

Business Operations  
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: ISSUANCE OF UP TO \$65 MILLION CERTIFICATES OF PARTICIPATION, SERIES 2005, IMPACT FEES RESOLUTION 05-20 AND REIMBURSEMENT RESOLUTION 05-21**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS**

Attached is Resolution 05-20 authorizing the issuance of up to \$65 million Certificates of Participation which will be repaid from collection of impact fees paid on new residential construction.

The Certificates of Participation will fund the following projects:

<u>SCHOOL</u>	<u>STUDENT STATIONS</u>	<u>TOTAL COST</u>
Miami Beach Senior	489	\$13,900,000
SS XX @ Coral Way El.	483	\$7,400,000
F.C. Martin K-8 Conversion	675	\$10,600,000
Pine Villa Elementary	286	\$3,700,000
S/S WWW	920	<u>\$22,000,000</u>
<b>TOTAL:</b>		<b>\$57,600,000</b>

Authority to issue up to \$65 million is requested to allow for cost of issuances and financing terms, such as discount notes. Estimated cost of issuance will not exceed \$2 million, including bond insurance.

In addition, Reimbursement Resolution 05-21 will qualify expenditures made prior to the issuance of the 2005A Impact Fee Certificates of Participation for reimbursement from proceeds. This resolution is needed to comply with Internal Revenue Service regulations covering tax exempt debt.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida:

- 1) approve Resolution 05-20 authorizing the issuance of up to \$65 million Certificates of Participation to fund the construction projects listed on this item; and
- 2) approve Resolution 05-21 setting forth the Board's intention to reimburse itself from proceeds for previously incurred eligible expenditures.

**RESOLUTION 05-20**

**A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AUTHORIZING EXECUTION OF SCHEDULE 2005A TO THE MASTER LEASE PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF A SERIES 2005A GROUND LEASE; APPROVING THE FORM OF A SERIES 2005A SUPPLEMENTAL TRUST AGREEMENT AND A SERIES 2005A ASSIGNMENT AGREEMENT; APPROVING THE NEGOTIATED SALE OF CERTIFICATES OF PARTICIPATION, SERIES 2005A IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$65,000,000 AND AUTHORIZING EXECUTION OF A CERTIFICATE PURCHASE CONTRACT; APPROVING THE FORM OF A PRELIMINARY OFFERING STATEMENT AND AUTHORIZING ITS DISTRIBUTION AND USE IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2005A CERTIFICATES; AUTHORIZING EXECUTION AND DELIVERY OF A FINAL OFFERING STATEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT; AUTHORIZING THE ACCEPTANCE OF A COMMITMENT FOR THE ISSUANCE OF A MUNICIPAL BOND INSURANCE POLICY SECURING THE SERIES 2005A CERTIFICATES; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, The School Board of Miami-Dade County, Florida (the "School Board") as the governing body of the School District of Miami-Dade County, Florida (the "District"), has determined to finance certain of its capital needs through a master lease-purchase agreement pursuant to Sections 1001.42 and 1013.15, Florida Statutes; and

WHEREAS, the School Board has the power under Section 1001.42(2), Florida Statutes, to receive, purchase, acquire, lease, sell, hold, transmit and convey title to real and personal property for educational purposes, and under Sections 1001.42(9) and 1013.15(2), Florida Statutes, to enter into leases or lease-purchase arrangements of sites and educational facilities for school purposes; and

WHEREAS, Miami-Dade County School Board Foundation, Inc. (the "Foundation"), a not-for-profit corporation, has been formed to lease purchase certain real property, educational facilities, buses and equipment to the School Board; and

WHEREAS, the Foundation and the School Board have provided for the lease-purchase financing of certain real property, educational facilities, buses and equipment (the "Facilities") from time to time by entering into a Master Lease Purchase Agreement dated as of August 1, 1994 (the "Master Lease"), and related agreements; and

WHEREAS, the Facilities to be leased from time to time will be identified on separate Schedules (each a "Schedule") attached to the Master Lease and each Schedule, together with the Master Lease, will constitute a Lease Agreement; and

WHEREAS, on May 2, 1995, the Board of County Commissioners of Miami-Dade County enacted Ordinance No. 95-79 (the "Impact Fee Ordinance") authorizing the levy of educational facilities impact fees (the "Impact Fees") on new residential developments in three distinct benefit districts in the County as established and designated in the Impact Fee Ordinance; and

WHEREAS, pursuant to the Impact Fee Ordinance the County and the School Board entered into an Interlocal Agreement, dated September 28, 1995, as amended by a First Amended Interlocal Agreement, dated July 25, 2000 (the "Interlocal Agreement"), pursuant to which the County has agreed to collect Impact Fees and transfer them to the School Board in accordance with the provisions of the Ordinance and the Interlocal Agreement; and

WHEREAS, the Series 2005A Facilities are eligible for financing with Impact Fees imposed within the East Benefit District, pursuant to and in accordance with the Impact Fee Ordinance and the Interlocal Agreement; and

WHEREAS, the School Board and the Foundation have determined to execute Schedule 2005A to be dated as of June 1, 2005, for the lease-purchase financing of the Series 2005A Facilities (the "Series 2005A Facilities") to be specified therein (the Master Lease together with Schedule 2005A attached thereto is referred to as the "Series 2005A Lease Agreement"); and

WHEREAS, the School Board will ground lease certain real property and improvements thereon other than the site of State School WWW, which is encumbered by the lien of the Series 2001C Ground Lease, (the "Series 2005A Facility Sites") to the Foundation pursuant to a ground lease to be dated as of June 1, 2005, which may be amended from time to time upon acquisition by the School Board of title to additional Series 2005A Facility Sites (the "Series 2005A Ground Lease"); and

WHEREAS, the School Board will, pursuant to this resolution, after due notice as required by law, at a public meeting consider for approval, execution and delivery the Series 2005A Ground Lease, at which meeting a copy of the Series 2005A Ground Lease in final form will be available for inspection and review by the public; and

WHEREAS, the Foundation has entered into a Master Trust Agreement dated as of August 1, 1994 (the "Trust Agreement"), with The Bank of New York Trust Company, N.A., (successor by acquisition to NationsBank of Florida, N.A.), Jacksonville, Florida as Trustee (the "Trustee"), providing for the issuance of series of Certificates of Participation to the public from time to time, representing undivided proportionate interests in the principal portion and interest

portion of the basic lease payments to be made by the School Board under the Master Lease and the Schedule or Schedules relating to such series of Certificates; and

WHEREAS, for the purpose of constructing new educational facilities the School Board wishes to authorize the issuance by the Trustee of a series of Certificates in an amount not to exceed \$65,000,000, to be designated Certificates of Participation, Series 2005A (the "Series 2005A Certificates"), each representing undivided proportionate interests in the principal portion and interest portion of the basic lease payments to be made by the School Board under the Series 2005A Lease Agreement; and

WHEREAS, the Foundation and the Trustee will enter into a Series 2005A Supplemental Trust Agreement, to be dated as of June 1, 2005 (the "Series 2005A Supplemental Trust Agreement"), pursuant to which the Series 2005A Certificates will be issued; and

WHEREAS, the Foundation and the Trustee will enter into an Assignment Agreement to be dated as of June 1, 2005 (the "Series 2005A Assignment Agreement"), pursuant to which the Foundation will unconditionally and irrevocably assign, without recourse, all of its right, title and interest as lessee of the Series 2005A Facility Sites under the Series 2005A Ground Lease, as sub-lessor of the Series 2005A Facility Sites and as lessor of the Series 2005A Facilities under the Series 2005A Lease Agreement, except for certain rights to hold title to certain Series 2005A Facilities, to indemnification and to receive notices, to the Trustee for the benefit of the Series 2005A Certificate holders; and

WHEREAS, all necessary approvals of the Department of Education have been received with respect to the Series 2005A Facilities to be leased thereunder, or are expected to be received prior to execution and delivery of the Series 2005A Lease Agreement; and

WHEREAS, payments represented by the Series 2005A Certificates shall be insured by an insurance policy (the "Series 2005A Insurance Policy") to be issued by a municipal bond insurance company whose municipal bond insurance policies result in ratings on insured obligations of "AAA" and "Aaa", respectively, from Standard & Poor's Ratings Services and Moody's Investors Service (the "Series 2005A Insurer"); and

NOW THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA that:

**Section 1.** Schedule 2005A, which together with the Master Lease constitutes the Series 2005A Lease Agreement, substantially in the form submitted to this meeting and attached hereto as **Exhibit A**, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent, and the Chair or Vice Chair and the Secretary, upon such approval by the Superintendent, are hereby authorized and directed to execute Schedule 2005A. The execution of Schedule 2005A by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board also authorizes the execution and delivery of a memorandum of lease with respect to the Series 2005A Lease Agreement and the recording thereof in the Official Public Records of Miami-Dade County, Florida.

**Section 2.** The Series 2005A Ground Lease between the School Board and the Foundation substantially in the form submitted to this meeting and attached hereto as **Exhibit B**, providing for the ground leasing of the Series 2005A Facility Sites to the Foundation, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent, and the Chair or Vice Chair and the Secretary, upon such approval by the Superintendent, are hereby authorized and directed to execute the Series 2005A Ground Lease. The execution and delivery of the Series 2005A Ground Lease by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board also authorizes the execution and delivery of a memorandum of ground lease with respect to the Series 2005A Ground Lease and the recording thereof in the Official Public Records of Miami-Dade County, Florida.

**Section 3.** The form of Series 2005A Supplemental Trust Agreement submitted to this meeting and attached hereto as **Exhibit C** is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. The execution and delivery of the Series 2005A Supplemental Trust Agreement by the Foundation and the Trustee shall constitute conclusive evidence of the approval thereof.

**Section 4.** The form of Series 2005A Assignment Agreement between the Foundation and the Trustee submitted to this meeting and attached hereto as **Exhibit D** is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. The execution and delivery of the Series 2005A Assignment Agreement by the Foundation and the Trustee and the recording thereof in the Official Public Records of Miami-Dade County, Florida shall constitute conclusive evidence of the approval thereof.

**Section 5.** It is hereby found and declared that a negotiated sale of the Series 2005A Certificates is in the best interest of the School Board and is found to be necessary on the basis of the following reasons, as to which specific findings are hereby made:

(i) Due to the volatility of the market for “annual appropriation” tax exempt securities such as the Series 2005A Lease Agreement as evidenced by the Series 2005A Certificates, the School Board must be able to enter the market at the most advantageous times, rather than at specific advertised dates, thereby permitting the School Board to obtain the best possible prices and interest rates to be represented by the Series 2005A Certificates;

(ii) The financing of the Series 2005A Lease Agreement is a complex transaction which requires the assistance of an underwriter to obtain credit enhancement upon terms and conditions favorable to the School Board and to deal with prospective investors;

(iii) The use of Impact Fees to make Lease Payments is unusual and requires the assistance of the Underwriters in explaining the credit to the market;

(iv) The Underwriters have participated in structuring the issuance of the Series 2005A Certificates and can assist the School Board in obtaining the most attractive financing for the School Board; and

(v) The School Board will not be adversely affected if the Series 2005A Certificates are not sold pursuant to a competitive sale.

The form of the certificate purchase contract among the underwriters selected by the School Board (the "Underwriters"), the Foundation and the School Board (the "Purchase Contract") submitted to this meeting and attached hereto as **Exhibit E** and the sale of the Series 2005A Certificates by the Foundation and the Trustee upon the terms and conditions set forth therein, are hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent, and the Chair or Vice Chair and the Secretary, upon such approval by the Superintendent, are hereby authorized and directed to execute the Purchase Contract. The execution and delivery of such Purchase Contract by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof.

Execution of the Purchase Contract with respect to the Series 2005A Certificates is subject to the following additional requirements:

(i) the principal amount of the Series 2005A Certificates shall not exceed \$65,000,000,

(ii) the final maturity of the Series 2005A Certificates shall be not later than October 1, 2025,

(iii) the Series 2005A Certificates which are subject to optional prepayment shall be subject to optional prepayment after approximately 10 years at a prepayment price initially not to exceed 101%, declining to par after not later than approximately 1 year thereafter,

(iv) the price at which the Series 2005A Certificates shall be sold to the Underwriters shall not be less than 99% of the face amount thereof exclusive of original issue discount, and

(v) the yield represented by the Series 2005A Certificates as calculated for arbitrage purposes shall not exceed 7.00% per annum.

**Section 6.** The form of Preliminary Offering Statement with respect to the Series 2005A Certificates submitted to this meeting and attached hereto as **Exhibit F** is hereby approved, and the School Board hereby authorizes the distribution and use by the Underwriters of the Preliminary Offering Statement in connection with the public offering of the Series 2005A Certificates. If, between the date hereof and the mailing of the Preliminary Offering Statement it is necessary to make insertions, modifications and changes in the form of the Preliminary Offering Statement, the Chair, the Vice Chair or the Superintendent is hereby authorized to approve such insertions, changes and modifications. The Chair, the Vice Chair, the Superintendent, the Chief Financial Officer or the Treasurer is further authorized to deem the Preliminary Offering Statement "final" within the meaning of Rule 15c2-12 (the "Rule") under the Securities Exchange Act of 1934, in the form as mailed, and in furtherance thereof to execute a certificate evidencing same substantially in the form attached hereto as **Exhibit G**.

**Section 7.** The Superintendent is hereby authorized to have prepared and the Chair or Vice Chair and the Secretary is hereby authorized to execute a final Offering Statement to be dated the date of the execution and delivery of the Purchase Contract for the Series 2005A Certificates and, upon such execution, to deliver the same to the Underwriters for use by them in connection with the sale and distribution of the Series 2005A Certificates. The Offering Statement shall be substantially in the form of the Preliminary Offering Statement, with such changes as shall be approved by the Superintendent as necessary to conform the details of the Series 2005A Certificates and the requirements of the Purchase Contract and such other insertions, modifications and changes as may be approved by the Superintendent. The execution and delivery of the Offering Statement by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board hereby authorizes the Offering Statement and the information contained therein to be used in connection with the offering and sale of the Series 2005A Certificates.

**Section 8.** With respect to the Series 2005A Certificates, the School Board hereby covenants and agrees that, in order to provide for compliance by the School Board with the secondary market disclosure requirements of the Rule at such times as the Series 2005A Certificates are subject to the Rule, it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement dated as of June 1, 2005, a copy of which has been submitted to this meeting and is attached hereto as **Exhibit H** (the "Disclosure Agreement"), between the School Board and Digital Assurance Certification, L.L.C., as it may be amended from time to time in accordance with the terms thereof, at such times as the Series 2005A Certificates are subject to the Rule. Notwithstanding any other provision of this Resolution, the Series 2005A Lease Agreement, or the Series 2005A Trust Agreement, failure of the School Board to comply with such Disclosure Agreement shall not be considered an event of default under the Series 2005A Lease Agreement or the Series 2005A Trust Agreement; provided, however, any Series 2005A Certificate holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School Board to comply with its obligations under this Section 8 and the Disclosure Agreement. The form of Disclosure Agreement submitted to this meeting and attached hereto as **Exhibit H**, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. The Chair or Vice Chair, upon approval by the Superintendent, is hereby authorized and directed to execute the Disclosure Agreement. The execution and delivery of the Disclosure Agreement shall constitute conclusive evidence of the approval thereof.

**Section 9.** The Chair or Vice Chair and the Secretary are hereby authorized to take such actions (including, without limitation, approval of changes to the documents herein approved) and to execute such commitments, agreements, certificates, instruments and opinions as shall be necessary or desirable to procure the issuance of the Series 2005A Insurance Policy by the Series 2005A Insurer.

**Section 10.** The Chair, Vice Chair, Secretary, Superintendent, Chief Financial Officer, Treasurer and School Board Attorney are each authorized and directed to execute and deliver all additional documents, contracts, instruments and certificates including without limitation documents relating to the issuance by the Series 2005A Insurer of the Series 2005A Insurance Policy, and relating to the implementation of a book-entry-only system of registration of the

Series 2005A Certificates with The Depository Trust Company of New York, including the execution and delivery of a Blanket Letter of Representations, if appropriate, and to take all actions and steps, including without limitation to change the dated date of any and all documents or to change the series designation of the Series 2005A Certificates, in the event of a delay in the issuance of the Series 2005A Certificates, on behalf of the School Board which are necessary or desirable in connection with the issuance of the Series 2005A Certificates, the execution and delivery and compliance with the provisions of the Master Lease, the Series 2005A Lease Agreement, the Series 2005A Ground Lease, the Master Trust Agreement, the Series 2005A Supplemental Trust Agreement, the Series 2005A Assignment Agreement, the Purchase Contract, the Disclosure Agreement and the Interlocal Agreement, or the acquisition, construction and financing of the Series 2005A Facilities from legally available moneys, including without limitation, Impact Fees, and which are not inconsistent with the terms and provisions of this Resolution.

**Section 11.** If any section, paragraph, clause or provision of this Resolution shall be held invalid by any court of competent jurisdiction, such holding shall not affect any other section, paragraph, clause or provision of this Resolution.

**Section 12.** All resolutions or portions thereof previously adopted by the School Board which are inconsistent with the provisions of this resolution are hereby repealed to the extent of such inconsistency.

**[Remainder of Page Intentionally Left Blank]**



**Section 13.** This Resolution shall take effect immediately upon its adoption.

Adopted this 18<sup>th</sup> day of May, 2005.

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Chair, The School Board of Miami-Dade  
County, Florida

Attest:

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Secretary, The School Board  
of Miami-Dade County, Florida

**EXHIBIT A**

**FORM OF SCHEDULE 2005A**

**EXHIBIT B**

**FORM OF SERIES 2005A GROUND LEASE**

**EXHIBIT C**

**FORM OF SERIES 2005A SUPPLEMENTAL TRUST AGREEMENT**

**EXHIBIT D**

**FORM OF SERIES 2005A ASSIGNMENT AGREEMENT**

**EXHIBIT E**

**FORM OF PURCHASE CONTRACT**

**EXHIBIT F**

**FORM OF PRELIMINARY OFFERING STATEMENT**

**EXHIBIT G**

**FORM OF 15c2-12 CERTIFICATE**

**“DEEMED FINAL” CERTIFICATE PURSUANT TO  
RULE 15c2-12 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934**

**\$65,000,000\***

**Certificates of Participation, Series 2005A Evidencing  
Undivided Proportionate Interests of the owners Thereof in  
Basic Lease payments to be Made by the School Board of  
Miami-Dade County, Florida, as Lessee, Pursuant to a Master  
Lease Purchase Agreement with the Miami-Dade County  
School Board Foundation, Inc., as Lessor**

**Rule 15c2-12 Certificate**

The undersigned hereby certifies and represents to \_\_\_\_\_, as Representative of the Underwriters (the “Representative”), that he is the duly appointed Treasurer, Office of Treasury Management of the School Board of Miami-Dade County, Florida (the “School Board”) and is authorized to execute and deliver this Certificate, and further certifies on behalf of the School Board to the Representative as follows:

(i) This Certificate is delivered to enable the Underwriters to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) in connection with the offering and sale of \$65,000,000\* aggregate principal amount of Certificates of Participation, Series 2005A referred to above ( the “Series 2005A Certificates”).

(ii) In connection with the offering and sale of the Series 2005A Certificates, there has been prepared a Preliminary Offering Statement, dated the date hereof, setting forth information concerning the Series 2005A Certificates and the School Board (the “Preliminary Offering Statement”).

(iii) As used herein, “Permitted Omissions” shall mean the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the Underwriter or the insurer, and other terms of the Series 2005A Certificates depending on such matters.

(iv) The undersigned hereby deems the Preliminary Offering Statement “final” as of its date, within the meaning of the Rule, except for the Permitted Omissions, and the information therein is accurate and complete except for the Permitted Omissions.

