

**REEDY CREEK IMPROVEMENT DISTRICT
Lake Buena Vista, Florida**



SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

INTRODUCTION

The Securities and Exchange Commission has promulgated amendments to Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, which prohibit underwriters from purchasing or selling municipal securities unless such underwriters have reasonably determined that the “issuer” and any “obligated person” with respect thereto, have undertaken to provide continuing disclosure with respect to its securities, subject to certain exemptions.

For the benefit of the Owners of the Ad Valorem Tax Bonds, Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A and 2005B and the Utilities Revenue Bonds Series 1997-1, 1991-1, 1999-2, 2003-1, 2003-2, 2005-1 and 2005-2, the Reedy Creek Improvement District (the “District”) has covenanted in the Bond Resolutions, and in its agreement with the Underwriters and in a Continuing Disclosure Certificate delivered at the time of issuance of the bonds, to deliver to each nationally recognized municipal securities information repository (“NRMSIR”) and to the appropriate Florida information depository, if any, certain financial information and operating data relating to the District (“Annual Information”) within 180 days after the end of the District’s fiscal year, in each year commencing with the Fiscal Year ending September 30, 1996. The Annual Information, as provided herein, includes financial information and operating data of the type included in the Official Statement with respect to the District and audited financial reports of the District prepared by an independent firm of certified public accountants of nationally recognized ability and standing selected by the District.

In addition, the District has covenanted to provide timely notices to each NRMSIR or to the Municipal Securities Rulemaking Board and to the appropriate Florida information depository, if any, of the occurrence of any of the following events with respect to the Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds, if material:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults;
- (c) Unscheduled draws on the Sinking Fund;
- (d) Unscheduled draws on any credit enhancements securing any Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds, if any, reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions or events affecting the tax-exempt status of the Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2;
- (g) Modification to rights of Bondholders;
- (h) Redemptions of the Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds other than pursuant to a mandatory sinking fund redemption;
- (i) Defeasance of the Bond Resolution or any Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2003-2 Bonds in whole or in part;
- (j) Release, substitution, or sale of property pledged under the Bond Resolution for repayment of the Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2;
- (k) Deannexation of lands comprising the District; and
- (l) Rating changes on the Series 1998A, 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

INTRODUCTION – Continued

The District from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in its judgment, any such other event is material with respect to the Series 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds, but the District has not covenanted to provide any such notice of the occurrence of any material event except those listed above.

In addition to the District's covenanted disclosures under the Series 1998B, 2001A, 2004A, 2004B, 2005A, 1997-1, 1999-1, 1999-2, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds, management of the District has elected to include in this document similar disclosure for all outstanding issues of the District.

To the extent that certain portions of this report constitute summaries of documents, reports, resolutions or other agreements relating to the operations or outstanding debt of the District, this report is qualified by reference to each such document, report, resolution or agreement, copies of which may be obtained from the District. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Bond Resolution.

AUDITED FINANCIAL STATEMENTS

Included as a separate document to this report are the financial statements of the District as of September 30, 2008 and for the fiscal year then ended. These statements have been audited by Ernst & Young LLP, independent auditors, as stated in their report on page 1.

AD VALOREM TAX BONDS

AUTHORITY OF ISSUANCE

The Ad Valorem Tax Bonds are issued pursuant to the Constitution and laws of the State of Florida, particularly Chapter 67-764, Laws of Florida, Special Acts of 1967, effective May 12, 1967 (the "Enabling Act").

- The Board of Supervisors of the District adopted a resolution on April 4, 1972, providing for the issuance of its \$20,000,000 Ad Valorem Tax Bonds dated June 1, 1972 (the "1972 Resolution").
- On November 15, 1991, the District adopted Resolution No. 245 amending, supplementing, and restating the 1972 Resolution (the "1991 Resolution") and authorizing the issuance of its Ad Valorem Tax Bonds, Series 1991A.
- On April 29, 1992, the District adopted Resolution No. 259 providing for the issuance of Ad Valorem Tax Bonds, Series 1992A and Ad Valorem Tax Refunding Bonds, Series 1992B (Taxable) (the "1992 Resolution").
- On April 21, 1995, the District adopted Resolution No. 313 supplementing and amending the 1991 Resolution and providing for the issuance of its Ad Valorem Tax Bonds, Series 1995A (the "1995A Resolution").
- On September 13, 1995, the District adopted Resolution No. 321 supplementing the 1991 Resolution and providing for the issuance of its Ad Valorem Tax Bonds, Series 1995C Bonds (the "1995C Resolution").

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

AD VALOREM TAX BONDS – Continued

- On July 29, 1998, the District adopted Resolution No. 353 supplementing the 1991 Resolution and providing for the issuance of the Series 1998A and Series 1998B Bonds (the “1998” Resolution).
- On April 11, 2001, the District adopted Resolution No. 398 supplementing the 1991 Resolution and providing for the issuance of the Series 2001A bonds (the “2001A Resolution”).
- On November 19, 2003, the District adopted Resolution No. 441 supplementing the 1991 Resolution and providing for the issuance of the Series 2003A and Series 2003B Bonds (the “2003 Resolution”).
- On April 27, 2005, the District adopted Resolution No. 450 supplementing the 1991 Resolution and providing for the issuance of the Series 2005A and Series 2005B Bonds (the “2005 Resolution”).

The 1991 Resolution, as amended, thru the 2005 Resolution are herein collectively referred to as the “Bond Resolution”.

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

Payment of principal and interest and premium, if any, on the District’s Ad Valorem Tax Bonds is secured by an irrevocable prior lien on the first proceeds, collected by the District, from Ad Valorem Taxes levied at a rate not exceeding 30 mills on the dollar, per annum, on the assessed value of all taxable property in the District. The Ad Valorem Tax Bonds are issued on a parity. The District’s outstanding Ad Valorem Tax Bonds have equal lien on the Ad Valorem Taxes collected by the District, and with any subsequent series of Additional Bonds as authorized under the Bond Resolution. For the Fiscal Year ending September 30, 2008, the District levied Ad Valorem Taxes at the rate of 9.6455 mills, of which 3.7307 mills is for the payment of debt service on outstanding Bonds and 5.9148 mills is for the payment of the general operations of the District. For the Fiscal Year ending September 30, 2009, the District has set an Ad Valorem Tax rate of 9.8857 mills, of which 3.4895 mills is for the payment of debt service on outstanding bonds and 6.3962 mills is for the payment of the general operations of the District.

The District covenants to levy each year such millage, not exceeding 30 mills on each dollar of assessed valuation of the property within the District, as will produce a sum equal to the amounts required to be deposited in the Sinking Fund in such Fiscal Year. If, in any Fiscal Year, the Ad Valorem Taxes actually collected shall be less than the amount required, then the amount of the deficit shall be added to the amount of Ad Valorem Taxes required to be levied in the next succeeding year or years; such tax, however, shall not exceed 30 mills in any Fiscal Year.

TAXATION

Ad Valorem Taxes

The Board of Supervisors of the District has the power, under the Enabling Act, to levy and assess an ad valorem tax on all taxable real and tangible personal property in the District, to provide for sinking or other funds in connection therewith, and to defray the cost of the District projects and activities. Such taxes are in addition to any county or municipal ad valorem taxes.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

AD VALOREM TAX BONDS - Continued

The Board of Supervisors of the District sets the millage rate to be applied against taxable property in the District. The bills are mailed to property owners on or about November 1 each year. The taxpayer is entitled to a 4% discount if taxes are paid in November; a 3% discount if paid in December; a 2% discount if paid in January next following; and a 1% discount if paid in February. Taxes may also be paid in installments over a four-month period ending in the March next following the November levy; in such cases the taxpayer is not allowed a discount. Taxes unpaid as of April 1 become delinquent and are subject to penalty, interest and the issuance of a tax deed and foreclosure in accordance with laws of the State of Florida. Delinquent District taxes, tax sales certificates, and penalties and costs relating thereto constitute a lien in favor of the District of equal dignity with the liens of state and county taxes.

