amount	Project Status
6/30/2007		
0.00	166,745.62	Complete

On May 23, 2002, bond proceeds of \$2,953,800.00 were deposited in the Reserve Fund. The following table summarizes the Reserve Fund balances:

Balance	Expended Amount	Project Status
6/30/2002		
2,953,800.00	0.00	Ongoing
6/30/2003		
2,953,800.00	0.00	Ongoing
6/30/2004		
2,953,800.00	0.00	Ongoing
6/30/2005		
2,953,800.00	0.00	Refunded

As noted above, the bonds were refunded by SOCPFA Bond Series A of 2005 on November 30, 2005. With the refunding, the reserve is held by the Trustee in the form of an AMBAC insurance bond.

On May 23, 2002, bond proceeds of \$433,211.10 were deposited in the Capitalized Interest Fund. The following table summarizes the Capitalized Interest Fund balances:

Balance	Expended Amount	Project Status
6/30/2002		
433,211.10	0.00	Ongoing
6/30/2003		
0.00	433,211.10	Complete

On May 23, 2002, bond proceeds of \$75,000.00 were deposited in the Administrative Expense Fund. The following table summarizes the Administrative Expense Fund balances:

Balance	Expended Amount	Project Status
6/30/2002		
74,893.29	106.71	Ongoing
6/30/2003		
33,706.59	41,293.41	Ongoing
6/30/2004		
0.00	75,000.00	Complete

The Special Tax Fund is funded by a special tax levy placed on taxable parcels within the District. The Special Tax Fund records tax revenue, interest earnings, and bond payments. The following table summarizes taxes collected and amounts expended:

Information as of:	Special Tax Collected	Debt Service Expense	Administrative Expense
6/30/2003	2,026,957.44	967,886.25	0.00
6/30/2004	2,037,718.16	1,935,772.50	4,598.80
6/30/2005	2,090,801.66	1,970,195.00	39,481.52
6/30/2006	2,156,841.70	1,524,499.57	88,060.02
6/30/2007	1,896,584.37	2,438,456.26	33,626.45
6/30/2008	1,888,714.32	1,806,131.26	35,628.49
6/30/2009	1,950,982.35	1,840,893.76	38,515.10
6/30/2010	2,000,933.82	1,878,993.75	34,592.77
6/30/2011	2,026,343.81	1,914,306.25	42,670.27
6/30/2012	1,891,788.34	1,950,431.21	39,810.52
6/30/2013	2,106,927.03	1,992,815.77	47,315.29
6/30/2014	2,358,867.22	2,025,898.64	36,059.77

Community Facilities District 2002-1

Community Facilities District 2002-1 was formed on November 5, 2002. The County of Orange issued \$68,280,000 Community Facilities District No. 2002-1 of the County of Orange (Ladera Ranch) Series A of 2003 Special Tax Bonds, less \$82,714.05 Original Issue Discount, on May 28, 2003. The underwriter discount, paid at transaction completion, was \$813,214.80. The following Accounts were established and funded with bond proceeds:

Accounts	Initial Deposit
Capital Project Fund	59,860,852.96
Cost of Issuance	390,000.00
Reserve Account	6,278,498.54
Capitalized Interest	779,719.65
Administrative Expense Account	75,000.00

On May 28, 2003, bond proceeds of \$59,860,852.96 were deposited in the Capital Projects Fund. The following table summarizes the Capital Projects Fund balances:

Balance	Expended Amount	Project Status
6/30/2003		
56,679,891.91	3,180,961.05	Ongoing
6/30/2004		
43,306,032.15	16,554,820.81	Ongoing