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\* Preliminary, subject to change



(v) If, at any time prior to the execution of a Certificate Purchase Contract, any event occurs as a result of which the Preliminary Offering Statement might, in the opinion of the School Board, include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the School Board will promptly notify the Representative thereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

THE SCHOOL BOARD OF MIAMI-DADE  
COUNTY, FLORIDA

\_\_\_\_\_  
Treasurer  
Office of Treasury Management

**EXHIBIT H**

**FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT**

MIA-FS1\1704159v03\08776.026500



## PRELIMINARY OFFERING STATEMENT DATED JUNE \_\_, 2005

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: (See "RATINGS" herein)

*In the opinion of Co-Special Tax Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and judicial decisions, the interest portion of the Basic Lease Payments paid to the Series 2005A Certificate holders is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. See "TAX TREATMENT" for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2005A Certificates. However, no opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2005A Certificates following termination of the Series 2005A Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder. Co-Special Tax Counsel are further of the opinion that the Series 2005A Certificates and the Series 2005A Lease are exempt from the Florida intangible personal property tax; provided, however, that no opinion is expressed with respect to the payment or reporting of intangible personal property tax on the Series 2005A Certificates following termination of the Series 2005A Lease.*

§ \_\_\_\_\_ \*

**CERTIFICATES OF PARTICIPATION, SERIES 2005A**  
**Evidencing Undivided Proportionate Interests of the**  
**Owners thereof in Basic Lease Payments to be made by**  
**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**  
**As Lessee, Pursuant to a Master Lease Purchase Agreement**  
**with Miami-Dade County School Board Foundation, Inc., as Lessor**

Dated: June 1, 2005

Due: As shown on the inside cover page hereof

The Certificates of Participation, Series 2005A (the "Series 2005A Certificates") offered hereby evidence undivided proportionate interests in Basic Lease Payments to be made by The School Board of Miami-Dade County, Florida (the "School Board"), acting as the governing body of the School District of Miami-Dade County, Florida (the "District"), pursuant to a Master Lease Purchase Agreement dated as of August 1, 1994 (the "Master Lease"), as supplemented by Schedule 2005A dated as of June 1, 2005 (together with the Master Lease, the "Series 2005A Lease"), such lease providing for the lease purchase financing of certain real property and educational facilities by the School Board. The Series 2005A Lease and any other leases entered into pursuant to the Master Lease shall be referred to collectively as the "Leases".

The interest portion of the Basic Lease Payments represented by the Series 2005A Certificates is payable on April 1 and October 1 of each year, commencing October 1, 2005. When issued, the Series 2005A Certificates will initially be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). Purchasers of the Series 2005A Certificates (the "Beneficial Owners") will not receive physical delivery of the Series 2005A Certificates. Ownership by the Beneficial Owners of the Series 2005A Certificates will be evidenced through a book-entry only system of registration. As long as Cede & Co. is the registered owner as nominee of DTC, payment of the principal portion and interest portion of the Basic Lease Payments represented by the Series 2005A Certificates will be made directly to Cede & Co., which will in turn remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners. The principal portion of the Basic Lease Payments represented by the Series 2005A Certificates is payable on the dates and in the amounts set forth on the inside cover page hereof, upon surrender at the designated corporate trust office of The Bank of New York Trust Company, N.A., Jacksonville, Florida, as agent for The Bank of New York (successor by acquisition to NationsBank of Florida, N.A.), as Trustee. Individuals may purchase beneficial interests in the Series 2005A Certificates in the amount of \$5,000 or integral multiples thereof.

The principal portions of Basic Lease Payments represented by the Series 2005A Certificates are subject to optional, mandatory and extraordinary prepayment prior to maturity as described herein.

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE LEASE PAYMENTS. LEASE PAYMENTS ARE PAYABLE FROM FUNDS APPROPRIATED BY THE SCHOOL BOARD FOR SUCH PURPOSE FROM CURRENT OR OTHER FUNDS AUTHORIZED BY LAW AND REGULATIONS OF THE STATE OF FLORIDA DEPARTMENT OF EDUCATION. NEITHER THE DISTRICT, THE SCHOOL BOARD, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF IS OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES 2005A LEASE FROM ANY SOURCE OF TAXATION. THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FOUNDATION, THE TRUSTEE NOR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY ANY SUMS, INCLUDING THE BASIC LEASE PAYMENTS, DUE UNDER THE SERIES 2005A LEASE. SEE "RISK FACTORS" HEREIN.

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2005A Certificates will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2005A Certificates by \_\_\_\_\_ (the "Insurer"). See "MUNICIPAL BOND INSURANCE" herein.

[Insert Insurer logo]

*The Series 2005A Certificates are offered when, as and if delivered and received by the Underwriters, subject to the approving legal opinion of Greenberg Traurig, P.A., Miami, Florida, and \_\_\_\_\_, Miami, Florida, Co-Special Tax Counsel, and certain other conditions. Certain legal matters will be passed upon for the School Board and the Foundation by their Counsel, Johnny Brown, Esq., Miami, Florida and for the Underwriters by their Counsel, Liebler, Gonzalez & Portuondo, P.A., Miami, Florida. It is expected that settlement on the Series 2005A Certificates will occur through the facilities of DTC, in New York, New York, on or about June \_\_, 2005.*



**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES OR YIELDS AND INITIAL CUSIP NOS.**

<u>Maturity</u> <u>(October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or</u> <u>Yield</u>	<u>Initial</u> <u>CUSIP No.</u>
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\$ \_\_\_\_\_ % 2005A Term Certificates maturing October 1, \_\_\_\_ - \_\_\_\_ % Yield  
(plus accrued interest from June 1, 2005)

The initial term of the Series 2005A Lease commences on June 1, 2005 and continues through and including June 30, 2005, and is automatically renewable annually thereafter through \_\_\_\_\_ 1, 20\_\_ unless earlier terminated as described herein. The School Board has previously and may in the future enter into other Leases under the Master Lease. Failure to appropriate funds to pay lease payments under any such Lease, or certain events of default under any such Lease, will result in the termination of all Leases, including the Series 2005A Lease. Upon any such termination, any proceeds of the disposition of leased facilities will be applied to payment of the related series of Certificates, all as further described herein. In no event will owners of the Series 2005A Certificates have any interest in or right to any proceeds of the disposition of facilities leased under any Lease other than the Series 2005A Lease, to the extent provided in this Offering Statement. Co-Special Tax Counsel will express no opinion as to tax exemption or the effect of securities laws with respect to the Series 2005A Certificates following an event of non-appropriation or certain events of default under the Master Lease which result in termination of the lease term of all Leases. Transfer of the Series 2005A Certificates may be subject to compliance with the registration provisions of state and federal securities laws following an event of non-appropriation or certain events of default under the Master Lease which result in termination of the lease term of all Leases. (See "TAX TREATMENT" and "RISK FACTORS" herein). An event of non-appropriation or certain events of default under the Master Lease which result in termination of the lease term of all Leases will not result in termination of the municipal bond insurance policy issued by \_\_\_\_\_.

**THE SCHOOL DISTRICT OF  
MIAMI-DADE COUNTY, FLORIDA**

Miami-Dade County Public Schools  
1450 N.E. 2nd Avenue  
Miami, Florida 33132

**BOARD MEMBERS**

Frank J. Bolaños, Chair  
Dr. Robert B. Ingram, Vice Chair  
Agustin J. Barrera  
Evelyn Langlieb Greer  
Perla Tabares Hantman  
Dr. Martin Karp  
Ana Rivas Logan  
Dr. Marta Pérez  
Dr. Solomon C. Stinson

**DISTRICT OFFICIALS**

**Superintendent of Schools**

Dr. Rudolph F. Crew

**Deputy Superintendent, Business Operations**

Ofelia San Pedro

**Chief Financial Officer**

Martin A. Berkowitz

**Treasurer**

Eduardo A. Alfaro

**CO-SPECIAL TAX COUNSEL**

Greenberg Traurig, P.A.  
Miami, Florida

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Miami, Florida

**SCHOOL BOARD ATTORNEY**

Johnny Brown, Esquire

**FINANCIAL ADVISOR**

De Lara Associates  
New York, New York



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The information contained in this Offering Statement has been obtained from the School Board, \_\_\_\_\_ (the "Insurer"), DTC and other sources that are considered to be reliable and, while not guaranteed as to accuracy or completeness, is believed to be correct. However, such is not to be construed as a representation of the School Board, the Foundation, the Trustee, the Financial Advisor or the Underwriters. Any statements in this Offering Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not as representations of fact, and the School Board, the Foundation, the Trustee, the Financial Advisor and the Underwriters expressly make no representations that such estimates, assumptions and opinions will be realized or fulfilled. Neither Ernst & Young LLP nor any other independent accountants have compiled, examined, or performed any procedures with respect to any projected, forecasted or estimated financial information contained in this Offering Statement, nor have they expressed any opinion or any other form of assurance on such information or its achievability and assume no responsibility for, and disclaim any association with, any projected or estimated financial information. Any information, estimates, assumptions and matters of opinion contained in this Offering Statement are subject to change without notice, and neither the delivery of this Offering Statement, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in the affairs of the School Board since the date hereof or the earliest date as of which such information was given. The Underwriters have provided the following sentence for inclusion in this Offering Statement. The Underwriters have reviewed the information in this Offering Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE SERIES 2005A CERTIFICATES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER INDEPENDENT FEDERAL, STATE OR LOCAL GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING STATEMENT OR APPROVED THE SERIES 2005A CERTIFICATES FOR SALE.

CERTAIN STATEMENTS CONTAINED IN THIS OFFERING STATEMENT REFLECT NOT HISTORICAL FACTS BUT FORECASTS AND "FORWARD-LOOKING STATEMENTS." IN THIS RESPECT, THE WORDS "ESTIMATE," "PROJECT," "ANTICIPATE," "EXPECT," "INTEND," "BELIEVE" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ALL PROJECTIONS, FORECASTS, ASSUMPTIONS, EXPRESSIONS OF OPINIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS SET FORTH IN THIS OFFERING STATEMENT.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2005A CERTIFICATES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFERING STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE SCHOOL BOARD, THE FOUNDATION OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2005A CERTIFICATES.

THIS PRELIMINARY OFFERING STATEMENT IS IN A FORM DEEMED FINAL BY THE SCHOOL BOARD FOR PURPOSES OF RULE 15c2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(B)(1).

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## SUMMARY STATEMENT

THE INFORMATION CONTAINED IN THIS SUMMARY STATEMENT IS SUBJECT IN ALL RESPECTS TO THE MORE COMPLETE INFORMATION CONTAINED IN THIS OFFERING STATEMENT AND THE OFFERING OF THE SERIES 2005A CERTIFICATES TO POTENTIAL PURCHASERS IS MADE ONLY BY MEANS OF THE ENTIRE OFFERING STATEMENT. UNDER NO CIRCUMSTANCES SHALL THIS SUMMARY STATEMENT BE REMOVED FROM THE REMAINDER OF THE OFFERING STATEMENT.

Capitalized terms, if not otherwise defined, have the meanings set forth for such terms in "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS" herein.

### The District and the School Board

The School District of Miami-Dade County, Florida (formerly known as the School District of Dade County, Florida and hereinafter referred to as the "District") covers the same geographic area as Miami-Dade County, Florida (formerly known as Dade County, Florida and hereinafter referred to as the "County" or "Miami-Dade County") and encompasses 32 incorporated municipalities. As of June 30, 2004, the District included 347 schools and vocational/technical centers, approximately 369,578 students and approximately 47,000 full and part-time employees, including approximately 21,000 full-time teachers and 4,300 full-time paraprofessionals and technical staff. The School Board of Miami-Dade County, Florida (formerly known as The School Board of Dade County, Florida, and hereinafter referred to as the "School Board") is the governing body of the District. See "APPENDIX A - ECONOMY AND DESCRIPTIVE STATISTICS OF THE DISTRICT AND MIAMI-DADE COUNTY, FLORIDA" herein.

### The Master Lease

The School Board entered into a Master Lease Purchase Agreement, dated as of August 1, 1994 (the "Master Lease"), between the Miami-Dade County School Board Foundation, Inc., a Florida not-for-profit corporation (formerly known as the Dade County School Board Foundation, Inc. and hereinafter referred to as the "Foundation"), as lessor, and the School Board, as lessee, for the purpose of lease-purchasing from time to time certain educational facilities, sites and equipment (the "Facilities") from the Foundation. Facilities to be leased from time to time are identified on separate lease schedules (each a "Schedule") attached to the Master Lease. Upon execution and delivery thereof, each Schedule, together with the provisions of the Master Lease, will constitute a separate lease agreement (individually a "Lease" and collectively the "Leases"). See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - The Master Lease Purchase Agreement" herein.

### [Update outstanding principal balances of prior COPs deals]

The School Board has previously entered into (i) a Series 1994A Lease dated as of August 1, 1994, as amended and restated as of June 1, 1998 and as further amended and restated as of November 1, 1998 (the "Amended and Restated Series 1994A Lease"); (ii) a Series 1996A-1 Lease and Series 1996A-2 Lease each dated as of April 15, 1996, each amended and restated as of November 1, 1998 (collectively, the "Amended and Restated Series 1996A Leases"); (iii) a Series 1996B-1 Lease, dated as of August 15, 1996, as amended and restated as of June 1, 1998 and as further amended and restated as of November 1, 1998 (the "Amended and Restated Series 1996B-1 Lease"); and (iv) a Series 1996B-2 Lease, dated as of August 15, 1996, as amended and restated as of November 1, 1998 (the "Amended and Restated Series 1996B-2 Lease" and, together with the Amended and Restated Series 1994A Lease, the Amended and Restated Series 1996A Leases and the Amended and Restated Series 1996B-1 Lease, the "Amended and Restated Leases"). In conjunction with the Amended and Restated Series 1994A Lease and the Amended and Restated Series 1996B-1 Lease the Trustee issued \$132,500,000 Certificates of Participation, Series 1998A, dated June 1, 1998, of which **[\$130,675,000]** aggregate principal amount is currently outstanding. In conjunction with the Amended and Restated Leases the Trustee issued \$283,700,000 Certificates of Participation, Series 1998C, dated November 1, 1998, of which **[\$197,405,000]** aggregate principal amount is currently outstanding. The School Board has also previously entered into (i) a Series 1998B-1 Lease, dated as of June 1, 1998, as amended and restated as of January 1, 2002 and as further amended and restated as of March 1, 2003, and a Series 1998B-2 Lease, dated as of June 1, 1998, as amended and restated as of March 1, 2003 (collectively, the "Amended and Restated Series 1998B Leases") and in conjunction therewith the Trustee issued \$63,633,333.30 Certificates of Participation, Series 2003A, dated March 1, 2003, **[all of which are currently outstanding]**; (ii) a Series 2000A Lease, dated September 15, 2000, as amended and restated on January 1, 2001, June 15, 2001, September 1, 2001 and August 1, 2004 (the "Amended and Restated Series 2000A Lease") and in conjunction therewith the Trustee issued \$100,720,000 Certificates of Participation, Series 2000A, dated September 15,

2000, of which **[\$91,290,000]** aggregate principal amount is currently outstanding (the "Series 2000A Certificates) and \$87,210,000 Certificates of Participation, Series 2004A, all of which are currently outstanding (the "Series 2004A Certificates"); (iii) a Series 2000 QZAB Lease, dated December 21, 2000 (the "Series 2000 QZAB Lease") and in conjunction therewith the Trustee issued \$24,508,000 Certificates of Participation, Series 2000 QZAB, dated December 21, 2000, for which the School Board has remaining sinking fund payment obligations of **[\$13,254,193.35]**; (iv) a Series 2001-1 Lease and a Series 2001-2 Lease, each dated as of May 1, 2001, as amended and restated as of March 1, 2003 (collectively, the "Amended and Restated Series 2001 Leases") and in conjunction therewith the Trustee issued \$54,650,000 Certificates of Participation, Series 2001B, **[all of which are currently outstanding]**, and \$137,780,000 Certificates of Participation, Series 2003B, **[all of which are currently outstanding]**; (v) a Series 2001 QZAB Lease, dated June 1, 2001 (the "Series 2001 QZAB Lease") and in conjunction therewith the Trustee issued \$15,000,000 Certificates of Participation, Series 2001 QZAB, for which the School Board has remaining sinking fund payment obligations of **[\$8,066,102]**; (vi) a Series 2001C Lease dated as of September 1, 2001, as amended and restated on December 1, 2003 and on August 1, 2004 (the "Amended and Restated Series 2001C Lease") and in conjunction therewith the Trustee issued \$42,235,000 Certificates of Participation, Series 2001C, of which **[\$39,435,000]** aggregate principal amount is currently outstanding, and the Series 2004A Certificates referred to above; (vii) a Series 2002-1 Lease and a Series 2002-2 Lease, each dated as of December 1, 2002 (collectively, the "Series 2002 Leases"), and in conjunction therewith the Trustee issued \$75,000,000 Certificates of Participation, Series 2002A, **[all of which are currently outstanding]**, and \$75,000,000 Certificates of Participation, Series 2002B, **[all of which are currently outstanding]**, (viii) a Series 1988 Lease, dated as of May 5, 2003 (the "Series 1988 Lease"), and in conjunction therewith the Trustee issued \$24,170,000 Certificates of Participation, Series 2003C, **[\$21,220,000]** of which are currently outstanding, (ix) a Series 2003D-1 Lease and a Series 2003D-2 Lease, each dated as of June 1, 2003 (collectively, the "Series 2003D Leases"), and in conjunction therewith the Trustee issued \$165,210,000 Certificates of Participation, Series 2003D, **[all of which are currently outstanding]** and (x) a Series 2003 QZAB Lease dated as of December 18, 2003 (the "Series 2003 QZAB Lease", and in connection therewith the Trustee issued \$9,743,635 Certificates of Participation, Series 2003 QZAB, for which the School Board has remaining sinking fund payment obligations of **[\$7,148,475]**.

#### **Purpose of Series 2005A Certificates**

The Series 2005A Lease (as defined below) is being entered into by the School Board and the Series 2005A Certificates are being issued for the principal purpose of providing funds sufficient to finance the cost of acquisition and construction of the Series 2005A Facilities (as defined below). See APURPOSE OF THE SERIES 2005A CERTIFICATES@ herein.

#### **The Financing Documents**

The Foundation has entered into a Master Trust Agreement dated as of August 1, 1994 (the "Master Trust Agreement"), with The Bank of New York Trust Company, N.A., Jacksonville, Florida, as agent for The Bank of New York (successor by acquisition to NationsBank of Florida, N.A.), as Trustee (the "Trustee") and the Foundation has authorized the execution and delivery of a Series 2005A Supplemental Trust Agreement dated as of June 1, 2005 (the "Series 2005A Supplemental Trust Agreement") with the Trustee, pursuant to which the Series 2005A Certificates will be executed and secured under the Master Trust Agreement. The Master Trust Agreement together with the Series 2005A Supplemental Trust Agreement shall be referred to as the "Trust Agreement."

The School Board will hold title to the \_\_\_ sites on which the Series 2005A Facilities are and will be located. All of such sites are located within the District. Pursuant to the Series 2005A Ground Lease dated as of June 1, 2005 between the School Board and the Foundation (the "Series 2005A Ground Lease"), the School Board will lease the Series 2005A Facility Sites (as defined herein) to the Foundation for an initial term of 20 years subject to Permitted Encumbrances (as defined in the Series 2005A Ground Lease). Pursuant to the Series 2005A Assignment Agreement dated as of June 1, 2005 (the "Series 2005A Assignment"), the Foundation will assign by outright and absolute title to the Trustee, for the benefit of the owners of the Series 2005A Certificates, substantially all of its right, title and interest in the Series 2005A Ground Lease and the Series 2005A Lease, including its right to receive Basic Lease Payments thereunder.

See "SECURITY FOR THE SERIES 2005A CERTIFICATES" and "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS" herein.