Ad Valorem Taxes of the District are based on the assessed valuation for county taxes of tangible real and tangible personal property in the District. Property is valued for tax purposes as of January 1 of each year. Valuation is based on the fair market value of the property, taking into account actual use (agriculture, commercial, etc.) and applicable zoning and other use restrictions. Certain property, including property owned by the District itself, homesteads and other types of property are by law exempt from Ad Valorem Taxes.

In June, 2007 the State of Florida Legislature passed House Bill 1B which limits county, city and special district property taxes in fiscal year 2007-2008 and will limit growth in these taxes in future years to the growth in Florida's economy. These limits pertain only to the levy of the operating portion of the District's ad valorem tax millage. In January, 2008 the State of Florida passed Amendment 1 to the Constitution which pertains primarily to exemptions on the assessed values of residential real estate and contains certain exemptions for tangible personal property. Due to the fact that the District's tax roll consists primarily of commercial real estate, there has been no material effect on the District's property assessments.

Basis of Valuation

Property owners are notified of increases in valuation on or before each July 1, and may take an appeal to the County Value Adjustment Board which meets the following September. Assessments are subject to review and adjustment by the County Value Adjustment Board, and by the Department of Revenue of the State of Florida.

The following table sets forth total taxable assessed property for the District as well as millage rates and total tax levies for the District for the Fiscal Years ended and ending September 30, 1992 through 2007 (for information concerning total Ad Valorem Taxes collected, see "Taxation--Collection of District Taxes"):

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

Basis of Valuation – Continued

Taxable Assessed Property

Fiscal Year Ended September 30,	Assessed Value of Property Within District (\$ in thousands)	Debt Service Millage Rates (mills)	General Operating Millage Rates (mills)	Tax Bill Amount (\$ in thousands)	Percentage of Tax Roll		Percent Collected %
					The Walt Disney Company Related %	Other (1) %	
2000	5,465,806	3.7220	5.2780	49,192	85.3	14.7	99.98
2001	5,797,907	2.1042	6.8958	52,181	84.7	15.3	99.98
2002	5,914,725	2.5753	5.9247	50,275	85.0	15.0	99.99
2003	5,694,788	3.1493	2.4007	31,606	85.0	15.0	99.99
2004	5,632,453	3.5122	6.4878	56,325	86.7	13.3	99.99
2005	5,826,815	4.3356	5.9144	59,725	87.2	12.8	99.99
2006	6,068,352	4.6745	6.0755	65,235	87.6	12.4	99.98
2007	6,577,694	3.8331	6.2669	66,435	87.6	12.4	99.99
2008	7,103,895	3.7307	5.9148	68,521	88.0	12.0	99.99
2009	7,486,965	3.4895	6.3962	74,014	87.3	12.7	n/a

Source: District Tax Records

(1) The majority of taxpayers in this category are lessees of property owned by companies that are wholly owned subsidiaries of the Walt Disney Company.

Assessed Valuations; Description of Properties

Taxable property within the District in Orange County consists of substantially all of the developed property within the District. For Fiscal Year 2008 and 2009, total assessed valuation of taxable property within the District in Orange County is \$6,552,598,850 and \$6,900,927,005.

Taxable property within the District in Osceola County consists principally of land set aside for conservation areas, water storage areas and agricultural uses. For Fiscal Year 2008 and 2009, total assessed valuation of taxable property within the District in Osceola County is \$551,296,118 and \$586,037,632.

The following table identifies the major taxpayers of the District, including those related to The Walt Disney Company, and indicates their type of business and assessed valuation for the Fiscal Years indicated (for information concerning the gross ad valorem tax revenues generated from the major taxpayers of the District, see "Taxation--Collection of District Taxes"):

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

Assessed Valuations; Description of Properties – Continued

Assessed Valuation of Major Taxpayers

Total Gross Assessed Valuation (1)
for Fiscal Year Ended September 30,
(\$ in thousands)

Taxpayer	Type of Business	2005	2006	2007	2008	2009
Walt Disney Company and Subsidiaries	Theme park/ Resort	\$ 5,082,767	\$ 5,318,753	\$ 5,764,500	\$ 6,253,891	\$ 6,536,726
Dolphin	Lodging	187,035	192,710	211,334	240,138	255,529
Wyndham Palace	Lodging	101,075	103,907	114,214	115,629	120,157
Swan	Lodging	94,130	95,828	105,322	107,290	113,238
Hilton	Lodging	80,135	82,359	90,659	98,173	105,475
Grosvenor	Lodging	34,125	35,051	38,470	39,320	41,158
Smart City Telecommunications	Utility	30,059	30,105	33,587	36,399	34,574
Royal Plaza	Lodging	22,643	23,292	20,855	25,849	26,162
AMC Theatres	Entertainment	20,295	19,661	22,690	20,963	21,014
Doubletree	Lodging	16,729	17,142	19,232	19,628	20,243
Best Western	Lodging	16,482	16,922	18,169	18,464	20,301
IBM	Leasing	-	-	-	15,295	19,058
House of Blues	Entertainment	13,440	13,550	13,601	13,462	13,323
Virgin Records	Retail	11,647	11,470	11,563	11,443	11,293
Holiday Inn	Lodging	15,353	11,774	15,517	10,993	11,228
Others	Various	100,900	95,828	97,981	76,958	137,486
TOTAL		<u>\$ 5,826,815</u>	<u>\$ 6,068,352</u>	<u>\$ 6,577,694</u>	<u>\$ 7,103,895</u>	<u>\$ 7,486,965</u>

Source: District Tax Records

(1) As of January 1 of the previous year.

Collection of District Taxes

The Assessed Valuations within the District are certified to the District by the Property Appraisers of Orange and Osceola Counties. The District levies its Ad Valorem Taxes based on these Values. The District then collects its taxes in like manner as prescribed by law for the collection of county taxes.

The following table sets forth total District Ad Valorem Taxes collected for the Fiscal Years ending September 30, 1998 through 2008 (for information concerning the total taxable assessed property within the District, see "Taxation--Basis of Valuation"):

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

Collection of District Taxes – Continued

COLLECTION OF DISTRICT TAXES

Fiscal Year Ended September 30,	Total Tax Levy (\$ in thousands)	Total Collections as a Percent of Total Tax Levy (%)	Adjustments(1) and Discounts (\$ in thousands)	Total Net Tax Collections (\$ in thousands)
1998	44,385	99.96	2,191	42,176
1999	46,781	99.99	1,843	44,933
2000	49,192	99.98	1,905	47,277
2001	52,181	99.98	2,069	50,102
2002	50,275	99.99	1,988	48,282
2003	31,606	99.99	1,259	30,344
2004	56,325	99.99	2,249	54,070
2005	59,725	99.99	2,456	57,263
2006	65,235	99.98	2,581	62,643
2007	66,435	99.99	2,775	63,656
2008	68,521	99.99	2,681	65,834

Source: District Tax Records

The following table sets forth the gross ad valorem tax revenues generated from each of the major taxpayers of the District:

Gross Ad Valorem Tax Revenues by Major Taxpayer

Major Taxpayer (1)	2005	2006	2007	2008	2009
Walt Disney Company and Subsidiaries	\$ 52,098,362	\$ 57,176,595	\$ 58,221,450	\$ 60,321,906	\$ 64,620,112
Dolphin	1,917,109	2,071,633	2,134,473	2,316,251	2,526,083
Wyndham Palace	1,036,019	1,117,000	1,153,561	1,115,300	1,187,836
Swan	964,833	1,030,151	1,063,752	1,034,866	1,119,437
Hilton	821,384	885,359	915,656	946,928	1,042,694
Grosvenor	349,781	376,798	388,547	379,261	406,876
Smart City Telecommunications	308,105	323,629	339,229	351,087	341,788
Royal Plaza	232,091	250,389	210,636	249,327	258,630
AMC Theatres	208,024	211,356	229,169	202,199	207,738
Doubletree	171,472	184,277	194,243	189,322	200,116
Best Western	168,941	181,912	183,507	178,095	200,690
IBM				147,528	188,402
Holiday Inn	157,368	126,571	156,722	129,848	131,707
House of Blues	137,760	145,663	137,370	110,373	111,639
Virgin Records	119,382	123,303	116,786	106,033	110,997
Others	1,034,225	1,030,151	989,608	742,298	1,359,145
TOTAL	\$ 59,724,856	\$ 65,234,787	\$ 66,434,709	\$ 68,520,622	\$ 74,013,890

Source: District Comptroller's Office.