Balance	Expended Amount	Project Status
6/30/2005		
30,396,784.15	29,464,068.81	Ongoing
6/30/2006		
18,070,074.77	41,790,778.19	Ongoing
6/30/2007		
16,340,057.24	43,520,795.72	Ongoing
6/30/2008		
11,271,453.20	48,589,399.76	Ongoing
6/30/2009		
11,281,107.18	48,579,745.78	Ongoing
6/30/2010		
8,083,638.94	51,777,214.02	Ongoing
6/30/2011		
7,575,542.56	52,285,310.40	Ongoing
6/30/2012		
5,847,855.42	54,012,997.54	Ongoing
6/30/2013		
4,850,435.91	55,010,417.05	Ongoing
6/30/2014		
960,990.06	58,899,862.90	Ongoing

On May 28, 2003, bond proceeds of \$390,000.00 were deposited in the Cost of Issuance Fund. The following table summarizes the Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2003		
141,266.57	248,733.43	Ongoing
6/30/2004		
4,729.42	385,270.58	Ongoing
6/30/2005		
4,729.42	385,270.58	Ongoing
6/30/2006		
0.00	390,000.00	Complete

On January 29, 2014, the bonds were refunded under the Marks Roos Act by the SOCPFA (pooled with CFD 2003-1). SOCPFA issued \$64,545,000 Senior Series A of 2014 Special Tax Revenue Refunding Bonds and \$40,000,000 Subordinate Series B of 2014 Special Tax Revenue Refunding Bonds.

A new Cost of Issuance Account was established with \$203,627.77 bond proceeds from the refunded bonds. The following table summarizes the refunded bonds Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2014		
0.00	203,627.77	Complete

On May 28, 2003, bond proceeds of \$6,278,498.54 were deposited in the Reserve Fund. The following table summarizes the Reserve Fund balances:

Balance	Expended Amount	Project Status
6/30/2003		
6,278,498.54	0.00	Ongoing
6/30/2004		
6,278,498.54	0.00	Ongoing
6/30/2005		
6,278,498.54	0.00	Ongoing
6/30/2006		
6,278,498.54	0.00	Ongoing
6/30/2007		
6,278,498.54	0.00	Ongoing
6/30/2008		
6,278,498.54	0.00	Ongoing
6/30/2009		
6,278,498.54	0.00	Ongoing
6/30/2010		
6,278,498.54	0.00	Ongoing
6/30/2011		
6,278,498.54	0.00	Ongoing
6/30/2012		
6,278,498.54	0.00	Ongoing
6/30/2013		
6,278,498.54	0.00	Refunded

As noted above, the Series A of 2003 Special Tax Refunding Bonds of CFD No. 2002-1 were refunded by SOCPFA Bond Series A and B of 2014 on January 29, 2014. A new Reserve Fund was established with the Trustee with \$3,655,370.32 bond proceeds. The following table summarizes the Reserve Fund balances:

Balance as of:	Reserve Account
6/30/2014	3,655,567.70

On May 28, 2003, bond proceeds of \$779,719.65 were deposited in the Capitalized Interest Fund. The following table summarizes the Capitalized Interest Fund balances:

Balance	Expended Amount	Project Status
6/30/2003		
779,719.65	0.00	Ongoing
6/30/2004		
0.00	779,719.65	Complete

On May 28, 2003, bond proceeds of \$75,000.00 were deposited in the Administrative Expense Fund. The following table summarizes the Administrative Expense Fund balances:

Balance	Expended Amount	Project Status
6/30/2003		
74,902.28	97.72	Ongoing
6/30/2004		
35,054.43	39,945.57	Ongoing
6/30/2005		
0.00	75,000.00	Complete

The Special Tax Fund is funded by the special tax revenue from a levy placed on taxable parcels within the District. The Special Tax Fund records tax revenue, interest earnings, and bond payments. The following table summarizes taxes collected and amounts expended:

Information as of:	Special Tax Collected	Debt Service Expense	Administrative Expense
6/30/2004	3,810,156.70	1,822,721.25	0.00
6/30/2005	3,931,699.49	3,719,692.51	10,212.57
6/30/2006	4,065,197.41	3,792,292.52	39,092.79
6/30/2007	4,181,045.56	3,867,767.52	41,685.95
6/30/2008	4,055,292.13	3,945,167.52	41,726.88
6/30/2009	3,979,333.81	4,019,042.52	42,746.44
6/30/2010	4,263,577.67	4,098,732.52	47,649.62
6/30/2011	4,319,428.20	4,178,071.27	57,897.41
6/30/2012	4,226,773.09	4,261,515.02	44,975.24
6/30/2013	4,576,536.07	4,343,670.01	40,509.76
6/30/2014	4,610,036.95	5,356,509.40	46,653.18

Community Facilities District 2003-1

Community Facilities District 2003-1 was formed on October 21, 2003. The County of Orange issued \$57,185,000 Community Facilities District No. 2003-1 of the County of Orange (Ladera Ranch) Series A of 2004 Special Tax Bonds, less \$140,239.50 Original Issue Discount, on April 21, 2004. The underwriter

discount, paid at transaction completion, was \$714,812.50. The following Accounts were established and funded with bond proceeds:

Accounts	Initial Deposit
Capital Project Fund	49,604,377.73
Cost of Issuance	370,000.00
Reserve Account	5,299,038.19
Capitalized Interest	981,532.08
Administrative Expense Account	75,000.00

On April 21, 2004, bond proceeds of \$49,604,377.73 were deposited in the Capital Projects Fund. The following table summarizes the Capital Projects Fund balances:

Balance	Expended Amount	Project Status
6/30/2004		
43,275,343.68	6,329,034.05	Ongoing
6/30/2005		
44,084,322.09	5,520,055.64	Ongoing
6/30/2006		
37,101,745.71	12,502,632.02	Ongoing
6/30/2007		
37,599,732.48	12,004,645.25	Ongoing
6/30/2008		
18,475,374.61	31,129,003.12	Ongoing
6/30/2009		
10,228,595.64	39,375,782.09	Ongoing
6/30/2010		
6,134,054.55	43,470,323.18	Ongoing
6/30/2011		
5,939,393.22	43,664,984.51	Ongoing
6/30/2012		
3,881,967.94	45,722,409.79	Ongoing
6/30/2013		
3,020,635.07	46,583,742.66	Ongoing
6/30/2014		
161,734.09	49,442,643.64	Ongoing

On April 21, 2004, bond proceeds of \$370,000.00 were deposited in the Cost of Issuance Fund. The following table summarizes the Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2004		
41,104.97	328,895.03	Ongoing

Balance	Expended Amount	Project Status
6/30/2005		
0.00	370,000.00	Complete

On January 29, 2014, the bonds were refunded under the Marks Roos Act by the SOCPFA (pooled with CFD 2002-1). SOCPFA issued \$64,545,000 Senior Series A of 2014 Special Tax Revenue Refunding Bonds and \$40,000,000 Subordinate Series B of 2014 Special Tax Revenue Refunding Bonds.

A new Cost of Issuance Account was established with \$ 160,107.49 bond proceeds from the refunded bonds. The following table summarizes the refunded bonds Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
6/30/2014		
0.00	160,107.49	Complete

On April 21, 2004, bond proceeds of \$5,299,038.19 were deposited in the Reserve Fund. The following table summarizes the Reserve Fund balances:

Balance	Expended Amount	Project Status
6/30/2004		
5,299,038.19	0.00	Ongoing
6/30/2005		
5,299,038.19	0.00	Ongoing
6/30/2006		
5,299,038.19	0.00	Ongoing
6/30/2007		
5,299,038.19	0.00	Ongoing
6/30/2008		
5,299,038.19	0.00	Ongoing
6/30/2009		
5,299,038.19	0.00	Ongoing
6/30/2010		
5,299,038.19	0.00	Ongoing
6/30/2011		
5,299,038.19	0.00	Ongoing
6/30/2012		
5,299,038.19	0.00	Ongoing
6/30/2013		
5,299,038.19	0.00	Refunded