## **Security for the Series 2005A Certificates**

The Series 2005A Certificates evidence undivided proportionate interests in Basic Lease Payments to be made by the School Board under the Series 2005A Lease. The Series 2005A Certificates are secured by and payable from the Trust Estate established pursuant to the Trust Agreement. Neither the Foundation nor the School Board has or will mortgage or grant a security interest in their respective interests in the Series 2005A Facilities to the Trustee. However, upon termination of the Series 2005A Lease or any Additional Lease (as defined herein) in the case of an event of non-appropriation or in the case of certain events of default, each such lease provides that the School Board must surrender possession of the Facilities (other than Facilities consisting of property excluded under the terms of the applicable Lease) to the Trustee as assignee of the Foundation for disposition by sale or re-letting of its interest in the Facilities, as provided in the Trust Agreement. Any proceeds of any such disposition of the Series 2005A Facilities will be applied solely to the payment of the Series 2005A Certificates. IN NO EVENT WILL OWNERS OF THE SERIES 2005A CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF FACILITIES FINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES. Further, the Foundation has agreed in the Series 2005A Assignment that, upon any such termination of the Series 2005A Lease, upon request of the Trustee, it will transfer its interest in the Series 2005A Facilities to the Trustee or to a transferee designated by the Trustee for the remaining term of the Series 2005A Ground Lease. The foregoing notwithstanding, the School Board may not be dispossessed of any personal property financed, in whole or in part, with the proceeds of Certificates. See "SECURITY FOR THE SERIES 2005A CERTIFICATES," "THE SERIES 2005A PROJECT" and "THE SERIES 2005A LEASE" herein.

## **Liability of the School Board**

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE LEASE PAYMENTS. THE LEASE PAYMENTS ARE PAYABLE SOLELY FROM FUNDS APPROPRIATED BY THE SCHOOL BOARD FOR SUCH PURPOSE FROM CURRENT OR OTHER FUNDS AUTHORIZED BY LAW AND REGULATIONS OF THE DEPARTMENT OF EDUCATION. NEITHER THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES 2005A LEASE FROM ANY SOURCE OF TAXATION. THE FULL FAITH AND CREDIT OF THE DISTRICT AND THE SCHOOL BOARD IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FOUNDATION, THE TRUSTEE NOR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY ANY SUMS, INCLUDING THE BASIC LEASE PAYMENTS, DUE UNDER THE SERIES 2005A LEASE. See "RISK FACTORS" herein.

## **Lease Payments**

All Lease Payments and all other amounts required to be paid by the School Board under the Series 2005A Lease and all other Leases will be made only from legally available funds appropriated for such purpose by the School Board. See "SECURITY FOR THE SERIES 2005A CERTIFICATES - Lease Payments" and "Limited Obligation of the School Board", and "DISTRICT REVENUES FOR CAPITAL PROJECTS" herein. The Trustee will collect directly from the School Board all of the Basic Lease Payments.

## **Local Option Millage Levy**

Pursuant to law, the School Board may set an additional non-voted millage known as the "Local Option Millage Levy", in an amount not to exceed 2.0 mills, for capital outlay and maintenance purposes. Up to three-fourths of the proceeds of the 2.0 mills may be expended for payments under lease-purchase agreements for educational facilities and sites. While the Local Option Millage Levy constitutes the primary source of funds to make lease payments represented by the Series 2005A Certificates and any other certificates of participation issued in connection with the Master Lease or any other lease purchase arrangement entered into by the School Board, the School Board intends to pay the lease payments represented by the Series 2005A Certificates from the Educational Facilities Impact Fee Revenues (as defined herein), to the extent that the same are received from the County and available to the School Board to make such payments. See "DISTRICT REVENUES FOR CAPITAL PROJECTS B Local Capital Outlay Sources" herein.



### **Educational Facilities Impact Fees**

The School Board intends to pay the lease payments represented by the Series 2005A Certificates from the Educational Facilities Impact Fee Revenues, if any, received from the County and available to the School Board to make such payments. The Educational Facilities Impact Fee Revenues are derived from Educational Facilities Impact Fees (as defined herein) imposed and collected by the County under the Educational Facilities Impact Fee Ordinance (as defined herein) and transferred to the School Board pursuant to the Educational Facilities Impact Fee Ordinance and the Educational Facilities Impact Fee Interlocal Agreement (as defined herein). See "DISTRICT REVENUES FOR CAPITAL PROJECTS B Educational Facilities Impact Fees" herein.

### **Bond Insurance**

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2005A Certificates, when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2005A Certificates by \_\_\_\_\_ (the "Insurer"). See "MUNICIPAL BOND INSURANCE" herein.

### **Additional Leases**

As noted above under "Master Lease", the School Board has previously entered into Leases other than the Series 2005A Lease, and may in the future enter into other leases under the Master Lease in order to acquire additional Facilities (an "Additional Lease" or "Additional Leases," as the case may be). Failure to appropriate funds to pay Lease Payments under any existing Lease or Additional Lease will, and an event of default under any Additional Lease may, result in the termination of the Lease Term of all Leases, including the Series 2005A Lease. Upon any such termination of the Lease Term of all Leases, the School Board must surrender possession of all Facilities, including the Series 2005A Facilities (but not such Facilities as may be specifically excluded under the terms of any Additional Lease) to the Trustee for the remaining term of the Series 2005A Ground Lease. The Trustee, as assignee of the Foundation, may sell or re-let its interest in the Series 2005A Facilities for the remainder of the term of the Series 2005A Ground Lease. The proceeds of any disposition of the Series 2005A Facilities will be applied to the payment of the Series 2005A Certificates. IN NO EVENT WILL OWNERS OF ANY SERIES OF CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF FACILITIES FINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES. There can be no assurance that the remedies available to the Trustee upon any such termination of the Lease Term of all Leases and the disposition of the corresponding Facilities will produce sufficient amounts to pay the outstanding series of the Certificates to which such Leases and Facilities correspond. See "SECURITY FOR THE SERIES 2005A CERTIFICATES" and "THE LEASE" herein.

The School Board may, in the future, also enter into lease purchase agreements upon terms and conditions other than those in the Master Lease. Unless otherwise expressly provided in this Offering Statement, failure to make payments under any such lease purchase agreement, or an event of default under any such lease agreement, will not affect the Lease Term or cause the termination of the Series 2005A Lease or any other Leases. See "SECURITY FOR THE SERIES 2005A CERTIFICATES - Additional Leases" herein.

### **Additional Series of Certificates**

With respect to any Additional Lease, one or more series of Certificates in addition to the Series 2005A Certificates, may be authorized by the Foundation at the request of the School Board and executed and delivered by the Trustee for the purposes set forth in the Trust Agreement. The aggregate principal amount of Additional Certificates which may be executed and delivered under the provisions of the Trust Agreement is not limited. See "SECURITY FOR THE SERIES 2005A CERTIFICATES - Additional Certificates" herein.

### **Optional Prepayment**

Certain of the Series 2005A Certificates are subject to optional prepayment prior to maturity. See "THE SERIES 2005A CERTIFICATES - Prepayment - Optional Prepayment" herein.

### **Mandatory Sinking Fund Prepayment**

The Series 2005A Certificates maturing on October 1, \_\_\_\_\_ are subject to mandatory prepayment in part, by operation

of a sinking fund as described herein. See "THE SERIES 2005A CERTIFICATES - Prepayment - Mandatory Sinking Fund Prepayment" herein.

### **Extraordinary Prepayment**

The Series 2005A Certificates are subject to extraordinary prepayment at any time in an amount equal to the principal portion of Basic Lease Payments prepaid under the Series 2005A Lease, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, (a) in whole or in part, if there remains in the Series 2005A Acquisition Account, upon delivery by the School Board of a Certificate of Acceptance indicating completion and acceptance of the Series 2005A Facilities, an amount of the proceeds of the Series 2005A Certificates greater than the amount of the Basic Lease Payments coming due in the immediately following Fiscal Year, (b) in whole or in part, if there are Net Proceeds equal to or greater than ten percent (10%) of the remaining principal portion of the Basic Lease Payments relating to the Series 2005A Facilities as a result of damage to, destruction or condemnation of any portion of the Series 2005A Facilities and an election is made by the School Board under the Series 2005A Lease to apply the amount to the prepayment of the principal portion of Basic Lease Payments, or (c) in whole, at the election of the Insurer, if the Lease Term of all Leases is terminated because funds have not been appropriated for Lease Payments under all Leases or an event of default has occurred under any Lease and the Lease Term of all Leases is terminated. See "THE SERIES 2005A CERTIFICATES B Prepayment B Extraordinary Prepayment."

### **The Foundation**

The Foundation is a Florida not-for-profit corporation organized in February, 1988 for the purpose of acting as lessor under lease purchase agreements (such as the Master Lease) with the School Board and holding title to the educational facilities constituting Projects (excepting such Facilities and other equipment and similarly excluded items which are titled in the name of the School Board) under such lease purchase agreements. The Board of Directors of the Foundation consists of the members of the School Board; its officers are School Board members and employees. There presently is no litigation pending against the Foundation.

**[End of Summary Statement]**

## OFFERING STATEMENT

\$ \_\_\_\_\_ \*

### CERTIFICATES OF PARTICIPATION, SERIES 2005A

**Evidencing Undivided Proportionate Interests of the  
Owners thereof in Basic Lease Payments to be made by  
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA  
As Lessee, Pursuant to a Master Lease Purchase Agreement  
with the Miami-Dade County School Board Foundation, Inc., as Lessor**

### INTRODUCTION

This Offering Statement, including the cover page, inside cover page, the summary statement and appendices hereto, is provided to furnish information in connection with the sale and delivery of \$ \_\_\_\_\_ \* aggregate principal amount of Certificates of Participation, Series 2005A (the "Series 2005A Certificates").

The Series 2005A Certificates evidence undivided proportionate interests of the owners thereof in the Basic Lease Payments to be made by the School Board under the Series 2005A Lease (as defined herein). The Series 2005A Certificates are being executed and delivered pursuant to a Master Trust Agreement dated as of August 1, 1994, as supplemented by a Series 2005A Supplemental Trust Agreement dated as of June 1, 2005 (the "Trust Agreement"), each between the Miami-Dade County School Board Foundation, Inc., a Florida not-for-profit corporation (the "Foundation"), and The Bank of New York Trust Company, N.A., Jacksonville, Florida, as agent for The Bank of New York (successor by acquisition to NationsBank of Florida, N.A.), as trustee (the "Trustee").

In November, 1997, the voters of Dade County voted to rename Dade County, Florida as Miami-Dade County, Florida. As a result, by appropriate actions taken by each entity, the Dade County School Board, the School District of Dade County, Florida and the Dade County School Board Foundation, Inc. are now known as the "Miami-Dade County School Board," the "School District of Miami-Dade County, Florida," and the "Miami-Dade County School Board Foundation, Inc.," respectively.

The School Board, as the governing body of the School District of Miami-Dade County, Florida (the "District"), has entered into a Master Lease Purchase Agreement dated as of August 1, 1994 (the "Master Lease"), between the Foundation, as lessor and the School Board, as lessee, for the purpose of lease purchasing from time to time certain educational facilities, sites, vehicles and equipment (the "Facilities") from the Foundation, as well as funding acquisition costs associated with such Facilities. Facilities to be lease purchased from time to time are identified on separate lease schedules (each a "Schedule") attached to the Master Lease. Upon execution and delivery thereof, each Schedule, together with the provisions of the Master Lease, will constitute a separate lease agreement (individually a "Lease" and collectively the "Leases"). Commencing as of June 1, 2005, the School Board will lease certain Series 2005A Facilities as identified in the Series 2005A Lease (herein defined). The Series 2005A Certificates are being issued in order to provide funds to finance the cost of acquisition and construction of the Series 2005A Facilities. See "PURPOSE OF THE SERIES 2005A CERTIFICATES" and "THE PROJECT" herein.

Pursuant to the applicable provisions of Florida law, including particularly Florida Statutes, Chapters 1000-1013, and a resolution adopted by the School Board on May 18, 2005, the School Board has authorized the execution and delivery of Schedule No. 2005A to the Master Lease as it may be amended from time to time (together with the Master Lease, the "Series 2005A Lease"). The initial term of the Series 2005A Lease commences as of June 1, 2005 and continues through and including June 30, 2005, and is automatically renewable annually thereafter through and including \_\_\_\_\_ 1, 20\_\_ unless earlier terminated as described herein. The Facilities to be lease purchased by the School Board under the Series 2005A Lease include certain educational facilities, as more particularly described herein (the "Series 2005A Facilities"). See "THE LEASE" and "THE PROJECT" herein.

\*Preliminary, subject to change

The School Board will hold title to the \_\_\_ sites on which the Series 2005A Facilities are located (the "Series 2005A Facility Sites"). All of such sites are located within the District.

Pursuant to the Series 2005A Ground Lease dated as of June 1, 2005 (the "Series 2005A Ground Lease"), the School Board will lease the Series 2005A Facility Sites to the Foundation for an initial term commencing June 1, 2005 and ending \_\_\_\_\_ 1, 20\_\_\_, subject to Permitted Encumbrances (as defined in the Series 2005A Ground Lease) and subject to extension or earlier termination as provided therein. See "THE PROJECT B The Series 2005A Project" and "APPENDIX C B FORMS OF CERTAIN LEGAL DOCUMENTS B The Series 2005A Ground Lease" herein.

Pursuant to the Series 2005A Assignment Agreement dated as of June 1, 2005 (the "Series 2005A Assignment") between the Foundation and the Trustee, the Foundation has irrevocably assigned to the Trustee for the benefit of the owners of the Series 2005A Certificates, substantially all of its right, title and interest in and to the Series 2005A Ground Lease and the Series 2005A Lease, including the right to receive the Basic Lease Payments and all other amounts due under the Series 2005A Lease. See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Series 2005A Assignment Agreement" herein.

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2005A Certificates when due will be guaranteed under a municipal bond insurance policy (the "Policy") issued concurrently with the delivery of the Series 2005A Certificates by \_\_\_\_\_ ("\_\_\_\_\_" or the "Insurer"). See "MUNICIPAL BOND INSURANCE" herein.

Brief descriptions of the School Board, the District, the Policy and the Series 2005A Facilities are included in this Offering Statement together with summaries of certain provisions of the Series 2005A Certificates, the Master Lease, the Series 2005A Lease, the Trust Agreement, the Series 2005A Ground Lease and the Series 2005A Assignment. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Master Lease, the Series 2005A Lease, the Trust Agreement, the Series 2005A Ground Lease and the Series 2005A Assignment are qualified in their entirety by reference to the respective complete documents. Copies of the documents may be obtained upon written request and payment of the costs of duplication to the Trustee at 10161 Centurion Parkway, 2nd Floor, Jacksonville, Florida 32256. Capitalized terms used herein and not otherwise defined will have the meanings given them in "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS" herein.

## **PURPOSE OF SERIES 2005A CERTIFICATES**

The Series 2005A Certificates are being issued for the principal purpose of providing funds sufficient to: (i) finance the cost of acquisition and construction of the Series 2005A Facilities and (ii) pay costs associated with the issuance of the Series 2005A Certificates. The Series 2005A Facilities to be financed consist of certain educational facilities. See "THE SERIES 2005A PROJECT" herein.

## **THE SERIES 2005A CERTIFICATES**

### **General**

The Series 2005A Certificates will be dated June 1, 2005, will mature in the years and principal amounts and accrue interest at the rates set forth on the inside cover page of this Offering Statement. The Series 2005A Certificates shall initially be issued exclusively in "book-entry" form and ownership of one fully registered Series 2005A Certificate for each maturity as set forth on the inside cover page, each in the aggregate principal amount of such maturity, will be initially registered in the name of "Cede & Co." as nominee of The Depository Trust Company, New York, New York ("DTC"). See "THE SERIES 2005A CERTIFICATES - Book-Entry Only System" herein. Individual purchases will be made in increments of \$5,000 or integral multiples thereof.

The principal of the Series 2005A Certificates payable at maturity or earlier prepayment thereof shall represent undivided proportionate interests in the principal portion of the Basic Lease Payments due on each of the dates set forth in the Series 2005A Lease with respect to the Series 2005A Certificates. The interest component of Basic Lease Payments represented by the Series 2005A Certificates is payable on each April 1 and October 1, commencing October 1, 2005 (each such date an "Interest Payment Date"). Said interest component represents undivided proportionate interests in the interest

portion of Basic Lease Payments due in respect of each Interest Payment Date for the Series 2005A Certificates to and including the maturity or earlier prepayment of the Series 2005A Certificates.

The principal portion and interest portion of Basic Lease Payments represented by the Series 2005A Certificates are payable in the manner set forth under "THE SERIES 2005A CERTIFICATES - Book-Entry Only System" herein.

**Prepayment**

*Optional Prepayment.* Series 2005A Certificates maturing on or before October 1, 20\_\_ shall not be subject to prepayment at the option of the School Board.

Series 2005A Certificates maturing on or after October 1, 20\_\_, shall be subject to prepayment on or after October 1, 20\_\_, at the option of the School Board from prepayments of Basic Lease Payments made by the School Board pursuant to the Series 2005A Lease, in whole at any time, or in part on the first Business Day of any calendar month, and if in part, in such order of maturity of Series 2005A Certificates corresponding to the due dates of the principal portions of Basic Lease Payments under the Series 2005A Lease designated by the School Board to be prepaid, and by lot within a maturity in such manner as the Trustee may determine, at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2005A Certificates or portions thereof to be prepaid, together with interest accrued to the Prepayment Date.

*Mandatory Sinking Fund Prepayment.* Series 2005A Certificates maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory prepayment prior to maturity in part, from payments of the principal portion of Basic Lease Payments under the Series 2005A Lease, through the operation of a sinking fund, on each October 1 in the years and in the amounts set forth below at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2005A Certificates or portions thereof to be prepaid, together with interest accrued to the Prepayment Date:

<u>October 1 of the Year</u>	<u>Principal Amount</u>
	\$

\_\_\_\_\_  
\*Final Maturity

*Extraordinary Prepayment.* Series 2005A Certificates shall be subject to extraordinary prepayment in whole or in part at any time, and if in part, in inverse order of maturity or on a proportional basis, as shall be designated by the School Board, and by lot within a maturity in such manner as the Trustee determines to be fair and appropriate, in an amount equal to the principal portion of Basic Lease Payments prepaid under the Series 2005A Lease, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, (i) if there remains in the Series 2005A Acquisition Account an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under the Series 2005A Lease, upon delivery by the School Board of a Certificate of Acceptance, indicating completion of acquisition, construction and installation and payment of all Costs of the Series 2005A Facilities; and (ii) if there are Net Proceeds equal to or greater than ten percent (10%) of the remaining principal portion of the Basic Lease Payments relating to the Series 2005A Facilities as a result of damage, destruction or condemnation of any portion of the Series 2005A Facilities and an election is made by the School Board under the Master Lease to apply the amount to the prepayment in part of the principal portions of Basic Lease Payments relating to the Series 2005A Facilities and represented by the Series 2005A Certificates.

At the election of the Insurer, the Series 2005A Certificates are subject to extraordinary prepayment in whole at any time, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, if the Lease Term of the Series 2005A Lease is terminated either because funds have not been appropriated for Lease Payments under the Series 2005A Lease or any other Lease or the School Board has defaulted under the Series 2005A Lease or any other Lease.

**Selection**

If less than all of the Series 2005A Certificates are called for prepayment, the particular Series 2005A Certificates or portions thereof to be prepaid will be in multiples of \$5,000 and, except as noted above, the Series 2005A Certificates or

portions thereof shall be prepaid in such order of maturity as provided in APrepayment@ above. The portion of any Series 2005A Certificate of a denomination of more than \$5,000 to be prepaid will be in the principal amount of \$5,000 or any integral multiple thereof, and, in selecting portions of such Series 2005A Certificates for prepayment, the Trustee will treat each such Series 2005A Certificate as representing that number of Series 2005A Certificates in \$5,000 denominations which is obtained by dividing the principal amount of such Series 2005A Certificate to be prepaid in part by \$5,000.

