

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



SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2010

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2010

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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A and the Utilities Revenue Bonds Series 1997-1, 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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 2003-1, 2003-2, 2005-1 or 2005-2;
- (g) Modification to rights of Bondholders;
- (h) Redemptions of the Series 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 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 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 2003-1, 2003-2, 2005-1 or 2005-2;
- (k) Deannexation of lands comprising the District; and
- (l) Rating changes on the Series 1998B, 2001A, 2004A, 2004B, 2005A, 2005B, 2010A, 1997-1, 2003-1, 2003-2, 2005-1 or 2005-2 Bonds.

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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, 2010A, 1997-1, 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, 2010A, 1997-1, 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 for the fiscal year ending September 30, 2010. 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 (the "1995C Resolution").

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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”).
- On September 22, 2010, the District adopted Resolution No. 516 supplementing the 1991 Resolution and providing for the issuance of its Ad Valorem Tax Refunding Bonds, Series 2010 (the “2010 Resolution”).

The 1991 Resolution, as amended, thru the 2010 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, 2010, the District levied Ad Valorem Taxes at the rate of 10.3427 mills, of which 3.6247 mills is for the payment of debt service on outstanding Bonds and 6.7180 mills is for the payment of the general operations of the District. For the Fiscal Year ending September 30, 2011, the District has set an Ad Valorem Tax rate of 10.9109 mills, of which 3.8609 mills is for the payment of debt service on outstanding bonds and 7.0500 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

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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, from this legislation, 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 2011 (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, 2010

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) %	
1992	3,856,655	3.3789	6.1882	36,897	80.8	19.2	99.99
1993	3,909,486	3.4492	6.0811	37,259	82.0	18.0	99.99
1994	3,978,677	3.5208	6.0095	37,918	84.6	15.4	99.99
1995	3,989,632	3.5243	6.0628	38,249	85.0	15.0	99.99
1996	4,236,670	3.1000	6.6500	41,308	85.5	14.5	99.98
1997	4,516,058	3.4910	6.0090	42,903	86.5	13.5	99.96
1998	4,798,404	3.2628	5.9872	44,385	85.7	14.3	99.96
1999	5,197,914	5.1254	3.8746	46,781	85.1	14.9	99.99
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	85.1	14.9	99.99
2004	5,632,453	3.5122	6.4878	56,325	86.9	13.1	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	99.99
2010	7,197,469	3.6247	6.7180	74,441	88.9	11.1	99.99
2011	6,948,863	3.8609	7.0500	75,818	89.3	10.7	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 2010 and 2011, total assessed valuation of taxable property within the District in Orange County is \$6,612,184,697 and \$6,416,301,984.

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 2010 and 2011, total assessed valuation of taxable property within the District in Osceola County is \$585,284,686 and \$532,560,560.

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, 2010

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	2007	2008	2009	2010	2011
Walt Disney Company and Subsidiaries	Theme park/ Resort	\$ 5,764,500	\$ 6,253,891	\$ 6,536,726	\$ 6,395,517	\$ 6,205,432
Dolphin	Lodging	211,334	240,138	255,529	224,927	195,210
Wyndham Palace	Lodging	114,214	115,629	120,157	112,717	92,802
Swan	Lodging	105,322	107,290	113,238	103,525	89,272
Hilton	Lodging	90,659	98,173	105,475	95,142	84,173
Regal Sun Resort	Lodging	38,470	39,320	41,158	34,682	30,511
Smart City Telecommunications	Utility	33,587	36,399	34,574	34,404	22,612
Doubletree	Lodging	19,232	19,628	20,243	18,559	16,930
AMC Theatres	Entertainment	22,690	20,963	21,014	20,658	16,500
Royal Plaza	Lodging	20,855	25,849	26,162	21,753	16,474
Best Western	Lodging	18,169	18,464	20,301	18,340	14,200
IBM	Leasing	-	15,295	19,058	15,862	12,706
Holiday Inn	Lodging	15,517	10,993	11,228	10,422	12,231
Landry's Restaurant	Dining	2,450	2,198	3,906	4,752	10,609
Rainforest Café	Dining	4,363	4,514	4,728	4,522	10,562
Planet Hollywood	Dining	10,495	10,528	10,576	10,476	10,289
House of Blues	Entertainment	13,601	13,462	13,323	10,205	9,688
Others	Various	92,236	71,161	129,569	61,006	98,664
TOTAL		\$ 6,577,694	\$ 7,103,895	\$ 7,486,965	\$ 7,197,469	\$ 6,948,863

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 2010 (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, 2010

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
2009	74,014	99.99	2,941	71,067
2010	74,441	99.99	2,707	71,728

Source: District Tax Records

(1) Adjustments resulting from changes made in assessed values by the Orange and Osceola County Tax Assessors after taxes were levied.

