

Annual Debt Report

for the year ended June 30, 2011



THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

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The School District of Palm Beach County, FL
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Executive Summary

In 2001, the School Board asked the Investment Committee to increase their area of advisory responsibility to include the implementation and management of debt. The Committee was renamed the Finance Committee and is comprised of seven volunteers with significant experience in financial services, reviews and provides input on all financing transactions. With the support of this committee, the School Board adopted a Debt Management policy in April 2004. The purpose of the policy was to establish guidelines for the implementation and management of debt. In accordance with the policy, this report has been prepared to detail the actions taken during the fiscal year and to summarize the outstanding debt and hedges of the School District.

The School District's debt can be categorized as long-term and short-term. The District uses long-term debt, such as General Obligation Bonds and Certificates of Participation, to finance the purchase or construction of assets. Short-term debt, including Tax Anticipation Notes and Commercial Paper, is used to manage cash flows for operating and capital purposes. The District has also used hedges, or swaps, to reduce the borrowing costs associated with long-term debt.

The School District actively manages debt with the goal of obtaining capital at a low cost while managing the exposure to risk. A key goal of the District, as required by the Debt Management Policy, is to ensure the District maintain a strong credit rating. The District's long term, or General Obligation Rating, remains at AA2, AA and AA. A full list of the District's ratings are available on page 22 of this report.

FY 2011 was a busy year in the credit markets which resulted in a busy year for the District with regards to debt management. The year began with the annual sale of a Tax Anticipation Note quickly followed by our first competitive sale of a COP issue, Series 2010A Qualified School Construction Bonds. While technically an investment activity, the District also entered into a Forward Delivery Agreement for the investment of the sinking fund associated with the QSCBs. Together with the expected Federal Subsidy, the District will pay no interest on the debt and actually earn \$6 million that will be applied to the principle payment in 2025. As planned, the District participated in the State Capital Outlay Bond Issue which generated \$9.7 million for the construction of covered walkways at schools throughout the School District. During the summer, the District restructured the COP Series 2007B with the COP Series 2011A. The District also issued COP Series 2011B to refund the COP Series 2001B as required after the associated swaption was exercised. Finally, the District accelerated the restructure of the 2002B transaction which was planned for March 2012. Details of each transaction are

provided within this report. A schedule of items completed is available on page 17 and a schedule of renewals is available on page 18.

In addition to this annual report, documentation related to the District's debt is available online. In an effort to increase transparency to the public and to investors, an investor relations website is available at http://www.palmbeachschools.org/treasury/Investor_Relations.asp. Along with this report, documents such as offering statements, credit rating reports, and Finance Committee presentations are available.

Staff takes this opportunity to thank the Finance Committee for their ongoing support and expertise. Since the Committee was established in 2001, debt and hedge transactions of \$5 billion have been completed resulting in present value savings in excess of \$77 million. A summary of the completed transactions and associated savings is available on pages 29 and 30 of this report.

Long Term Debt

Capital Outlay Bond Issues

General Information: Known as COBI, these bonds are issued and managed by the State of Florida on behalf of the School District. The State collects funds from vehicle licenses. A portion of the funds is used for principal and interest payments. The remaining monies are forwarded to the School District as revenue known as CO&DS (Capital Outlay and Debt Service). Each year, the School Districts may be able to bond their portion of the revenue via this program. For the first time since 2003, the School District participated in a COBI sale during FY 2011.

FY 2011 Summary: During FY2011, principle payments totaling \$3.8M were made on the outstanding COBIs. The State issued COBI 2010A. A portion of the debt was new money which generated over \$9 million for the construction of covered walkways to portable classrooms throughout the County. A portion of the COBI 2010A refunded \$1.7 million of the COBI 2002A issue.

As of June 30, 2011, there \$37.2 million of COBI outstanding for Palm Beach Schools. The District's next principal payment of \$4.08M will occur on January 1, 2012.

Long Term Debt

Certificates of Participation

General Information: COPS were first issued by the District in 1994. This has been the District's primary method of financing school construction. As of June 30, 2011, there was \$1.93 billion outstanding. A listing of all COP issues, which details the projects financed, can be found on pages 24-28 of this report.

During FY 2008, the District's debt policy indicated that the lease payments associated with COPs should not exceed 50% of the authorized capital outlay millage. For FY 2008, the actual percentage was 44.6%. The projected percentages for FY 2009 and 2010 were 49.40% and 49.90% respectively. During the 2008 legislative session, the statute allowing school districts to levy up to 2 mils for capital outlay was changed to reduce the maximum to 1.75 mils. Based on that change, the School Board revised the debt policy so that up to 1 mil of the capital millage levy could be used for COP lease payments. The policy also indicated that the ratio should be reduced to the 50% level within a reasonable period of time. During FY 2009, the legislature again revised the statute and the capital millage levy was reduced to 1.50 mils. However, Districts were given the authority to levy an additional .25 mils that could be used for operations and/or capital needs. During FY 2010, 2011 and 2012, the District levied 0.098, 0.07 and .06 mils respectively for capital needs. For FY 2013, the District projects an additional levy of 0.048 mils will be needed to ensure compliance with the District's debt management policy. Based on the current property value projections, the District anticipates the percentage of the capital millage levy needed for debt service will gradually decline and fall below 50% in FY 2022. A graphical representation of this information can be found on 19.

Variable Rate COPS: The majority of the COP issues were issued as fixed rate debt. Three series are currently variable: Series 2002B, 2003B and 2011B. All three transactions have been hedged to create synthetic fixed rate transactions. They comprise 21.28% or \$402.6 million of the COPs outstanding. Two other series, 2002D and 2007B are currently fixed but could become variable rate in the future. These two transactions comprise 13.85% or \$262.1 million of the COPs outstanding. The status of each transaction is shown below. Altogether they comprise 35.12% or \$664.7 million of the COPs outstanding.

Long Term Debt

Certificates of Participation (continued)

Variable Rate COPs:

- Series 2002B is a VRDO or variable rate demand bond obligation. The rates on these certificates are reset weekly, but have been synthetically fixed using an interest rate swap. The weekly remarketing of the transaction is handled by J.P. Morgan and Dexia provides liquidity via a standby repurchase agreement which will expire in March 2012. Due to market conditions and concerns regarding Dexia, the District chose to restructure this transaction effective August 1, 2011. Details of the transaction are provided on page 7.
- Series 2003B are variable with the rate reset weekly based on an index until maturity. This transaction has also been synthetically fixed using an interest rate swap.
- Series 2007B is fixed in a put bond structure until August 1, 2011. Effective August 1, the transaction was refunded with Series 2011A. Details of the new transaction are explained on page 6.
- Series 2001B and 2002D are currently fixed rate debt. In 2005, the District entered into swaptions to effectively refund both transactions. In exchange for \$10.49 million, beginning in August 2011 and August 2012, Citi has the right to exercise the swaptions. If exercised, the District would be required to refund the fixed rate debt with variable rate debt. The swaption on the 2001B was exercised and on June 29, 2011 the District issued Series 2011B. Details of the new transaction are explained on page 6.

Long Term Debt

Certificates of Participation (continued)

FY 2011 Summary: The District completed four debt transactions and one related investment transaction during 2011.

Series 2011B – In 2005, the District entered into a swaption for the COPs Series 2001B maturities 2016 - 2025. The District received \$6.25 million which was placed into the School Board's Contingency Reserve. In exchange, the counterparty, Citi, had the right to issue a floating to fixed rate swap where the District would pay a fixed rate of 4.59% and receive SIFMA. The swaption was exercised and became effective on August 1, 2011. Details of the new swap are available on page 15. The District accepted proposals from underwriters and banks regarding the structure of the new variable rate issue. Rather than traditional VRDOs which would require either a letter of credit or a standby repurchase agreement, the District chose to issue Floating Rate Notes privately placed through Wells Fargo at a rate of 70% of LIBOR plus 80 basis points. Wells Fargo purchased \$83.1M and PNC purchased \$79.9M of the debt. The arrangement exists for three years. The transaction will need to be restructured prior to August 2014. To eliminate basis risk, the swap was modified so the District would pay a fixed rate of 4.48% and receive 70% of LIBOR.

As the swaption included maturities beginning with 2016, the District also refunded maturities 2012 – 2015 with a \$3.3 million fixed rate bank loan with PNC. The All-In True Interest Cost of that portion of the transaction is 3.12% with PV Savings of \$73,168.

Series 2011A – In March 2007, the District issued Series 2007B in as Auction Rate Certificates. The District was concerned with the instability of the market at the end of 2007 and by early 2008, just prior to the collapse of the market, restructured the transaction in a fixed rate mode for three years, through August 2011. In late 2010, the District asked Morgan Stanley to develop a plan of finance to restructure Series 2007B and move a portion of the principle out a few years allowing for sinking fund payments associated with the Series 2010A QSCB. Together with the PFM, the District's Financial Advisor, it was determined that \$44.5 million of the debt would be fixed and \$67.9 million would be fixed for five years with a "Soft" Put structure. This allows the District to take advantage of lower yields and save approximately \$500,000 per year through 2016. At the end of five years, not later than August 1, 2016, the District will need to restructure a portion of this transaction.

Long Term Debt

Certificates of Participation (continued)

Series 2002B – As of June 30, 2011, the Series 2002B was in variable rate mode. However, most of the bonds could not be remarketed due to credit concerns with Dexia, the provider of the standby repurchase agreement. The contract with Dexia expires in March 2012. Rather than experience very high interest rates for the next nine months, the District chose to replace Dexia early. The District accepted bids for a replacement letter of credit or a Floating Rate Note structure (FRNs). The best solution was FRNs offered by J.P. Morgan. Effective August 1, 2011, the interest rate on the transaction will be SIFMA plus 70 basis points for the next 30 months. This eliminates any expose to counterparty or credit risk for the next 2.5 years. The District will need to restructure this transaction prior to February 1, 2014.

Qualified School Construction Bonds

General Information: – The Federal Government, as part of the American Recovery and Reinvestment Act (ARRA) created Qualified School Construction Bonds (QSCBs). These are tax credit bonds and are interest free – or very low net interest – to school districts. In conjunction with the Build America Bond (BAB) Program, also part of the ARRA legislation, the bonds issued prior to December 31, 2010, could be issued as taxable which opened up a new market for the District. The documentation is similar to a COP issue and requires a supplement to our Master Lease. The transaction is also included in the calculation of our COP capacity. The bonds are generally structured with annual payments over a twelve to sixteen-year period.

FY 2011 Summary: In November 2010, the District issued a QSCB with a par of \$67.6 million. In order to complete the transaction, the District modified the restructure of the Series 2007B to shift some of the principle payments out a few years and structure the QSCB so the first principle payment would take place in 2019. Given the market conditions, the District chose to sell the issue competitively. The transaction was purchased by Bank of America with a TIC of 5.477%. The federal subsidy associated with the transaction was 5.24% which results in a net interest rate of 0.237%. The All-In Total Interest Cost of the transaction was 0.36%. Translated to dollars, the total interest that will be paid on the transaction is \$53.8 million; the Federal Subsidy will be \$51.7 million resulting in a net interest cost of \$2.1 million.