The foregoing notwithstanding, as long as a book-entry only system is used for determining ownership of Series 2005A Certificates, if less than all of the Certificates with the same maturity date are to be prepaid, DTC and the DTC Participants (as defined herein) shall determine, by lot, which of the Certificates with the same maturity date are to be prepaid. See "Book-Entry Only System".

#### **Notice of Prepayment**

When prepayment of Series 2005A Certificates is required, the Trustee will mail a copy of the notice required by the Trust Agreement, postage prepaid, not less than thirty (30) days before the Prepayment Date in the case of optional prepayments, sinking fund prepayment or prepayment due to damage, destruction or condemnation of the applicable Facilities, and not less than five (5) days nor more than ten (10) days before the Prepayment Date in the case of prepayment for termination of the Lease Term in the event of non-appropriation or in certain events of default under any Lease, to the Holders of any Series 2005A Certificates or portions thereof to be prepaid, at their last addresses appearing upon the Series 2005A Certificates registry books, but any defect in the notice to a particular Series 2005A Certificate holder will not affect the validity of the proceedings for the prepayment of Series 2005A Certificates.

#### **Effect of Prepayment**

If, on the Prepayment Date, moneys for the payment of the Prepayment Price of the Series 2005A Certificates or portions thereof to be prepaid are held by the Trustee and available therefor on the Prepayment Date and if notice of prepayment has been given as described above, then from and after the Prepayment Date, the interest portion of the Series 2005A Certificates or the portion thereof called for prepayment will cease to accrue. If such moneys are not available on the Prepayment Date, the principal portion represented by such Series 2005A Certificates or portions thereof will continue to bear interest until paid at the same rate as would have accrued had such Series 2005A Certificates not been called for prepayment.

#### **Book-Entry Only System**

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE FOUNDATION AND THE SCHOOL BOARD BELIEVE TO BE RELIABLE, BUT NEITHER THE FOUNDATION NOR THE SCHOOL BOARD TAKE ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company, New York, New York, will act as securities depository for the Series 2005A Certificates. The Series 2005A Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2005A Certificate will be issued for each maturity of the Series 2005A Certificates, as set forth on the inside cover page hereof, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and

Emerging Markets Clearing Corporation, which are also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

So long as the book-entry only system is in effect, beneficial interests in the Series 2005A Certificates will be available in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Series 2005A Certificates will not receive certificates representing their beneficial interests in the Series 2005A Certificates purchased. The Underwriters are to confirm original issuance purchases of beneficial interests with statements containing certain terms of the Series 2005A Certificates in which such beneficial interests are purchased.

Purchases of Series 2005A Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2005A Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2005A Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2005A Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2005A Certificates, except in the event that use of the book-entry system for the Series 2005A Certificates is discontinued.

To facilitate subsequent transfers, all Series 2005A Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2005A Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2005A Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2005A Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The Trustee will make payments of principal of, premium, if any, and interest on the Series 2005A Certificates to DTC or such other nominee, as may be requested by an authorized representative of DTC, as registered owner of the Series 2005A Certificates. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, the School Board or the Foundation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Trustee will send redemption notices to DTC. If less than all of the securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2005A Certificates unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Foundation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2005A Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NEITHER THE FOUNDATION, THE SCHOOL BOARD NOR THE TRUSTEE WILL HAVE ANY-RESPONSIBILITY OR OBLIGATION TO THE BENEFICIAL OWNERS, DIRECT OR INDIRECT PARTICIPANTS OR THE PERSONS FOR WHOM DIRECT OR INDIRECT PARTICIPANTS ACT AS NOMINEES WITH RESPECT TO THE SERIES 2005A CERTIFICATES, FOR THE ACCURACY OF RECORDS OF DTC, CEDE & CO. OR ANY DIRECT OR INDIRECT PARTICIPANT WITH RESPECT TO THE SERIES 2005A CERTIFICATES OR THE PROVIDING OF NOTICE OR PAYMENT OF PRINCIPAL, OR INTEREST, OR ANY PREMIUM ON THE SERIES 2005A CERTIFICATES, TO DIRECT OR INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS, OR THE SELECTION OF SERIES 2005A CERTIFICATES FOR REDEMPTION.

Neither the Foundation, the School Board nor the Trustee can give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Series 2005A Certificates paid to DTC or its nominee, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve or act in a manner described in this Offering Statement.

For every transfer and exchange of beneficial interests in the Series 2005A Certificates, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

DTC may determine to discontinue providing its services with respect to the Series 2005A Certificates at any time by giving notice to the School Board, the Foundation and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, in the event that a successor depository is not obtained, Series 2005A Certificates are required to be printed and delivered. In addition, the School Board, at the direction of the School Board, may determine to discontinue the use of book-entry transfers through DTC (or any successor securities depository). Under such circumstances, certificated Series 2005A Certificates are required to be delivered as described in the Trust Agreement.

*Payment of Series 2005A Certificates Upon Discontinuance of Book-Entry Only System.* Upon discontinuance of the book-entry only system for the Series 2005A Certificates, the principal portion or Prepayment Price of the Series 2005A Certificates will be payable at the designated corporate trust office of the Trustee, which is presently located in Jacksonville, Florida. Upon such discontinuance, the interest portion represented by the Series 2005A Certificates will be payable by check or draft of the Trustee, mailed to the registered owner at the address shown on the Series 2005A Certificate register maintained by the Trustee as of the 15th day of the month preceding the Interest Payment Date (the "Record Date"). Such interest portion may be paid by wire transfer within the United States to registered owners of \$1,000,000 or more in aggregate principal amount of Series 2005A Certificates, upon their written request received no later than the Record Date prior to an Interest Payment Date. The Trustee may charge such registered owner a reasonable fee for the cost of the wire transfer.

## SECURITY FOR THE SERIES 2005A CERTIFICATES

### General

The Series 2005A Certificates evidence undivided proportionate interests in Basic Lease Payments made by the School Board under the Series 2005A Lease. The Series 2005A Certificates are secured by and payable from the trust estate established for the Series 2005A Certificates (the "Trust Estate") pursuant to the Trust Agreement. The Trust Estate consists of all estate, right, title and interest of the Trustee in and to the Basic Lease Payments under the Series 2005A Lease, and all amounts held in the funds and accounts under the Trust Agreement in accordance with the provisions of the Master Lease and the Trust Agreement, including investment earnings thereon, and any and all monies received by the Trustee pursuant to the Series 2005A Lease, and the Trust Agreement, which are not required to be remitted to the School Board or the Foundation pursuant to the Master Lease or the Trust Agreement.

Neither the Trustee, as assignee of the Foundation, nor the School Board has mortgaged or granted a security interest in their respective interests in the Series 2005A Facilities to the Trustee. Upon termination of the Series 2005A Lease, in the case of an event of non-appropriation or in the case of certain events of default, the Series 2005A Lease provides that the School Board must surrender possession of the Series 2005A Facilities to the Trustee as assignee of the Foundation for disposition by sale or re-letting of its interest in such Facilities, as provided in the Trust Agreement, and any proceeds of any such disposition will be applied to the payment of the Series 2005A Certificates, after payment of the expenses of the Trustee. IN NO EVENT WILL OWNERS OF ANY SERIES OF CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY



PROCEEDS OF THE DISPOSITION OF FACILITIES FINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES. See "THE LEASE - Effect of Termination for Non-Appropriation or Default" herein.

### **Lease Payments**

All Lease Payments and all other amounts required to be paid by the School Board under the Series 2005A Lease and all other Leases will be made only from legally available funds appropriated for such purpose by the School Board. While the Local Option Millage Levy (as defined herein) constitutes the primary source of funds to make Lease Payments and to pay all other amounts required to be paid by the School Board under the Series 2005A Lease and all other Leases (see ADISTRICT REVENUES FOR CAPITAL PROJECTS B Local Capital Outlay Sources B The Local Option Capital Outlay Millage Levy@ herein), the School Board intends to use the Educational Facilities Impact Fee Revenues, if any, received from the County and available to the School Board to make lease payments in respect of the Series 2005A Certificates. See "DISTRICT REVENUES FOR CAPITAL PROJECTS B Educational Facilities Impact Fees" herein.

The Trust Agreement provides for the establishment and maintenance of separate Lease Payment Accounts for each group of Facilities to be financed by a series of Certificates issued under the Trust Agreement and sub-accounts for each Benefit District (as defined herein) in which such facilities are located. Lease Payments due under the schedules to the Master Lease are subject to annual appropriation by the School Board on an all-or-none basis and are payable on a parity basis solely from legally available funds appropriated by the School Board for such purpose; provided that Lease Payments with respect to a particular schedule and series of Certificates may be additionally and separately secured by a credit facility. There is no limit on the number of additional Projects that may be financed under the Master Lease. Such additional projects may be financed through the sale of additional series of Certificates under the Trust Agreement. THE SCHOOL BOARD MAY NOT BUDGET AND APPROPRIATE FOR A PORTION OF LEASE PAYMENTS DUE FOR ALL OF THE PROJECTS LEASED UNDER THE MASTER LEASE; IT MUST BUDGET AND APPROPRIATE FOR ALL SUCH LEASE PAYMENTS OR NONE OF THEM. THERE CAN BE NO ASSURANCE THAT SUFFICIENT FUNDS WILL BE APPROPRIATED OR OTHERWISE BE MADE AVAILABLE TO MAKE ALL OF THE LEASE PAYMENTS DUE UNDER THE MASTER LEASE.

### **Limited Obligation of the School Board**

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE LEASE PAYMENTS. THE LEASE PAYMENTS ARE PAYABLE SOLELY FROM FUNDS APPROPRIATED BY THE SCHOOL BOARD FOR SUCH PURPOSE FROM CURRENT OR OTHER FUNDS AUTHORIZED BY LAW AND REGULATIONS OF THE DEPARTMENT OF EDUCATION. NEITHER THE DISTRICT, THE SCHOOL BOARD, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF IS OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE TO THE TRUSTEE UNDER THE SERIES 2005A LEASE FROM ANY SOURCE OF TAXATION. THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD AND THE DISTRICT ARE NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FOUNDATION, THE TRUSTEE NOR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY ANY SUMS, INCLUDING THE BASIC LEASE PAYMENTS, DUE UNDER THE SERIES 2005A LEASE. See "RISK FACTORS" herein.

### **Additional Leases**

The School Board has previously entered into and may in the future enter into Additional Leases under the Master Lease. Failure to appropriate funds to make Lease Payments under the Series 2005A Lease or any Additional Lease will, or certain events of default under any such Lease may, result in the termination of the Lease Term of all Leases, including the Series 2005A Lease. Upon any such termination of the Lease Term of all Leases, the School Board must surrender all Facilities, including the Series 2005A Facilities (but not such Facilities specifically excluded under the applicable Leases) to the Trustee for sale or re-letting of the Trustee=s interest. The proceeds of any disposition of the Series 2005A Facilities will be applied to the payment of the Series 2005A Certificates. IN NO EVENT WILL OWNERS OF THE SERIES 2005A CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF FACILITIES FINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES. There can be no assurance that the remedies available to the Trustee upon any termination of the Lease Term of all Leases and the disposition of the Series 2005A Facilities will produce sufficient amounts to pay the Series 2005A Certificates.

### **[Update outstanding principal balances of prior COPs deals]**

In addition to the Series 2004A Lease, the School Board has previously entered into (as such terms are defined in the Summary Statement): the Amended and Restated Leases, the Amended and Restated Series 1998B Leases, the Amended and Restated Series 2000A Lease, the Series 2000 QZAB Lease, the Amended and Restated Series 2001 Leases, the Series 2001 QZAB Lease, the Amended and Restated Series 2001C Lease, the Series 2002 Leases, the Series 1988 Lease, the Series 2003 QZAB Lease and the Series 2003D Leases under the Master Lease, in connection with which there is currently outstanding **[\$130,675,000]** aggregate principal amount of Certificates of Participation, Series 1998A (the "Series 1998A Certificates"); **[\$197,405,000]** aggregate principal amount of Certificates of Participation, Series 1998C (the "Series 1998C Certificates"); **[\$91,290,000]** aggregate principal amount of Certificates of Participation, Series 2000A (the "Series 2000A Certificates"); **[\$13,254,193.35]** sinking fund payment obligations relating to Certificates of Participation, Series 2000 QZAB (the "Series 2000 QZAB Certificates"); **[\$54,650,000]** aggregate principal amount of Certificates of Participation, Series 2001B (the "Series 2001B Certificates"); **[\$8,066,102]** sinking fund payment obligations relating to Certificates of Participation, Series 2001 QZAB (the "Series 2001 QZAB Certificates"); **[\$39,435,000]** aggregate principal amount of Certificates of Participation, Series 2001C (the "Series 2001C Certificates"); **[\$75,000,000]** aggregate principal amount of Certificates of Participation, Series 2002A (the "Series 2002A Certificates"); **[\$75,000,000]** aggregate principal amount of Certificates of Participation, Series 2002B (the "Series 2002B Certificates"); **[\$63,633,333.30]** aggregate principal amount of Certificates of Participation, Series 2003A (the "Series 2003A Certificates"); **[\$137,780,000]** aggregate principal amount of Certificates of Participation, Series 2003B (the "Series 2003B Certificates"); **[\$21,220,000]** aggregate principal amount of Certificates of Participation, Series 2003C (the "Series 2003C Certificates"); **[\$165,210,000]** aggregate principal amount of Certificates of Participation, Series 2003D (the "Series 2003D Certificates"); **[\$7,148,475]** sinking fund payment obligations relating to Certificates of Participation, Series 2003 QZAB (the "Series 2003 QZAB Certificates"); and **\$87,210,000** aggregate principal amount of Certificates of Participation, Series 2004A (the "Series 2004A Certificates").

For a discussion of remedies available to the Trustee in the event of the non-appropriation of funds to pay Lease Payments or in the event of default by the School Board under any Lease, see "THE LEASES - Termination of Lease Term" and "- Effect of Termination for Non-Appropriation or Default" and "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS -The Master Lease Purchase Agreement" herein.

#### **Additional Certificates**

With respect to any Additional Lease, one or more series of Additional Certificates may be authorized by the Foundation at the request of the School Board and executed and delivered by the Trustee for the purpose of (a) financing the cost of acquisition, construction, installation and equipping of any Facilities or the completion thereof, (b) financing the cost of increasing, improving, modifying, expanding or replacing any Facilities, (c) paying or providing for the payment of the principal portion and interest portion of the Basic Lease Payments with respect to, or the Purchase Option Price (as described under "SECURITY FOR THE SERIES 2005A CERTIFICATES - Optional Prepayment Price") of, all or a portion of the Facilities financed from the proceeds of any series of Certificates previously executed and delivered, (d) funding a Reserve Account in an amount equal to the applicable Reserve Account Requirement, if any, (e) capitalizing the interest portion of Basic Lease Payments during construction, or (f) paying the applicable Costs of Issuance. The aggregate principal amount of Additional Certificates which may be executed and delivered under the provisions of the Trust Agreement is not limited, except as may be provided with respect to a particular series of Additional Certificates in any Supplemental Trust Agreement creating such series.

Unless otherwise set forth in the Supplemental Trust Agreement authorizing the issuance of more than one series of Certificates, each Certificate within a series of Certificates executed and delivered pursuant to the Trust Agreement shall rank *pari passu* and be equally and ratably secured under the Trust Agreement with each other Certificate of such series, but not with any Certificates of any other series (except for refunding certificates issued in the case of the partial refunding of a series of certificates or except for the issuance of completion certificates, respectively), without preference, priority or distinction of any such Certificate over any other such Certificate, except that to the extent that Basic Lease Payments available for payment to all Certificate holders are less than all amounts owed with respect to all series of Certificates on any Payment Date, such amounts available shall be applied on a pro-rata basis to Certificate holders of all series in accordance with the ratio that the principal balance of each series of Certificates Outstanding bears to the total amount of Certificates Outstanding under the Trust Agreement.

## Outstanding Certificates

The following is a listing of the series of Certificates which the School Board has previously caused to be issued by the Trustee under the Master Trust Agreement and the outstanding principal balance of each series:

### [Update outstanding principal balances of prior COPs deals]

<u>Series of Certificates</u>	<u>Outstanding Principal Amount</u>
Series 1998A Certificates	\$[130,675,000.00
Series 1998C Certificates	197,405,000.00
Series 2000A Certificates	91,290,000.00
Series 2000 QZAB Certificates	13,254,193.35*
Series 2001B Certificates	54,650,000.00
Series 2001 QZAB Certificates	8,066,102.00*
Series 2001C Certificates	39,435,000.00
Series 2002A Certificates	75,000,000.00
Series 2002B Certificates	75,000,000.00
Series 2003A Certificates	63,633,333.30
Series 2003B Certificates	137,780,000.00
Series 2003C Certificates	21,220,000.00
Series 2003D Certificates	165,210,000.00
Series 2003 QZAB Certificates	7,148,475.00*
Series 2004 Certificates	87,210,000.00]

\* Represents remaining sinking fund payment obligation net of earnings on guaranteed investment contracts.

See ASECURITY FOR THE SERIES 2005A CERTIFICATES B Additional Leases@ herein.

## Non-Appropriation Risk

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS FOR THE PURPOSE OF MAKING LEASE PAYMENTS. FOR A DISCUSSION OF REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF THE NON-APPROPRIATION OF FUNDS TO PAY LEASE PAYMENTS, SEE "THE LEASES - TERMINATION OF LEASE TERM" AND "- EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT." THERE CAN BE NO ASSURANCE THAT THE REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF NON-APPROPRIATION WILL PRODUCE SUFFICIENT AMOUNTS TO PAY THE SERIES 2005A CERTIFICATES AND THE OUTSTANDING CERTIFICATES.

## Optional Prepayment Price

The School Board has the right to prepay all or a portion of the Basic Lease Payments represented by the Series 2005A Certificates and in connection therewith remove all or a portion of, as the case may be, the Series 2005A Facilities from the Series 2005A Lease and from the lien of the Series 2005A Ground Lease by paying the Purchase Option Price for the specific Series 2005A Facilities being purchased or, to the extent permitted by law, by substituting other facilities for the Series 2005A Facilities being acquired. No such partial prepayment of the Series 2005A Certificates which is accomplished by the removal of the specific Series 2005A Facilities from the Series 2005A Lease and from the lien of the Series 2005A Ground Lease may be made without the prior consent of the Insurer. The Purchase Option Price, as of each Lease Payment Date, is (i) the Basic Lease Payment then due plus the amount designated in the Series 2005A Lease, as the Remaining Principal Portion of the Purchase Option Price; (ii) minus any credits pursuant to the provisions of the Series 2005A Lease; (iii) plus an amount equal to the interest to accrue with respect to the Series 2005A Certificates to be prepaid as a result of the release of such Series 2005A Facilities from the Series 2005A Lease, from such Lease Payment Date to the next available date for prepaying the Series 2005A Certificates; and (iv) plus an amount equal to any other amounts then due and owing under the Series 2005A Lease, including any prepayment premiums payable on the Series 2005A Certificates prepaid.

**Bond Insurance**

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2005A Certificates when due will be guaranteed under the municipal bond insurance policy to be issued concurrently with the delivery of the Series 2005A Certificates by \_\_\_\_\_. See "MUNICIPAL BOND INSURANCE" herein.

**No Reserve Account for Series 2005A Certificates**

THERE IS NO RESERVE ACCOUNT ESTABLISHED FOR THE SERIES 2005A CERTIFICATES. However, pursuant to a Supplemental Trust Agreement authorizing the issuance of any series of Certificates, there may be established and maintained a separate Reserve Account to secure the payment of the principal and/or interest portion of the Basic Lease Payments related to such series of Certificates. Each such Reserve Account shall secure only the series of Certificates for which it has been established. See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - The Master Trust Agreement" herein.

