

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



SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

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 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, and the Utilities Revenue Bonds Series 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 and 2011-2, 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 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2 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 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2 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 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2;
- (g) Modification to rights of Bondholders;
- (h) Redemptions of the Series 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2 Bonds other than pursuant to a mandatory sinking fund redemption;
- (i) Defeasance of the Bond Resolution or any Series 2004A, 2004B, 2005A, 2005B, 2010A, 2003-1, 2003-2, 2005-1, 2003-2, 2011-1 or 2011-2 Bonds in whole or in part;
- (j) Release, substitution, or sale of property pledged under the Bond Resolution for repayment of the Series 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2;
- (k) Deannexation of lands comprising the District; and
- (l) Rating changes on the Series 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2 Bonds.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

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 2004A, 2004B, 2005A, 2005B, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 or 2011-2 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 2004A, 2004B, 2005A, 2010A, 2011A, 2003-1, 2003-2, 2005-1, 2005-2, 2011-1 and 2011-2 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, 2012. 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").

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

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”).
- On January 26, 2011, the district adopted Resolution no. 519 supplementing the 1991 Resolution and providing for the issuance of its Ad Valorem Tax Refunding Bonds, Series 2011 (the “2011 Resolution”).

The 1991 Resolution, as amended, thru the 2011 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 ended September 30, 2012, the District levied Ad Valorem Taxes at the rate of 11.4090 mills, of which 3.6850 mills is for the payment of debt service on outstanding bonds and 7.7240 mills is for the payment of the general operations of the District. For the Fiscal Year ending September 30, 2013, the District has set an Ad Valorem Tax rate of 11.0813 mills, of which 3.4813 mills is for the payment of debt service on outstanding bonds and 7.6000 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.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

AD VALOREM TAX BONDS - Continued

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.

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 have been no material effects, 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, 2003 through 2013 (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, 2012

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)	(2) Tax Bill Amount (\$ in thousands)	Percentage of Tax Roll		Percent Collected %
					The Walt Disney Company Related	Other (1)	
					%	%	
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	99.99
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	88.8	11.2	99.99
2011	6,948,863	3.8609	7.0500	75,818	89.3	10.7	99.99
2012	7,101,269	3.6850	7.7240	81,018	89.8	10.2	99.99
2013	7,297,853	3.4813	7.6000	80,870	89.3	10.7	-

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.
- (2) Tax bills are mailed to property owners on or about November 1st and payments are due by March 31st.

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 2012 and 2013, total assessed valuation of taxable property within the District in Orange County is \$6,590,211,711 and \$6,760,806,943, respectively.

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 2012 and 2013, total assessed valuation of taxable property within the District in Osceola County is \$511,057,304 and \$537,046,886, respectively.

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, 2012

Assessed Valuations; Description of Properties – Continued

Assessed Valuation of Major Taxpayers

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

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Walt Disney Company and Subsidiaries	Theme park/ Resort	\$ 6,536,726	\$ 6,388,862	\$ 6,205,432	\$ 6,375,464	\$ 6,518,857
Dolphin	Lodging	255,529	224,927	195,210	195,463	207,077
Palace Resort & Spa	Lodging	120,157	112,717	92,802	81,392	76,838
Swan	Lodging	113,238	103,525	89,272	89,297	91,347
Hilton	Lodging	105,475	95,142	84,173	87,989	76,343
Wyndham	Lodging	41,158	34,682	30,511	28,941	29,311
Smart City Telecommunications	Utility	34,574	34,404	22,612	18,237	21,223
Century Golf Partners	Sports/Recreation	-	-	-	-	23,914
Doubletree	Lodging	20,243	18,559	16,930	16,798	16,654
AMC Theatres	Entertainment	21,014	20,658	16,500	16,359	17,611
Royal Plaza	Lodging	26,162	21,753	16,474	15,201	13,529
Best Western	Lodging	20,301	18,340	14,200	12,708	13,147
IBM	Leasing	19,058	15,862	12,706	18,258	30,364
Holiday Inn	Lodging	11,228	10,422	12,231	12,313	13,512
Landry's Restaurants, Inc	Dining	8,634	15,929	21,171	19,802	14,554
Progress Energy Florida, Inc	Utility	8,612	6,948	8,773	9,432	8,094
Planet Hollywood	Dining	10,576	10,476	10,289	9,977	9,742
House of Blues	Entertainment	13,323	10,205	9,688	9,316	9,021
Others	Various	120,957	54,058	89,891	84,322	106,715
TOTAL		<u>\$ 7,486,965</u>	<u>\$ 7,197,469</u>	<u>\$ 6,948,863</u>	<u>\$ 7,101,269</u>	<u>\$ 7,297,853</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 identifies total District Ad Valorem Taxes collected for the Fiscal Years ending September 30, 2003 through 2012 (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, 2012