Certificates of Participation (continued)

Forward Delivery Agreement for Series 2010A QSCB – Beginning in 2019 and continuing until 2025, the District will be required to make payments into a sinking fund for the Series 2010A QSCB. As part of the QSCB program, the District is limited to earn no more than 4.262% of interest on those funds. In November 2010, the District accepted bids for a Forward Delivery Agreement. Barclays Capital submitted the best bid and will provide US Treasuries or AAA rated Federal Agencies to generate 4.262% interest on the funds the District deposits into the sinking fund, beginning in 2019. The transaction locked in interest revenues of \$8.1M which offsets the \$2.1M of net interest cost of the QSCB and provides \$6 million that will be used for the last sinking fund payment.

Qualified Zone Academy Bonds

General Information: For the School District, a QZAB is essentially an interest-free loan. A bank will purchase the bonds; and the Federal Government pays the interest in the form of a tax credit to the bank. The documentation is similar to a COP issue and does require a supplement to our Master Lease. The transaction is also included in the calculation of our COP capacity. The bonds are generally structured with annual payments over a twelve to sixteen-year period. The bonds are paid in full at maturity, but the District is required to transfer a principal payment to an escrow account annually. The District has issued three QZABs to date totaling \$6.0 million.

FY 2011 Summary: During FY 2011, \$322,604.02 was transferred to the escrow accounts. Principal due to be transferred to the escrow accounts over the remaining life of the three transactions is \$2.7 million.

Short Term Debt

Revenue Anticipation Notes

General Information: Issued to finance the construction of two schools in anticipation of another capital revenue source, preferably a COP issue or sales tax revenues.

FY2011 Activity:

In March 2009, the District issued the 2009 RAN with a par of \$72.1. In March 2010, that transaction was paid off and the 2010 RAN was issued with a par of \$56 million effectively “rolling over” a portion of the 2009 RAN. The coupon rate of the new note was 1.5% with a net interest cost of 0.28%. The issue matured in February 2011. As of June 30, 2011, the District has no outstanding RANs.

Tax Anticipation Notes

General Information: Issued annually to finance operations prior to the receipt of ad valorem taxes.

FY2011 Activity: \$115 million was issued in October 2010. The coupon rate of the note was 1.5% with a net interest cost of .26%. The issue was paid in full on January 14, 2011. As of June 30, 2011, the District has no outstanding TANs.

Hedges

General Information:

The School District uses various types of hedges, or swaps, to reduce the borrowing costs associated with long-term debt. Simply stated, a swap is a financial contract between two parties, or “counterparties”. Swaps are a type of derivative, i.e. its price is *derived from* the price of an underlying index, bond rate, etc. For example, the District has used interest rate swaps to convert variable rate debt to a “synthetic” fixed rate, thus reducing the overall borrowing cost. A summary and graphical representation of each transaction can be found on pages 11-16.

FY2011 Summary: During FY11, the District worked to limit risk and exposure to the credit market. The School Board, based on recommendations from staff and the Finance Committee, approved the sale of the Constant Maturity Swap and the Basis Swap associated with COP Series 2002D. The CMS was novated to a third party in February 2011 and the District received \$8 million. The funds were placed in the General Fund and set aside to help balance the FY 2012 budget. The Basis Swap is still outstanding awaiting the appropriate market conditions for a sale.

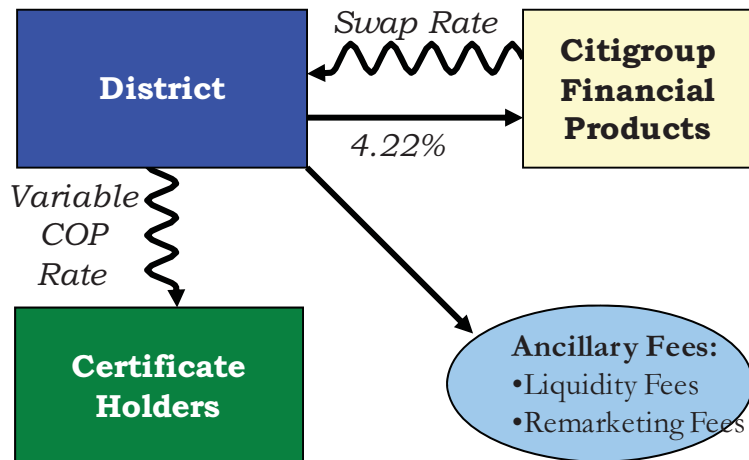
The swaption associated with COP Series 2001B was exercised and subsequent to the end of the fiscal year (August 1, 2011), became effective. The District worked with the counterparty to change the basis of the swap from SIFMA to LIBOR.

Hedges

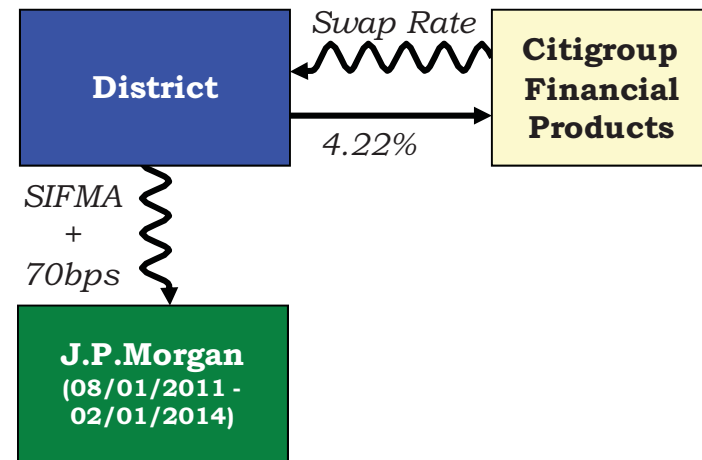
Floating-to-Fixed Cancelable Interest Rate Swap

In March 2002, the District issued variable rate COPs, Series 2002B, with a par amount of \$115.3 million. The District chose to enter into a floating-to-fixed cancelable interest rate swap, effective through August 1, 2027, to hedge against future increases in interest rates. The swap effectively converted the 2002B certificates into 25 year synthetic fixed rate debt obligations with a coupon of 4.22%. In exchange for an upfront premium payment of \$6.1 million received by the District, the swap counterparty has the right to cancel the swap on any date on or after February 1, 2007. This option was purchased by the School District on April 8, 2009 at a cost of \$2.7 million. In exchange for an additional reduction in the fixed rate paid by the District on the swap, the counterparty has the right to pay a lower Alternate Floating Rate equal to 67% of 1 month London Interbank Offering Rate (“LIBOR”). The counterparty can pay this lower Alternate Rate if the 180-day average of the Securities Industry and Financial Markets Association (“SIFMA”)/LIBOR ratio exceeds 67%. The most likely cause of an increase in the tax-exempt/taxable yield relationship would be legislation reducing the tax advantage of municipal debt, i.e. a tax cut. The Alternate Floating Rate was triggered in September 2002. The Certificates and swap together create low cost, long-term synthetic fixed-rate debt for the District. At June 30, 2011, the swap had a negative fair value of \$24,375,435 based on mid-market values as of the close of business. *As of June 30, 2011, the District has saved a total of \$6.7 million as a result of this transaction.* This savings is calculated by comparing the net payments to date to the payments that would have been made had the District issued traditional fixed rate debt.

Prior to August 1, 2011



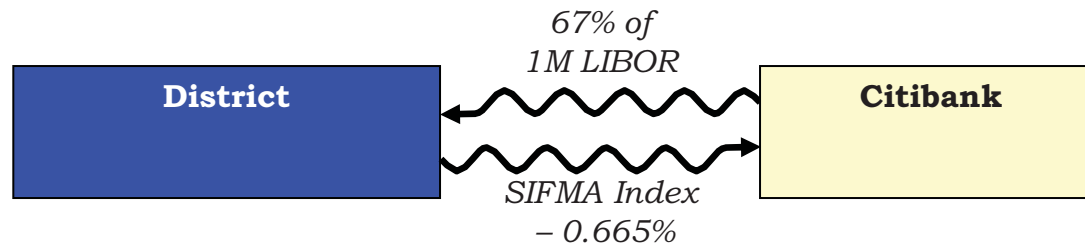
As of August 1, 2011



Hedges

\$100 Million Fixed Margin Basis Swap

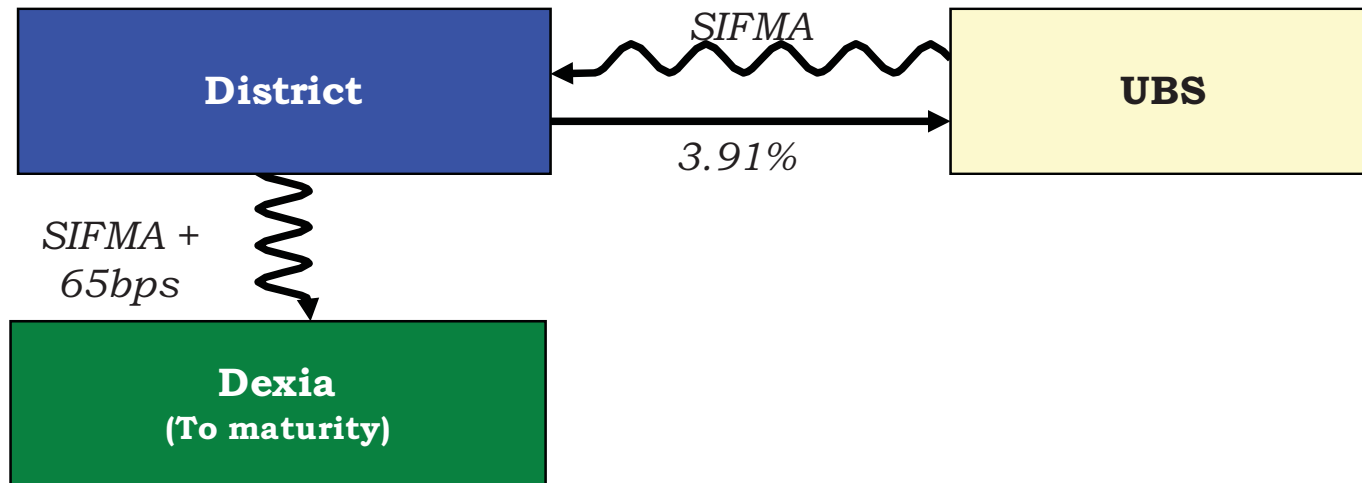
In June 2003, the District entered into a 25.5 year floating-to-floating interest rate swap in connection with the issuance of \$191.215 million of fixed-rate Certificates of Participation, Series 2002D. The swap notional principal amortizes to match the final \$100 million of maturing principal of the underlying Certificates. The swap creates economics similar to a 67% of LIBOR synthetic fixed-rate financing, i.e. variable-rate bonds plus floating-to-fixed rate swap, without the District having to actually issue the underlying variable-rate bonds. Under the basis swap, in exchange for receiving a below-market percentage of LIBOR, the District pays a variable rate equal to the SIFMA Index less a fixed margin of 66.5 basis points. The swap produces expected present value (“PV”) savings of \$10.68 million based on an assumed future average ratio of SIFMA Index to 1-month LIBOR of 67%. Since the District both receives and pays a variable rate under the basis swap, the transaction is interest rate neutral, all else equal. However, the District does bear risk of a future reduction or elimination in the benefit of the tax exemption for municipal debt. For example, a tax cut would likely increase the variable rate paid by the District under the swap and reduce or eliminate (in a worst case scenario) the swap’s expected positive cash flow and PV savings. However, the risk of radical tax reform that would severely reduce or eliminate the swap’s savings is deemed to be relatively low. The School Board has authorized the sale of this swap and the District expects the sale to be complete prior to the end of 2011. At June 30, 2011, the swap had a positive fair value of \$780,197 based on mid-market values as of the close of business. *As of June 30, 2011, the District has saved a total of \$4.3 million as a result of this transaction.*