**MUNICIPAL BOND INSURANCE**

THE INFORMATION IN THIS SECTION CONCERNING THE MUNICIPAL BOND INSURANCE POLICY AND THE INSURER HAS BEEN OBTAINED FROM \_\_\_\_\_; NEITHER THE SCHOOL BOARD, THE FOUNDATION NOR THE UNDERWRITERS TAKE RESPONSIBILITY FOR THE ACCURACY THEREOF.

The following information has been supplied by \_\_\_\_\_ to describe the municipal bond insurance policy to be issued with respect to the Series 2005A Certificates. A specimen of the municipal bond insurance policy is attached as Appendix F hereto.

**[INSERT SUMMARY OF MUNICIPAL BOND INSURANCE POLICY]**

**THE SERIES 2005A PROJECT**

The Series 2005A Project consists of the lease purchase financing and acquisition and construction of the Series 2005A Facilities, the leasing of the Series 2005A Facility Sites by the School Board to the Foundation pursuant to the Series 2005A Ground Lease and the subleasing of the Series 2005A Facility Sites back to the School Board. All of the Series 2005A Facilities are located in the District. Under certain conditions set forth in the Series 2005A Lease, the School Board may substitute components for the Series 2005A Project. See -- Substitution of Facilities" below. The following is a brief general description of the schools and facilities which comprise the Series 2005A Facilities.

Miami Beach Senior High School Student Stations: This Project is located at 2231 Prairie Avenue, Miami Beach in the East Benefit District. The Project represents only the added capacity of 489 student stations included in the construction of a replacement high school with the total equivalent of a 2,858-student station facility. The Project cost for the core facilities only includes the net increase to the necessary core spaces related to the added student stations. Project costs include site development, furnishing, and equipping the facility.

Coral Way Elementary School Conversion to K-8 Facility/State School XX: This Project is located at 1950 SW 13 Avenue, Miami in the East Benefit District. The Project consists of the construction of a new "middle learning center" building housing the necessary spaces to convert the existing school from a K-5 grade configuration to a K-8 facility. This building will provide classrooms for an additional 483 student stations, a cafeteria, an art and music suite and administrative spaces. Project costs include site development, furnishing, and equipping the facility.

F. C. Martin Elementary School Conversion to K-8 Facility: This Project is located at 14250 Boggs Drive, Richmond Heights in the East Benefit District. The Project consists of the construction of a new "middle learning center" building housing the necessary spaces to convert the existing school from a K-5 grade configuration to a K-8 facility. This building will provide classrooms for an additional 675 student stations, a cafeteria, an art and music suite and administrative spaces. Project costs include site development, furnishing, and equipping the facility.

Pine Villa Elementary School Addition: This Project is located at 21799 SW 117 Court, Goulds in the East Benefit District. The Project includes the addition of a detached one-story classroom building housing 13 classrooms and related restrooms providing 286 student stations. Project costs include site development, furnishing, and equipping the facility.

Miami Springs Relief Senior High School/State School WWW: This Project is located on West 18<sup>th</sup> Avenue between West 39<sup>th</sup> Street and 41<sup>st</sup> Street in the City of Hialeah in the East Benefit District. The new senior high school is designed for a total capacity of 1,613 student stations and necessary core spaces. A portion of the proceeds of the Series 2005A Certificates will be used to complete this facility, which was partially funded with proceeds of the Series 2001C Certificates. Project costs include site development, furnishing, and equipping the facility.

*Estimated Series 2005A Project Budget.* The following table sets forth the School Board=s current estimates of the cost of each of the facilities comprising the Series 2005A Facilities. Actual costs may be greater or less than those shown.

Series 2005A Facilities

Miami Beach Senior High School Student Stations	\$13,900,000
Coral Way Elementary School Conversion to K-8 Facility	7,400,000
F. C. Martin Elementary School Conversion to K-8 Facility	10,600,000
Pine Villa Elementary School Addition	3,700,000
Miami Springs Relief Senior High School	<u>22,000,000</u>
Total	<u>\$57,600,000</u>

The foregoing reflects the current expectation of the School Board and the District as of the date of this Offering Statement as to the nature, scope and cost of the Series 2005A Facilities and is subject to change and amendment.

**Substitution of Facilities**

To the extent permitted by law and with the prior consent of the Insurer, the School Board may substitute for any portion of the Series 2005A Facilities described above other facilities owned by the School Board, provided such substituted facilities (a) have the same or greater remaining useful life, (b) have a fair market value equal to or greater than the Series 2005A Facilities for which they are substituted, (c) are of substantially equal usefulness as the Series 2005A Facilities to be replaced and provide essential governmental services, (d) are free and clear of all liens and encumbrances, except Permitted Encumbrances, and (e) are approved for substitution by the Florida Department of Education. In order to effect such substitution, the Series 2005A Facilities to be replaced will be released from the encumbrance of the Series 2005A Lease and Series 2005A Ground Lease and the facilities to be substituted shall be incorporated into said Series 2005A Lease and Series 2005A Ground Lease.

In order to permit Lease Payments for the substituted facilities to be made from the same Educational Facilities Impact Fee Revenues from which Lease Payments were made for the original Series 2005A Facilities, such substituted facilities must qualify for funding under the County's Educational Impact Fee program, and be located within the same Benefit District as the original Series 2005A Facilities.

There must also be delivered at the time of substitution an opinion of counsel as to the legality and validity of such substitution under the laws of the State, a policy of title insurance (if required by the Insurer) and an opinion of counsel as described in the Master Lease with respect to a substitute Facility Site. For purposes of the preceding paragraph, "fair market value" will be determined on the basis of an MAI appraisal performed by an appraiser jointly selected by the School Board and the Trustee.

**Relationship to District=s General Obligation Bonds Capital Improvement Program**

Each of the projects described above and any additional projects financed or to be financed under the Master Lease are in addition to those facilities financed pursuant to the District’s general obligation school bonds capital improvement program. See “THE CAPITAL IMPROVEMENT PROGRAM” herein. Generally, the educational facilities financed by the District under the Master Lease or similar lease purchase arrangements consist of facilities that were not included in the original authorization for the District=s general obligation bonds capital improvement program.

**ESTIMATED SOURCES AND USES OF FUNDS**

The proceeds to be received from the sale of the Series 2005A Certificates, exclusive of accrued interest, shall be applied as follows:

Sources of Funds:

Par Amount of Series 2005A Certificates	\$
Plus: Net Original Issue Premium	
Plus: Accrued Interest	
Total Sources of Funds	\$

Uses of Funds:

Deposit to Series 2005A Acquisition Account <sup>(1)</sup>	\$
Deposit to Series 2005A Lease Payment Account	
Series 2005A Cost of Issuance Subaccount <sup>(2)</sup>	
Bond Insurance Premium	
Underwriters Discount	
Total Uses of Funds	\$

(1) The amount deposited to the Series 2005A Acquisition Account will be credited to the East Benefit subaccount therein.  
(2) Includes printing costs, counsel fees and other costs of issuance.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**SERIES 2005A CERTIFICATE PAYMENT SCHEDULE**

Payment requirements on the Series 2005A Certificates are as follows:

<u>Payment Date</u>	<u>Principal Portion</u>	<u>Interest Portion</u>	<u>Period Total</u>	<u>Annual Total</u>
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## AGGREGATE PAYMENTS ON OUTSTANDING CERTIFICATES OF PARTICIPATION

The aggregate annual lease payment requirements on the District's outstanding Series 1998A Certificates, Series 1998C Certificates, Series 2000A Certificates, Series 2000B Certificates, Series 2000 QZAB Certificates, Series 2001 QZAB Certificates, Series 2001B Certificates, Series 2001C Certificates, Series 2002 Certificates, Series 2003A Certificates, Series 2003B Certificates, Series 2003C Certificates, Series 2003D Certificates, the Series 2004A Certificates and Series 2005A Certificates are set forth below.

[to be updated]

iscal Year ending 30	Series 1998A Certificates	Series 1998C Certificates	Series 2000A Certificates <sup>(1)</sup>	Series 2000 QZAB Certificates <sup>(2)</sup>	Series 2001 QZAB Certificates <sup>(2)</sup>	Series 2001B Certificates <sup>(2)</sup>	Series 2001C Certificates <sup>(1)</sup>	Series 2002A and 2002B Certificates <sup>(2)</sup>	Series 2003A and 2003B <sup>(4)</sup>	Series 2003C Certificates	Series 2003D Certificates	Series 2003 QZAB Certificates <sup>(2)</sup>	Series 2004A Certificates	Series 2005A Certificates	Total
005	\$7,091,915.00	\$23,735,840.00	\$8,322,745.00	\$1,472,688.15	\$733,282.00	\$4,014,236.09	\$3,328,880.00	10,718,231.00	\$9,864,650.00	\$4,812,900.00	\$9,543,816.26	\$476,565			\$71,488,475
006	7,091,292.50	23,586,446.25	8,326,632.50	1,472,688.15	733,282.00	3,747,041.46	3,326,030.00	10,715,522.00	13,184,700.00	4,797,850.00	7,862,166.26	476,565			476,565
007	7,094,540.00	23,427,371.25	8,312,971.25	1,472,688.15	733,282.00	3,744,338.22	3,326,342.50	10,715,267.00	12,101,000.00	4,776,250.00	7,931,466.26	476,565			476,565
008	16,783,768.75	12,371,472.50	8,306,535.00	1,472,688.15	733,282.00	3,743,893.00	3,324,730.00	10,713,592.00	11,911,450.00	4,731,000.00	9,543,766.26	476,565			476,565
009	16,789,775.00	11,258,240.00	8,314,050.63	1,472,688.15	733,282.00	3,511,281.68	3,328,880.00	10,718,589.00	11,911,450.00	4,731,000.00	9,815,410.01	476,565			476,565
010	16,790,462.50	11,582,731.25	8,290,186.26	1,472,688.15	733,282.00	3,992,976.39	3,327,205.00	10,715,671.00	11,724,775.00	4,740,625.00	15,004,578.76	476,565			476,565
011	16,789,387.50	11,575,956.25	8,284,613.76	1,472,688.15	733,282.00	3,978,623.35	3,325,692.50	10,712,948.00	11,719,275.00		7,903,556.26	476,565			476,565
012	16,784,975.00	11,576,581.25	8,288,183.76	1,472,688.15	733,282.00	3,732,114.25	3,325,436.25	10,714,528.00	11,422,175.00		7,732,133.76	476,565			476,565
013	16,790,256.25	11,573,818.75	8,289,321.26	1,472,688.15	733,282.00	3,732,114.25	3,325,436.25	10,715,020.00	11,431,150.00		7,988,333.76	476,565			476,565
014	16,786,262.50	11,572,012.50	8,233,230.63		733,282.00	3,740,099.80	3,325,290.00	10,714,342.00	11,445,601.49		9,461,440.01	476,565			476,565
015	2,375,875.00	11,570,375.00	8,249,083.75		733,282.00	3,735,833.33	3,325,290.00	10,713,223.00	12,871,500.00		22,460,172.51	476,565			476,565
016	2,381,750.00	11,565,875.00	8,237,376.25		733,282.00	3,745,672.98	3,328,162.50	10,713,457.00	12,883,337.50		15,574,861.26	476,565			476,565
017	2,377,125.00	11,568,375.00	8,222,750.00		733,282.00	3,748,368.54	3,324,962.50	10,712,685.00	12,910,187.50		15,567,098.76	476,565			476,565
018	2,377,125.00	16,805,750.00	8,207,212.50		733,282.00	3,561,390.42	3,323,887.50	10,715,520.00	12,183,450.00		11,253,561.26	476,565			476,565
019	9,279,625.00	9,892,625.00	8,216,568.75		733,282.00	3,914,143.20	3,324,857.50	10,715,528.00	12,223,500.00		10,860,773.76	476,565			476,565
020	9,261,000.00	9,889,375.00	8,201,112.50		733,282.00	3,573,494.18	3,324,875.00	10,718,276.00	12,261,825.00		11,198,838.76	476,565			476,565
021	1,546,750.00	17,613,625.00	17,613,625.00		733,282.00	3,896,258.22	3,324,375.00	10,713,111.00	12,278,462.50		10,877,203.76	476,565			476,565
022	1,540,500.00	17,599,750.00	17,599,750.00		733,282.00	3,739,599.01	3,324,375.00	10,715,739.00	12,309,687.50		19,195,578.76	476,565			476,565
023	1,538,875.00	17,579,875.00	17,579,875.00		733,282.00	3,723,066.24	3,326,125.00	10,712,700.00	12,349,975.00		6,368,098.76	476,565			476,565
024	1,537,000.00	17,576,875.00	17,576,875.00		733,282.00	3,735,079.14	3,326,125.00	10,711,473.00	12,373,975.00		6,339,896.88	476,565			476,565
025	1,539,750.00	17,553,875.00	17,553,875.00		733,282.00	3,639,563.23	3,326,125.00	10,713,140.00	12,416,162.50		6,412,250.00	476,565			476,565
026	10,468,125.00	1,276,125.00			733,282.00	3,648,131.11	3,326,125.00	10,713,017.00	19,765,725.00		6,333,375.00	476,565			476,565
028					733,282.00	3,789,019.62	3,326,125.00	10,714,477.00	31,535,787.50		6,235,500.00	476,565			476,565
029					733,282.00	3,729,105.36	3,326,125.00	10,712,678.00	8,954,725.00		30,085,250.00	476,565			476,565
030					733,282.00	3,720,092.40	3,326,125.00	10,712,678.00	8,972,100.00		30,078,625.00	476,565			476,565
031					733,282.00	3,728,539.44	3,326,125.00	10,712,678.00	8,983,975.00		30,078,625.00	476,565			476,565
032					733,282.00	3,728,539.44	3,326,125.00	10,712,678.00	8,983,975.00		30,078,625.00	476,565			476,565
	<u>\$210,626,880.00</u>	<u>\$341,049,435.00</u>	<u>\$145,572,068.80</u>	<u>\$13,254,193.35</u>	<u>\$8,066,102.00</u>	<u>\$104,093,072.31</u>	<u>\$61,796,346.25</u>	<u>\$260,554,984.00</u>	<u>\$346,907,576.49</u>	<u>\$23,858,625.00</u>	<u>\$307,855,877.07</u>	<u>\$71,488,475</u>			<u>\$7,148,475</u>

(1) The Series 2000A Certificates, the Series 2001C Certificates, the Series 2004A Certificates and the Series 2005A Certificates are expected to be paid from certain educational facilities impact fee revenues received from Miami-Dade County.

(2) Estimated Series 2000 QZAB, Series 2001 QZAB and Series 2003 QZAB lease payments are shown net of projected earnings on corresponding guaranteed investment contracts.

(3) Based on an assumed Auction Rate plus costs equaling 5.0%. This rate is assumed to be in effect until the final maturity of the Series 2001B Certificates and the Series 2002 Certificates.

(4) Based on an assumed rate of 3.50% for the Series 2003A Term Rate Certificates after August 1, 2008 and an assumed rate of 3.50% for the Series 2003B Term Rate Certificates after May 1, 2011.



## **THE MASTER LEASE PROGRAM**

In order to provide for the lease purchase financing and refinancing from time to time of Facilities, the School Board has authorized the execution and delivery of the Master Lease between the School Board and the Foundation. Facilities to be leased from time to time will be identified on separate Schedules to the Master Lease. Upon execution and delivery thereof, each Schedule, together with the provisions of the Master Lease, will constitute a separate Lease. See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - The Master Lease Purchase Agreement."

In addition to the Series 2005A Lease, the School Board has previously entered into the Amended and Restated Leases, the Amended and Restated Series 1998B Leases, the Amended and Restated Series 2000A Lease, the Series 2000 QZAB Lease, the Series 2001 QZAB Lease, the Amended and Restated Series 2001 Leases, the Amended and Restated Series 2001C Lease, the Series 2002 Leases, the Series 2003 QZAB Lease and the Series 2003D Leases under the Master Lease, for the financing of various educational facilities. In connection with the Leases, there are currently outstanding **[\$1,079,767,103.65]** aggregate principal amount of Certificates. See "SECURITY FOR THE SERIES 2005A CERTIFICATES — Additional Leases" and "— Additional Certificates" and "—Outstanding Certificates" herein. **[Update aggregate COPs balance]**

In addition, the School Board may, in the future, also enter into lease purchase arrangements upon terms and conditions other than those in the Master Lease. Failure to make payments under any such lease agreement, or an event of default under any such lease agreement, will not affect the Lease Term or cause the termination of the Series 2005A Lease or any other Leases.

## **THE SERIES 2005A LEASE**

The following is a brief summary of certain provisions of the Series 2005A Lease, which is not intended to be definitive. Reference is made to "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Master Lease Purchase Agreement" for the complete text.

### **Authority**

The Series 2005A Lease is entered into pursuant to the authority granted under Chapters 1000-1013, Florida Statutes, for the purpose of providing for the acquisition, construction, installation and equipping of the related Series Facilities.

### **Term of Lease**

Under the Series 2005A Lease, the Foundation leases to the School Board the Series 2005A Facilities. The Series 2005A Lease has an original Lease Term commencing on June 1, 2005 through and including June 30, 2005, and is automatically renewable annually thereafter through \_\_\_\_\_ 1, 20\_\_\_, unless sooner terminated in accordance with the provisions of the Series 2005A Lease.

### **Termination of Lease Term**

The Lease Term of each Lease, including the Series 2005A Lease, will terminate upon the earliest of any of the following events:

- (a) Each Lease will terminate on the date set forth in such Lease;
- (b) All Leases will terminate in the event of non-appropriation of funds for the payment of Lease Payments;
- (c) All Leases will terminate upon a default by the School Board with respect to any Lease and the termination of the Lease Term of all Leases by the Trustee pursuant to the Master Lease; and
- (d) A particular Lease will terminate upon payment by the School Board of the Purchase Option Price

of all the particular Facilities leased under such Lease by the School Board or upon provision for such payment pursuant to the Master Lease.

### **Effect of Termination for Non-Appropriation or Default**

Upon termination of the Lease Term of the Series 2005A Lease for a reason referred to in (b) or (c) under "THE LEASE - Termination of Lease Term" above, the School Board is required to immediately surrender and deliver possession of all of the Series 2005A Facilities financed under said Lease to the Trustee. Upon such surrender, the Trustee will sell or re-let its interest in the Series 2005A Facilities in such manner and to such person or persons for any lawful purpose as it, in its or the Insurer=s sole discretion, determines to be appropriate. The proceeds, if any, derived from any such sale or reletting of the leasehold interest in the Series 2005A Facilities will be applied first to the payment in full of the Series 2005A Certificates and then as described in the Series 2005A Lease. The proceeds of any such disposition of the Series 2005A Facilities will be applied to the payment of the Series 2005A Certificates. IN NO EVENT WILL OWNERS OF A SERIES OF CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF FACILITIES FINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES. For a discussion of the remedies available to the Trustee if the School Board refuses or fails to voluntarily deliver possession of the Series 2005A Facilities to the Trustee, See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Master Lease Purchase Agreement." The foregoing notwithstanding, under the Series 2005A Lease, the School Board may not be dispossessed of any personal property financed, in whole or in part with the proceeds of the Series 2005A Certificates.

There can be no assurance that the remedies available to the Trustee upon any termination of the Lease Term of the Series 2005A Lease for non-appropriation or default and the disposition of the Series 2005A Facilities will produce sufficient amounts to pay the outstanding Series 2005A Certificates. The federal income tax status of payments made to Series 2005A Certificate holders after such termination may also be adversely affected. See "TAX TREATMENT." Further, after such termination of the Lease Term of the Series 2005A Lease, transfer of the Series 2005A Certificates may be subject to the registration provisions of applicable federal and state securities laws. Accordingly, there is no assurance that the market for the Series 2005A Certificates will not be impaired following termination of the Lease Term of the Series 2005A Lease.