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)	2007	2008	2009	2010	2011
Walt Disney Company and Subsidiaries	\$ 58,221,450	\$ 60,321,906	\$ 64,620,112	\$ 66,146,914	\$ 67,706,847
Dolphin	2,134,473	2,316,251	2,526,083	2,326,352	2,129,917
Wyndham Palace	1,153,561	1,115,300	1,187,836	1,165,798	1,012,553
Swan	1,063,752	1,034,866	1,119,437	1,070,728	974,034
Hilton	915,656	946,928	1,042,694	984,025	918,402
Regal Sun Resort	388,547	379,261	406,876	358,706	332,901
Smart City Telecommunications	339,229	351,087	341,788	355,830	246,714
Doubletree	194,243	189,322	200,116	191,950	184,717
AMC Theatres	229,169	202,199	207,738	213,659	180,026
Royal Plaza	210,636	249,327	258,630	224,985	179,741
Best Western	183,507	178,095	200,690	189,685	154,933
IBM	-	147,528	188,402	164,056	138,635
Holiday Inn	156,722	106,033	110,997	107,792	133,449
Landry's Restaurants, Inc	24,745	21,201	38,614	49,149	115,750
Rainforest	44,066	43,540	46,740	46,770	115,239
Planet Hollywood	106,000	101,548	104,551	108,350	112,266
House of Blues	137,370	129,848	131,707	105,547	105,705
Others	931,583	686,383	1,280,880	630,970	1,076,514
TOTAL	\$ 66,434,709	\$ 68,520,623	\$ 74,013,891	\$ 74,441,266	\$ 75,818,343

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, 2010

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,

	2007	2008	2009	2010	Budget 2011
REVENUES:					
Ad Valorem Taxes- net (1)	\$ 63,655,861	\$ 65,834,108	\$ 71,054,117	\$ 71,117,082	\$ 72,870,835
Intergovernmental	5,152,988	2,508,430	851,220	2,459,408	1,318,886
Building Permits and Fees	1,940,930	1,316,734	827,449	1,360,697	1,000,000
Drainage Fees	357,589	180,883	163,526	185,981	-
Interest from investments	2,268,660	1,575,779	808,715	299,272	500,000
Post Office	170,049	178,072	178,655	182,892	178,000
Emergency Service Fees	160,583	240,685	181,570	202,239	-
Other	1,620,152	324,070	304,815	217,600	250,000
Total Revenues	<u>75,326,812</u>	<u>72,158,761</u>	<u>74,370,067</u>	<u>76,025,171</u>	<u>76,117,721</u>
EXPENDITURES:					
Administrative	3,902,819	3,895,499	3,647,323	3,494,384	3,724,109
Personnel Services	647,482	627,052	499,878	429,636	528,206
Information Services	1,591,122	1,466,494	1,448,000	1,649,689	1,854,614
Post Office	311,121	360,806	381,086	411,668	431,551
Support Services	1,952,412	1,962,953	1,822,477	1,873,144	2,451,559
Building and Safety	2,098,805	2,171,294	2,185,322	2,321,437	2,518,139
Emergency Services	19,942,991	21,325,681	22,880,680	24,108,592	24,434,870
Water Control and Roadway Maintenance	8,964,787	8,393,890	9,188,419	8,154,824	8,863,698
Planning and Engineering	1,550,970	1,574,618	1,490,834	1,571,244	2,149,086
Groves	14,955	14,850	13,405	15,568	16,000
Capital Outlay	2,854,107	4,366,557	1,181,816	572,172	2,341,546
Debt Service	26,527,121	26,811,561	27,279,365	27,044,571	27,359,156
Total Expenditures	<u>70,358,692</u>	<u>72,971,255</u>	<u>72,018,605</u>	<u>71,646,929</u>	<u>76,672,534</u>
Excess (deficiency) of Revenues Over (under) Expenditures	<u>4,968,120</u>	<u>(812,494)</u>	<u>2,351,462</u>	<u>4,378,242</u>	<u>(554,813)</u>
Other Financing Sources (Uses):					
Bond proceeds	-	-	-	12,150,000	-
Payments to escrow agents	-	-	-	(14,772,917)	-
Lease Proceeds	-	2,725,660	-	-	-
Operating Transfers out	(3,272,057)	(2,884,285)	(3,404,962)	(2,726,333)	(3,356,784)
Total Other Financing Sources (Uses)	<u>(3,272,057)</u>	<u>(158,625)</u>	<u>(3,404,962)</u>	<u>(5,349,250)</u>	<u>(3,356,784)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (under) Expenditures and Other Financing Uses	<u>1,696,063</u>	<u>(971,119)</u>	<u>(1,053,500)</u>	<u>(971,008)</u>	<u>(3,911,597)</u>
Fund Balance, Beginning of Year	19,801,281	21,497,344	20,526,225	19,472,725	18,501,717
Fund Balance, End of Year (2) (3)	<u>\$ 21,497,344</u>	<u>\$ 20,526,225</u>	<u>\$ 19,472,725</u>	<u>\$ 18,501,717</u>	<u>\$ 14,590,120</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.
- (3) Consists of the combined fund balances of the General Fund and Debt Service Funds. Certain amounts are reserved for specific purposes such as capital projects and debt service. Refer to the Annual Financial Report for details.