Hedges

Floating-to-Fixed Knockout Interest Rate Swap

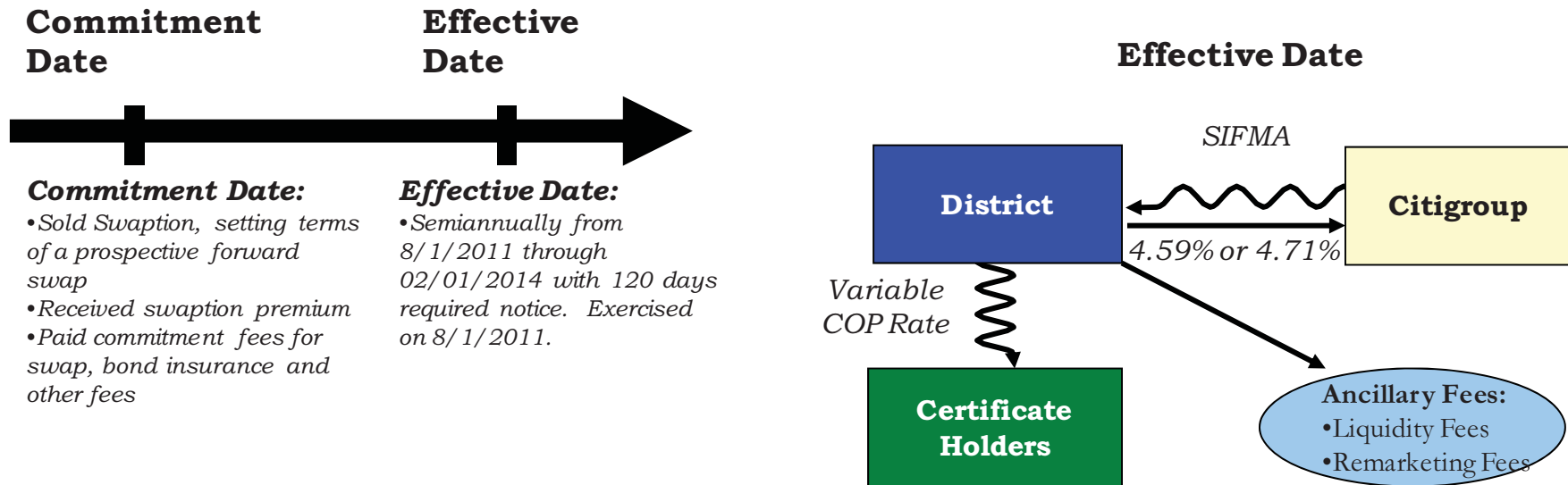
In June 2003 the District issued variable rate COPs, Series 2003B, with a par value of \$124.3 million. The District entered into a floating-to-fixed knockout interest rate swap, effective through August 1, 2029, to hedge against future increases in interest rates. The swap will effectively convert the Certificates into a synthetic fixed rate debt obligation with a coupon of 3.91%. In exchange for an upfront premium payment of \$3,010,000 received by the District, the swap counterparty has the right to terminate “knockout” the swap if the 180 day average of the SIFMA Index exceeds 7.0% in the future. In the event the swap is terminated, the District will be exposed to higher interest rate payments on the certificates. The knockout feature is exercisable anytime until August 1, 2018. Once the knockout option expires the District will be left with a fixed-payer swap that matures on August 1, 2029. The certificates and knockout swap together create low cost, long-term synthetic fixed-rate debt for the District. At June 30, 2011, the swap had a negative fair value of \$14,954,981 based on mid-market values as of the close of business. *As of June 30, 2011, the District has saved a total of \$5.6 million as a result of this transaction.* This savings is calculated by comparing the net payments to date to the payments that would have been made had the District issued traditional fixed rate debt.



Hedges

Swaptions

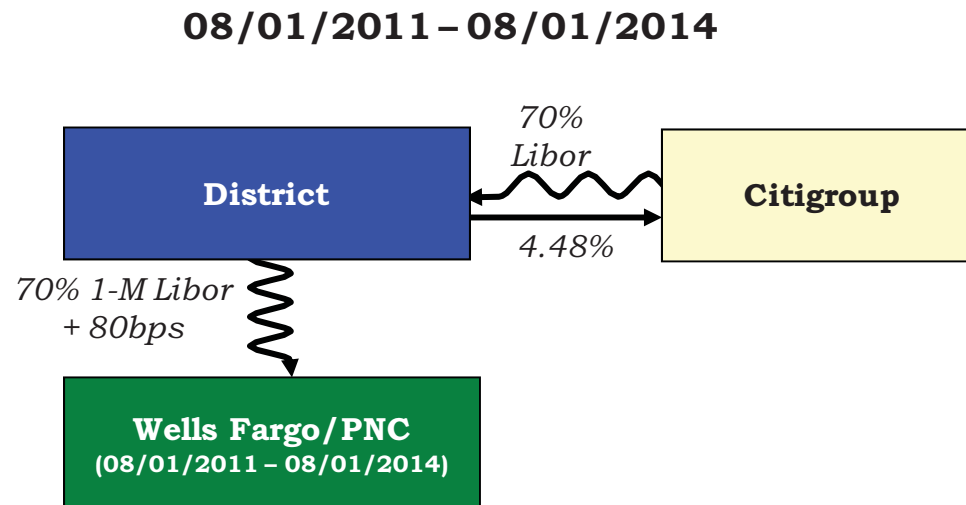
In connection with the anticipated future issuance of \$116,550,000 of variable-rate bonds to refund outstanding Certificates of Participation, Series 2002D and \$162,980,000 of variable-rate bonds to refund outstanding Certificates of Participation, Series 2001B, on August 10 and August 16, 2005 respectively, the District sold two options (“Swaptions”) on floating-to-fixed SIFMA interest rate swaps to Citibank, NA. The upfront gross premium amounts for the sale of the 2002D and 2001B swaptions were \$4,240,000 and \$6,250,000 respectively. These funds were placed in the Board’s Contingency Reserve Fund. Net of transaction costs and anticipated future costs of issuance, the estimated savings are \$3,426,073 and \$5,215,049, respectively, exceeding its targeted savings levels. The Swaption sales allowed the District to achieve a synthetic forward refunding of the Bonds to lock in savings based on current market conditions. Under U.S. tax law, the 2002D and 2001B Bonds were not eligible for a traditional current refunding until May 1, 2012 and May 1, 2011, respectively. The terms of the Swaptions were structured to mirror the terms on the optional redemption features on the 2002D and 2001B COPs. At June 30, 2011, the swaps had a negative fair value of \$43,476,490 (\$26,803,698 for 2001B and \$16,672,792.18 for 2002D) based on mid-market values as of the close of business. *As of June 30, 2011, the District has saved a total of \$10.4 million as a result of this transaction.*



Hedges

Swaptions continued

The Swaption associated with the COP Series 2001B was exercised and became effective on August 1, 2011. The District modified the basis of the swap to 70% of 1-month LIBOR to match the underlying COP issue, Series 2011B. The debt was privately placed to a syndicate led by Wells Fargo with a rate of 70% 1-month Libor plus 80 bps for three years. This eliminated exposure to credit risk and eliminated the need for liquidity and remarketing. In three years, the debt will be restructured. At that time, the swap will revert to a SIFMA based swap.



Hedges

Constant Maturity Swap

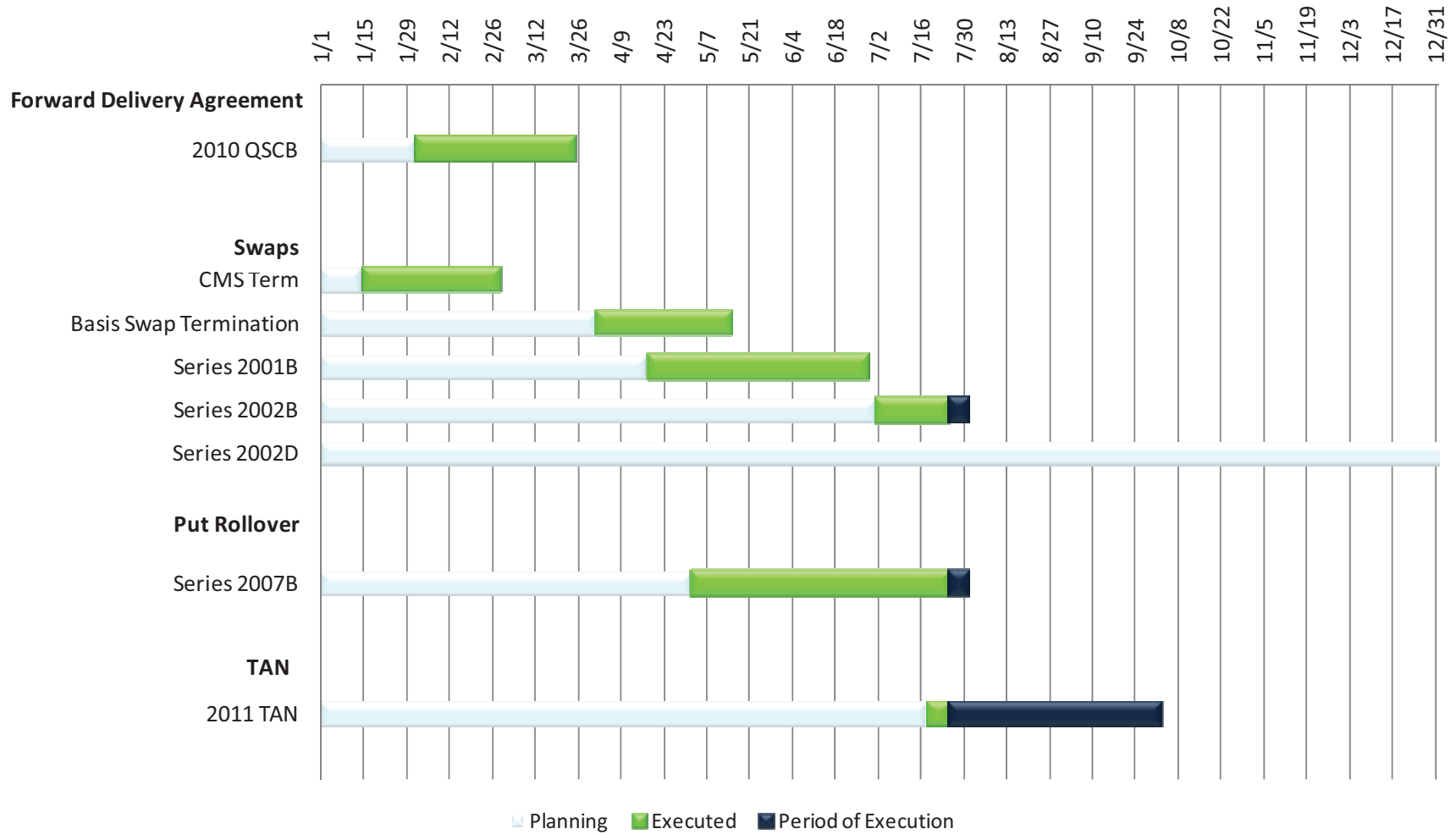
In connection with its outstanding Certificates of Participation Series 2002D, the District executed a forward-starting floating-to-floating or basis swap with UBS on September 13, 2006. The transaction consisted of a \$100 million constant maturity swap effective June 30, 2007 whereby the District pays UBS 67% of 1-month LIBOR in exchange for receiving 59.93% of the 10-year Constant Maturity Swap (“CMS”) rate. The “flat” shape of the yield curve provided an opportunity to swap the 1-month rate to a 10-year rate.