### **Lease Payments**

Subject to the conditions stated in the Series 2005A Lease, the School Board has expressed its current intent to make all Lease Payments due under the Series 2005A Lease. PROVIDED, HOWEVER, THAT NEITHER THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF, IS OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE TO THE FOUNDATION UNDER THE SERIES 2005A LEASE FROM ANY SOURCE OF TAXATION, AND THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD AND THE DISTRICT IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER, AND THE SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. All Lease Payments due under the Series 2005A Lease will be made from current or other funds authorized by law and regulations of the State Department of Education and appropriated for such purpose by the School Board, including Educational Facilities Impact Fee Revenues.

On the fifteenth (15<sup>th</sup>) day of the month immediately preceding an interest or principal payment date on the Series 2005A Certificates, the School Board is required to pay to the Trustee the Basic Lease Payment then due on such date, which amount corresponds to the next succeeding payment due on the Series 2005A Certificates.

Lease Payments due under the Series 2005A Lease may be reduced, when applicable, by amounts credited as follows:

(a) The Trustee will deposit into the corresponding Lease Payment Subaccount interest income in accordance with the Trust Agreement and apply such interest income as provided in the Trust Agreement.

(b) On completion of the acquisition and construction of the Facilities and upon the payment of all Costs of such Facilities or on termination of the Lease Term, the amounts, if any, remaining on deposit in the Acquisition Account will be transferred to the appropriate Lease Payment Subaccount to be applied to Basic Lease Payments next coming due under the Series 2005A Lease; provided, however, that if, upon delivery by the School Board of a Certificate of Acceptance indicating completion of the acquisition, construction, installation and payment of all Costs of the Facilities (including the failure of the School Board to acquire any component of such Facilities),

there shall remain in the Acquisition Account an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under the Series 2005A Lease, such remaining amount shall be transferred to the Prepayment Account.

(c) The Trustee will deposit in the corresponding Lease Payment Subaccount or the Prepayment Account, as the case may be, Net Proceeds realized in the event of damage, destruction or condemnation as provided for in the Series 2005A Lease to be applied to Basic Lease Payments under the Series 2005A Lease or the Prepayment Price of the Series 2005A Certificates.

### **Lease Covenants**

Under the Series 2005A Lease, the School Board is responsible for the acquisition, construction, installation and equipping of the Series 2005A Facilities pursuant to the specifications of the School Board, including the letting of all contracts for the acquisition, construction, installation and equipping of the Series 2005A Project. In the Series 2005A Lease, the School Board covenants that it will (i) maintain the Series 2005A Facilities at all times during the Lease Term in good repair and condition, (ii) pay applicable taxes, assessments, utility charges and other governmental charges, and (iii) provide applicable insurance coverage which may include self insurance, including property and liability insurance, all in accordance with the terms and provisions relating to these requirements contained in the Series 2005A Lease.

### **Budget and Appropriation**

The cost and expense of the performance by the School Board of its obligations under the Series 2005A Lease and the incurrence of any liabilities of the School Board under such Lease including, without limitation, the payment of the corresponding Lease Payments and all other amounts required to be paid by the School Board under such Lease, are subject to and dependent upon appropriations being duly made from time to time by the School Board for such purposes. Under no circumstances will the failure of the School Board to appropriate sufficient funds constitute a default or require payment of a penalty, or in any way limit the right of the School Board to purchase or utilize educational facilities similar in function to those leased under the Series 2005A Lease.

Unless the School Board, at a public meeting held prior to the end of the then current Fiscal Year, gives notice of its intent not to appropriate the funds necessary to make the Lease Payments coming due in the following Fiscal Year under the Series 2005A Lease, the Superintendent is required to include in the Superintendent's tentative budget proposal, in a separate line item, the funds necessary to make such Lease Payments, and such Series 2005A Lease will be automatically renewed on June 30 of the current Fiscal Year, for the following Fiscal Year, subject to appropriation being made by the School Board in the final official budget. If no such appropriation is made in the final adopted budget or if no official budget is adopted as of the last day on which a final budget is required to have been adopted under Chapters 1000-1013, Florida Statutes, as amended, and applicable regulations thereunder, such Series 2005A Lease will terminate as of the date of adoption of the final official budget or the last date on which a final budget is required to have been adopted, whichever is earlier, and under which no appropriation has been made.

If the School Board declares its intent at such public meeting prior to the end of the then current Fiscal Year not to appropriate the funds necessary to make Lease Payments under the Leases, they will not be automatically renewed for the following Fiscal Year, and shall terminate on June 30 of the then current Fiscal Year. The School Board will, however, provide written notice of any non-appropriation of funds, as described above, to the Trustee and the Insurer within three business days after declaring its intent not to appropriate the funds necessary to make payments under such Lease. For a discussion of the effect of termination of the Lease Term of any Lease, including the Series 2005A Lease, see "THE LEASE - Effect of Termination for Non-Appropriation or Default" herein.

### **THE FOUNDATION**

Miami-Dade County School Board Foundation, Inc. (formerly known as Dade County School Board Foundation, Inc.) is a Florida not-for-profit corporation formed on February 29, 1988 for the purpose of acting as lessor in connection with Annual appropriation@ capital financings for the School Board.

The President and Secretary of the Foundation is Dr. Rudolph F. Crew, Superintendent of Schools; the Vice President

and Treasurer is Ofelia San Pedro. The sole member of the Foundation is the School Board. This sole membership is not assignable or otherwise transferable. There is no litigation pending against the Foundation.

Pursuant to the Series 2005A Assignment, the Foundation will assign and convey to the Trustee for the benefit of the Series 2005A Certificate holders all of the Foundation's right, title and interest, (i) as lessee of the Series 2005A Facility Sites under the Series 2005A Ground Lease, and (ii) as lessor of the Series 2005A Facility Sites, the Series 2005A Facilities under the Series 2005A Lease. This includes, without limitation, the right of the Trustee to receive for the benefit of Certificate holders all Basic Lease Payments and other amounts required to be paid by the School Board under the Series 2005A Lease.

Pursuant to the Amended and Restated Leases, the Amended and Restated Series 1998B Lease, the Series 2000A Lease, the Series 2000 QZAB Lease, the Amended and Restated Series 2001 Leases, the Series 2001 QZAB Lease, the Series 2001C Lease, the Series 2002 Leases, the Series 1988 Lease, the Series 2003 QZAB Lease and the Series 2003D Leases entered into under the Master Lease, the Foundation leases to the School Board certain educational Facilities. See "THE MASTER LEASE PROGRAM" herein.

## THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA

### General Overview

The District is the fourth largest school system in the nation as measured by student enrollment. Located at the hub of the southeast coast of Florida and in the most populous area of the State, the geographic boundaries of the District are coterminous with those of Miami-Dade County. Miami-Dade County is the largest county in the southeastern United States in both land area and population with a current population of approximately 2.4 million and a land area of 2,209 square miles. The District services the unincorporated areas of Miami-Dade County and all 32 municipalities within the boundaries of Miami-Dade County, including the cities of Miami, Miami Beach, Coral Gables, Hialeah and Pinecrest.

As of June 30, 2004, the District consisted of 347 schools and vocational/technical centers, approximately 369,578 students and approximately 47,000 full and part-time employees, including over 21,000 full-time teachers and approximately 4,300 full-time paraprofessionals and technical staff. Management of the District is independent of the various municipal governments of Miami-Dade County, including Miami-Dade County itself. The Tax Collector of Miami-Dade County (the "County Tax Collector") collects the ad valorem school tax for the District, but Miami-Dade County exercises no control over its expenditure.

### Administration

*The School Board.* The School Board is a public corporation existing under the laws of the State of Florida, particularly Section 1001.40, Florida Statutes, and is the governing body of the District. The School Board consists of nine members elected from single member districts. The District switched to this form of governance in November of 1996.

Under existing statutes, the School Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools, and programs for gifted students and handicapped students, including students in residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision of adequate instructional aids; and the establishment of a system to transport students to school or school-related activities.

The School Board also has broad financial responsibilities, including the approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls.

The Chair of the School Board and the Vice Chair of the School Board are elected by the members of the School Board annually. The Superintendent of Schools is the ex-officio Secretary of the School Board.

*School Board Members.* The following are brief resumes of the members of the School Board with the expirations of their respective terms as indicated:

FRANK J. BOLANOS, CHAIR, was appointed to the School Board by Governor Jeb Bush in July, 2001, elected in 2002 and re-elected in 2004 to represent District 5. In November 2004 Mr. Bolanos was unanimously chosen by his colleagues to serve as Chairman of the School Board. Mr. Bolaños serves on the Boards of Directors of CAMACOL, Florida Theatrical Association, Dade Education Fund and Carlos Albizu University Foundation. He has previously held seats with the Stars Hope Scholarship Program, Diabetes Foundation, Arthritis Foundation, Junta Patriótica Cubana, Municipios de Cuba en el Exilio, Asociacion Interamericana de Hombres de Empresa (AIHE), United Way of Miami-Dade County, Executive Board of the New World School of Arts, FIU Alumni Association, Story Theatre (For Children) and the Executive Committees of the Greater Miami Chamber of Commerce and the World Trade Center. Prior to his appointment to the School Board, Mr. Bolaños served as a Councilman of the Doral Community Council. Mr. Bolaños is an executive with over 20 years of experience with a focus on strategic planning, business market expansion, and business management. Throughout his career he has successfully crafted and adapted his business and marketing techniques to several sectors, including the insurance, healthcare, printing, and publishing industries. Mr. Bolaños, in his current position as Regional Director for BellSouth's The Real Yellow Pages, represents the company in contacts with civic, professional, and business organizations. His scope of responsibility spans over 16 cities throughout four southeastern states. He is a frequent and sought-after speaker for seminars and conferences. Mr. Bolaños has an A.A. degree from Miami-Dade Community College, a B.A. from Florida International University and has completed numerous executive business courses and seminars including the Strategic Planning Executive Training Seminar at Harvard School of Business. His term expires in November 2008.

DR. ROBERT B. INGRAM, VICE CHAIR, was elected to the Board in 1998 and re-elected in 2000 and 2004 to represent District 1. He serves as a Full Professor and Chairperson of the Division of Extension and Continuing Education at Florida Memorial College. Dr. Ingram's academic credentials include a Ph.D. in Applied Behavioral Science from Union Institute, Cincinnati, Ohio, as well as a Masters Degree in Administration and Supervision of Adult Education and a Bachelor of Science degree in Urban Justice from Florida International University. Dr. Ingram has been a police officer in the Miami Police Department, the Chief of Police in Opa-Locka, Florida, the Mayor of Opa-Locka and the President of the National Conference of Black Mayors and City Manager of South Miami, Florida. Dr. Ingram has received numerous awards for his dedicated community service and fostering of positive race relations. His term expires in November 2008.

AGUSTIN J. BARRERA, MEMBER, was elected to the School Board in November 2002 to represent District 6. Mr. Barrera is an engineer by profession and has been active in community organizations for several years. His term expires in November 2006.

EVELYN LANGLIEB GREER, MEMBER, was elected to the School Board in 2004 to represent District 9. Ms. Greer was the co-founder and first mayor of the Village of Pinecrest from 1996 to 2004. She is president, founder and CEO of Greer Properties, Inc., a diversified real estate developer and operator of real properties in the State of Florida, including construction of new properties, renovation and redevelopment, and acquisition of existing properties. Ms. Greer, a cum laude graduate of Barnard College with a B.A. in economics, received her J.D. from Columbia University School of Law. She is also an attorney since 1973 with Hogan, Greer & Shapiro, P.A., a commercial law practice which specializes in real estate transactions, corporate and commercial matters. Ms. Greer has been a member of the Miami-Dade County Superintendent Search Committee, the Joint Task Force on School Overcrowding, and is a current member of Our Kids, a state authorized foster care privatization effort. She is currently a director of both City National Bank of Florida and Fusion Telecommunications, Inc. Ms. Greer has been a trustee of Barnard College, Columbia University since 1995, and Vice-Chair, Board of Visitors, of Columbia University School of Law since 1996. Her term expires in November 2008.

PERLA TABARES HANTMAN, MEMBER, was elected to the Board in 1996 and re-elected in 1998 and 2002 to represent District 4. In 1999, she was nominated and unanimously elected as Chair of the School Board and served three terms in that position. Ms. Hantman attended the University of Havana, Cuba, and Barry University in Miami, where she earned a Bachelor's Degree. In 1991, Ms. Hantman was awarded a Doctor of Humanities, Honoris Causa degree from Gregorian University of Rome, Italy. Ms. Hantman began her public service career working for the Cuban Refugee Program in the Department of Health, Education and Welfare (HEW). She later worked for the U.S. Department of State in the United States Foreign Service at the American Embassy in Mexico City. Ms. Hantman has been appointed by several Florida governors to various State executive positions, including the Florida Board of Regents, where she was a member for six years, and the Metropolitan Planning Organization where she currently serves her second term. In 1997, she received the Stephen P. Clark Children's Award for Outstanding Miami-Dade County Educator. Ms. Hantman

received Florida International University's Distinguished Service Medallion in Community Service in April 2000 and in 2004 she received the university's College of Law "Enma Tarafa Legal Excellence Award." In 2005, Ms. Hantman was appointed to serve on the Board of Directors of the New World School of the Arts. Ms. Hantman served as Chair of the School Board's Facilities Planning and Construction Committee and the Legislative Relations, Public Relations and Personnel Services Committee. She presently chairs the School Board's Innovation, Efficiency and Governmental Relations Committee. Her term expires in November 2006.

DR. MARTIN KARP, MEMBER, was elected to the School Board in November 2004 to represent District 3. At the University of Miami, he earned a Doctor of Education in Educational Leadership, a Master of Science in Education, and a Bachelor of Business Administration in Marketing. At Syracuse University's Newhouse School of Public Communications, he earned a masters degree in a joint M.S. and M.B.A. program. As an educator in the Miami-Dade County Public Schools, Dr. Karp helped create a gifted program, which began as a unique joint effort between a private and public school. He founded, coordinated, and produced a children's television show, WKDZ Kids' World. On the PBS affiliate in Miami, WPBT-TV channel 2, Dr. Karp provided assistance for educational programs. He created two educational radio talk shows, which he produced and hosted on local A.M. stations. Dr. Karp began volunteering in South Florida in 1982 when he started S.H.O.P. (Senior Handicapped Outreach Program). He founded a countywide District-approved contest sponsored by the Miami-Dade Police Department and Humane Society of Greater Miami. He started the H.O.P.E. (Help Overcome Pet Euthanasia) Contest ten years ago and more than 2,500 students have participated. On the School Board, he serves as the Chairperson for the School Support Accountability Committee and the Vice-Chairperson for the Innovation, Efficiency and Government Relations Committee. He serves as a member of the Instructional Excellence and Community Engagement Committee. His term expires in November 2008.

ANA RIVAS LOGAN, MEMBER, was elected to the School Board in November 2004 to represent District 7. Ms. Logan received her Bachelor's Degree from Florida International University and started working for the District as a middle school teacher. Ms. Logan later served in several administrative positions before working as the Assistant Principal at Miami Senior High School and Kinloch Park Elementary School. She earned an advanced degree from Nova Southeastern University's Master of Science Computer Science Education program and completed some post-graduate work in Educational Leadership. She teaches computer courses as an Adjunct Professor at Miami-Dade Community College. Ms. Logan has been and continues to be extensively involved with the community in numerous organizations. For Ms. Logan, education is more than a career; it is a lifetime of commitment to the best education possible for all children. Ms. Logan's term expires in November 2008.

DR. MARTA PÉREZ, MEMBER, was elected to the Board in 1998 and re-elected in 2002 to represent District 8. She was employed by the Miami-Dade County School System as a middle school teacher from 1974 to 1979. In 1996, Dr. Perez was elected as Community Councilwoman for Area 10 and became the first chairperson for that council. In 1996 she received her Doctorate in Philosophy from the University of Miami. While serving on the School Board, Dr. Perez has been an active member of the Elementary and Secondary School Committee, Investment Advisory Selection Committee, School Operations Committee and is the Chairperson for the Financial Affairs Committee. Dr. Perez is currently the Vice-President of the Miami-Dade School Readiness Coalition and has been elected President of the South Florida Consortium of School Boards. She is also the Miami-Dade County School Board delegate to the Florida School Boards Association where she is the Chair of the Multicultural Committee. Dr. Perez became the first Hispanic in history to earn the distinction of being a Certified School Board Member. She is a member of the National School Boards Association, Council of Urban Boards of Education and of the Council of Great City Schools. Dr. Perez is also a member of the League of Woman Voters, National Parkinson's Foundation, University of Miami Amigos Association and the Coalition of Hispanic American Women. She has also been honored with the following awards: Academic Excellence from the Graduate School of the University of Miami, Women and Power Award, American Bahamian Federation Award for Civic Leadership and Community Service, and One Nation Public Service Award. Other distinctions honoring Dr. Perez include her nomination to Phi Delta Kappa's (Education Honor Society) "Legislature of the Year," 1998, certified Parliamentarian in Florida, membership in Phi Kappa Phi Honor Society, and Phi Lambda Pi Honor Society. Her term expires in November 2006.

DR. SOLOMON C. STINSON, MEMBER, was elected to the School Board in November 1996 and re-elected in 1998 and 2002 to represent District 2 after working 36 years in education. Starting out as a teacher, he rose through the ranks to attain the position of Deputy Superintendent of Schools. Dr. Stinson is associated with a number of professional and civic organizations. He has a B.S. from Alabama State University; a M.A. in school administration and supervision from the University of Iowa; and a Ph.D. in school administration from the University of Iowa. He is certified in science, math, social studies, elementary education, administration and supervision and adult education. His term expires in November 2006.

## **Biographical Information for Certain Administrators**

The following is biographical information for certain administrators of the District:

DR. RUDOLPH F. CREW, SUPERINTENDENT OF SCHOOLS, was appointed Superintendent in April 2004 and assumed his position on July 1, 2004. Immediately before his appointment, he served as Director of District Reform Initiatives at the Stupski Foundation, a private philanthropic foundation created in 1996 to support the improvement of public education. As Director of District Reform, Dr. Crew led a team that centered on a fundamental belief in strong leadership and effective teaching. Prior to joining the Stupski Foundation, he served as Executive Director of the Institute for K-12 Leadership, a partnership of the University of Washington in Seattle and WestEd based in San Francisco. In his 25 years as an educator, his career has taken him to Boston, Sacramento, Washington State, and to New York City where he served as Chancellor of New York Public Schools from 1995 to 1999. Throughout that body of work, he has dedicated his talents and his energies to ensuring a quality education for children of all backgrounds. Dr. Crew's guiding principle in his work as an educator has always been to provide the means by which all students can achieve high standards. He established the Math and Science Institute (a forerunner of the Institute for K-12 Leadership) and created a Superintendent's and Principals' Institute to cultivate and nurture school leadership. Dr. Crew devotes time to service on numerous boards, including the Lincoln Center for the Performing Arts, the New York Philharmonic and the Washington Association for Black School Educators. He is a recipient of many awards, including the NAACP Educational Leadership Award, the Arthur Ashe Leadership Award, and the Association of California School Administrators Administrator of the Year Award. Dr. Crew holds a Doctor of Education degree in Educational Administration and a Master of Education degree in Urban Education from the University of Massachusetts at Amherst, and a Bachelor of Arts degree in Management from Babson College in Wellesley, Massachusetts.