(1) These taxpayers, other than Walt Disney Company and Subsidiaries, pay Ad Valorem Taxes as lessees of property owned by companies that are wholly owned subsidiaries of the Walt Disney Company. In the event these lessees fail to pay such Ad Valorem Taxes under their leases, the owners of the property would still be required under law to make payment.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

AD VALOREM TAX BONDS - Continued

FINANCIAL CONDITION OF THE DISTRICT

Summary Statements of Revenues, Expenditures and Changes in the Fund Balance of the General and Debt Service Funds

For the Fiscal Year Ended September 30,

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Budget 2009</u>
REVENUES:					
Ad Valorem Taxes- net (1)	\$ 57,263,040	\$ 62,642,700	\$ 63,655,861	\$ 65,834,108	\$ 70,516,391
Intergovernmental	5,482,988	3,550,236	5,152,988	2,508,430	3,319,345
Building Permits and Fees	1,147,329	955,525	1,940,930	1,316,734	1,000,000
Drainage Fees	144,333	148,846	357,589	180,883	-
Interest from investments	800,437	1,691,152	2,268,660	1,575,779	1,050,000
Post Office	178,072	176,405	170,049	178,072	178,000
Emergency Service Fees	137,582	131,345	160,583	240,685	-
Other	547,970	371,198	1,620,152	324,070	300,000
Total Revenues	<u>65,701,751</u>	<u>69,667,407</u>	<u>75,326,812</u>	<u>72,158,761</u>	<u>76,363,736</u>
EXPENDITURES:					
Administrative	3,186,532	3,801,422	3,902,819	3,895,499	4,505,347
Personnel Services	592,771	510,895	647,482	627,052	698,292
Information Services	1,240,701	1,250,510	1,591,122	1,466,494	1,832,631
Post Office	225,284	253,645	311,121	360,806	389,237
Support Services	1,668,917	1,818,637	1,952,412	1,962,953	2,198,241
Building and Safety	1,490,306	1,726,785	2,098,805	2,171,294	2,711,091
Emergency Services	17,428,953	17,768,111	19,942,991	21,325,681	22,635,313
Water Control and Roadway Maintenance	7,414,275	7,275,666	8,964,787	8,393,890	12,615,949
Planning and Engineering	1,436,377	1,532,085	1,550,970	1,574,618	1,903,940
Groves	12,818	11,730	14,955	14,850	16,000
Capital Outlay	1,326,290	4,213,069	2,854,107	4,366,557	1,805,236
Debt Service	26,081,356	26,462,916	26,527,121	26,811,561	27,315,024
Total Expenditures	<u>62,104,580</u>	<u>66,625,471</u>	<u>70,358,692</u>	<u>72,971,255</u>	<u>78,626,301</u>
Excess (deficiency) of Revenues Over (under) Expenditures	<u>3,597,171</u>	<u>3,041,936</u>	<u>4,968,120</u>	<u>(812,494)</u>	<u>(2,262,565)</u>
Other Financing Sources (Uses):					
Lease Proceeds	-	-	-	2,725,660	-
Operating Transfers out	(2,448,053)	(2,565,155)	(3,272,057)	(2,884,285)	(4,132,797)
Total Other Financing Sources (Uses)	<u>(2,448,053)</u>	<u>(2,565,155)</u>	<u>(3,272,057)</u>	<u>(158,625)</u>	<u>(4,132,797)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (under) Expenditures and Other Financing Uses	1,149,118	476,781	1,696,063	(971,119)	(6,395,362)
Fund Balance, Beginning of Year	18,175,382	19,324,500	19,801,281	21,497,344	20,526,225
Fund Balance, End of Year (2)	<u>\$ 19,324,500</u>	<u>\$ 19,801,281</u>	<u>\$ 21,497,344</u>	<u>\$ 20,526,225</u>	<u>\$ 14,130,863</u>

Source: District Comptroller's Office.

- (1) Net of prepayment discounts and other deductions. See "Taxation -- Ad Valorem Taxes".
- (2) It is the goal of the District to maintain an ending fund balance to provide adequate funds to operate the following year until taxes are collected. If in one year a major project or some large capital purchases are postponed, a deficiency in the next year's operations is planned to reduce the fund balance to the desired level.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

Debt Service

The following table summarizes the type and principal amount of the Bonds secured by Ad Valorem Taxes the District has outstanding as of September 30, 2008:

AD VALOREM BONDS OUTSTANDING

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 1998B Bonds	\$ 18,365,000
Series 2001A Bonds	59,455,000
Series 2004A Bonds	51,765,000
Series 2004B Bonds	8,680,000
Series 2005A Bonds	18,925,000
Series 2005B Bonds	86,255,000
Total	<u>\$ 243,445,000</u>

Source: District Comptroller's Office.

Osceola Parkway Bonds

In July of 1992, Osceola County issued \$149,999,313 Osceola County, Florida Transportation Improvement Bonds ("the Prior Osceola Bonds") for the construction of the Osceola Parkway, a toll road that was constructed to improve the transportation systems in certain areas of Osceola County and the District. In connection with the issuance of the bonds, the District entered into a Bond Guarantee Agreement which required the District to make certain funds available for debt service on the bonds if operations of the toll road were insufficient to meet scheduled debt service. This obligation was junior and subordinate to all outstanding Ad Valorem Tax Bonds of the District. As of September 30, 2003 the District wrote off \$23 million in amounts previously advanced under the Bond Guarantee Agreement in connection with its entrance into the transactions described below.

In January 2004, the District entered into an Amended and Restated Bond Guarantee Agreement in connection with the issuance of the Series 2004A Ad Valorem Tax Bonds in the amount of \$63,520,000. These bonds were issued to refinance, together with proceeds from \$110,935,000 Osceola County Transportation Improvement Refunding Bonds, the Prior Osceola Bonds. The District's obligation to make payments required by the Amended and Restated Bond Guarantee Agreement is subordinate to all outstanding Ad Valorem Tax Bonds of the District. Osceola County has agreed to repay the debt service of the District's 2004A Ad Valorem Tax Bonds and any guarantee payments that are required along with accrued interest from excess toll revenues, if any, when they become available. These payments will terminate upon the earlier of repayment in full or April 1, 2034.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

AD VALOREM TAX BONDS - Continued

Aggregate Ad Valorem Debt Service Schedule

The following table sets forth the debt service for the Outstanding Bonds issued by the District and payable from Ad Valorem Taxes:

AGGREGATE AD VALOREM DEBT SERVICE SCHEDULE							
Fiscal Year Ended September 30,	Series 1998B	Series 2001A	Series 2004A	Series 2004B	Series 2005A	Series 2005B	Aggregate Total Debt Service
2009	\$ 2,707,105	\$ 5,528,065	\$ 4,698,855	\$ 749,481	\$ 938,150	\$ 11,893,267	\$ 26,514,923
2010	2,843,200	7,400,965	4,697,455	752,182	938,150	9,847,917	26,479,869
2011	2,838,000	7,403,440	4,698,955	749,432	938,150	9,855,080	26,483,057
2012	2,841,925	7,404,478	4,698,155	750,512	938,150	9,847,600	26,480,820
2013	2,839,588	7,378,703	4,699,585	750,212	938,150	9,856,440	26,462,678
2014	2,840,900	7,407,971	4,695,260	753,936	938,150	9,847,390	26,483,607
2015	2,841,750	7,405,985	4,700,000	751,476	938,150	9,852,390	26,489,751
2016	2,838,725	7,402,410	4,695,500	752,976	938,150	9,848,895	26,476,656
2017	-	7,403,000	4,699,000	752,826	938,150	12,695,645	26,488,621
2018	-	7,403,250	4,699,750	751,226	938,150	12,690,145	26,482,521
2019	-	7,402,500	4,697,500	753,266	938,150	7,211,350	21,002,766
2020	-	-	4,697,000	749,135	2,938,150	-	8,384,285
2021	-	-	4,697,750	748,725	2,918,150	-	8,364,625
2022	-	-	4,699,250	751,635	2,914,150	-	8,365,035
2023	-	-	4,696,000	752,760	2,915,150	-	8,363,910
2024	-	-	4,697,750	752,400	2,910,650	-	8,360,800
2025	-	-	-	-	8,365,650	-	8,365,650
Totals	\$ 22,591,193	\$ 79,540,767	\$ 75,167,765	\$ 12,022,180	\$ 33,281,550	\$ 113,446,119	\$ 336,049,574

Individual Bond Series

For complete details on each individual series of Ad Valorem Bonds outstanding see Appendix A.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

UTILITIES REVENUE BONDS

AUTHORITY OF ISSUANCE

The Utilities Revenue Bonds are issued pursuant to the Constitution and laws of the State of Florida, particularly Chapter 67-764, Laws of Florida, Special Acts of 1967, effective May 12, 1967 (the "Enabling Act"), the Bond Resolutions and the Indenture (as hereafter defined). The instruments securing and governing the issuance of the District's Utilities Revenue Bonds include a Trust Indenture dated November 1, 1987, as supplemented by 1) a Supplemental Trust Indenture dated June 1, 1990, between the District and Sun Bank, National Association as trustee; 2) a Second Supplemental Trust Indenture dated November 15, 1991; 3) a Third Supplemental Trust Indenture dated November 15, 1991; 4) a Fourth Supplemental Trust Indenture dated January 1, 1994; 5) a Fifth Supplemental Trust Indenture dated August 1, 1997; 6) a Sixth and Seventh Supplemental Trust Indenture both dated September 15, 1999; 7) an Eighth and Ninth Supplemental Trust Indenture both dated June 15, 2003 and 8) a Tenth and Eleventh Supplemental Trust Indenture both dated May 1, 2005. The original indenture and all supplements are collectively referred to as the "Indenture".

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

Payment of principal of or premium, if any, or interest on the District's Utilities Revenue Bonds is secured by and payable solely from the Net Revenues derived by the District from the ownership or operation of the System and from the amounts deposited in certain funds and accounts established under the Indenture. The District's outstanding Utilities Revenue Bonds have equal lien on the net revenues of the system, and with any additional bonds issued pursuant to Section 7.10 of the Indenture.

Pursuant to the Indenture, the District has covenanted that it will take all lawful measures to fix and adjust from time to time fees and charges for the use of the System, calculated to be sufficient to pay for the operation and maintenance of the System, to pay debt service and related costs of Parity Obligations, to make all required deposits and satisfy all reserve requirements, with respect thereto, and to pay all amounts due pursuant to the Lease. The District also has covenanted to set such fees and charges to permit all such required debt service payments, payments of related costs, and deposits to be made from Net Revenues, as defined in the Indenture.

Neither the faith and credit nor the taxing power of the District or the State of Florida or of any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on the District's Utilities Revenue Bonds. The District's Utilities Revenue Bonds shall not be deemed to constitute a general indebtedness, liability or obligation of the District or the State of Florida or any political subdivision thereof. The District is not obligated to levy any Ad Valorem Taxes thereof or to use any other funds of the District to pay the principal of or premium, if any, or interest on the Bonds.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

UTILITIES REVENUE BONDS - Continued

THE SYSTEM

General

The District presently owns and operates a wastewater collection and treatment system, a reuse system, and a solid waste collection and disposal system, an electric generation and distribution system, water supply and distribution system, a chilled water system (partially leased), a hot water system and a natural gas distribution system.

Operations

In the opinion of the District, the System has been operated in accordance with usual utility practices and in compliance with appropriate operational and safety guidelines and requirements.

The Board of Supervisors of the District is responsible for establishing rates to be charged for the individual utility services and ensuring adequate revenues are generated to meet all operating expenses, debt service requirements, and provide for renewals and replacements of assets for the System. The Director of Utility Operations is responsible for the safe and efficient operation of the System, in accordance with applicable laws and regulations.

Historical Sales / Largest Customers

The following is a summary of the largest customers of the System for the Fiscal Year ended September 30, 2008:

Largest Customers of the System
Fiscal Year Ended September 30, 2008
(\$ in thousands)

Customers	Type of Business	Operating Revenues (1)	Percent
The Walt Disney Company			
Subsidiaries.....	Theme Park/Lodging	\$ 161,728	84.3%
Dolphin.....	Lodging	5,731	3.0%
Wyndham Palace.....	Lodging	3,130	1.6%
Swan.....	Lodging	2,732	1.4%
Hilton.....	Lodging	2,379	1.2%
Shades of Green.....	Lodging	1,843	1.0%
Regal Sun Resort.....	Lodging	1,401	0.7%
RCID Administration.....	Government	1,100	0.6%
Royal Plaza.....	Lodging	880	0.5%
Best Western.....	Lodging	737	0.4%
Planet Hollywood.....	Dining	725	0.4%
Doubletree.....	Lodging	514	0.3%
Others		8,884	4.6%
Total		<u>\$ 191,784</u>	<u>100.0%</u>

(1) Does not include interdepartmental sales of \$19,314.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