During February 2011 the District, with the assistance of Jeffries, novated the swap to Deutsche Bank. The District received a payment of \$8 million for the transaction, which was placed in the operating budget and used to help balance the FY 2012 budget. *Over the life of this transaction, the District received a total of \$12,273,075.*



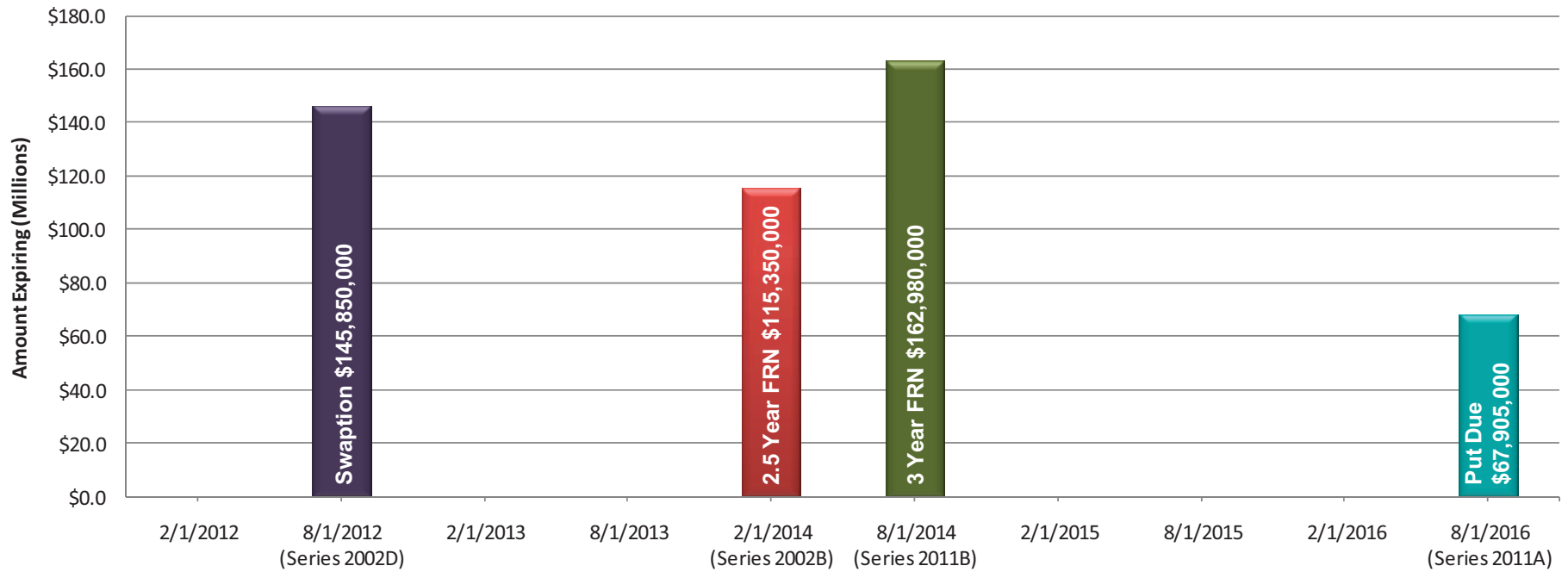


Debt Schedule for FY 2011



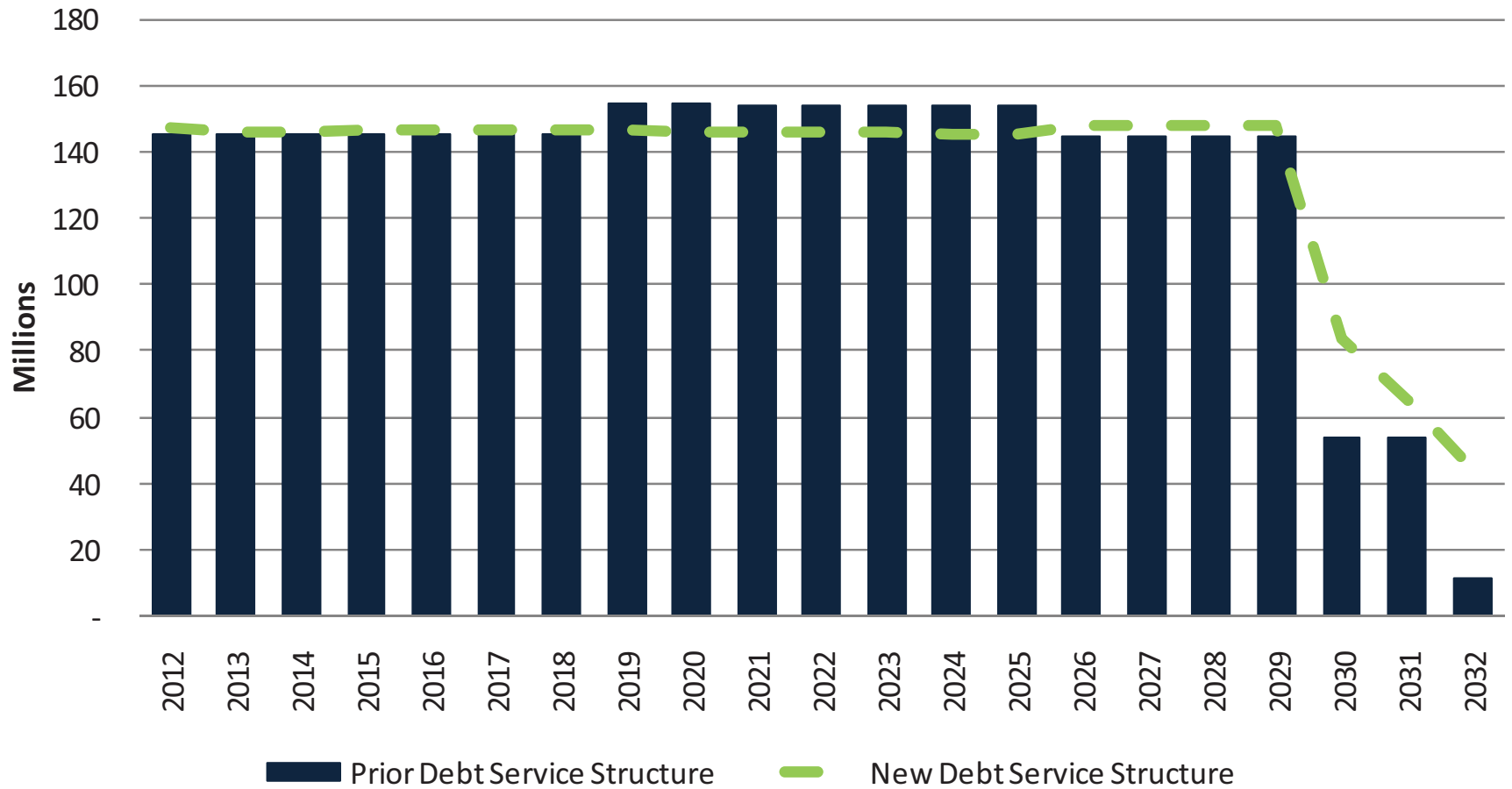


Renewal Timeline



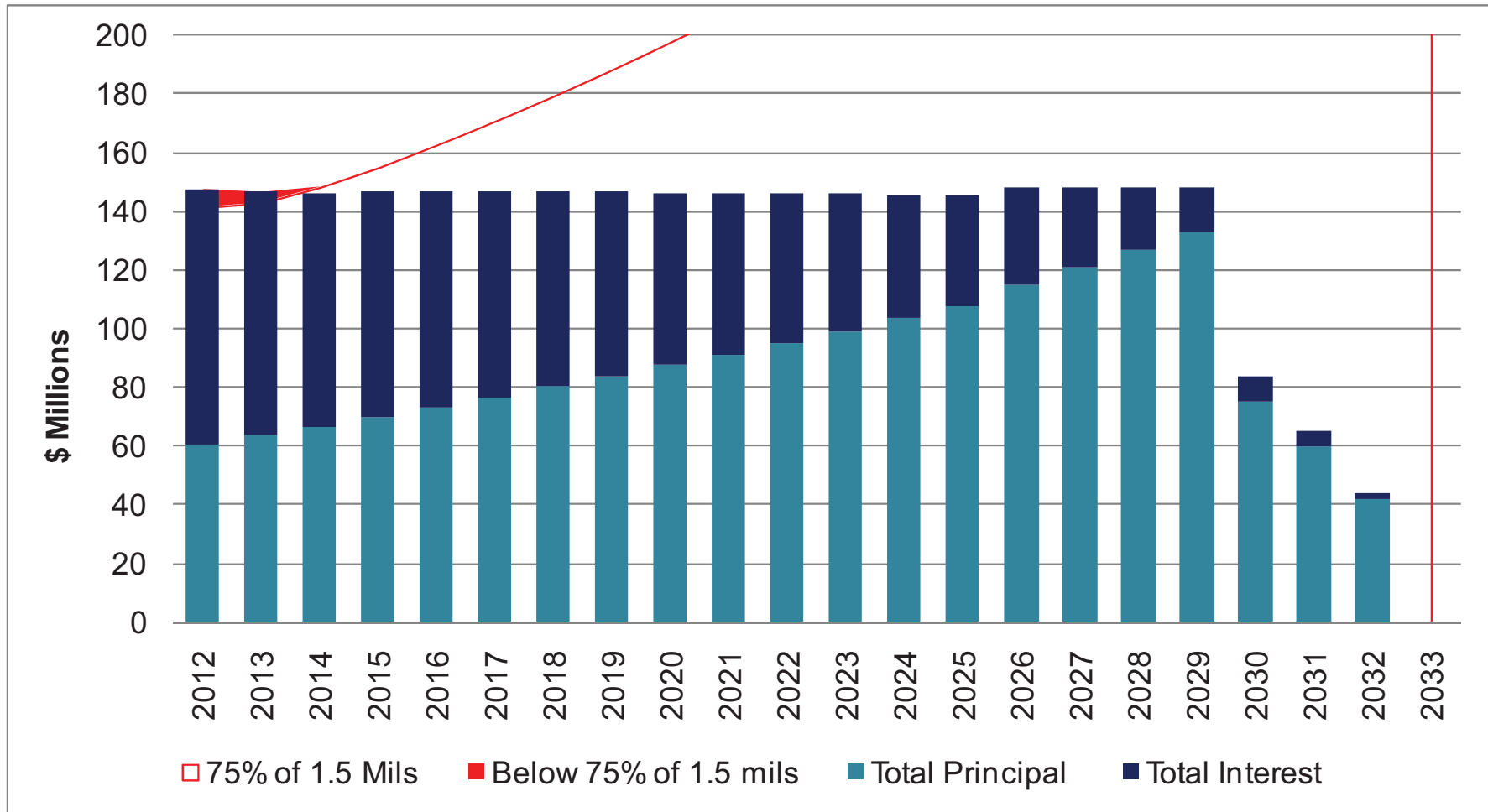


Change of Debt Structure During FY 2011



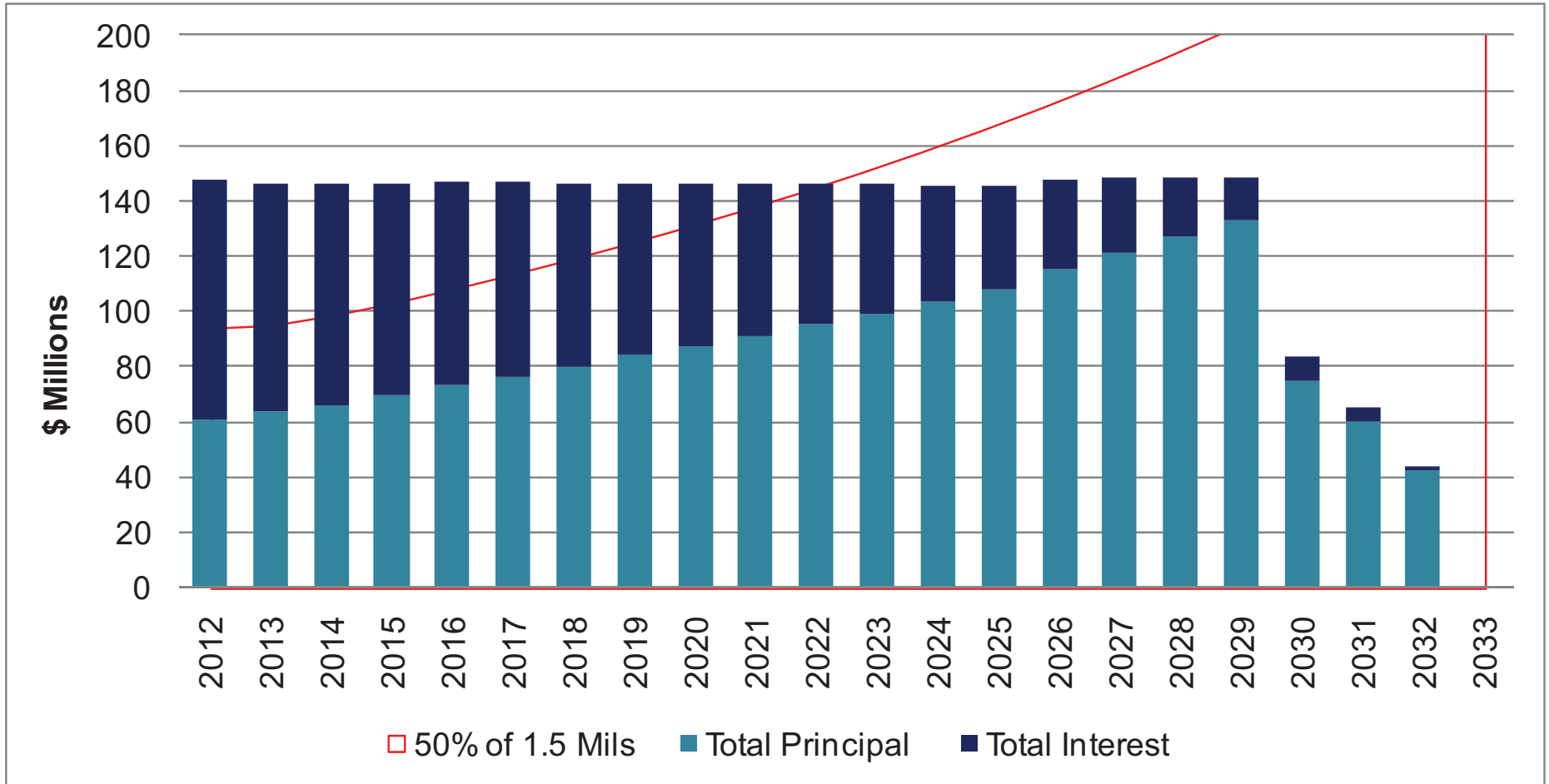


COP Debt Service with FY 2012 Millage





COP Debt Service with FY 2012 Millage



Debt Ratings

The School District works with the three national rating agencies to provide an accurate credit rating. This is important as it impacts the interest costs associated with long term borrowing. While a change in ratings may not have a direct impact on the cost of existing fixed rate debt, it would immediately impact the cost of variable rate debt and all future debt issuances. The District's current ratings are shown below and are among the highest for School Districts in the state of Florida. Definitions of these ratings are available on page 21.

Rating Agency	Short Term Notes	Long Term – General Obligation or Issuer Credit Rating	Long Term - Certificates of Participation
Moody's	MIG 1	Aa2, Stable Outlook	Aa3, Stable Outlook
Standard and Poor's	SP-1+	AA, Stable Outlook	AA-, Stable Outlook
Fitch	not rated	AA, Stable Outlook	AA-, Stable Outlook

RATING DEFINITIONS

Moody's Investor Service: Ratings for Long-Term Municipal Debt

Aaa	Best quality; carry the smallest degree of investment risk.
Aa	High quality; margins of protection not quite as large as the Aaa bonds.
A	Upper medium grade; security adequate but could be susceptible to impairment.
Baa	Medium grade; neither highly protected nor poorly secured - lack outstanding investment characteristics and sensitive to changes in economic circumstances.

Ratings further classified by 1, 2, or 3 modifier with 1 being high and 3 being low.

Moody's Investor Service: Ratings for Short-Term Municipal Debt

MIG 1	This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.
MIG 2	This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.

Standard & Poor's: Ratings for Long-Term Municipal Debt

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA in only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than two above categories.
BBB	Adequate capacity but adverse economic conditions more likely to weaken capacity.

Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

Standard & Poor's: Ratings for Municipal Notes

SP-1	Very strong or strong capacity to pay principle and interest,. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.
SP-2	Satisfactory capacity to pay principal and interest
SP-3	Speculative capacity to pay principal and interest.

Fitch Ratings: Ratings for Long-Term Municipal Debt

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA in only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than two above categories.
BBB	Adequate capacity but adverse economic conditions more likely to weaken capacity.

“+” or “-” are used with a rating symbol to indicate the relative position of a credit within the rating category.