REEDY CREEK IMPROVEMENT DISTRICT

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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, 2010:

AD VALOREM BONDS OUTSTANDING

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 2001A Bonds	\$ 52,375,000
Series 2004A Bonds	46,935,000
Series 2004B Bonds	7,845,000
Series 2005A Bonds	18,925,000
Series 2005B Bonds	72,435,000
Series 2010 Bonds	12,150,000
Total	<u>\$ 210,665,000</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, 2010

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:

Fiscal Year Ended September 30,	Series 2001A	Series 2004A	Series 2004B	Series 2005A	Series 2005B	Series 2010	Aggregate Total Debt Service
2011	\$ 7,403,440	\$ 4,698,955	\$ 749,432	\$ 938,150	\$ 9,855,080	\$ 132,246	\$ 23,777,303
2012	7,404,478	4,698,155	750,512	938,150	9,847,600	2,541,970	26,180,865
2013	7,378,703	4,699,585	750,212	938,150	9,856,440	2,544,840	26,167,930
2014	7,407,971	4,695,260	753,936	938,150	9,847,390	2,547,078	26,189,785
2015	7,405,985	4,700,000	751,476	938,150	9,852,390	2,548,684	26,196,685
2016	7,402,410	4,695,500	752,976	938,150	9,848,895	2,549,658	26,187,589
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	<u>\$ 66,611,737</u>	<u>\$ 65,771,455</u>	<u>\$ 10,520,517</u>	<u>\$ 31,405,250</u>	<u>\$ 91,704,935</u>	<u>\$ 12,864,476</u>	<u>\$ 278,878,370</u>

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, 2010

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, 2010

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, 2010:

**Largest Customers of the System
Fiscal Year Ended September 30, 2010
(\$ in thousands)**

<u>Customers</u>	<u>Type of Business</u>	<u>Operating Revenues (1)</u>	<u>Percent</u>
The Walt Disney Company			
Subsidiaries.....	Theme Park/Lodging	\$ 166,147	84.5%
Dolphin.....	Lodging	6,199	3.2%
Wyndham Palace.....	Lodging	3,139	1.6%
Swan.....	Lodging	2,713	1.4%
Hilton.....	Lodging	2,535	1.3%
Shades of Green.....	Lodging	1,908	1.0%
Wyndham LBV Resort.....	Lodging	1,485	0.8%
Landry's Restaurants, Inc.....	Dining	1,342	0.7%
Reedy Creek Improvement District ...	Government	1,248	0.6%
Royal Plaza.....	Lodging	913	0.5%
Best Western.....	Lodging	796	0.4%
Planet Hollywood.....	Dining	780	0.4%
Doubletree.....	Lodging	596	0.3%
Others		6,872	3.5%
Total		<u>\$ 196,673</u>	<u>100.0%</u>