UTILITIES REVENUE BONDS – Continued

Summary of Results of Operations

	2004	2005	2006	2007	2008
System Revenues: (1)					
Electric	\$ 87,234,548	\$ 94,436,751	\$ 109,939,264	\$ 118,394,117	\$ 119,099,824
Gas	13,429,416	14,770,192	20,240,678	21,467,797	17,804,215
Water	6,676,419	7,109,803	7,528,127	7,618,155	7,984,771
Chilled Water	19,708,809	21,858,816	22,700,150	22,937,930	22,637,591
Hot Water	5,882,151	5,862,571	6,032,761	6,946,775	7,479,918
Wastewater	19,425,957	19,862,445	21,311,180	21,622,680	21,619,272
Solid Waste	9,265,279	9,630,004	10,268,854	10,790,435	11,788,545
Reclaimed Water	1,988,527	1,956,291	2,142,579	2,126,569	2,186,798
Total System Revenues	<u>163,611,106</u>	<u>175,486,873</u>	<u>200,163,593</u>	<u>211,904,458</u>	<u>210,600,934</u>
Other Revenues					
Interest Income (2)	1,211,005	1,570,269	2,818,401	2,737,337	2,017,963
Connection Fees	6,835	11,678	110,304	-	-
Other Operating Revenues (3)	401,772	494,712	529,089	350,243	497,234
Excess Construction and Debt Service Reserve Funds	1,553,217	-	-	-	-
Total Other Revenues	<u>3,172,829</u>	<u>2,076,659</u>	<u>3,457,794</u>	<u>3,087,580</u>	<u>2,515,197</u>
Total Revenues	<u>166,783,935</u>	<u>177,563,532</u>	<u>203,621,387</u>	<u>214,992,038</u>	<u>213,116,131</u>
Operating Expenses (4)					
Electric	70,120,762	74,806,610	90,833,668	98,295,660	101,359,578
Gas	11,085,072	13,969,053	19,813,268	21,009,616	18,189,506
Water	3,257,351	3,318,630	3,835,343	4,644,057	5,229,641
Chilled Water	14,791,072	15,041,291	17,658,477	17,726,095	17,708,427
Hot Water	4,370,268	4,931,651	5,826,444	5,333,284	5,378,694
Wastewater	6,966,467	7,337,592	8,957,757	9,334,996	9,452,583
Solid Waste	7,548,620	7,922,436	8,295,327	9,247,897	9,872,905
Reclaimed Water	528,948	601,711	664,156	636,888	644,458
Total Operating Expenses	<u>118,668,560</u>	<u>127,928,974</u>	<u>155,884,440</u>	<u>166,228,493</u>	<u>167,835,792</u>
Net Revenues	<u>48,115,375</u>	<u>49,634,558</u>	<u>47,736,947</u>	<u>48,763,545</u>	<u>45,280,339</u>
Debt Service					
Series 1994-1	3,341,903	-	-	-	-
Series 1997-1	12,262,169	11,748,366	11,232,988	11,246,363	11,246,188
Series 1999-1	2,081,181	1,605,544	1,127,287	1,134,987	1,124,447
Series 1999-2	5,658,381	4,922,022	4,185,750	4,183,925	4,186,485
Series 2003-1	5,727,972	5,222,079	5,317,185	5,317,085	5,317,485
Series 2003-2	12,331,449	11,958,100	11,958,850	11,945,350	11,953,100
Series 2005-1	-	430,132	1,346,500	1,346,500	1,346,500
Series 2005-2	-	1,153,749	3,611,738	3,611,738	3,611,737
Total Debt Service	<u>41,403,055</u>	<u>37,339,992</u>	<u>38,780,298</u>	<u>38,785,948</u>	<u>38,785,942</u>
Debt Service Coverage Ratio	1.16	1.33	1.23	1.26	1.17
Capital Contributions	160,832	74,607	179,781	186,083	360,541
Sale of Land	-	-	-	2,162,906	-
Balance Available for Capital Improvements					
Lease Payments and Other Lawful Purposes	<u>6,873,152</u>	<u>12,369,173</u>	<u>9,136,430</u>	<u>12,326,586</u>	<u>6,854,938</u>
Renewal & Replacement Expenditure	5,331,408	9,243,526	7,403,414	8,627,435	9,728,865
Transfer to Renewal & Replacement	107,888	362,526	168,578	138,193	121,536
Inventory	300,771	697,835	303,347	1,222,388	1,953,208
Lease Payments (5)	373,750	265,000	251,500	198,998	163,250
Balance Available for Other Lawful Purposes	<u>\$ 759,335</u>	<u>\$ 1,800,286</u>	<u>\$ 1,009,591</u>	<u>\$ 2,139,572</u>	<u>\$ (5,111,921)</u>

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

UTILITIES REVENUE BONDS – Continued

Summary of Results of Operations – Continued

- (1) Revenues include interdepartmental sales. These interdepartmental sales are eliminated in the audited financial
- (2) Amounts shown include investment income on balances excluding the restricted construction funds.
- (3) Amounts shown reflect (i) revenues received for laboratory
- (4) Amounts shown include interdepartmental expenses (see (1) above), and do not include depreciation, amortization or lease (see
- (5) Lease payments are made under the Leases between the District, RCES and WDW. These amounts are not considered operating expenses, but as subordinated payments after operating expenses, debt service and other funding requirements as provided

Condition of the System

Giving consideration to the age and complexity of the System, the District has represented that the production, transmission, distribution, treatment and collection facilities of the System are in good condition and well operated and maintained in accordance with usual utility practice and can reasonably be expected to provide adequate and reliable service to meet the existing requirements of the System. In addition, the District has represented that plant staff is at a reasonable level and is receiving adequate training for operation of the system.

Pursuant to the Indenture, the District is required to cause the System to be surveyed by the Consulting Engineer at the end of every third Fiscal Year to the extent necessary for the Consulting Engineer to be able to report whether the System as a whole, based on general industry standards, is in good condition. The District has had the System surveyed in accordance with such requirements at the end of every third Fiscal Year. The most recent survey was conducted at the end of Fiscal Year 2006.

Debt Service

The following table sets forth the debt service for the outstanding Parity Bonds issued by the District as of September 30, 2008:

UTILITIES REVENUE IMPROVEMENT AND REFUNDING BONDS

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 1997-1 Bonds	\$ 1,835,000
Series 1999-1 Bonds	1,080,000
Series 1999-2 Bonds	3,990,000
Series 2003-1 Bonds	48,040,000
Series 2003-2 Bonds	188,875,000
Series 2005-1 Bonds	26,930,000
Series 2005-2 Bonds	73,045,000
Total	<u>\$ 343,795,000</u>

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2008

UTILITIES REVENUE BONDS - Continued

Aggregate Utilities Revenue Bonds Debt Service Schedule

The following table sets forth the debt service for the Outstanding Bonds issued by the District and payable from the Net Revenues of the System.

Fiscal Year Ended September 30,	Series 1997-1	Series 1999-1	Series 1999-2	Series 2003-1	Series 2003-2	Series 2005-1	Series 2005-2	Aggregate Total Debt Service
2009	\$ 729,837	\$ 1,130,760	\$ 4,185,510	\$ 5,319,285	\$ 11,945,850	\$ 1,346,500	\$ 14,006,738	\$ 38,664,480
2010	61,500	-	-	5,316,173	23,684,100	1,346,500	8,256,988	38,665,261
2011	61,500	-	-	5,316,485	23,685,662	1,346,500	8,253,737	38,663,884
2012	61,500	-	-	5,316,435	23,688,900	1,346,500	8,252,737	38,666,072
2013	61,500	-	-	5,319,800	23,686,712	1,346,500	8,468,237	38,882,749
2014	61,500	-	-	5,317,850	23,682,262	1,346,500	8,468,737	38,876,849
2015	61,500	-	-	1,487,887	23,683,450	1,346,500	12,116,237	38,695,574
2016	61,500	-	-	1,487,887	30,052,650	1,346,500	5,757,500	38,706,037
2017	61,500	-	-	5,727,887	30,053,076	1,346,500	1,724,250	38,913,213
2018	61,500	-	-	5,730,288	30,053,938	1,346,500	1,721,850	38,914,076
2019	1,261,500	-	-	5,730,875	12,761,562	1,346,500	17,813,250	38,913,687
2020	-	-	-	4,384,125	-	3,891,500	-	8,275,625
2021	-	-	-	4,295,125	-	3,979,250	-	8,274,375
2022	-	-	-	4,200,875	-	4,076,250	-	8,277,125
2023	-	-	-	4,101,563	-	4,176,500	-	8,278,063
2024	-	-	-	-	-	8,274,250	-	8,274,250
2025	-	-	-	-	-	8,274,000	-	8,274,000
Totals	\$ 2,544,837	\$ 1,130,760	\$ 4,185,510	\$ 69,052,540	\$ 256,978,162	\$ 47,483,250	\$ 94,840,261	\$ 476,215,320

Debt Service Reserve

The District's Debt Service Reserve, which is derived of the highest Annual Debt Service Requirement for Utilities Revenue Bonds in any of the current or future fiscal years, has been fully funded from bond proceeds of the Utilities Revenue Bonds, Series 1991-1, Series 1994-1, Series 1999-1, 2003-1 and 2005-1. The requirement is currently \$38,914,076.

Individual Bond Series

For complete details on each individual series of Utilities Revenue Bonds outstanding see Appendix B.

APPENDIX A

AD VALOREM TAX BONDS

Year Ended September 30, 2008

\$33,650,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 1998B

Purpose:

To (i) refund a portion of the District's outstanding Ad Valorem Tax Bonds, Series 1991A maturing on and after June 1, 2002 and (ii) paying the costs of issuance of the Series 1998B Bonds..