School District of Palm Beach County
Summary of COPS Funded Projects
as of 06/30/2011

Debt Issue	Insurer	Facility	Square Footage	Student Stations	Total Project Costs	Asset Based Project Costs	Non-Asset Based Project Costs	Outstanding COPS as of 06/30/11	Acquisition?
COPS 1994A	AMBAC	Outstanding Debt COPS 1994A						-	closed
COPS 1994A	MBIA	Outstanding Debt COPS 1997A							closed
COPS 1994A	MBIA	Outstanding Debt COPS 2007D						22,725,000	closed
COPS 1994A		Indian Ridge Learning Center***	Demolished		3,485,548	3,485,548			closed
COPS 1994A		Orchard View Elem (91-I)	108,925	818	10,995,480	10,995,480			closed
COPS 1994A		Pioneer Park Elem (91-D)	102,411	800	11,321,380	11,321,380			closed
COPS 1994A		Roosevelt Middle (91-KK)	189,367	1,607	17,624,681	17,624,681			closed
COPS 1994A		Woodlands Middle (91-LL)	191,137	1,767	17,935,163	17,935,163			closed
COPS 1994A Total			591,840	4,992	61,362,253	61,362,253	-	22,725,000	
COPS 1995A	AMBAC	Outstanding Debt COPS 1995A						-	closed
COPS 1995A	AMBAC	Outstanding Debt COPS 2002E						41,440,000	closed
COPS 1995A		Belle Glade Elem (91-T)	110,567	972	11,193,520	11,193,520			closed
COPS 1995A		Dreyfoos Sch. of the Arts, old Bldg #6 (new Bldg#4)	25,003	227	3,045,157	3,045,157			closed
COPS 1995A		Dreyfoos Sch. of the Arts, old Bldg #8 (new Bldg #7)	48,525	441	8,837,351	8,837,351			closed
COPS 1995A		Golden Grove Elem (91-O)	117,026	948	11,330,499	11,330,499			closed
COPS 1995A		Lake Worth High, New Classroom Bldg #28	69,746	634	6,625,000	6,625,000			closed
COPS 1995A		Morikami Elem (91-S)	105,812	844	11,709,039	11,709,039			closed
COPS 1995A		Okeehoelee Middle (91-EE)	139,632	1,890	16,156,726	16,156,726			closed
COPS 1995A		Poinciana Elem Replacement	96,807	685	9,781,388	9,781,388			closed
COPS 1995A		Royal Palm High (91-HHH)	316,523	2,878	41,160,764	41,160,764			closed
COPS 1995A		Starlight Cove Elem (91-C)	104,243	1,112	9,062,327	9,062,327			closed
COPS 1995A		Water's Edge Elem (91-V)	106,261	944	9,145,947	9,145,947			closed
COPS 1995A Total			1,240,145	11,575	138,047,717	138,047,717	-	41,440,000	
COPS 1996A	AMBAC	Outstanding Debt COPS 1996A							closed
COPS 1996A	AMBAC	Outstanding Debt COPS 2002E						16,560,000	closed
COPS 1996A		Eagles Landing Middle (91-MM)	141,918	1,712	17,644,855	17,644,855			closed
COPS 1996A		Western Pines Middle (91-JJ)	136,013	1,410	15,613,207	15,613,207			closed
COPS 1996A Total			277,931	3,122	33,258,062	33,258,062	-	16,560,000	
COPS 2000A	FGIC	Outstanding Debt COPS 2000A						-	closed
COPS 2000A	AMBAC	Outstanding Debt COPS 2001B						-	closed
COPS 2000A	n/a	Outstanding Debt COPS 2011B						166,270,000	closed
COPS 2000A		Beacon Cove Elem (96-A)	111,416	933	10,716,391	10,716,391			closed
COPS 2000A		Independence Middle (98-FF)	171,028	1,626	18,928,821	18,928,821			closed
COPS 2000A		Jupiter High Modernization	331,152	2,872	50,044,875	50,044,875			closed
COPS 2000A		Lake Park Elem Modernization	74,305	455	8,574,167	8,574,167			closed
COPS 2000A		Pahokee Elem, Classroom Bldg	48,427	350	6,221,500	6,221,500			closed
COPS 2000A		Palmetto Elem Modernization	124,526	936	11,301,424	11,301,424			closed
COPS 2000A		Village Academy (98-P)	66,102	1,811	6,920,300	6,920,300			closed
COPS 2000A		Palm Beach Central High (96-JJJ)	372,835	3,013	41,435,322	41,435,322			closed
COPS 2000A Total			1,299,791	11,996	154,142,800	154,142,800	-	166,270,000	