As noted above, the Series A of 2004 Special Tax Refunding Bonds of CFD No. 2003-1 were refunded by SOCPFA Bond Series A and B of 2014 on January 29, 2014. A new Reserve Fund was established with the Trustee with \$2,986,100.13 bond proceeds. The following table summarizes the Reserve Fund balances:

Balance as of:	Reserve Account
6/30/2014	2,986,261.38

On April 21, 2004, bond proceeds of \$981,532.08 were deposited in the Capitalized Interest Fund. The following table summarizes the Capitalized Interest Fund balances:

Balance	Expended Amount	Project Status
6/30/2004		
981,532.08	0.00	Ongoing
6/30/2005		
0.00	981,532.08	Complete

On April 21, 2004, bond proceeds of \$75,000.00 were deposited in the Administrative Expense Fund. The following table summarizes the Administrative Expense Fund balances:

Balance	Expended Amount	Project Status
6/30/2004		
74,109.87	890.13	Ongoing
6/30/2005		
28,475.51	46,524.49	Ongoing
6/30/2006		
0.00	75,000.00	Complete

The Special Tax Fund is funded by the special tax revenue from a levy placed on taxable parcels within the District. The Special Tax Fund records tax revenue, interest earnings, and bond payments. The following table summarizes taxes collected and amounts expended:

Information as of:	Special Tax Collected	Debt Service Expense	Administrative Expense
6/30/2004	2,062.86	0.00	0.00
6/30/2005	3,198,382.21	1,549,787.50	0.00
6/30/2006	3,427,802.23	3,143,900.00	11,939.78
6/30/2007	3,439,820.30	3,206,575.00	43,017.91
6/30/2008	3,408,656.50	3,267,300.00	38,926.93
6/30/2009	3,365,120.06	3,330,265.00	40,615.56
6/30/2010	3,569,848.54	3,395,095.00	46,561.97
6/30/2011	3,630,104.66	3,461,335.00	51,919.21
6/30/2012	3,333,742.55	3,528,392.50	37,427.01
6/30/2013	3,784,963.10	3,601,125.00	38,780.57
6/30/2014	3,869,772.28	4,411,980.48	45,076.75

Community Facilities District 2004-1

Community Facilities District 2004-1 was formed June 29, 2004. The County of Orange issued \$75,645,000 Community Facilities District No. 2004-1 of the County of Orange (Ladera Ranch) Series A of 2005 Special Tax Bonds, less \$12,691.40 Original Issue Discount, on February 1, 2005. The underwriter discount, paid at transaction completion, was \$900,175.50. The following Accounts were established and funded with bond proceeds:

Fund	Initial Deposit
Capital Project Fund	65,524,706.53
Cost of Issuance	430,000.00
Reserve Account	6,681,327.16
Capitalized Interest	2,021,099.41
Administrative Expense Account	75,000.00

On February 1, 2005, bond proceeds of \$65,524,706.53 were deposited in the Capital Projects Fund. The following table summarizes the Capital Projects Fund balances:

Balance	Expended Amount	Project Status
	6/30/2005	
65,869,164.29	(344,457.76)	Ongoing
	6/30/2006	
64,955,195.57	569,510.96	Ongoing
	6/30/2007	
63,803,527.48	1,721,179.05	Ongoing
	6/30/2008	
62,091,565.40	3,433,141.13	Ongoing
	6/30/2009	
46,802,128.52	18,722,578.01	Ongoing
	6/30/2010	
35,844,795.06	29,679,911.47	Ongoing
	6/30/2011	
28,824,761.84	36,699,944.69	Ongoing
	6/30/2012	
25,636,359.91	39,888,346.62	Ongoing
	6/30/2013	
23,406,836.15	42,117,870.38	Ongoing
	6/30/2014	
17,203,936.05	48,320,770.48	Ongoing