Bonds Refunded:

A portion of Series 1991A maturing on and after June 1, 2002

Key Dates:

Dated: September 1, 1998

Delivered: October 1, 1998

Issued As:

\$33,650,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida

Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee - None

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption

None

Optional Redemption

The Series 1998B Bonds maturing on and after June 1, 2009 are subject to redemption by the District prior to maturity in whole on any date on or after June 1, 2008 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year Ended	Rate	Principal	Interest	Total
Sept. 30,				
2009	4.30%	\$ 1,835,000	\$ 872,105	\$ 2,707,105
2010	4.40%	2,050,000	793,200	2,843,200
2011	4.50%	2,135,000	703,000	2,838,000
2012	5.25%	2,235,000	606,925	2,841,925
2013	4.63%	2,350,000	489,588	2,839,588
2014	5.25%	2,460,000	380,900	2,840,900
2015	4.75%	2,590,000	251,750	2,841,750
2016	4.75%	2,710,000	128,725	2,838,725
Totals		<u>\$ 18,365,000</u>	<u>\$ 4,226,193</u>	<u>\$ 22,591,193</u>

\$101,025,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 2001A

Purpose:

The Series 2001A Bonds were issued by the District to (i) refund all of the District's outstanding Ad Valorem Tax Bonds, Series 1991A and 1995A bonds (ii) paying the costs of issuance of the Series 2001A Bonds..

Bonds Refunded:

Series 1991A and 1995A

Key Dates:

Dated: June 1, 2001

Delivered: June 11, 2001

Issued As:

\$101,025,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida

Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee - None

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – AMBAC Indemnity Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption

None

Optional Redemption

The Series 2001A Bonds maturing on and after June 1, 2012 are subject to redemption by the District prior to maturity in whole on any date on or after June 1, 2011 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year				
Ended				
Sept. 30.	Rate	Principal	Interest	Total
2009	4.20%	\$ 2,550,000	\$ 2,978,065	\$ 5,528,065
2010	4.25%	4,530,000	2,870,965	7,400,965
2011	4.38%	4,725,000	2,678,440	7,403,440
2012	4.50%	4,975,000	2,429,478	7,404,478
2013	4.63%	5,205,000	2,173,703	7,378,703
2014	4.70%	5,475,000	1,932,971	7,407,971
2015	4.80%	5,765,000	1,640,985	7,405,985
2016	4.90%	6,070,000	1,332,410	7,402,410
2017	5.00%	6,395,000	1,008,000	7,403,000
2018	5.00%	6,715,000	688,250	7,403,250
2019	5.00%	7,050,000	352,500	7,402,500
Totals		<u>\$ 59,455,000</u>	<u>\$ 20,085,767</u>	<u>\$ 79,540,767</u>

\$63,520,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 2004A

Purpose:

The Series 2004A Bonds were issued by the District (i) to refinance together with proceeds from the \$110,935,000 Osceola County Transportation Improvement Refunding Bonds (Osceola Parkway Project), Series 2004 and (ii) to pay of the costs of issuance of the Series 2004A Bonds.

Bonds Refunded:

None

Key Dates:

Dated: December 18, 2003
 Delivered: January 22, 2004

Issued As:

\$63,520,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida
 Trustee - None
 Bond Counsel – Greenberg Traurig, P.A., Miami, Florida
 Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa
 Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption
 None

Optional Redemption

The Series 2004A Bonds maturing on and after June 15, 2015 are subject to redemption by the District prior to maturity in whole on any date on or after April 1, 2014 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year Ended		Principal	Interest	Total
Sept. 30,	Rate			
2009	3.00%	\$ 2,380,000	\$ 2,318,855	\$ 4,698,855
2010	3.00%	2,450,000	2,247,455	4,697,455
2011	3.20%	2,525,000	2,173,955	4,698,955
2012	3.40%	2,605,000	2,093,155	4,698,155
2013	3.50%	2,695,000	2,004,585	4,699,585
2014	3.60%	2,785,000	1,910,260	4,695,260
2015	5.00%	2,890,000	1,810,000	4,700,000
2016	5.00%	3,030,000	1,665,500	4,695,500
2017	5.00%	3,185,000	1,514,000	4,699,000
2018	5.00%	3,345,000	1,354,750	4,699,750
2019	5.00%	3,510,000	1,187,500	4,697,500
2020	5.00%	3,685,000	1,012,000	4,697,000
2021	5.00%	3,870,000	827,750	4,697,750
2022	5.00%	4,065,000	634,250	4,699,250
2023	4.50%	4,265,000	431,000	4,696,000
2024	5.00%	4,480,000	217,750	4,697,750
Totals		<u>\$ 51,765,000</u>	<u>\$ 23,402,765</u>	<u>\$ 75,167,765</u>

\$10,230,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 2004B

Purpose:

The Series 2004B Bonds were issued by the District (i) to finance the design, acquisition, construction and equipping of certain roads within or outside of the District for the purpose among others of providing access by District roads to the Western Beltway.

Bonds Refunded:

None

Key Dates:

Dated: December 18, 2003

Delivered: January 22, 2004

Issued As:

\$10,230,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida

Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee - None

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption

None

Optional Redemption

The Series 2004B Bonds maturing on and after June 15, 2015 are subject to redemption by the District prior to maturity in whole on any date on or after April 1, 2014 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year				
Ended				
Sept. 30,	Rate	Principal	Interest	Total
2009	3.25 - 5.0%	\$ 7,780,000	\$ 4,113,267	\$ 11,893,267
2010	3.25 - 5.0%	6,040,000	3,807,917	9,847,917
2011	3.3 - 5.0%	6,295,000	3,560,080	9,855,080
2012	3.4 - 5.0%	6,580,000	3,267,600	9,847,600
2013	3.5 - 5.0%	6,910,000	2,946,440	9,856,440
2014	3.6 - 5.0%	7,240,000	2,607,390	9,847,390
2015	3.7 - 5.0%	7,600,000	2,252,390	9,852,390
2016	5.00%	7,965,000	1,883,895	9,848,895
2017	5.00%	11,210,000	1,485,645	12,695,645
2018	3.9 - 5.0%	11,765,000	925,145	12,690,145
2019	4.0 - 5.0%	6,870,000	341,350	7,211,350
Totals		<u>\$ 86,255,000</u>	<u>\$ 27,191,119</u>	<u>\$ 113,446,119</u>

\$18,925,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 2005A

Purpose:

The Series 2004A Bonds were issued by the District (i) to finance road improvements and construct a new fire station and replace an existing fire station, and (ii) to pay a portion of the costs of issuance of the Series 2005 Bonds.

Bonds Refunded:

None

Key Dates:

Dated: May 11, 2005

Delivered: June 6, 2005

Issued As:

\$18,925,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida

Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee - None

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – AMBAC Assurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption

None

Optional Redemption

The Series 2005 Bonds maturing on and after June 1, 2016 are subject to redemption by the District prior to maturity in whole or in part on any date on or after June 1, 2015 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year Ended Sept. 30,	Rate	Principal	Interest	Total
2009		\$ -	\$ 938,150	\$ 938,150
2010		-	938,150	938,150
2011		-	938,150	938,150
2012		-	938,150	938,150
2013		-	938,150	938,150
2014		-	938,150	938,150
2015		-	938,150	938,150
2016		-	938,150	938,150
2017		-	938,150	938,150
2018		-	938,150	938,150
2019		-	938,150	938,150
2020	5.00%	2,000,000	938,150	2,938,150
2021	5.00%	2,080,000	838,150	2,918,150
2022	5.00%	2,180,000	734,150	2,914,150
2023	5.00%	2,290,000	625,150	2,915,150
2024	5.00%	2,400,000	510,650	2,910,650
2025	4.25 - 5.0%	7,975,000	390,650	8,365,650
Totals		<u>\$ 18,925,000</u>	<u>\$ 14,356,550</u>	<u>\$ 33,281,550</u>

\$90,310,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Bonds, Series 2005B

Purpose:

The Series 2004B Bonds were issued by the District (i) to advance refund the Series 1995C Bonds maturing after June 1, 2008 and the Series 1998A Bonds maturing after June 1, 2009, and (ii) to pay a portion of the costs of issuance of the Series 2005 Bonds.