School District of Palm Beach County
Summary of COPS Funded Projects
as of 06/30/2011

Debt Issue	Insurer	Facility	Square Footage	Student Stations	Total Project Costs	Asset Based Project Costs	Non-Asset Based Project Costs	Outstanding COPS as of 06/30/11	Acquisition?
COPS 2001A	AMBAC	Outstanding Debt COPS 2001A						495,000	closed
COPS 2001A	FSA	Outstanding Debt COPS 2005A						50,080,000	closed
COPS 2001A	AMBAC	Outstanding Debt COPS 2007C						78,060,000	closed
COPS 2001A		Boca Raton Elem Modernization	66,010	401	9,579,409	8,979,409	600,000		closed
COPS 2001A		Freedom Shores Elem (97-M)	110,192	1,317	11,804,410	10,804,410	1,000,000		closed
COPS 2001A		Crosspointe Elem (98-I)	103,967	918	15,403,960	14,403,960	1,000,000		closed
COPS 2001A		Discovery Key Elem (96-L)	108,677	1,300	11,885,410	10,885,410	1,000,000		closed
COPS 2001A		Forest Hill Elem Modernization	102,734	1,312	12,093,960	11,093,960	1,000,000		closed
COPS 2001A		Frontier Elem (96-B)	107,701	882	12,296,160	11,296,160	1,000,000		closed
COPS 2001A		Lake Worth High, Classroom Addition	115,368	540	4,524,000	4,124,000	400,000		closed
COPS 2001A		Benoist Farms Elem (96-D)	104,028	774	14,760,540	13,710,540	1,050,000		closed
COPS 2001A		Pleasant City Area Elem (98-N)	69,718	386	11,246,911	10,746,911	500,000		closed
COPS 2001A		Portable Replacement		-	7,000,000	-	7,000,000		closed
COPS 2001A		Sunrise Park Elem (96-H)	109,074	1,116	11,406,160	10,406,160	1,000,000		closed
COPS 2001A		Royal Palm Beach Elem (96-J)	102,610	846	12,142,460	11,092,460	1,050,000		closed
COPS 2001A Total			1,100,079	9,792	134,143,380	117,543,380	16,600,000	128,635,000	
COPS 2002A	FSA	Outstanding Debt COPS 2002A						37,045,000	closed
COPS 2002A	FSA	Outstanding Debt COPS 2005A						27,555,000	closed
COPS 2002A		Central Bus Compound	40,775	-	8,014,788	8,014,788			closed
COPS 2002A		Dreyfoos Of Arts, New Cafeteria and Gymnasium Remodel	43,367	-	5,889,374	5,889,374			closed
COPS 2002A		Furnishings		-	6,300,000		6,300,000		closed
COPS 2002A		Relocatable Classrooms		-	7,000,000		7,000,000		closed
COPS 2002A		Site Acquisition		-	22,829,991		22,829,991		closed
COPS 2002A		Park Vista Community High (91-EEE)	388,497	3,031	66,596,572	66,596,572			closed
COPS 2002A Total			472,639	3,031	116,630,725	80,500,734	36,129,991	64,600,000	
COPS 2002B	FSA	Outstanding Debt COPS 2002B						115,350,000	closed
COPS 2002B		Belvedere Elem Modernization	90,849	648	12,628,251	12,628,251			closed
COPS 2002B		Greenacres Elem Modernization	84,903	750	12,158,098	12,158,098			closed
COPS 2002B		Jupiter Elem Modernization	90,909	582	12,919,394	12,919,394			closed
COPS 2002B		Lantana Middle Modernization	145,251	1,112	21,353,292	21,353,292			closed
COPS 2002B		Site Acquisition		-	19,500,000	19,500,000			closed
COPS 2002B		South Olive Elem Modernization	94,982	698	14,153,421	14,153,421			closed
COPS 2002B		Jaega Middle (98-EE)	172,096	1,393	21,341,198	21,341,198			closed
COPS 2002B Total			678,990	5,183	114,053,654	114,053,654	-	115,350,000	



School District of Palm Beach County

Summary of COPS Funded Projects

as of 06/30/2011

Debt Issue	Insurer	Facility	Square Footage	Student Stations	Total Project Costs	Asset Based Project Costs	Non-Asset Based Project Costs	Outstanding COPS as of 06/30/11	Acquisition?
COPS 2002C	FSA	Outstanding Debt COPS 2002C						7,835,000	closed
COPS 2002C	FSA	Outstanding Debt COPS 2005A						25,235,000	closed
COPS 2002C	AMBAC	Outstanding Debt COPS 2007C						112,545,000	closed
COPS 2002C		Equestrian Trails Elementary (02-S)	115,633	920	13,706,487	13,706,487			closed
COPS 2002C		Diamond View Elementary (01-R)	120,747	1,076	13,706,101	13,706,101			closed
COPS 2002C		Panther Run Addition and HVAC Replacement		1,080	10,555,484		10,555,484		closed
COPS 2002C		West Boca Raton Community High (01-LLL)	371,432	2,547	52,114,137	52,114,137			closed
COPS 2002C		Forest Hill High Modernization	304,018	1,999	50,676,112	50,676,112			closed
COPS 2002C		U.B. Kinsey/Palmview Elem Modernization	101,117	695	13,102,337	13,102,337			closed
COPS 2002C		Village Academy Addition	31,480	-	4,434,591	4,434,591			closed
COPS 2002C Total			1,044,427	8,317	158,295,249	147,739,765	10,555,484	145,615,000	
COPS 2002D	FSA	Outstanding Debt COPS 2002D						145,850,000	closed
COPS 2002D	FSA	Outstanding Debt COPS 2005A						20,835,000	closed
COPS 2002D		Osceola Creek Middle (99-HH)	169,332	1,186	24,582,077	23,448,047	1,134,030		closed
COPS 2002D		Don Estridge High Tech Middle Middle (98-GG)	177,982	1,347	25,147,683	24,013,653	1,134,030		closed
COPS 2002D		H. L. Watkins Middle Modernization	188,548	595	22,492,448	21,243,058	1,249,390		closed
COPS 2002D		Lantana Elementary Modernization	95,220	647	13,042,053	12,271,613	770,440		closed
COPS 2002D		Palm Beach Public Elementary Modernization	68,565	563	13,367,632	12,862,932	504,700		closed
COPS 2002D		Palm Springs Elementary Modernization	121,208	1,031	17,595,377	16,596,277	999,100		closed
COPS 2002D		Roosevelt Elementary Modernization	117,695	822	17,483,238	16,484,138	999,100		closed
COPS 2002D		Tradewinds Middle (98-II)	192,160	1,356	34,947,826	32,918,726	2,029,100		closed
COPS 2002D		Portable/Modular Replacement		-	7,000,000		7,000,000		closed
COPS 2002D		Site Acquisition		-	17,500,000		17,500,000		closed
COPS 2002D Total			1,130,710	7,547	193,158,334	159,838,444	33,319,890	166,685,000	
COPS 2002Q		Outstanding Debt COPS 2002 QZAB						339,286	closed
COPS 2002Q		Furniture and Equipment for Palmetto Elem		-	950,000		950,000		closed
COPS 2002Q Total			-	-	950,000	-	950,000	339,286	
COPS 2003A	AMBAC	Outstanding Debt COPS 2003A						40,480,000	closed
COPS 2003A		William T. Dwyer Addition	42,436	385	5,500,000	5,500,000			closed
COPS 2003A		Seminole Ridge High (02-NNN)	376,677	2,626	54,254,517	51,254,517	3,000,000		closed
COPS 2003A Total			419,113	3,011	59,754,517	56,754,517	3,000,000	40,480,000	
COPS 2003B	AMBAC	Outstanding Debt COPS 2003B						124,295,000	closed
COPS 2003B		Atlantic High Replacement	402,435	2,579	67,231,936	64,231,936	3,000,000		closed
COPS 2003B		Bak Middle of the Arts Modernization	222,884	1,483	30,131,289	28,631,289	1,500,000		closed
COPS 2003B		LC Swain Middle (03-KK)	192,661	1,614	29,679,027	28,179,027	1,500,000		closed
COPS 2003B		Portable/Modular Replacement		-	6,006,615		6,006,615		closed
COPS 2003B Total			817,980	5,676	133,048,867	121,042,252	12,006,615	124,295,000	



School District of Palm Beach County

Summary of COPS Funded Projects

as of 06/30/2011

Debt Issue	Insurer	Facility	Square Footage	Student Stations	Total Project Costs	Asset Based Project Costs	Non-Asset Based Project Costs	Outstanding COPS as of 06/30/11	Acquisition?
COPS 2004A	FGIC	Outstanding Debt COPS 2004A						87,300,000	closed
COPS 2004A		Coral Sunset Elem Addition and HVAC Replacement	33,951	374	9,941,076	6,401,776	3,539,300		closed
COPS 2004A		Hammock Pointe Elem Addition and HVAC Replacement	46,375	395	13,134,972	9,634,972	3,500,000		closed
COPS 2004A		JC Mitchell Elem Modernization	127,887	1,122	20,993,903	20,993,903	-		closed
COPS 2004A		Meadow Park Elem Modernization	114,231	878	16,743,972	16,743,972	-		closed
COPS 2004A		Relocatable Classrooms		-	11,000,000		11,000,000		closed
COPS 2004A		SD Spady Elem Modernization	88,807	697	14,604,685	14,604,685	-		closed
COPS 2004A		Site Acquisition		-	17,248,000		17,248,000		closed
COPS 2004A Total			411,251	3,466	103,666,608	68,379,308	35,287,300	87,300,000	
COPS 2004Q		Outstanding Debt COPS 2004 QZAB						1,324,067	closed
COPS 2004Q		Equipment for Palm Beach Public Elem		-	172,600		172,600		closed
COPS 2004Q		Equipment for Forest Hill High		-	1,980,726		1,980,726		closed
COPS 2004Q		Equipment for Palm Springs Middle		-	770,000		770,000		closed
COPS 2004Q Total			-	-	2,923,326	-	2,923,326	1,324,067	
COPS 2005B	FSA	Outstanding Debt COPS 2005B						-	closed
COPS 2005B		ERP System		-	19,062,031		19,062,031		closed
COPS 2005B		Turning Points Academy (formerly CEP)		269	11,882,420	11,882,420			closed
COPS 2005B		Indian Ridge Modernization	75,162	250	8,117,580	8,117,580			closed
COPS 2005B Total			75,162	519	39,062,031	20,000,000	19,062,031	-	
COPS 2005Q		Outstanding Debt COPS 2005 QZAB						1,076,284	closed
COPS 2005Q		Audio Enhancement Equipment for 27 schools		-	2,150,308		2,150,308		closed
COPS 2005Q Total			-	-	2,150,308	-	2,150,308	1,076,284	
COPS 2006A	FSA	Outstanding Debt COPS 2006A						199,595,000	
COPS 2006A		Barton Elem Modernization	153,826	1,456	23,408,266	23,408,266			
COPS 2006A		D. D. Eisenhower Elem Modernization	117,806	864	27,593,001	27,593,001			
COPS 2006A		Marsh Pointe Elem (03-X)	110,895	960	23,419,951	23,419,951			
COPS 2006A		Palm Beach Gardens High Modernization	404,363	2,795	97,109,098	97,109,098			
COPS 2006A		Rolling Green Elem Modernization	146,915	1,122	25,712,891	25,712,891			
COPS 2006A		Modular Classrooms		-	25,000,000		25,000,000		
COPS 2006A		Voice/Data Equipment		-	3,430,100		3,430,100		
COPS 2006A Total			933,805	7,197	225,673,307	197,243,207	28,430,100	199,595,000	
COPS 2007A	FGIC	Outstanding Debt COPS 2007A						238,855,000	
COPS 2007A		CO Taylor Elem Modernization	170,203	1,441	43,486,782	42,136,782	1,350,000		
COPS 2007A		Roosevelt Mid Classroom Addition	35,876	352	8,649,176		8,649,176		
COPS 2007A		Royal Palm School Modernization	144,228	590	44,433,306	43,387,625	1,045,681		
COPS 2007A		Site Acquisition		-	58,563,546		58,563,546		
COPS 2007A		Suncoast High School Modernization	301,854	1,802	88,442,712	85,077,089	3,365,623		
COPS 2007A		Furnishings for 2007B Projects		-	3,402,602		3,402,602		
COPS 2007A		Westward Elem Modernization	111,981	1,040	32,084,676	31,113,772	970,904		
COPS 2007A Total			764,142	5,225	279,062,800	201,715,268	77,347,532	238,855,000	