Collection of District Taxes – Continued

COLLECTION OF DISTRICT TAXES

Fiscal Year Ended September 30,	Total Tax Levy (\$ in thousands)	Collections as a Percent of Total Tax Levy (%)	Adjustments (1) and Discounts (\$ in thousands)	Total Net Tax Collections (\$ in thousands)	Collections (2) as a Percent of Net Tax Levy (%)
2003	31,606	96.01	1,259	30,344	99.99
2004	56,325	96.00	2,249	54,070	99.99
2005	59,725	95.88	2,456	57,263	99.99
2006	65,235	96.03	2,592	62,643	99.99
2007	66,435	95.82	2,779	63,656	99.99
2008	68,521	96.08	2,687	65,834	99.99
2009	74,014	96.00	2,960	71,054	99.99
2010	74,441	95.53	3,324	71,117	99.99
2011	75,818	96.03	3,012	72,806	99.99
2012	81,018	95.71	3,475	77,543	99.99

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.

(2) Net Tax Levy includes reductions for adjustments described in (1) and discounts for early payment.

The following table identifies 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)	2009	2010	2011	2012	2013
Walt Disney Company and Subsidiaries	\$ 64,620,112	\$ 66,078,083	\$ 67,706,847	\$ 72,737,666	\$ 72,237,409
Dolphin	2,526,083	2,326,352	2,129,917	2,230,043	2,294,679
Palace Resort & Spa	1,187,836	1,165,798	1,012,553	928,597	851,463
Swan	1,119,437	1,070,728	974,034	1,018,788	1,012,249
Hilton	1,042,694	984,025	918,402	1,003,869	845,983
Wyndham	406,876	358,706	332,901	330,186	324,805
Smart City Telecommunications	341,788	355,830	246,714	208,062	235,173
Century Golf Partners	-	-	-	-	264,994
Doubletree	200,116	191,950	184,717	191,654	184,544
AMC Theatres	207,738	213,659	180,026	186,643	195,153
Royal Plaza	258,630	224,985	179,741	173,433	149,916
Best Western	200,690	189,685	154,933	144,985	145,685
IBM	188,402	164,056	138,635	208,305	336,475
Holiday Inn	110,997	107,792	133,449	140,484	149,734
Landry's Restaurant, Inc	85,353	164,749	230,990	225,916	161,277
Progress Energy Florida, Inc	85,132	71,864	95,721	107,606	89,696
Planet Hollywood	104,551	108,350	112,266	113,825	107,957
House of Blues	131,707	105,547	105,705	106,287	99,962
Others	1,195,745	559,106	980,793	962,030	1,182,542
TOTAL	\$ 74,013,887	\$ 74,441,265	\$ 75,818,344	\$ 81,018,379	\$ 80,869,696

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, 2012

AD VALOREM TAX BONDS - Continued

The following table identifies the financial condition of the District:

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,					
	2009	2010	2011	2012	Budget 2013
REVENUES:					
Ad Valorem Taxes- net (1)	\$ 71,054,117	\$ 71,117,082	\$ 72,806,513	\$ 77,538,181	\$ 77,395,469
Intergovernmental	851,220	2,459,408	2,674,229	2,119,843	1,819,119
Building Permits and Fees	827,449	1,360,697	1,942,261	1,964,516	1,250,000
Drainage Fees	163,526	185,981	156,852	210,588	-
Interest from investments	808,715	299,272	274,026	122,822	350,000
Post Office	178,655	182,892	178,901	105,109	-
Emergency Service Fees	181,570	202,239	252,997	227,559	-
Other	304,815	217,600	323,503	940,013	250,000
Total Revenues	<u>74,370,067</u>	<u>76,025,171</u>	<u>78,609,282</u>	<u>83,228,631</u>	<u>81,064,588</u>
EXPENDITURES:					
Administrative	3,647,323	3,494,384	3,037,230	3,385,463	4,321,418
Human Resources	499,878	429,636	430,815	701,364	801,903
Information Tech & Systems	1,448,000	1,649,689	1,674,241	1,611,609	2,011,716
Post Office	381,086	411,668	407,200	413,052	-
Property Management/Support	1,822,477	1,873,144	2,252,673	2,324,906	3,312,704
Building and Safety	2,185,322	2,321,437	2,455,998	2,446,805	2,987,109
Emergency Services	22,880,680	24,108,592	24,958,252	24,017,610	27,269,121
Water Control and Roadway Maintenance	9,188,419	8,154,824	8,389,394	12,910,386	12,223,980
Planning and Engineering	1,490,834	1,571,244	1,616,347	1,724,661	2,236,953
Groves	13,405	15,568	13,838	10,501	16,000
Capital Outlay	1,181,816	572,172	3,162,288	1,690,257	1,804,125
Debt Service	27,279,365	27,044,571	18,711,488	26,475,215	26,461,314
Total Expenditures	<u>72,018,605</u>	<u>71,646,929</u>	<u>67,109,764</u>	<u>77,711,829</u>	<u>83,446,343</u>
Excess (deficiency) of Revenues Over (under) Expenditures	<u>2,351,462</u>	<u>4,378,242</u>	<u>11,499,518</u>	<u>5,516,802</u>	<u>(2,381,755)</u>
Other Financing Sources (Uses):					
Bond proceeds	-	12,150,000	47,715,000	-	-
Payments to escrow agents	-	(14,772,917)	(53,714,220)	-	-
Lease Proceeds	-	-	2,367,640	-	-
Operating Transfers out	(3,404,962)	(2,726,333)	(2,872,028)	(2,936,074)	(3,787,398)
Total Other Financing Sources (Uses)	<u>(3,404,962)</u>	<u>(5,349,250)</u>	<u>(6,503,608)</u>	<u>(2,936,074)</u>	<u>(3,787,398)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (under) Expenditures and Other Financing Uses	<u>(1,053,500)</u>	<u>(971,008)</u>	<u>4,995,910</u>	<u>2,580,728</u>	<u>(6,169,153)</u>
Fund Balance, Beginning of Year	20,526,225	19,472,725	18,501,717	23,497,627	26,078,355
Fund Balance, End of Year (2) (3)	<u>\$ 19,472,725</u>	<u>\$ 18,501,717</u>	<u>\$ 23,497,627</u>	<u>\$ 26,078,355</u>	<u>\$ 19,909,202</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

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

AD VALOREM TAX BONDS - Continued

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, 2012:

AD VALOREM BONDS OUTSTANDING

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 2004A Bonds	\$ 41,805,000
Series 2004B Bonds	6,960,000
Series 2005A Bonds	18,925,000
Series 2005B Bonds	59,560,000
Series 2010 Bonds	9,800,000
Series 2011 Bonds	42,425,000
Total	<u><u>\$ 179,475,000</u></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 Guaranty Agreement which required the District to make certain funds available for debt service on the Prior Osceola Bonds if operations of the toll road were insufficient to meet scheduled debt service.

In January 2004, the Series 2004A Bonds were issued by the District to refinance, together with proceeds from the Osceola County Transportation Improvement Refunding Bonds (Osceola Parkway Project), Series 2004 (the "Series 2004 Osceola Bonds") and the Prior Osceola Bonds. At the time of the refinancing of the Prior Osceola Bonds, the District entered into a new Bond Guaranty Agreement dated as of December 1, 2003. The Bond Guaranty Agreement is a continuing guaranty of payment and not of collection. The obligations of the District under the Bond Guaranty Agreement are stated to be absolute and unconditional and to remain in full force and effect until the entire principal of and interest on the Series 2004 Osceola Bonds and any bonds issued to refinance such bonds are paid. The obligation of the District to make the payments required by the Bond Guaranty Agreement is junior and subordinate to the obligations of the District with respect to its Bonds, and any other obligations issued on parity therewith by the District as permitted by the Bond Guaranty Agreement.

