EXHIBIT 2

Executive Summary

The COPs were issued as variable rate debt with an interest rate swap used to convert the variable rate debt to fixed rate. An interest rate swap is an agreement between two parties where one stream of future interest payments are exchanged for another based on a specific principal amount (in this case a variable rate interest stream is swapped for a fixed interest stream). A debt issuer will typically use interest rate swaps to limit or manage exposure to fluctuations in interest rates, or to obtain a marginally lower interest rate than it would have been able to get without the swap. In this case, the District has two swaps and upon entering into the swaps in 2004 and 2006, the estimated combined savings was $1.4 million annually. Although market conditions have not been favorable over the past three years, the District has still realized savings. Changing the liquidity providers is one of the ongoing requirements associated with the financings. The COPs associated with these swaps are remarketed weekly. In the event of a failed remarketing, a liquidity provider is required to purchase the bonds on a temporary basis.