Bonds Refunded:

- Series 1995C Bonds maturing on or after June 1, 2008
- Series 1998A Bonds maturing on or after June 1, 2009

Key Dates:

Dated: May 11, 2005
 Delivered: June 6, 2005

Issued As:

\$90,310,000 Serial Bonds

Agents:

Registrar – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Paying Agent - U.S. Bank, Central Florida, National Association, Orlando, Florida
 Trustee - None
 Bond Counsel – Greenberg Traurig, P.A., Miami, Florida
 Insurer – AMBAC Assurance Corporation

Ratings:

Moody's - Aaa
 Standard & Poor's - AAA

Call Provisions:

Mandatory Redemption
 None

Optional Redemption

The Series 2005 Bonds maturing on and after June 1, 2016 are subject to redemption by the District prior to maturity in whole or in part on any date on or after June 1, 2015 at a redemption equal to 100% of the principal amount being redeemed (without premium) plus accrued interest to the date fixed for redemption.

Debt Service Requirements:

Fiscal Year Ended Sept. 30,	Rate	Principal	Interest	Total
2009	3.25 - 5.0%	\$ 7,780,000	\$ 4,113,267	\$ 11,893,267
2010	3.25 - 5.0%	6,040,000	3,807,917	9,847,917
2011	3.3 - 5.0%	6,295,000	3,560,080	9,855,080
2012	3.4 - 5.0%	6,580,000	3,267,600	9,847,600
2013	3.5 - 5.0%	6,910,000	2,946,440	9,856,440
2014	3.6 - 5.0%	7,240,000	2,607,390	9,847,390
2015	3.7 - 5.0%	7,600,000	2,252,390	9,852,390
2016	5.00%	7,965,000	1,883,895	9,848,895
2017	5.00%	11,210,000	1,485,645	12,695,645
2018	3.9 - 5.0%	11,765,000	925,145	12,690,145
2019	4.0 - 5.0%	6,870,000	341,350	7,211,350
Totals		<u>\$ 86,255,000</u>	<u>\$ 27,191,119</u>	<u>\$ 113,446,119</u>

APPENDIX B

UTILITIES REVENUE BONDS

Year Ended September 30, 2008

\$109,950,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 1997-1

Purpose:

To (i) refund a portion of the District's outstanding Utilities Revenue Bonds, Series 1987-1 and Series 1991-1, (ii) finance the costs of certain capital improvements of the utility system of the District, (iii) pay the costs of terminating certain Interest Rate Swap Agreements of the District, and (iv) pay the costs of issuance of the Series 1997-1 Bonds.

Bonds Refunded:

- (1) Series 1987-1 Bonds maturing on or after October 1, 1999.
- (2) Series 1991-1 Bonds maturing on October 1, 1998 in the amount of \$7,505,000 and bonds maturing on October 1, 2002 and October 1, 2003.

Key Dates:

Dated: August 1, 1997
 Delivered: August 14, 1997

Issued As:

\$ 109,950,000 Serial Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Trustee – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Bond Counsel – Nixon, Hargrave, Devans & Doyle LLP, New York, New York
 Insurer – AMBAC Indemnity Corporation

Ratings:

Moody's - Aaa
 Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 1997-1 Bonds maturing on or after October 1, 2008 are subject to redemption in whole on any date on or after April 1, 2007, or in part on the first day of each calendar month. Redemption will be made at the following redemption prices expressed as a percentage of the principal amount plus accrued interest to the date of redemption:

<u>Period During</u> <u>Which Redeemed</u>	<u>Redemption Price</u>
October 1, 2007 through September 20, 2008	101%
October 1, 2008 and thereafter	100%

Debt Service Requirements:

Fiscal Year	Sept. 30,	Rate	Principal	Interest	Total
2009		5.25%	\$ 635,000	\$ 94,837	\$ 729,837
2010			-	61,500	61,500
2011			-	61,500	61,500
2012			-	61,500	61,500
2013			-	61,500	61,500
2014			-	61,500	61,500
2015			-	61,500	61,500
2016			-	61,500	61,500
2017			-	61,500	61,500
2018			-	61,500	61,500
2019		5.13%	1,200,000	61,500	1,261,500
Totals			<u>\$ 1,835,000</u>	<u>\$ 709,837</u>	<u>\$ 2,544,837</u>

Series 2005-2 issued in June 2005 provided proceeds to refund a majority of the October 1, 2009 and October 1, 2019 maturities on April 1, 2007.

\$27,060,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 1999-1

Purpose:

To (i) finance the cost of certain capital improvements to the District's utility system, (ii) fund a portion of the Debt Service Reserve Account and (iii) pay costs of issuance of the Series 1999-1 Bonds.

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
Sept 30, 2009	4.70%	\$ 1,080,000	\$ 50,760	\$ 1,130,760
Totals		<u>\$ 1,080,000</u>	<u>\$ 50,760</u>	<u>\$ 1,130,760</u>

Bonds Refunded:

None

Series 2005-2 issued in June 2005 provided proceeds to refund bonds maturing October 1, 2010 through October 1, 2019 on November 1, 2009.

Key Dates:

Dated: September 15, 1999

Delivered: September 23, 1999

Issued As:

\$ 16,810,000 Serial Bonds

\$10,250,000 Term Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee – U.S. Bank, Central Florida, National Association, Orlando, Florida

Bond Counsel – Nixon Peabody LLP, New York, New York

Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 1999-1 Bonds maturing on or after October 1, 2010 are subject to redemption in whole or in part on the first day of any calendar month on or after October 1, 2009. Redemption will be made at the following redemption prices expressed as a percentage of the principal amount plus accrued interest to the date of redemption:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
October 1, 2009 through September 20, 2010	101%
October 1, 2010 and thereafter	100%

\$61,460,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 1999-2

Purpose:

To (i) refund on a current basis a portion of the District's outstanding Utilities Revenue Bonds, Series 1990-1 and (ii) pay costs of issuance of the Series 1999-1 Bonds.

Bonds Refunded:

Series 1990-1 Bonds maturing on or after October 1, 2000.

Key Dates:

Dated: September 15, 1999

Delivered: September 23, 1999

Issued As:

\$ 61,460,000 Serial Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee – U.S. Bank, Central Florida, National Association, Orlando, Florida

Bond Counsel – Nixon Peabody LLP, New York, New York

Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 1999-2 Bonds maturing on or after October 1, 2010 are subject to redemption in whole or in part on the first day of any calendar month on or after October 1, 2009. Redemption will be made at the following redemption prices expressed as a percentage of the principal amount plus accrued interest to the date of redemption:

Period During

Which Redeemed

Redemption Price

October 1, 2009 through

September 20, 2010

101%

October 1, 2010 and

thereafter

100%

Debt Service Requirements:

Series 2005-2 issued in June 2005 provided proceeds to refund bonds maturing October 1, 2010 through October 1, 2015 on November 1, 2009.

Fiscal Year	Rate	Principal	Interest	Total
Sept 30, 2009	4.90%	\$ 3,990,000	\$ 195,510	\$ 4,185,510
Totals		\$ 3,990,000	\$ 195,510	\$ 4,185,510

\$69,605,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2003-1

Purpose:

To (i) finance the cost of certain capital improvements to the District's utility system, (ii) purchase the RCES Leased Assets (iii) fund a portion of the Debt Service Reserve and (iiii) pay costs of issuance of the Series 2003-1 Bonds.