Pursuant to an Amended and Restated Osceola Parkway Development Agreement (the "Parkway Agreement") dated as of December 1, 2003 by and among Osceola County, the District and other landowners, Osceola County agreed to reimburse the District for amounts advanced under the Bond Guaranty Agreement. Osceola County has agreed to repay the debt service of the District's Series 2004A Bonds and any guarantee payments that are required along with accrued interest from excess toll revenues, if any, when they become available. The reimbursement payments will terminate on April 1, 2034 unless Osceola County decides to continue to collect tolls on the Osceola Parkway.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

AD VALOREM TAX BONDS - Continued

Aggregate Ad Valorem Debt Service Schedule

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

AGGREGATE AD VALOREM DEBT SERVICE SCHEDULE

Fiscal Year Ended September 30,	Series 2004A	Series 2004B	Series 2005A	Series 2005B	Series 2010	Series 2011	Aggregate Total Debt Service
2013	\$ 4,699,585	\$ 750,212	\$ 938,150	\$ 9,856,440	\$ 2,544,840	\$ 6,726,688	\$ 25,515,915
2014	4,695,260	753,936	938,150	9,847,390	2,547,078	6,753,788	25,535,602
2015	4,700,000	751,476	938,150	9,852,390	2,548,684	6,750,938	25,541,638
2016	4,695,500	752,976	938,150	9,848,895	2,549,658	6,748,825	25,534,004
2017	4,699,000	752,826	938,150	12,695,645	-	6,747,313	25,832,934
2018	4,699,750	751,226	938,150	12,690,145	-	6,746,263	25,825,534
2019	4,697,500	753,266	938,150	7,211,350	-	6,745,538	20,345,804
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>\$ 56,374,345</u>	<u>\$ 9,020,573</u>	<u>\$ 29,528,950</u>	<u>\$ 72,002,255</u>	<u>\$ 10,190,260</u>	<u>\$ 47,219,353</u>	<u>\$ 224,335,736</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, 2012

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; 8) a Tenth and Eleventh Supplemental Trust Indenture both dated May 1, 2005; 9) a Twelfth supplemental Trust Indenture dated August 1, 2011; and 10) a Thirteenth supplemental Trust Indenture dated December 1, 2011. The original indenture and all supplements are collectively referred to as the "Indenture".

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

Payment of principal 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, establish, maintain and collect such fees, rates, rentals, and other charges for the services and facilities of the System. Revenues together with investment earnings and other funds shall be sufficient to pay for the normal operation and maintenance of the System, to pay the annual debt service on all outstanding bonds, to meet the obligations for the Renewal and Replacement Fund and the Emergency Repair Fund, to fund additional capital improvements from revenues, and to produce surplus revenues available for other lawful purposes. The District 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, 2012

UTILITIES REVENUE BONDS - Continued

THE SYSTEM

General

The District presently owns and operates a wastewater collection and treatment system, a reclaimed water storage, pumping and distribution system, an electric generation and distribution system, a water production and distribution system, a chilled water system, a hot water system, a natural gas distribution system, and a solid waste and recyclables collection and disposal 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, 2012:

**Largest Customers of the System
Fiscal Year Ended September 30, 2012
(\$ 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	\$ 156,227	83.4%
Dolphin.....	Lodging	5,961	3.2%
Buena Vista Palace.....	Lodging	3,047	1.6%
Swan.....	Lodging	2,706	1.4%
Hilton.....	Lodging	2,411	1.3%
Shades of Green.....	Lodging	1,682	0.9%
Wyndham Lake Buena Vista Resort.....	Lodging	1,190	0.6%
Landry's Restaurants, Inc.....	Dining	1,315	0.7%
Reedy Creek Improvement District ...	Government	1,253	0.7%
Hardin Construction.....	Construction	1,034	0.6%
Royal Plaza.....	Lodging	831	0.4%
Century Golf.....	Recreation	888	0.5%
Best Western.....	Lodging	672	0.4%
Planet Hollywood.....	Dining	701	0.4%
Holiday Inn	Lodging	659	0.4%
Doubletree.....	Lodging	547	0.3%
Others		6,169	3.3%
Total		<u>\$ 187,293</u>	<u>100.0%</u>