(1) Does not include interdepartmental sales of \$21,610

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2010

UTILITIES REVENUE BONDS – Continued

Summary of Results of Operations

	2006	2007	2008	2009	2010
System Revenues: (1)					
Electric	\$ 109,939,264	\$ 118,394,117	\$ 119,099,824	\$ 125,422,550	\$ 128,903,131
Gas	20,240,678	21,467,797	17,804,215	17,592,005	17,127,963
Water	7,528,127	7,618,155	7,984,771	8,862,491	9,167,829
Chilled Water	22,700,150	22,937,930	22,637,591	22,309,616	21,721,896
Hot Water	6,032,761	6,946,775	7,479,918	6,879,034	6,045,279
Wastewater	21,311,180	21,622,680	21,619,272	22,622,104	22,642,323
Solid Waste	10,268,854	10,790,435	11,788,545	10,349,562	10,229,469
Reclaimed Water	2,142,579	2,126,569	2,186,798	2,499,547	2,445,312
Total System Revenues	200,163,593	211,904,458	210,600,934	216,536,909	218,283,202
Other Revenues					
Interest Income (2)	2,818,401	2,737,337	2,017,963	572,715	589,701
Connection Fees	110,304	-	-	175,951	2,867
Other Operating Revenues	529,089	462,428	497,234	441,200	219,662
Total Other Revenues	3,457,794	3,199,765	2,515,197	1,189,866	812,230
Total Revenues	203,621,387	215,104,223	213,116,131	217,726,775	219,095,432
Operating Expenses (3)					
Electric	90,833,668	98,295,660	101,359,578	103,346,212	109,778,691
Gas	19,813,268	21,009,616	18,189,506	17,636,331	15,834,021
Water	3,835,343	4,644,057	5,229,641	5,709,901	5,508,790
Chilled Water	17,658,477	17,726,095	17,708,427	18,598,646	18,825,993
Hot Water	5,826,444	5,333,284	5,378,694	5,508,572	5,094,645
Wastewater	8,957,757	9,334,996	9,452,583	9,185,204	10,110,127
Solid Waste	8,295,327	9,247,897	9,872,905	8,595,510	8,532,845
Reclaimed Water	664,156	636,888	644,458	749,084	724,759
Total Operating Expenses	155,884,440	166,228,493	167,835,792	169,329,460	174,409,871
Net Revenues	47,736,947	48,875,730	45,280,339	48,397,315	44,685,561
Debt Service					
Series 1997-1	11,232,988	11,246,363	11,246,188	729,838	61,500
Series 1999-1	1,127,287	1,134,987	1,124,447	1,158,475	-
Series 1999-2	4,185,750	4,183,925	4,186,485	4,157,795	-
Series 2003-1	5,317,185	5,317,085	5,317,485	5,319,286	5,316,173
Series 2003-2	11,958,850	11,945,350	11,953,100	11,945,850	23,684,096
Series 2005-1	1,346,500	1,346,500	1,346,500	1,346,500	1,346,500
Series 2005-2	3,611,738	3,611,738	3,611,737	14,006,737	8,256,987
Total Debt Service	38,780,298	38,785,948	38,785,942	38,664,481	38,665,256
Debt Service Coverage Ratio	1.23	1.26	1.17	1.25	1.16
Capital Contributions	179,781	186,083	360,541	328,018	260,619
Sale of Land	-	2,162,906	-	-	-
Balance Available for Capital Improvements					
Lease Payments and Other Lawful Purposes	9,136,430	12,438,771	6,854,938	10,060,852	6,280,924
Renewal & Replacement Expenditure	7,403,414	8,627,435	10,048,962	8,646,292	8,501,812
Transfer to Renewal & Replacement	168,578	138,193	121,536	(19,147)	43,572
Inventory	303,347	451,911	875,442	263,291	367,397
Lease Payments (4)	251,500	198,998	163,250	38,500	-
Balance Available for Other Lawful Purposes	\$ 1,009,591	\$ 3,022,234	\$ (4,354,252)	\$ 1,131,916	\$ (2,631,857)

(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 include interdepartmental expenses (see (1) above), and do not include depreciation, amortization or lease (see (6) below) expenses.

(4) 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 in the Indenture.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2010

UTILITIES REVENUE BONDS – Continued

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 2009. The survey updated through Fiscal Year 2010 will be completed in April 2011.

Debt Service

The following table summarizes the type and principal amount of the Bonds secured by Utility Revenues of the District outstanding as of September 30, 2010:

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 1997-1 Bonds	\$ 1,200,000
Series 2003-1 Bonds	42,040,000
Series 2003-2 Bonds	172,965,000
Series 2005-1 Bonds	26,930,000
Series 2005-2 Bonds	57,485,000
Total	<u>\$ 300,620,000</u>

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2010

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 2003-1	Series 2003-2	Series 2005-1	Series 2005-2	Aggregate Total Debt Service
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	\$ 1,753,500	\$ 58,417,082	\$ 221,348,212	\$ 44,790,250	\$ 72,576,535	\$ 398,885,579

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, 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, 2010

\$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

Called: November 1, 2010

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.