OFELIA SAN PEDRO, DEPUTY SUPERINTENDENT, BUSINESS OPERATIONS, was appointed Deputy Superintendent on July 14, 2004 and assumed her position July 19, 2004. As Deputy Superintendent, she is responsible for Financial Operations, Office of Facilities, Transportation, Food & Nutrition, Business Process Improvement and Information Technology. Prior to joining the District, Ms. San Pedro was a corporate executive for over 25 years. Ms. San Pedro most recently served as Vice President of Global Procurement at Ryder System Inc., responsible for a procurement budget in excess of \$2 billion. She was also President of Ryder Energy Distribution, a \$500 million subsidiary of Ryder System. Earlier in her career, Ms. San Pedro served as an Adjunct Professor of Industrial Engineering for the University of Miami from 1980-1990. She received both her Bachelor of Science in Industrial Engineering and her Master of Business Administration from the University of Miami.

MARTIN A. BERKOWITZ, CHIEF FINANCIAL OFFICER, was appointed Chief Financial Officer in December 2004 and assumed his position on January 2, 2005. He oversees all accounting, financial reporting, budgeting, treasury, and procurement activities for the District. From 2002 through 2004, Mr. Berkowitz served as COO and later CEO of the National Veteran Business Development Corporation, a non-profit organization dedicated to helping veterans succeed as entrepreneurs. Prior to that, he spent 25 years at Prudential Financial where he held a series of positions within the finance function, including CFO of Investment Operations and Controller of the Company. Mr. Berkowitz currently serves on the Boards of Directors of Annuity and Life Re (Holdings) Ltd., and Recruiting New Teachers. He is a graduate of the University of Massachusetts, and received a MBA from St. John's University.

EDUARDO A. ALFARO, TREASURER, joined the Miami-Dade County Public Schools in 1986 as a Coordinator for the Division of Finance. His current responsibilities include the District's investments, treasury functions and capital finance. Mr. Alfaro holds a Masters in Business Administration from the University of Miami and a Bachelor of Arts from Biscayne College. He is a Florida Certified Public Accountant and a member of the American Institute of Certified Public Accountants, the Florida Institute of Certified Public Accountants and the Government Finance Officers Association of the U.S. and Canada. Mr. Alfaro also served as an adjunct graduate and undergraduate instructor at St. Thomas University.

## **Personnel, Teacher Salaries and Student Enrollment**

[update labor relations information]

For fiscal year 2003-2004, the District had approximately 47,000 employees. The School Board negotiates contracts with five exclusive bargaining agents representing five unions: (i) United Teachers of Dade ("UTD"); (ii) American Federation of State, County and Municipal Employees ("AFSCME"), Local 1184; (iii) Dade County School Maintenance Employee Committee ("DCSMEC"); (iv) Florida State Lodge, Fraternal Order of Police (representing the District's law enforcement officers) ("FOP"); and (v) the Dade County Schools Administrators Association, Local 77 ("DCSAA") representing professional and technical employees. The UTD, AFSCME and DCSAA contracts are effective from July 1, 2003 to June 30, 2006. The FOP contract is effective from July 1, 2003 to June 30, 2004. The School Board has reached an agreement with these unions for fiscal year 2003-2004 with a unit average increase of 4% for fiscal year 2003-2004. The contracts have a wage reopener provision for fiscal year 2004-2005 with notice by April 1, 2004. The reopener provision was exercised by each of these unions. The DCSMEC contract is effective from October 1, 2002 to June 30, 2006. Ratified by the School Board in June 2004, this contract provides for a 2% across the board increase in wages effective August 21, 2003 and a 3.5% increase for certain employees effective December 5, 2003. The DCSMEC contract also contains a wage and health insurance reopener provision for fiscal years 2004-2005 and 2005-2006. Under Florida law, public employees are not permitted to strike.

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA**

**NUMBER OF PERSONNEL  
LAST TEN FISCAL YEARS**

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>(1) INSTRUCTIONAL</u>	<u>(2) ADMINISTRATIVE</u>	<u>OTHER INSTRUCTIONAL</u>	<u>(3) OTHER NON- INSTRUCTIONAL</u>	<u>(4) PART-TIME HOURLY</u>	<u>TOTAL</u>
2004	21,701	1,916	2,338	10,485	10,424	46,864
2003	21,780	1,932	2,478	10,731	10,283	47,204
2002	21,932	2,116	2,727	10,916	10,636	48,327
2001	21,399	2,189	2,417	10,592	10,828	47,425
2000	20,760	1,951	2,373	10,385	10,417	45,886
1999	20,116	1,911	2,232	10,042	10,028	44,329
1998	19,536	1,848	2,083	9,747	10,284	43,498
1997	19,193	1,881	2,112	9,603	10,053	42,842
1996	18,868	1,861	2,762	9,465	10,160	43,116
1995	18,626	1,850	3,001	8,997	7,945	40,419

(1) Elementary and Secondary Teachers, Exceptional Student Teachers, Other Teachers, Guidance/Psychological Counselors, Librarians and Other Professional Instructional Staff.

(2) Officials, Administrators and Managers (Instructional and Non-Instructional), Consultants, Supervisors of Instruction, Principals, Assistant Principals, Community School Coordinators and Other Professional/Technical and Non-Instructional Staff.

(3) Teacher's Aides.

(4) Technicians, Investigators, Patrol Officers, Clerical and Secretarial Staff, Service Workers (including full-time Food Service Workers) and skilled Crafters and Laborers.

SOURCE: The School Board of Miami-Dade County-- Department of Research Services.

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
TEACHERS' BASE SALARIES (10 MONTHS)  
LAST TEN FISCAL YEARS**



Fiscal Year Ended <u>June 30,</u>	Minimum <u>Salary</u>	Maximum <u>Salary</u>	Average <u>Salary</u>
2004	\$33,275	\$67,425	\$45,053
2003	33,275	65,625	45,905
2002	32,425	64,275	45,416
2001	32,275	63,275	44,527
2000	30,000	61,000	42,980
1999	28,650	59,500	42,105
1998	28,150	58,500	42,308
1997	28,150	57,500	41,002
1996	28,000	56,000	40,255
1995	27,500	54,400	39,299

SOURCE: The School Board of Miami-Dade County – Department of Research Services.

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
MIAMI-DADE COUNTY POPULATION AND SCHOOL  
DISTRICT STUDENT ENROLLMENT  
LAST TEN FISCAL YEARS<sup>(1)</sup>**

Fiscal Year Ended <u>June 30,</u>	Miami-Dade County <u>Population(2)</u>	School <u>Enrollment</u>
2004	2,372,418	369,578
2003	2,342,739	371,482
2002	2,313,047	374,725
2001	2,283,319	368,453
2000	2,253,485	360,202
1999	2,221,630	352,595
1998	2,189,719	345,861
1997	2,157,208	340,904
1996	2,124,885	333,444
1995	2,084,205	321,955

<sup>(1)</sup> This chart does not include enrollment in adult centers or vocational technical centers.

<sup>(2)</sup> Population as of April 1.

SOURCE: Miami-Dade County Population - Miami-Dade County Department of Planning and Zoning; Student Enrollment - The School Board of Miami-Dade County - Department of Research Services.

**Budget Process**

Florida law requires the School Board to adopt in each fiscal year a tentative budget and a final budget, each of which is required to be balanced with available funds. Revenues derived from ad valorem property taxes are budgeted, as required by Florida law, on the application of millage levies to 95 percent of the non-exempt assessed valuation of property in Miami-Dade County.

The Superintendent is responsible for recommending the tentative budget to the School Board. Florida law further requires the School Board to advertise its intent to adopt the tentative budget, including a proposed tax millage, within twenty-nine (29) days after certification of taxable property by the Property Appraiser of Miami-Dade County (the "County Property Appraiser") which is required by law to occur by July 1, unless extended.

The School Board is required to hold a public hearing on the tentative budget and the proposed tax millage within five (5) days, but not earlier than two (2) days, after advertisement. At the hearing, the School Board adopts a tentative budget and a resolution stating the millage rate to be levied, and sets the date for the public hearing on the final budget. Following the hearing on the tentative budget, all property owners are notified by the County Property Appraiser, usually in mid-August, of the date, time and place of the hearing on the final budget; the proposed millage rate; and the millage rate which would have had to be levied to raise the same ad valorem property tax revenue as was raised in the preceding year.

A public hearing and adoption of the final budget and tax millage are required within eighty (80) days, but not earlier than sixty-five (65) days, after the taxable property certification by the County Property Appraiser. This public hearing usually occurs early in September.

In no event may the millage rate adopted at the final budget hearing exceed the millage rate adopted at the tentative budget hearing unless each taxpayer within the District is sent notice by mail of the taxes under the tentative adopted millage rate and the taxes under the higher rate to be adopted at the final budget hearing. The final budget is submitted to the Department of Education of the State of Florida. After the final budget hearing, the School Board must certify the final millage rate to the County Tax Collector, the County Property Appraiser and the State Department of Revenue.

### **Fiscal Year 2004 – Status**

On June 30, 2004, the District concluded its 2004 fiscal year. The District's ending General Fund balance as of June 30, 2004 was \$204,133,000. The District prepared its final 2005 fiscal year budget which was presented and adopted at a public hearing held on September 8, 2004. The District may make revisions to the 2005 fiscal year budget in accordance with Florida law.

In addition to the annual reports prepared by the District and submitted to the State Department of Education, the District's financial statements are audited by independent auditors. A copy of the General Purpose Financial Statements of the School Board for the fiscal year ended June 30, 2004 is presented as "APPENDIX B – BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA for THE FISCAL YEAR ENDED JUNE 30, 2004 AND INDEPENDENT AUDITORS' REPORT" herein.

### **District Financial Procedures**

The financial and accounting practices of the District are designed to conform to generally accepted accounting principles applicable to governmental units, and the accounting records meet the standards prescribed by the Florida State Department of Education, as required by law. The accounts of governmental and agency funds are maintained on a modified accrual basis of accounting, whereby revenues are recognized when they become available and measurable and expenditures are recorded in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when the interest is due. The Supplemental Early Retirement Trust Fund is maintained on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

The financial records and accounts of the District are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources are classified for accounting and reporting purposes into funds or groups of accounts that are considered separate accounting entities, each with its own assets, liabilities, fund balances, revenues and expenditures. (See "APPENDIX B - BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2004 AND INDEPENDENT AUDITORS' REPORT" herein.)

**General Fund Operations**

The following table summarizes General Fund operations, including Revenues, Expenditures and Changes in General Fund Balances for the five fiscal years ended June 30, 2000 through 2004:

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR GOVERNMENTAL FUNDS  
LAST FIVE FISCAL YEARS\*  
(IN THOUSANDS)**

<u>REVENUES</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Local Sources:</b>					
Ad valorem taxes	\$1,129,023	\$1,030,705	\$ 961,591	\$ 903,884	\$ 848,120
Food Service Sales	34,988	34,627	32,294	30,383	27,862
Interest Income and Other	15,149	20,071	29,874	46,721	45,787
Local Grants and Other	<u>103,175</u>	<u>84,743</u>	<u>87,206</u>	<u>74,155</u>	<u>80,855</u>
<b>Total Local Sources</b>	<b><u>1,282,335</u></b>	<b><u>1,170,146</u></b>	<b><u>1,110,965</u></b>	<b><u>1,055,143</u></b>	<b><u>1,002,624</u></b>
<b>State Sources:</b>					
Florida Education					
Finance Program	1,122,153	1,129,605	1,097,551	1,266,189	1,059,671
Public Education Capital Outlay	60,357	11,980	18,483	38,167	27,591
Food Services	2,878	2,919	2,907	2,763	2,829
State Grants & Other	<u>327,871</u>	<u>254,305</u>	<u>301,175</u>	<u>216,056</u>	<u>312,413</u>
<b>Total State Sources</b>	<b><u>1,513,259</u></b>	<b><u>1,398,809</u></b>	<b><u>1,420,116</u></b>	<b><u>1,523,175</u></b>	<b><u>1,402,504</u></b>
<b>Federal Sources:</b>					
Federal Grants	297,373	253,598	205,563	189,077	159,065
Food Services	<u>86,288</u>	<u>87,109</u>	<u>83,451</u>	<u>79,073</u>	<u>75,390</u>
<b>Total Federal Sources</b>	<b><u>383,661</u></b>	<b><u>340,707</u></b>	<b><u>289,014</u></b>	<b><u>268,150</u></b>	<b><u>234,455</u></b>
<b>TOTAL REVENUES</b>	<b><u>\$3,179,255</u></b>	<b><u>\$2,909,662</u></b>	<b><u>\$2,820,095</u></b>	<b><u>\$2,846,468</u></b>	<b><u>\$2,639,583</u></b>
 <u>EXPENDITURES</u>					
Instructional Services	\$1,579,017	\$1,546,728	\$1,516,386	\$1,473,241	\$1,358,682
Instructional Support Services	276,043	253,048	244,385	239,802	222,870
Pupil Transportation Services	78,350	78,472	80,728	79,136	72,860
Plant Operation and					
Maintenance	323,947	293,190	299,229	302,099	273,896
School Administration	154,725	147,183	145,542	142,464	135,957
General Administration	99,977	102,057	100,136	95,488	93,614
Food Services	130,872	123,704	120,829	113,531	108,780
Capital Outlay	282,003	271,590	303,739	362,538	280,876
Debt Service	358,743	168,166	161,837	144,337	142,131
Other	<u>36,689</u>	<u>34,230</u>	<u>37,340</u>	<u>36,209</u>	<u>36,219</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$3,320,456</u></b>	<b><u>\$3,018,368</u></b>	<b><u>\$3,010,151</u></b>	<b><u>\$2,988,845</u></b>	<b><u>\$2,725,885</u></b>

\*Unaudited.

SOURCE: The School Board of Miami-Dade County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2004.

## Property Damage Insurance

Currently, a group of 17 insurance companies headed by Lloyd's of London provides property damage insurance to the District. The District's property damage insurance coverage (covering buildings and contents) for the May 1, 2005 to May 1, 2006 period totals \$700 million, at a premium not to exceed \$24,500,000. The District's property damage insurance is negotiated effective May 1 of each year for a period of one year. The deductible per occurrence other than losses from a named hurricane is \$500,000. In the event of a hurricane, the deductible is 3% per value per site with a minimum deductible of \$1,000,000 per site.

The property damage insurance coverage in effect for the District in the prior coverage period was \$700 million. The maximum amount of insurance coverage available to the District in the insurance market as of May 1, 2005 was \$700 million; however the District is currently participating in some upper layers as a coinsurer, based on restrictions in available capacity within the carrier's Florida catastrophic aggregate limits. **[May need further explanation of co-insurer provisions of policy.]**

## OPERATING REVENUES OF THE DISTRICT

The District derives its operating income from a variety of federal, state and local sources. The major categories of these income sources for the General Fund are briefly described below.

### State Sources

*Florida Educational Finance Program.* The major portion of State support is distributed under the provisions of the Florida Education Finance Program (FEFP), which was enacted by the State legislature in 1973. Basic FEFP funds are provided on a weighted full-time equivalent student (FTE) basis and through a formula that takes into account (i) varying program costs, (ii) cost differentials between districts, (iii) differences in per-student costs due to the density of student population, and (iv) the required level of local support. Program cost factors are determined by the State Legislature. The amount of FEFP funds disbursed by the State is adjusted three times during each year to reflect changes in FTE and in variables comprising the formula. See "RECENT CHANGES AFFECTING DISTRICT REVENUES - Reduced FEFP Funding under Revised District Cost Differential" for information on recent legislative action pertaining to the allocation of FEFP revenues.

To participate in FEFP funding, the District must levy a minimum millage for operating purposes which is set by the Florida State Department of Education. The FEFP revenues received by the District for fiscal year 2003-2004 were \$\_\_\_\_\_. The projected FEFP revenues for fiscal year 2004-2005 are \$\_\_\_\_\_. **[Update]**

*State Categorical Programs.* These are special educational program lump-sum appropriations which supplement local school district revenues in order to enhance educational and support services. Among the categorical programs for which the largest appropriations are made are Instructional Technology, Pre-Kindergarten Schooling and Transportation. Allocations for these categorical appropriations are based on funding formulae and discretionary State Department of Education grants. The majority of funds available therefrom require actual appropriation by the School Board for the purposes for which they were provided.

The 1991 Legislature eliminated most state categorical programs and flowed such funds through the FEFP. The State also created a Discretionary District Lottery Fund which districts may use to fund programs deemed appropriate for such funding by the School Board.

### Local Sources

Local revenue for District operating support is derived almost entirely from ad valorem real and tangible personal property taxes. In addition, the District earns interest on cash invested and collects other miscellaneous revenues.

The Florida Constitution limits the non-voted millage rate that school boards may levy on an annual basis for operational funds to 10 mills (\$10 per \$1,000 of taxable real and personal property value). Chapter 1011, Florida Statutes, as amended, further limits the millage levy for operational purposes to an amount set each year by the State appropriations act.

Within this operational limit, each school district desiring to participate in the State's appropriation of FEFP funds for current operations must levy the millage for "required local effort," which is set each year by the State Legislature. In addition to the "required local effort", school districts are entitled to levy up to .51 mills as non-voted current operating discretionary millage. Moreover, the 1994 State Legislature authorized school districts to levy not to exceed .25 mills for operating purposes designed to raise \$50 per full-time equivalent student. For districts that cannot raise \$50 per student from the .25 mills, the State will provide the difference. See "AD VALOREM TAX PROCEDURES" herein. In addition to the operating levy limit, current law allows school districts to levy up to 2.0 mills for capital outlay and maintenance of school facilities. See "DISTRICT REVENUES FOR CAPITAL PROJECTS - Local Capital Outlay Sources" herein.

Budgeted revenues from ad valorem taxes are based on applying millage levies to 95 percent of the non-exempt assessed valuation of real and personal property within Miami-Dade County. See "AD VALOREM TAX PROCEDURES" herein.

### **Federal Sources**

Federal revenue sources received by the District and deposited in the General Fund were approximately \$ \_\_\_\_\_ in fiscal year 2003-2004. The amount projected to be received during the 2004-2005 fiscal year is \$ \_\_\_\_\_. In addition to these revenues, the District receives federal food services and federal grants for specific contracted programs. Total revenues of \$ \_\_\_\_\_ were received from federal sources in fiscal year 2003-2004. [Update]

## **DISTRICT REVENUES FOR CAPITAL PROJECTS**

The District derives its revenues for capital projects from certain State and local sources. The major categories of these revenue sources are briefly described below.

### **State Sources**

The primary source of State educational funding contributions for the District's capital outlay requirements is the Florida Public Education Capital Outlay Program (PECO). PECO funds are derived from the gross receipts taxes for utility services levied pursuant to Chapter 203, Florida Statutes, and bonded pursuant to Article XII, Section 9 of the Florida Constitution. The method of allocating funds to the various school districts within the State is provided by State law based upon a statutory formula, a component of which is the number of students in the various districts and the proposed uses of the funds by the various districts. The State Commissioner of Education administers PECO and allocates or reallocates funds as authorized by law. PECO funds of [\$24,860,897] were allocated to the District for fiscal year 2003-2004. Funding in the amount of [\$23,562,902] has been allocated to the District for fiscal year 2004-2005. [Update]

In November 2002, Florida voters passed a constitutional amendment (Amendment 9) requiring school class sizes to be capped by the 2010 school year at 18 students in grades kindergarten through third, 22 in grades fourth through eighth and 25 in high schools. In 2003, the legislature created the Classrooms for Kids program and since then has appropriated \$670,000,000 statewide for the construction of new student stations. The District expects to receive the entire amount of State revenue bond proceeds from the Classrooms for Kids program to which it is entitled and to use such funds to construct new classroom space as provided by law. As of June 30, 2004, the District has been allocated [\$50,542,612] and expects to receive actual funds from the State as cash flow requires. See "RECENT CHANGES AFFECTING DISTRICT REVENUES – Constitutional Amendments" for information regarding Amendment 9. [Update]

Under the Act, the District may be entitled to receive other State revenues pursuant to other programs if the District achieves certain standards relating to its capital outlay efforts. Some of such revenues may be used to make lease purchase payments. It is not possible at this time to determine or estimate the amount of such state revenues, if any, that the District may receive in the future.