(1) Does not include interdepartmental sales of \$20,918

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

UTILITIES REVENUE BONDS – Continued

Summary of Results of Operations

	2008	2009	2010	2011	2012
System Revenues: (1)					
Electric	\$ 119,099,824	\$ 125,422,550	\$ 128,903,131	\$ 126,118,597	\$ 123,910,974
Gas	17,804,215	17,592,005	17,127,963	15,968,205	14,629,394
Water	7,984,771	8,862,491	9,167,829	9,255,062	9,473,661
Chilled Water	22,637,591	22,309,616	21,721,896	20,409,298	21,488,423
Hot Water	7,479,918	6,879,034	6,045,279	5,041,207	4,848,883
Wastewater	21,619,272	22,622,104	22,642,323	22,507,767	24,059,110
Solid Waste	11,788,545	10,349,562	10,229,469	11,404,934	11,286,054
Reclaimed Water	2,186,798	2,499,547	2,445,312	2,709,435	2,625,491
Total System Revenues	<u>210,600,934</u>	<u>216,536,909</u>	<u>218,283,202</u>	<u>213,414,505</u>	<u>212,321,990</u>
Other Revenues					
Interest Income (2)	2,017,963	572,715	589,701	320,833	158,914
Connection Fees	-	175,951	2,867	-	56,301
Other Operating Revenues	497,234	441,200	219,662	134,514	349,097
Total Other Revenues	<u>2,515,197</u>	<u>1,189,866</u>	<u>812,230</u>	<u>455,347</u>	<u>564,312</u>
Total Revenues	<u>213,116,131</u>	<u>217,726,775</u>	<u>219,095,432</u>	<u>213,869,852</u>	<u>212,886,302</u>
Operating Expenses (3)					
Electric	101,359,578	103,346,212	109,778,691	105,034,245	101,258,143
Gas	18,189,506	17,636,331	15,834,021	14,685,712	13,423,793
Water	5,229,641	5,709,901	5,508,790	4,637,901	4,402,617
Chilled Water	17,708,427	18,598,646	18,825,993	18,031,512	18,626,230
Hot Water	5,378,694	5,508,572	5,094,645	5,012,591	4,375,985
Wastewater	9,452,583	9,185,204	10,110,127	9,849,316	10,024,219
Solid Waste	9,872,905	8,595,510	8,532,845	7,758,657	7,957,842
Reclaimed Water	644,458	749,084	724,759	897,870	718,169
Total Operating Expenses	<u>167,835,792</u>	<u>169,329,460</u>	<u>174,409,871</u>	<u>165,907,804</u>	<u>160,786,998</u>
Net Revenues	<u>45,280,339</u>	<u>48,397,315</u>	<u>44,685,561</u>	<u>47,962,048</u>	<u>52,099,304</u>
Debt Service					
Series 1997-1	11,246,188	729,838	61,500	56,375	-
Series 1999-1	1,124,447	1,158,475	-	-	-
Series 1999-2	4,186,485	4,157,795	-	-	-
Series 2003-1	5,317,485	5,319,286	5,316,173	5,316,485	5,316,435
Series 2003-2	11,953,100	11,945,850	23,684,096	23,685,663	23,688,900
Series 2005-1	1,346,500	1,346,500	1,346,500	1,346,500	1,346,500
Series 2005-2	3,611,737	14,006,737	8,256,987	8,253,737	8,252,738
Series 2011-1	-	-	-	5,762	35,160
Series 2011-2	-	-	-	-	875,500
Total Debt Service	<u>38,785,942</u>	<u>38,664,481</u>	<u>38,665,256</u>	<u>38,664,522</u>	<u>39,515,233</u>
Debt Service Coverage Ratio	1.17	1.25	1.16	1.24	1.32
Capital Contributions	<u>360,541</u>	<u>328,018</u>	<u>260,619</u>	<u>123,889</u>	<u>36,401</u>
Balance Available for Capital Improvements					
Lease Payments and Other Lawful Purposes	<u>6,854,938</u>	<u>10,060,852</u>	<u>6,280,924</u>	<u>9,421,415</u>	<u>12,620,472</u>
Renewal & Replacement Expenditure	10,048,962	8,646,292	8,501,812	7,996,737	9,354,173
Transfer to Renewal & Replacement	121,536	(19,147)	43,572	(52,856)	190,765
Inventory	875,442	263,291	367,397	780,274	552,240
Lease Payments (4)	163,250	38,500	-	-	-
Balance Available for Other Lawful Purposes	<u>\$ (4,354,252)</u>	<u>\$ 1,131,916</u>	<u>\$ (2,631,857)</u>	<u>\$ 697,260</u>	<u>\$ 2,523,294</u>

(1) Revenues include interdepartmental sales. These interdepartmental sales are eliminated in the audited financial statements.