On September 22, 2010, the Ad Valorem Refunding Bond Series 2010 was issued in order to redeem these bonds on November 1, 2010.

\$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	
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		\$ 52,375,000	\$ 14,236,737	\$ 66,611,737	

\$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	Rate	Principal	Interest	Total
Sept. 30,				
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	1,364,750	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		\$ 46,935,000	\$ 18,836,455	\$ 65,771,455

\$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	Rate	Principal	Interest	Total
Sept. 30,				
2011	3.20%	\$ 435,000	\$ 314,432	\$ 749,432
2012	3.40%	450,000	300,512	750,512
2013	3.50%	465,000	285,212	750,212
2014	3.60%	485,000	268,936	753,936
2015	3.70%	500,000	251,476	751,476
2016	3.88%	520,000	232,976	752,976
2017	4.00%	540,000	212,826	752,826
2018	4.10%	560,000	191,226	751,226
2019	4.13%	585,000	168,266	753,266
2020	4.20%	605,000	144,135	749,135
2021	4.30%	630,000	118,725	748,725
2022	4.38%	660,000	91,635	751,635
2023	4.40%	690,000	62,760	752,760
2024	4.50%	720,000	32,400	752,400
Totals		<u>\$ 7,845,000</u>	<u>\$ 2,675,517</u>	<u>\$ 10,520,517</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
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%	2,160,000	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>\$ 12,480,250</u>	<u>\$ 31,405,250</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	
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>\$ 72,435,000</u>	<u>\$ 19,269,935</u>	<u>\$ 91,704,935</u>	

\$12,150,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Refunding Bonds, Series 2010

Purpose:

The Series 2010 Bonds were issued by the District to refund the Series 1998B Bonds maturing on or after June 1, 2011 and to pay the costs of issuance.

Bonds Refunded:

Series 1998B Bonds maturing on or after June 1, 2011.

Key Dates:

Dated: September 23, 2011

Delivered: September 23, 2011

Issued As:

\$12,150,000 Qualified Bank Note

Agents:

Bank – Bank of America, N.A.

Paying Agent – RCID

Bond Counsel – Bryant Miller Olive P.A., Orlando, Florida

Ratings:

Moody's - Aaa

Standard & Poor's - AAA

Call Provisions:

None

Debt Service Requirements:

Fiscal Year Ended Sept. 30,	Rate	Principal	Interest	Total
2011	158%	\$ -	\$ 132,246	\$ 132,246
2012	158%	2,360,000	19,970	2,541,970
2013	158%	2,380,000	16,840	2,544,840
2014	158%	2,430,000	17,078	2,547,078
2015	158%	2,470,000	78,684	2,548,684
2016	158%	2,510,000	39,658	2,549,658
Totals		<u>\$ 12,150,000</u>	<u>\$ 714,476</u>	<u>\$ 12,864,476</u>

APPENDIX B

UTILITIES REVENUE BONDS

Year Ended September 30, 2010

\$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:

Period During

Which Redeemed

Redemption Price

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
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>\$ 1,200,000</u>	<u>\$ 553,500</u>	<u>\$ 1,753,500</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.

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

Bonds Refunded:

None

Key Dates:

Dated: September 15, 1999

Delivered: September 23, 1999

Called: November 1, 2009

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
Called: November 1, 2009

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:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
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.

\$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		Principal	Interest	Total
Sept. 30,	Rate			
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		<u>\$ 42,040,000</u>	<u>\$ 16,377,082</u>	<u>\$ 58,417,082</u>

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.

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%

Debt Service Requirements:

Fiscal Year	Rate	Principal	Interest	Total
Sept. 30,				
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		\$ 172,965,000	\$ 48,383,212	\$ 221,348,212

\$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,				
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		<u>\$ 26,930,000</u>	<u>\$ 17,860,250</u>	<u>\$ 44,790,250</u>

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		Principal	Interest	Total
Sept. 30,	Rate			
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>\$ 57,485,000</u>	<u>\$ 15,091,535</u>	<u>\$ 72,576,535</u>