On February 1, 2005, bond proceeds of \$430,000.00 were deposited in the Cost of Issuance Fund. The following table summarizes the Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
	6/30/2005	
47,867.01	382,132.99	Ongoing
	6/30/2006	
0.00	430,000.00	Complete

On February 5, 2014, the bonds were refunded by the County of Orange. \$36,540,000 Senior Series A of 2014 Special Tax Refunding Bonds of CFD No. 2004-1 (Ladera Ranch) and \$31,380,000 Subordinate Series B of 2014 Special Tax Refunding Bonds of CFD No. 2004-1 (Ladera Ranch) were issued to refund the Bonds issued in 2005.

A new Cost of Issuance Account was established with \$270,664.42 bond proceeds from the refunded bonds. The following table summarizes the refunded bonds Cost of Issuance Fund balances:

Balance	Expended Amount	Project Status
	6/30/2014	
0.00	270,664.42	Complete

On February 1, 2005, bond proceeds of \$6,681,327.16 were deposited in the Reserve Fund. The following table summarizes the Reserve Fund balances:

Balance	Expended Amount	Project Status
	6/30/2005	
6,681,327.16	0.00	Ongoing
	6/30/2006	
6,681,327.16	0.00	Ongoing
	6/30/2007	
6,681,327.16	0.00	Ongoing
	6/30/2008	
6,681,327.16	0.00	Ongoing
	6/30/2009	
6,681,327.16	0.00	Ongoing
	6/30/2010	
6,681,327.16	0.00	Ongoing
	6/30/2011	
6,681,327.16	0.00	Ongoing
	6/30/2012	
6,681,327.16	0.00	Ongoing
	6/30/2013	
6,681,327.16	0.00	Refunded

As noted above, the Series A of 2005 Special Tax Refunding Bonds of CFD No. 2004-1 were refunded by SOCPFA Bond Series A and B of 2014 on February 5, 2014. A new Reserve Fund was established with \$6,357,750.00 bond proceeds. The following table summarizes the Reserve Fund balances:

Balance as of:	Reserve Account
6/30/2014	6,417,749.81

On February 1, 2005, bond proceeds of \$2,021,099.41 were deposited in the Capitalized Interest Fund. The following table summarizes the Capitalized Interest Fund balances:

Balance	Expended Amount	Project Status
6/30/2005		
2,021,099.41	0.00	Ongoing
6/30/2006		
0.00	2,021,099.41	Complete

On February 1, 2005, bond proceeds of \$75,000.00 were deposited in the Administrative Expense Fund. The following table summarizes the Administrative Expense Fund balances:

Balance	Expended Amount	Project Status
6/30/2005		
65,940.28	9,059.72	Ongoing
6/30/2006		
22,748.49	52,251.51	Ongoing
6/30/2007		
0.00	75,000.00	Complete

The Special Tax Fund is funded by the special tax revenue from a levy placed on taxable parcels within the District. The Special Tax Fund records tax revenue, interest earnings, and bond payments. The following table summarizes taxes collected and amounts expended:

Information as of:	Special Tax Collected	Debt Service Expense	Administrative Expense
6/30/2005	55,064.33	0.00	0.00
6/30/2006	4,200,035.55	1,820,182.55	0.00
6/30/2007	4,406,118.35	4,011,850.01	19,515.80
6/30/2008	4,012,908.99	4,092,881.26	43,080.35
6/30/2009	4,095,746.32	4,175,525.01	104,303.49
6/30/2010	4,620,480.66	4,254,637.51	74,024.97
6/30/2011	4,645,276.52	4,339,406.26	58,148.21
6/30/2012	4,319,849.62	4,423,591.26	72,843.04
6/30/2013	4,730,063.25	4,507,088.76	48,584.06
6/30/2014	4,936,977.94	5,689,207.78	68,974.11