(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 (4) 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, 2012

UTILITIES REVENUE BONDS – Continued

Condition of the System

The District represents, and as reviewed by the Consulting Engineer based on general field observations and the age and intended use of the System, the existing production, transmission, distribution, treatment and collection facilities of the System appear to be in good condition and well operated and maintained in accordance with usual utility practice. 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 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 2012.

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, 2012:

UTILITIES REVENUE IMPROVEMENT AND REFUNDING BONDS

<u>Debt</u>	<u>Principal Amount Outstanding</u>
Series 2003-1 Bonds	\$ 38,870,000
Series 2003-2 Bonds	158,360,000
Series 2005-1 Bonds	26,930,000
Series 2005-2 Bonds	52,065,000
Series 2011-1 Bonds	1,200,000
Series 2011-2 Bonds	30,000,000
Total	<u>\$ 307,425,000</u>

Source: District Comptroller's Office.

REEDY CREEK IMPROVEMENT DISTRICT

SECONDARY MARKET DISCLOSURE

Year Ended September 30, 2012

UTILITIES REVENUE BONDS - Continued

Aggregate Utilities Revenue Bonds Debt Service Schedule

The following table summarizes the debt service for the Outstanding Bonds issued by the District and payable from the Net Revenues of the System:

AGGREGATE UTILITIES REVENUE BONDS DEBT SERVICE SCHEDULE

Fiscal Year Ended September 30,	Series 2003-1	Series 2003-2	Series 2005-1	Series 2005-2	Series 2011-1	Series 2011-2	Aggregate Total Debt Service
2013	\$ 5,319,800	\$ 23,686,712	\$ 1,346,500	\$ 8,468,237	\$ 35,160	\$ 1,047,000	\$ 39,903,409
2014	5,317,850	23,682,262	1,346,500	8,468,737	35,160	1,047,000	39,897,509
2015	1,487,887	23,683,450	1,346,500	12,116,237	35,160	1,047,000	39,716,234
2016	1,487,887	30,052,650	1,346,500	5,757,500	35,160	1,047,000	39,726,697
2017	5,727,887	30,053,076	1,346,500	1,724,250	35,160	1,047,000	39,933,873
2018	5,730,288	30,053,938	1,346,500	1,721,850	35,160	1,047,000	39,934,736
2019	5,730,875	12,761,562	1,346,500	17,813,250	1,235,160	1,047,000	39,934,347
2020	4,384,125	-	3,891,500	-	-	5,547,000	13,822,625
2021	4,295,125	-	3,979,250	-	-	5,589,950	13,864,325
2022	4,200,875	-	4,076,250	-	-	5,625,920	13,903,045
2023	4,101,563	-	4,176,500	-	-	5,654,910	13,932,973
2024	-	-	8,274,250	-	-	5,676,920	13,951,170
2025	-	-	8,274,000	-	-	5,691,950	13,965,950
Totals	\$ 47,784,162	\$ 173,973,650	\$ 42,097,250	\$ 56,070,061	\$ 1,446,120	\$ 41,115,650	\$362,486,893

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, 1999-1, 2003-1 and 2005-1. The requirement is currently \$39,934,735.

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, 2012

\$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,				
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>\$ 41,805,000</u>	<u>\$ 14,569,345</u>	<u>\$ 56,374,345</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	Rate	Principal	Interest	Total
Sept. 30,				
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		\$ 6,960,000	\$ 2,060,573	\$ 9,020,573

\$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	Rate	Principal	Interest	Total
Sept. 30,				
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>\$ 10,603,950</u>	<u>\$ 29,528,950</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
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>\$ 59,560,000</u>	<u>\$ 12,442,255</u>	<u>\$ 72,002,255</u>

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

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
2013	1.58%	\$ 2,390,000	\$ 154,840	\$ 2,544,840
2014	1.58%	2,430,000	117,078	2,547,078
2015	1.58%	2,470,000	78,684	2,548,684
2016	1.58%	2,510,000	39,658	2,549,658
Totals		<u>\$ 9,800,000</u>	<u>\$ 390,260</u>	<u>\$ 10,190,260</u>

\$47,715,000
REEDY CREEK IMPROVEMENT DISTRICT
Ad Valorem Tax Refunding Bonds, Series 2011A

Purpose:

The Series 2011A Bonds were issued by the District to refund the Series 2001A Bonds maturing on or after June 1, 2011 and to pay the costs of issuance.