Bonds Refunded:

None

Key Dates:

Dated: July 9, 2003

Delivered: July 9, 2003

Issued As:

\$ 69,605,000 Serial Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee – U.S. Bank, Central Florida, National Association, Orlando, Florida

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 2003-1 Bonds maturing on or after October 1, 2014 are subject to redemption in whole or in part on the first day of any calendar month on or after October 1, 2013. Redemption will be made at the following redemption prices expressed as a percentage of the principal amount plus accrued interest to the date of redemption:

Period During

Which Redeemed

October 1, 2013 and thereafter

Redemption Price

100%

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
2009	2.13%	\$ 2,970,000	\$ 2,349,285	\$ 5,319,285
2010	2.5%-5.25%	3,030,000	2,286,173	5,316,173
2011	2.75%-5.25%	3,170,000	2,146,485	5,316,485
2012	2.9%-5.25%	3,315,000	2,001,435	5,316,435
2013	3%-5.25%	3,485,000	1,834,800	5,319,800
2014	3%-5.25%	3,665,000	1,652,850	5,317,850
2015		-	1,487,887	1,487,887
2016		-	1,487,887	1,487,887
2017	5.25%	4,240,000	1,487,887	5,727,887
2018	5.25%	4,465,000	1,265,288	5,730,288
2019	5.25%	4,700,000	1,030,875	5,730,875
2020	5.25%	3,600,000	784,125	4,384,125
2021	5.25%	3,700,000	595,125	4,295,125
2022	4%-5.25%	3,800,000	400,875	4,200,875
2023	4%-5.25%	3,900,000	201,563	4,101,563
Totals		\$ 48,040,000	\$ 21,012,540	\$ 69,052,540

Series 2005-2 issued in June 2005 provided proceeds to refund bonds maturing October 1, 2015 and October 1, 2016 on November 1, 2013.

\$200,720,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2003-2

Purpose:

The 2003-2 Bonds were issued for the purpose of providing money which together with other available moneys of the District, was sufficient to (i) refund on a current basis all of the Districts 1994-1 Bonds maturing on and after October 1, 2004 and (ii) pay costs of issuance of the Series 2003-2 Bonds.

Bonds Refunded:

Series 1994-1 Bonds maturing on and after October 1, 2004.

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
Sept 30,				
2009	5.00%	\$ 2,035,000	\$ 9,910,850	\$ 11,945,850
2010	5.25%	13,875,000	9,809,100	23,684,100
2011	5.25%	14,605,000	9,080,662	23,685,662
2012	5.25%	15,375,000	8,313,900	23,688,900
2013	5.25%	16,180,000	7,506,712	23,686,712
2014	5.25%	17,025,000	6,657,262	23,682,262
2015	5.25%	17,920,000	5,763,450	23,683,450
2016	5.25%	25,230,000	4,822,650	30,052,650
2017	5.25%	26,555,000	3,498,076	30,053,076
2018	5.25%	27,950,000	2,103,938	30,053,938
2019	5.25%	12,125,000	636,562	12,761,562
Totals		<u>\$ 188,875,000</u>	<u>\$ 68,103,162</u>	<u>\$ 256,978,162</u>

Key Dates:

Dated: June 19, 2003
 Delivered: January 6, 2004

Issued As:

\$ 200,720,000 Serial Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Trustee – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Bond Counsel – Greenberg Traurig, P.A., Miami, Florida
 Insurer – MBIA Insurance Corporation

Ratings:

Moody's - Aaa
 Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 2003-2 Bonds maturing on or after October 1, 2015 are subject to redemption in whole or in part on the first day of any calendar month on or after October 1, 2014. Redemption will be made at the following redemption prices expressed as a percentage of the principal amount plus accrued interest to the date of redemption:

Period During

Which Redeemed

October 1, 2014 and thereafter

Redemption Price

100%

\$26,930,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2005-1

Purpose:

To (i) finance the costs of certain capital improvements to the utility system of the District, (ii) fund a portion of the debt service reserve and (iii) pay the costs of issuance for the Series 2005-1 Bonds .

Bonds Refunded:

None

Key Dates:

Dated: May 11, 2005

Delivered: June 6, 2005

Issued As:

\$ 26,930,000 Serial Bonds

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
Sept 30,				
2009		-	\$ 1,346,500	\$ 1,346,500
2010		-	1,346,500	1,346,500
2011		-	1,346,500	1,346,500
2012		-	1,346,500	1,346,500
2013		-	1,346,500	1,346,500
2014		-	1,346,500	1,346,500
2015		-	1,346,500	1,346,500
2016		-	1,346,500	1,346,500
2017		-	1,346,500	1,346,500
2018		-	1,346,500	1,346,500
2019		-	1,346,500	1,346,500
2020	5.00%	\$ 2,545,000	1,346,500	3,891,500
2021	5.00%	2,760,000	1,219,250	3,979,250
2022	5.00%	2,995,000	1,081,250	4,076,250
2023	5.00%	3,245,000	931,500	4,176,500
2024	5.00%	7,505,000	769,250	8,274,250
2025	5.00%	7,880,000	394,000	8,274,000
Totals		\$ 26,930,000	\$ 20,553,250	\$ 47,483,250

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida

Trustee – None

Bond Counsel – Greenberg Traurig, P.A., Miami, Florida

Insurer – AMBAC Assurance Corporation

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 2005-1 Bonds maturing on or after October 1, 2016 are subject to redemption prior to maturity on or after October 1, 2015, in whole or in part on any date, at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption.

\$73,045,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2005-2

Purpose:

The 2005-2 Bonds were issued for the purpose of providing money which together with other available moneys of the District, will be sufficient to refund the outstanding (i) Series 1997-1 bonds maturing in 2009 (\$10,515,000) and 2019 (\$9,375,000) (ii) Series 1999-1 Bonds maturing 2010 thru 2019 (iii) Series 1999-2 Bonds maturing 2010 thru 2015 (iv) 2003-1 Bonds maturing in 2015 and 2016, and (ii) pay costs of issuance of the Series 2005-2 Bonds.

Bonds Refunded:

- Series 1997-1 Bonds maturing on October 1, 2009 (\$10,515,000) and October 1, 2019 (\$9,375,000).
- Series 1999-1 Bonds maturing between October 1, 2010 and October 1, 2019.
- Series 1999-2 Bonds maturing between October 1, 2010 and October 1, 2015.
- Series 2003-1 Bonds maturing October 1, 2015 and October 1, 2016.

Key Dates:

Dated: May 11, 2005
 Delivered: June 6, 2005

Issued As:

\$ 73,045,000 Serial Bonds

Agents:

Registrar and Paying Agent – U.S. Bank, Central Florida, National Association, Orlando, Florida
 Trustee – None
 Bond Counsel – Greenberg Traurig, P.A., Miami, Florida
 Insurer – AMBAC Assurance Corporation

Ratings:

Moody's - Aaa
 Standard & Poor's - AAA

Call Provisions:

Optional Redemption

Series 2005-1 Bonds maturing on or after October 1, 2016 are subject to redemption prior to maturity on or after October 1, 2015, in whole or in part on any date, at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption.

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
Sept 30,				
2009	5.00%	\$ 10,395,000	\$ 3,611,738	\$ 14,006,738
2010	5.00%	5,165,000	3,091,988	8,256,988
2011	5.00%	5,420,000	2,833,737	8,253,737
2012	5.00%	5,690,000	2,562,737	8,252,737
2013	5.00%	6,190,000	2,278,237	8,468,237
2014	3.5 - 5.0%	6,500,000	1,968,737	8,468,737
2015	4.5 - 5.25%	10,450,000	1,666,237	12,116,237
2016	4.0 - 5.0%	4,620,000	1,137,500	5,757,500
2017	4.00%	810,000	914,250	1,724,250
2018	4.00%	840,000	881,850	1,721,850
2019	5.00%	16,965,000	848,250	17,813,250
Totals		<u>\$ 73,045,000</u>	<u>\$ 21,795,261</u>	<u>\$ 94,840,261</u>