School District of Palm Beach County

Summary of COPS Funded Projects

as of 06/30/2011

Debt Issue	Insurer	Facility	Square Footage	Student Stations	Total Project Costs	Asset Based Project Costs	Non-Asset Based Project Costs	Outstanding COPS as of 06/30/11	Acquisition?
COPS 2007B	FGIC	Outstanding Debt 2007B						116,225,000	
COPS 2007B		Carver Middle Addition	28,761	352	8,214,251	8,214,251			
COPS 2007B		Hagen Road Elem Modernization	121,528	862	28,378,526	28,378,526			
COPS 2007B		Lake Worth Middle Addition	34,353	366	8,836,069	8,836,069			
COPS 2007B		Palm Beach Gardens Elem Modernization	109,509	770	29,777,367	29,777,367			
COPS 2007B		Wellington High Auditorium*	28,093	-	12,871,672	12,871,672			
COPS 2007B		Sunset Palm Elem (03-Z)	127,035	1,022	30,341,550	30,341,550			
COPS 2007B Total			449,279	3,372	118,419,435	118,419,435	-	116,225,000	
COPS 2007E	MBIA	Outstanding Debt COPS 2007E						147,390,000	
COPS 2007E		Allamanda Elem Modernization	101,824	834	28,991,404	28,991,404	-		
COPS 2007E		Banyan Creek Elem Addition	38,953	514	13,775,998	13,775,998	-		
COPS 2007E		Benoist Farms Elem Pre-K	5,394	36	3,191,011		3,191,011		
COPS 2007E		Pahokee Stadium	13,667		13,568,593		13,568,593		
COPS 2007E		Modular Classrooms			11,200,000	-	11,200,000		
COPS 2007E		Site Acquisition - New Facilities			19,087,462	-	19,087,462		
COPS 2007E		Wellington Elem Addition	81,635	530	21,553,813	21,553,813	-		
COPS 2007E		West Palm Beach Area Elem (06-D)	131,804	996	34,495,903	34,495,903	-		
COPS 2007E		Whispering Pines Elem Addition	13,821	58	4,354,948	4,354,948	-		
COPS 2007E Total			387,098	2,968	150,219,131	103,172,066	47,047,066	147,390,000	
COPS 2010A		Outstanding Debt COPS 2010A						67,665,000	
COPS 2010A		Galaxy Elem Modernization	95,294	536	28,418,440	28,418,440			
COPS 2010A		Gove Elem Modernization	131,900	899	38,447,763	38,447,763			
COPS 2010A Total			227,194	1,435	66,866,203	66,866,203	-	67,665,000	
Grand Total			12,321,576	98,424	2,284,888,707	1,960,079,064	324,809,642	1,892,424,636	

All Educational Space**

26,281,051 206,097

85.78%

14.22%

Percentage of Educational Space included in the Master Lease

46.88% 47.76%

* Projects have not been completed. Square Footage data for these projects are estimated.

** Includes concrete modular classrooms

*** Project removed from the lease with consent of insurer. Replacement facility under construction and included in 2005B.



Summary of Financings Completed

September 2000 - August 2011

Type	Issue	New Money	Refundings	Swaps	Transaction Totals	PV Savings*
COPS	COP 2001A	135,500,000			135,500,000	
COPS	COP 2001B		169,445,000		169,445,000	8,000,000
COPS	COP 2002A	115,250,000			115,250,000	
COPS	COP 2002B	115,350,000			115,350,000	
COPS	COP 2002B R		115,350,000		115,350,000	
COPS	COP 2002C	161,090,000			161,090,000	
COPS	COP 2002D	191,215,000			191,215,000	
COPS	COP 2002E		93,350,000		93,350,000	3,750,000
COPS	COP 2002Q	950,000			950,000	
COPS	COP 2003A	60,865,000			60,865,000	
COPS	COP 2003B	124,295,000			124,295,000	
COPS	COP 2004A	103,575,000			103,575,000	
COPS	COP 2004Q	2,923,326			2,923,326	
COPS	COP 2005A		124,630,000		124,630,000	3,690,966
COPS	COP 2005B	38,505,000			38,505,000	
COPS	COP 2005Q	2,150,308			2,150,308	
COPS	COP 2006A	225,673,307			225,673,307	
COPS	COP 2007A	268,545,000			268,545,000	
COPS	COP 2007B	119,400,000			119,400,000	
COPS	COP 2007B R		118,225,000		118,225,000	
COPS	COP 2007C		195,881,039		195,881,039	7,920,411
COPS	COP 2007D		30,485,000		30,485,000	1,257,007
COPS	COP 2007E	147,390,000			147,390,000	
COPS	COP 2010A	67,665,000			67,665,000	
COPS	COP 2011A		112,425,000		112,425,000	
COPS	COP 2011B		166,270,000		166,270,000	
COPS Total		1,880,341,941	1,126,061,039	-	3,006,402,980	24,618,384
CP	Commercial Paper	250,000,000			250,000,000	2,874,998
CP Total		250,000,000	-	-	250,000,000	2,874,998



Summary of Financings Completed

September 2000 - August 2011

Type	Issue	New Money	Refundings	Swaps	Transaction Totals	PV Savings*
GO	GO 2002		98,490,000		98,490,000	5,000,000
GO	GO 2002A		28,200,000		28,200,000	779,525
GO Total		0	126,690,000	-	126,690,000	5,779,525
Lease	CIT	6,474,602			6,474,602	
Lease	SunTrust	2,878,520			2,878,520	
Lease Total		9,353,122	-	-	9,353,122	-
RANS	RANS 2009	72,114,878			72,114,878	58,487
RANS	RANS 2010	56,000,000			56,000,000	
RANS Total		56,000,000	-	-	56,000,000	-
Swap	2001B-Swaption			162,980,000	162,980,000	6,250,000
Swap	2002B-Interest Rate			115,350,000	115,350,000	6,784,408
Swap	2002D-Basis			100,000,000	100,000,000	4,306,114
Swap	2002D-CMS			100,000,000	100,000,000	12,273,075
Swap	2002D-Swaption			116,555,000	116,555,000	4,240,000
Swap	2003B-Interest Rate			124,295,000	124,295,000	5,660,682
Swap Total		-	-	719,180,000	719,180,000	39,514,279
TANS	TANS 2000	42,000,000			42,000,000	389,000
TANS	TANS 2001	45,000,000			45,000,000	133,000
TANS	TANS 2002	45,000,000			45,000,000	92,000
TANS	TANS 2003	45,000,000			45,000,000	33,000
TANS	TANS 2004	55,000,000			55,000,000	481,419
TANS	TANS 2005	55,000,000			55,000,000	700,021
TANS	TANS 2006	85,000,000			85,000,000	1,174,597
TANS	TANS 2007	115,000,000			115,000,000	871,761
TANS	TANS 2008	85,000,000			85,000,000	1,145,244
TANS	TANS 2009	85,000,000			85,000,000	10,161
TANS	TANS 2010	115,000,000			115,000,000	16,263
TANS Total		772,000,000	-	-	772,000,000	5,046,465
Grand Total		3,039,809,941	1,252,751,039	719,180,000	5,011,740,980	77,892,138

* PV Savings for refunding issues are calculated from the transaction date. PV savings for swaps are as of 06/30/2011.

SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA
SUMMARY OF OUTSTANDING OBLIGATIONS
AS OF 06/30/11

Series	Issue Date	Sr. Manager or Provider	Original Principal Amount	Principal Outstanding as of 06/30/11	Principal Outstanding as of 08/31/11	Final Maturity	Fixed or Variable	Interest Rates	Insurer / Credit Enhancement	Call Provisions	Purpose/ Comments	Hedged?	Variable Rate Obligation Only				Arbitrage /Yield Restriction Computation Date	Current Estimate	Current Estimate	
													Liquidity Provider	Liquidity	Mode	Remarketing or Broker Dealer Fee				
CERTIFICATES OF PARTICIPATION																				
2001A	04/01/01	Salomon Smith Barney	135,500,000	495,000	0	08/01/11	F	4.25% - 5.50%	Ambac	8/1/11 @ 101 8/1/12 @ 100	Partially refunded by 05A, 07C					n/a	\$ -	\$ -		
2002A	02/01/02	Salomon Smith Barney	115,250,000	37,045,000	29,915,000	08/01/18	F	4.00% - 5.375%	FSA	8/1/12 @ 100 (maturing on or after 8/1/14)	Partially refunded by 05A					n/a	\$ -	\$ -		
2002B	03/20/02	Salomon Smith Barney	115,350,000	115,350,000	115,350,000	08/01/27	V	4.22% (swap rate) plus 70bps	FSA	Any time Soft Put 2/1/14	Private Placement as Floating Rate Note on 8/1/11 with J.P.Morgan - SIFMA plus 70 bps	yes	Dexia terminated 8/1/11	.12% of Bond Value	Weekly	JP Morgan .08% of Bond Value Private Placement on 8/1/11	Y	08/01/11	\$ -	\$ -
2002C	05/15/02	UBS Paine Webber	161,090,000	7,835,000	3,990,000	08/01/12	F	4.125-5.50%	FSA	8/1/12 @ 100	Partially refunded by 05A, 07C					06/11/12	\$ -	\$ -		
2002D	12/01/02	Salomon Smith Barney	191,215,000	145,850,000	141,735,000	08/01/28	F	3.70% - 5.25% (net of swap payments)	FSA	8/1/12 @ 100	Partially refunded by 05A, Maturities 13-14, 17-18, 21-22 (5.25% coupon) and 23-28 have Swaption	Basis swap, Pending Swaption					01/09/13	\$ -	\$ -	
2002E	09/01/02	Salomon Smith Barney	93,350,000	58,000,000	48,010,000	08/01/16	F	4.0% - 5.375%	Ambac	Non Callable	Refunded 95A & 96A, 95A refunded 08/05, 96A refunded 08/06					09/25/12	\$ -	\$ -		
2002Q	06/11/02	Wachovia UBS Paine Webber	950,000	339,286	339,286	06/11/16	F	0.00%	None	Non Callable						n/a	\$ -	\$ -		
2003A	06/26/03	UBS Paine Webber	60,865,000	40,480,000	37,200,000	08/01/21	F	2.75% - 5.0%	Ambac	8/1/13 @ 100						06/26/11	\$ 229,410.10	\$ 229,410.10		
2003B	06/26/03	UBS Paine Webber	124,295,000	124,295,000	124,295,000	08/01/29	V	3.91% (swap rate) plus 65 bps	Ambac	Any time	Private Placement as Floating Rate Note with Dexia - SIFMA plus 65 bps	yes			private placement	Y	03/20/13	\$ -	\$ -	
2004A	05/04/04	Citigroup	103,575,000	87,300,000	84,345,000	08/01/29	F	3.10% - 5.0%	FGIC	8/1/14 @ 100						05/04/14	\$ -	\$ -		
2004Q	04/30/04	Bank of America	2,923,326	1,324,067	1,324,067	04/30/20	F	0.00%	None	Non Callable						n/a	\$ -	\$ -		
2005A	03/22/05	Bear Stearns	124,630,000	123,705,000	123,505,000	08/01/22	F	3.25% - 5.00%	FSA	8/1/15 @ 100	Refunded select 01A, 02A, 02C & 02D, Funds in Escrow					03/22/15	\$ -	\$ -		
2005Q	12/15/05	Wachovia	2,150,308	1,076,284	1,076,284	12/15/20	F	0.00%	None	Non Callable						n/a	\$ -	\$ -		
2006A	05/25/06	Citigroup	222,015,000	199,595,000	193,400,000	08/01/31	F	3.75% - 5.00%	FSA	8/1/16 @ 100						05/25/11	\$ -	\$ -		
2007A	02/28/07	UBS	268,545,000	238,855,000	228,175,000	08/01/31	F	3.75% - 5.50%	FGIC	8/1/17 @ 100						02/28/12	\$ -	\$ -		
2007B	03/22/07	Bear Stearns	119,400,000	116,225,000	0	08/01/25	F	4.429%	FGIC	Put Bond matures 8/1/2011 Refunded with 2011A					N	n/a	\$ -	\$ -		
2007C	03/22/07	Merrill Lynch	192,310,000	190,605,000	190,350,000	08/01/27	F	4.0% - 5.0%	Ambac	8/1/17 @ 100	Refunded select 01A and 02C					03/22/12	\$ -	\$ -		
2007D	05/03/07	Bear Stearns	30,485,000	22,725,000	18,615,000	08/01/15	F	5.00%	MBIA	Non Callable	Refunded 97A					05/03/12	\$ -	\$ -		
2007E	10/31/07	Citigroup	147,390,000	147,390,000	143,310,000	08/01/32	F	3.625% - 5.00%	MBIA	8/1/17 @ 100						10/31/12	\$ -	\$ -		
2010A QSCB	11/03/10	Bank of America Merrill Lynch	67,665,000	67,665,000	67,665,000	08/01/25	F	5.40%	n/a	Non Callable	Taxable Debt with subsidy from US Treasury. Net interest cost of 0.36%						\$ -	\$ -		

SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA
SUMMARY OF OUTSTANDING OBLIGATIONS
AS OF 06/30/11

Series	Issue Date	Sr. Manager or Provider	Original Principal Amount	Principal Outstanding as of 06/30/11	Principal Outstanding as of 08/31/11	Final Maturity	Fixed or Variable	Interest Rates	Insurer / Credit Enhancement	Call Provisions	Purpose/ Comments	Hedged?	Variable Rate Obligation Only					Arbitrage /Yield Restriction Computation Date	Current Estimate	Current Estimate
													Liquidity Provider	Liquidity	Mode	Remarketing or Broker Dealer Fee	Swapped to Fixed?			
2011A	07/13/11	Morgan Stanley	44,520,000	0	44,520,000	08/01/25	F	4.0% - 5.0%	n/a	8/1/2021	Refunded 2007B							\$ -	\$ -	
2011A	07/13/11	Morgan Stanley	67,905,000	0	116,225,000	08/01/32	F	5.00%	n/a	Mandatory Tender 8/1/16	Refunded 2007B							\$ -	\$ -	
2011B	06/29/11	Wells Fargo/PNC	162,980,000	162,980,000	162,980,000	08/01/25	V	4.48% (swap fixed rate) plus 80bps	n/a	Floating Rate Notes Soft Put 8/1/14	Refunded 2001B Privately Placed with Wells Fargo/PNC 70% 1-M LIBOR + 80bps	yes				Y		\$ -	\$ -	
2011B	06/29/11	PNC	3,290,000	3,290,000	3,290,000	08/01/15	F	1.90%	n/a	8/1/2012	Refunded 2001B Privately Placed with Wells Fargo/PNC 70% 1-M LIBOR + 80bps							\$ -	\$ -	
Total COPS			2,812,743,634	1,892,424,636	1,879,614,636															
OTHER OBLIGATIONS																				
RANS	03/09/10	JP Morgan	56,000,000	0	0	02/22/11	F	0.28%	None	None										
TANS	10/05/10	JP Morgan	115,000,000	0	0	01/14/11	F	0.26%	None	None										
Total Other Items			171,000,000	0	0															
CAPITAL OUTLAY BOND ISSUES (ISSUE BY STATE OF FLORIDA)																				
2002A	04/15/02		2,845,000	2,080,000	2,080,000	01/01/22	F	4.00% - 5.00%												
2002B	07/15/02		6,815,000	2,775,000	2,775,000	01/01/15	F	4.00% - 5.375%												
2003A	07/15/03		6,050,000	4,820,000	4,820,000	01/01/23	F	3.00% - 4.25%												
2005A	05/01/05		21,200,000	12,930,000	12,930,000	01/01/17	F	3.00% - 5.00%												
2005B	07/01/05		2,875,000	2,180,000	2,180,000	01/01/20	F	5.00%												
2009A	09/10/09		1,655,000	1,365,000	1,365,000	01/01/19	F	2.00% - 5.00%												
2010A	10/14/10		9,700,000	9,275,000	9,275,000	01/01/30	F	2.00% - 5.00%												
2010A-R	10/14/10		1,790,000	1,790,000	1,790,000	01/01/22	F	4.00% - 5.00%												
Total COBIs			57,030,000	37,215,000	37,215,000															
Grand Total			3,040,773,634	1,929,639,636	1,916,829,636															

SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA
SUMMARY OF HEDGES
AS OF 06/30/11

Issue/Series	Counterparty	Notional Amount	Structure (fixed to variable, variable to fixed, basis, etc.)	Execution Date	Start Date	End Date	Credit Enhancement / Collateral Requirements (Policy #)	Options / Unique Features	Mark to Market 6/30/11	Upfront Payment	PV Savings (1)	Subsequent Payments and Receipts (2)	Total Savings as of 6/30/11	Moody's Collateral Requirement	S&P Collateral Requirement	Threshold	Termination Events	Default Events
2001B	Citibank, N.A.	162,980,000	Swaption - Variable to Fixed	8/16/2005	TBD	8/1/2025	Insured/Ambac	If exercised, District would pay 4.59% and receive the SIFMA swap index rate. Exercise dates are semi-annual from 08/01/11 through 02/01/14 with 120 days required notice. Effective 8/1/11, district pays 4.78% and received 70% of 1-month LIBOR. On 8/1/14, swap reverts to original structure.	(26,803,698)	6,250,000			6,250,000	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
2002B	Citigroup Financial Products Inc	115,350,000	Variable to Fixed	3/20/2003	3/20/2003	8/1/2027	Insured/FSA	District pays fixed rate of 4.22% and receives the SIFMA Swap Index Rate or an Alternate Rate. If the 180 average of the SIFMA/1-mo Libor ratio exceeds 67%, then the District receives the alternate rate of 67% of 1-mo Libor. District currently receives the alternate rate. Cancellation option was purchased on 4/8/09	(24,375,435)	6,142,000	2,717,408	(2,075,000)	6,784,408	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	District is below Baa2/BBB (M/SP) AND Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
2002D	Citibank, N.A.	100,000,000	Basis	1/14/2003	1/14/2003	6/30/2028	Insured/FSA	District pays SIFMA swap index less 66.5 bps and receives 67% of 1-mo Libor. Amortization matches underlying COP issue.	780,197		4,306,114		4,306,114	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	District is below Baa2/BBB (M/SP) AND Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
2002D	Citibank, N.A.	116,555,000	Swaption - Variable to Fixed	8/10/2005	TBD	8/1/2028	Insured/FSA	If exercised, the District would pay a fixed rate of 4.71% and receive the SIFMA swap index rate. Exercise dates are semi-annual from 08/01/12 through 02/01/14 with 120 days required notice.	(16,672,792)	4,240,000			4,240,000	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	District is below Baa2/BBB (M/SP) AND Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
2002D	UBS AG, Stamford Branch Aa3/A+/A+	100,000,000	CMS - Basis	9/13/2006	6/30/2007	6/30/2028	Insured/FSA (27121-NS)	District pays 67% of 1-mo Libor and receives 59.93% of 10-yr Libor. Amortization matches underlying COP issue.	-		4,273,075	8,000,000	12,273,075	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
2003B	UBS AG, Stamford Branch	124,295,000	Variable to Fixed	6/26/2003	6/26/2003	8/1/2029	Insured/Ambac	District pays 3.91% and receives SIFMA swap index rate. Cancelable if the Average Rate (BMA) exceeds seven percent for six months. Option expires 08/01/18.	(14,954,981)	3,010,000	2,650,682		5,660,682	A1 to A3 Baa1 or below	A+ to A- BBB+ or below	\$10,000,000 \$0	Insurer fails to meet payment obligations OR District is below Baa2/BBB (M/SP) AND Insurer is below A3/A- (M/SP)	Bankruptcy, Merger without Assumption or either party
Total		719,180,000							(82,026,710)	19,642,000	13,947,280	5,925,000	39,514,280					

1 Savings on the 2002B and 2003B compared to theoretical fixed rate financing (callable) as if priced on effective date of swap

2 Amount shown on 2002B - (\$2,075,000) is the actual amount paid to purchase back cancellation option (\$2,714,000) less accrued interest earnings of 3.0% through FY 2009 on up-front payment (\$639,000); On 2006 CMS - \$8 Million Termination Payment.