Bonds Refunded:

Series 2001A Bonds maturing on or after June 1, 2011.

Key Dates:

Dated: April 20, 2011

Delivered: April 20, 2011

Issued As:

\$47,715,000 Serial Bonds

Agents:

Bank – J P Morgan Chase Bank, N.A.

Paying Agent – RCID

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

Call Provisions:

None

Debt Service Requirements:

Fiscal Year				
Ended				
Sept. 30,	Rate	Principal	Interest	Total
2013	2.75%	\$ 5,560,000	\$ 1,166,688	\$ 6,726,688
2014	2.75%	5,740,000	1,013,788	6,753,788
2015	2.75%	5,895,000	855,938	6,750,938
2016	2.75%	6,055,000	693,825	6,748,825
2017	2.75%	6,220,000	527,313	6,747,313
2018	2.75%	6,390,000	356,263	6,746,263
2019	2.75%	6,565,000	180,538	6,745,538
Totals		<u>\$ 42,425,000</u>	<u>\$ 4,794,350</u>	<u>\$ 47,219,350</u>

APPENDIX B

UTILITIES REVENUE BONDS

Year Ended September 30, 2012

\$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				
Sept. 30,	Rate	Principal	Interest	Total
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>\$ 35,555,000</u>	<u>\$ 12,229,162</u>	<u>\$ 47,784,162</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				
Sept. 30,	Rate	Principal	Interest	Total
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		\$ 142,985,000	\$ 30,988,650	\$ 173,973,650

\$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,				
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>\$ 15,167,250</u>	<u>\$ 42,097,250</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				
Sept. 30,	Rate	Principal	Interest	Total
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		\$ 46,375,000	\$ 9,695,061	\$ 56,070,061

\$1,200,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2011-1

Purpose:

The 2011-1 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 Series 1997-1 bonds maturing in 2019 and pay costs of issuance of the Series 2011-1 Bonds.

Bonds Refunded:

Series 1997-1 Bonds maturing on October 1, 2019.

Key Dates:

Dated: August 2, 2011

Delivered: August 2, 2011

Issued As:

\$ 1,200,000 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

Debt Service Requirements:

Fiscal Year				
Sept. 30,	Rate	Principal	Interest	Total
2013		\$ -	\$ 35,160	\$ 35,160
2014		-	35,160	35,160
2015		-	35,160	35,160
2016		-	35,160	35,160
2017		-	35,160	35,160
2018		-	35,160	35,160
2019	2.93%	1,200,000	35,160	1,235,160
Totals		\$ 1,200,000	\$ 246,120	\$ 1,446,120

\$30,000,000
REEDY CREEK IMPROVEMENT DISTRICT
Utilities Revenue Bonds, Series 2011-2

Purpose:

The 2011-2 Bonds were issued for the purpose of (i) providing money to finance certain construction and acquisition of improvements to the utility system, and (ii) pay costs of issuance of the Series 2011-2 Bonds.

Bonds Refunded:

None.

Key Dates:

Dated: December 1, 2011

Delivered: December 1, 2011

Issued As:

\$ 30,000,000 Serial Bonds

Debt Service Requirements:

Fiscal Year				
Sept. 30,	Rate	Principal	Interest	Total
2013		\$ -	\$ 1,047,000	\$ 1,047,000
2014		-	1,047,000	1,047,000
2015		-	1,047,000	1,047,000
2016		-	1,047,000	1,047,000
2017		-	1,047,000	1,047,000
2018		-	1,047,000	1,047,000
2019		-	1,047,000	1,047,000
2020	3.49%	4,500,000	1,047,000	5,547,000
2021	3.49%	4,700,000	889,950	5,589,950
2022	3.49%	4,900,000	725,920	5,625,920
2023	3.49%	5,100,000	554,910	5,654,910
2024	3.49%	5,300,000	376,920	5,676,920
2025	3.49%	5,500,000	191,950	5,691,950
Totals		<u>\$ 30,000,000</u>	<u>\$ 11,115,650</u>	<u>\$ 41,115,650</u>

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