### **State Oversight Board**

On May 1, 2001 the Florida Legislature's Office of Program Policy Analysis and Government Accountability, a unit of the Office of the Auditor General issued its report entitled "Land Acquisition Practices of the Miami-Dade County School

District.” The report is critical of certain of the School Board’s capital planning practices, including its procedures relating to the acquisition of facility sites. It concludes that the School Board has not established effective land acquisition and facilities planning processes, including an appraisal process for determining the market value of land to be purchased.

In response to the report the Senate Education Committee of the Florida Legislature imposed certain conditions on the release of PECO fixed capital outlay funds to the District. The legislature mandated the creation of a Land Acquisition and Facilities Maintenance Operation Advisory Board (the “Oversight Board”) to be appointed by the Governor, the President of the Senate and the Speaker of the House. PECO appropriations to the District will be held in reserve by the Governor until the Oversight Board certifies that its recommendations relating to site acquisition and facilities planning, construction and maintenance operations have been followed by the School Board. None of the Series 2005A Facilities, nor the lease payments relating thereto, will be paid from PECO funds.

The Legislature also provided for the payment to the Office of Auditor General from the District’s Fiscal Year 2003-2004 operating funds, the sum of \$\_\_\_\_\_ to pay for three auditors to be located in the District’s administrative offices for a period of one year.

In January 2005, the Oversight Board voted to release approximately \$31,300,000 in previously withheld PECO appropriations to the District. In connection with that action, the Oversight Board stated that the District had met four of the five conditions to the release of funds and that the final condition was unattainable. The Chairman of the Oversight Board and the Chairman of the School Board issued a joint letter to the Florida Legislature in February 2005 recommending that the Oversight Board be dissolved and that an advisory committee take its place. **[Has any action been taken on this recommendation?]** Approximately \$8,500,000 in PECO appropriations are currently being held in reserve pending the Oversight Board’s action.

#### **State Indebtedness on Behalf of the District**

The State Board of Education Capital Outlay Bonds are serviced entirely by the State using a portion of the District’s share of revenue derived from automobile registrations. The annual sinking fund requirements are determined by the State Board of Administration and amounts necessary to retire bonds and pay interest are withheld from amounts due to the District. Amounts withheld and in the custody of the State as of June 30, 2003 totaled \$3,226,019; and, at June 30, 2004, amounts withheld and in the custody of the State totaled \$\_\_\_\_\_. **[Update]**

#### **Local Capital Outlay Sources**

*The Local Option Capital Outlay Millage Levy.* In addition to the “required local effort” millage levy for operating purposes, school boards may set an additional non-voted millage pursuant to Section 1011.71(2), Florida Statutes, known as the “Local Option Millage Levy” for capital outlay and maintenance purposes. The Local Option Millage Levy constitutes the primary source of funds to make lease payments in respect of the Series 2005A Certificates, as well as any other certificates of participation issued in connection with the Master Lease. This levy may be up to 2.0 mills for new construction and remodeling; site acquisition and site improvement; auxiliary or ancillary facilities; maintenance, renovation, and repair of existing school plants; school bus purchases; driver’s education vehicles and other motor vehicles; payment of costs directly related to compliance with state and federal environmental laws; payment of leasing relocatable education facilities and of renting and leasing educational facilities pursuant to Section 1013.15, Florida Statutes; payment of loans approved pursuant to Sections 1011.14 and 1011.15, Florida Statutes; and amounts payable pursuant to lease-purchase agreements for educational facilities and sites. Payments pursuant to lease-purchase agreements for educational facilities and sites are authorized in an amount not to exceed three-fourths of the proceeds of the 2.0 mills. The School Board is not required to levy any millage for capital outlay purposes in the future. Since revenues from the levy of the Local Option Millage Levy may be used for, but not pledged to, the payment of Basic Lease Payments under the Series Leases, the District’s failure to levy all or a portion of the Local Option Millage Levy could have an adverse effect on the District’s ability to make appropriations from which to make Basic Lease Payments on all the Leases. The School Board assessed a capital outlay and maintenance levy of 2.0 mills in fiscal year 2003-2004 and has assessed such 2.0 mills levy in each of the past ten years.

The following table sets forth the millage levy that would provide 1.00x coverage of the maximum annual payments represented by the Series 1998A, Series 1998C, Series 2000A, Series 2000QZAB, Series 2001QZAB, Series 2001B, Series

2001C, Series 2002A, Series 2002B, Series 2003A, B, C and D, Series 2003 QZAB, Series 2004A and Series 2005A Certificates, assuming a 95% collection of the taxes levied:

**Anticipated Local Option Millage Levy Required  
to Cover Certificate Payments**

	Fiscal Year Ended <u>June 30, 2004</u>
Net Taxable Assessed Valuation	\$127,196,133,000 <sup>(1)</sup>
Funds Generated from 1 Mill Levy	\$120,836,326 <sup>(2)</sup>
Maximum Annual Lease Payments represented by the Series 1998A, Series 1998C, Series 2000A, Series 2000 QZAB, Series 2001 QZAB, Series 2001B, Series 2001C, Series 2002A, Series 2002B and Series 2003A, Series 2003B, Series 2003C, Series 2003 QZAB, Series 2003D, Series 2004A and Series 2005A Certificates <sup>(3), (4), (5), (6)</sup>	\$ _____
Minimum Millage Levy Required to Produce 1.00x Coverage of Maximum Annual Lease Payments represented by the Series 1998A, Series 1998C, Series 2000A, Series 2000 QZAB, Series 2001 QZAB, Series 2001B, Series 2001C, Series 2002A, Series 2002B and Series 2003A, Series 2003B, Series 2003C, Series 2003 QZAB and Series 2003D, Series 2004A and Series 2005A Certificates <sup>(3), (4), (5)</sup>	_____ mills

- (1) Based on Miami-Dade County's certified roll for the fiscal year ending September 30, 2004. The basis of assessed value is approximately one hundred percent (100%) of actual value. For each fiscal year ending September 30, property is valued as of the preceding January 1.
- (2) Calculated using 95% of the net taxable assessed valuation for the fiscal year ending June 30, 2004.
- (3) The Series 2000A Certificates, Series 2001C Certificates, Series 2004A Certificates and the Series 2005A Certificates are expected to be paid from certain educational facilities impact fee revenues received from Miami-Dade County. An Auction Rate plus costs equaling 5.00% is assumed for the Series 2001B Certificates and the Series 2002A and Series 2002B Certificates.
- (4) Assumes a rate of 3.50% for the Series 2003A Term Rate Certificates after August 1, 2008 and a rate of 3.50% for the Series 2003B Term Rate Certificates after May 1, 2011.
- (5) Assumes only three-fourths of such levy is available to make lease payments.
- (6) Assumes that \$ \_\_\_\_\_ aggregate principal amount of Series 2005A Certificates are issued at a true interest cost of \_\_\_\_%.

Source: School District of Miami-Dade County, Florida.

*General Obligation Debt.* In addition to the School Board-set levies, qualified electors, by referendum, may vote an additional millage levy for District operation and capital outlay purposes, as prescribed by the Florida Constitution and applicable statutes. Qualified electors within the District may authorize issuance of general obligation bonds to be retired by a millage levy. On March 8, 1988, pursuant to Florida Statutes, Section 1010.41, qualified electors of the District approved a referendum authorizing the School Board to issue general obligation bonds in an aggregate principal amount not exceeding \$980 million to be issued from time to time. Subsequently, the District has issued all of the \$980 million of its general obligation school bonds the proceeds of which have been used to pay a portion of the cost of the District's Capital Improvement Program. Principal and interest on the authorized bonds will be paid from ad valorem school district taxes levied on all taxable real and personal property within the District, excluding exempt property as required by Florida law.

There are currently \$ \_\_\_\_\_ of the District's general obligation bonds outstanding. [Update]

**Educational Facilities Impact Fees**

*General.* In order to assure that new residential development bears a proportionate share of the cost of capital expenditures necessary to provide educational facilities required as a result of such development, the Board of County

Commissioners of the County enacted Ordinance No. 95-79 on May 2, 1995 (the "Educational Facilities Impact Fee Ordinance"). Pursuant to the Educational Facilities Impact fee Ordinance, any application for a building permit for new residential development within the County is subject to the imposition of an educational impact fee (the "Educational Facilities Impact Fee"). The Educational Facilities Impact Fee Ordinance and the Educational Facilities Impact Fee Administrative Procedures Manual approved by the County pursuant to Ordinance No. 95-152 enacted by the Board of County Commissioners on September 14, 1995 (the "Educational Facilities Impact Fee Manual") provide for the calculation, collection, deposit, transfer and expenditure of the Educational Facilities Impact Fees. Amounts collected by the County pursuant to the imposition of the Educational Facilities Impact Fees (the "Educational Facilities Impact Fee Revenues"), less certain administrative costs, are required to be transferred to the School Board for deposit in the trust account established for the corresponding Benefit District (as defined herein), as provided in the First Amended Interlocal Agreement dated September 28, 1995, by and between the County and the School Board (the "Educational Facilities Impact Fee Interlocal Agreement").

The amount of the Educational Facilities Impact Fee imposed on each new residential development is based on the capital cost required to serve the increased demand for capital educational facilities resulting from the proposed new residential development, together with impact fee administrative charges, as reflected by a formula set forth in the Educational Facilities Impact Fee Ordinance and the Educational Facilities Impact Fee Manual.

For the purpose of ensuring that fee payers receive sufficient benefit for Educational Facilities Impact Fees paid, the Educational Facilities Impact Fee Ordinance establishes three (3) separate benefit districts whose collective geographical boundaries are coterminous with the geographical boundaries of the County. The three benefit districts (individually, a "Benefit District") are known as the "East Benefit District," the "Northwest Benefit District" and the "Southwest Benefit District." The Educational Facilities Impact Fee Ordinance requires that a separate interest bearing trust account be established for each Benefit District. All amounts constituting Educational Facilities Impact Fees, less the administrative charges portion, must be deposited into the trust account designated for the reimbursements and refunds, must be expended for capital educational facilities within the corresponding Benefit District. Two percent (2%) of each Educational Facilities Impact Fee levied constitutes an administrative fee which is divided equally between the County and the School Board to pay for administrative costs relating to the Educational Facilities Impact Fee program.

The Educational Facilities Impact Fee Interlocal Agreement requires that the School Board expend certain minimum amounts per year within each Benefit District utilizing both long-term and short-term financings to fund the cost of additional facilities and capital assets. The Educational Facilities Impact Fee Interlocal Agreement also provides that the School Board may not utilize Educational Facilities Impact Fee Revenues as a full or partial replacement of the School Board's state and other local revenue sources for current or future capital assets that could not otherwise been afforded, within the same Benefit District in which the funds are collected.

The Educational Facilities Impact Fee Interlocal Agreement requires that the County remit to the School Board, within thirty (30) days following the end of each calendar quarter, all Educational Facilities Impact Fee Revenues collected by the County, less one-half of the two percent (2%) administrative fee collected. Each quarterly transfer of funds must be accompanied by reports for each Benefit District which include, among other things, the amount of Educational Facilities Impact Fees collected within each Benefit District. The School Board is required to deposit all Educational Facilities Impact Fee Revenues received, less the School Board's share of the two percent (2%) administrative fee, into the separate trust account established for each Benefit District.

*Historical Receipts.* The following table sets forth the amount of Educational Facilities Impact Fee Revenues received by the School Board allocable to each Benefit District for each of the School Board's last five (5) fiscal years.



**School District of Miami-Dade County, Florida  
Educational Facilities Impact Fee Revenues**

[Update table]

Fiscal Year ended <u>June 30</u>	Educational Facilities Impact Fee Revenues			
	<u>East Benefit District</u>	<u>Northwest Benefit District</u>	<u>Southwest Benefit District</u>	<u>Total</u>
2004	\$26,985,306.00	\$4,135,791.00	\$12,509,533.00	\$43,630,630.00
2003	15,327,916.16	2,349,069.95	9,902,695.50	27,579,681.61
2002	15,653,090.12	4,990,443.00	8,343,698.00	28,987,231.12
2001	10,969,051.05	7,008,552.22	7,353,651.17	25,331,254.44
2000	8,275,036.98	5,963,925.89	5,907,241.60	20,146,204.47

There can be no assurance that Educational Facilities Impact Fee Revenues will be available to the School Board in the future. For example, during the 2000 legislative session, the Florida Legislature passed a bill that would have limited school impact fees levied by any county to a percentage of the school impact fees were inadequate to compensate for lost impact fee revenue, then the County may increase its impact fee levy to make up the difference. While the Governor vetoed this bill, it is not possible to determine whether a similar bill will be introduced and become law in the future and what impact, if any, such a bill would have on the School Board's ability to receive future Educational Facilities Impact Fee Revenues from the County. Additionally, due to the cyclical nature of the real estate market and other economical and legislative factors which can influence real estate development within the County, there can be no assurance that future Educational Facilities Impact Fee Revenues will be sustained at the levels of collection reflected above. The foregoing table, therefore, should not be used to project the amount of Educational Facilities Impact Fee Revenues, if any, that the School Board can expect to receive in future years.

**Obligations Under Unrelated Lease Purchase Agreements**

The School Board may, in the future, enter into lease purchase agreements upon terms and conditions other than those in the Master Lease. Unless otherwise expressly provided in this Offering Statement, failure to make payments under any such lease purchase agreements, or an event of default under any such lease purchase agreement, will not affect the Lease Term or cause the termination of the Series 2005A Lease or any other Leases. See "SECURITY FOR THE SERIES 2005A CERTIFICATES - Additional Leases" herein.

**AD VALOREM TAX PROCEDURES**

**Property Assessment**

Ad valorem taxes may be levied only by counties, school districts, municipalities and certain special districts. No ad valorem taxes may be levied by the State upon real estate or tangible personal property. Real and personal property valuation is determined as of January 1 by the County Property Appraiser. Except as noted immediately below and under "Constitutional Amendment" below, all taxable real and tangible personal property must be assessed at 100 percent of fair market value.

The following uses of real property are generally exempt from ad valorem taxation: religious, educational, charitable, scientific, literary and governmental. In addition, there are special exemptions for widows, hospitals, homesteads and homes for the aged and disabled veterans. The "homestead exemption" exempts from taxation the first \$25,000 of the assessed valuation of a residence occupied by the owner on a permanent basis, as of January 1 of the year of valuation. Agricultural land, noncommercial recreational land, inventory and livestock are assessed at less than 100 percent of fair market value.

**Constitutional Amendment**

By voter referendum held on November 2, 1992, Article VII, Section 4 of the Florida Constitution was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban

consumers, U.S. City Average, all items 1967-100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. Further, the amendment provides that (1) no assessment shall exceed just value, (2) after any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status, (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead, and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided for by general law, and thereafter as provided in the amendment. The effective date of the amendment was January 5, 1993 and, pursuant to a ruling by the Supreme Court of the State of Florida it began to affect homestead property valuations commencing January 1, 1995 with 1994 assessed values being the base year for determining compliance.

#### **Procedure for Ad Valorem Tax Collections**

All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector based on the valuation as of January 1 of such year. On or about November 1 of the year of valuation, the County Tax Collector mails to each property owner on the assessment roll a notice of taxes levied by Miami-Dade County, the District and other taxing authorities. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. All unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were levied or within sixty (60) days after the mailing of the original tax notice of the final assessment rate, whichever is later. All taxes collected are remitted by the County Tax Collector to the governmental unit levying the taxes.

Delinquent real property taxes bear interest at the rate of one and one-half percent (1-1/2%) per month from April 1, or within sixty (60) days after the mailing of the original tax notice of the final assessment rate, whichever is later, until a tax certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the tax certificate. Delinquent tangible personal property taxes also bear interest at the rate of one and one-half percent (1-1/2%) per month from April 1 until paid. Delinquent personal property taxes must be advertised within forty-five (45) days after delinquency, and after May 1 the property is subject to warrant, levy, seizure and sale.

Florida law provides that real property tax liens and personal property tax liens are superior to all other liens, except prior United States Internal Revenue Service liens. The County Tax Collector advertises once each week for four weeks and sells tax certificates to the lowest bidder, based on the interest rate bid, commencing on or about June 1 of each year on substantially all real property with taxes due. Delinquent tax certificates not sold at auction revert to Miami-Dade County.

If the owner of real property subject to a tax certificate does not redeem the certificate within two years, the holder of the certificate is entitled to apply for a tax deed of sale. The highest bidder at such sale receives a tax deed for the property subject to the tax certificate. To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate bid on the tax certificate from the date of the sale of the tax certificate to the date of redemption. The interest rate on a tax certificate is a minimum of five percent, unless the interest bid on the certificate is a lower rate.

**Assessed Value of Taxable Property**

The following table sets forth the assessed value of taxable property in the District for the last ten fiscal years:

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
ASSESSSED VALUE OF TAXABLE PROPERTY (IN THOUSANDS)  
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended June 30,</u>	<u>Real Property Assessed Value</u>	<u>Personal Property Assessed Value</u>	<u>Real &amp; Personal Property Exemptions</u>	<u>Net Assessed Property Value(1)</u>
2004	\$143,712,524	\$14,006,959	\$30,523,350	\$127,196,133
2003	129,013,310	13,976,717	28,044,422	114,945,605
2002	118,226,760	12,474,621	25,956,951	104,744,430
2001	109,228,601	12,185,632	25,066,038	96,408,195
2000	103,579,838	11,778,020	25,083,445	90,974,413
1999	98,507,821	11,345,006	24,013,747	85,839,080
1998	93,663,614	11,260,305	23,449,741	81,474,178
1997	89,669,244	9,271,171	21,400,726	77,539,689
1996	86,479,474	9,362,934	21,303,847	74,538,561
1995	82,399,251	8,886,974	20,146,437	71,139,788

(1) The basis of assessed value is approximately one hundred percent (100%) of actual value. For each fiscal year, property is valued as of January 1 of the preceding calendar year.

SOURCE: Miami-Dade County Property Appraiser and Finance Department

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**Ad Valorem Tax Levies and Collections**

The following table sets forth the amounts billed and the percent collected for ad valorem property taxes levied by the District:

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
DISTRICT PROPERTY TAX LEVIES AND COLLECTIONS (IN THOUSANDS)  
LAST TEN FISCAL YEARS\***

<u>Fiscal Year Ended June 30,</u>	<u>General Fund Levy</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Total Tax Collections</u>	<u>Percent Of Total Tax Collections To Tax Levy</u>
2004	\$824,313	\$87,594	\$256,875	\$1,168,782	\$1,129,023	96.6%
2003	746,156	88,636	230,224	1,065,016	1,030,705	96.8
2002	693,727	90,117	212,539	996,383	961,591	96.5
2001	655,653	89,514	195,659	940,826	903,884	96.1
2000	605,189	90,042	181,902	877,133	848,120	96.7
1999	616,496	83,951	171,678	872,125	846,619	97.1
1998	599,650	90,110	162,622	852,382	830,726	97.5
1997	570,711	78,360	155,169	804,240	781,292	97.1
1996	550,395	75,844	149,300	775,539	756,374	97.5
1995	534,133	59,941	142,378	736,452	713,059	96.8

SOURCE: The School Board of Miami-Dade County Office of Accounting and Office of Budget Management.  
\*Unaudited.

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**Ad Valorem Millage Rates**

The following table sets forth the amounts of ad valorem millage levied by the District and Miami-Dade County from 1995 through 2004:

<u>Fiscal Year</u>	<u>District General Millage Fund</u>	<u>District Debt Service Funds</u>	<u>District Capital Outlay Millage</u>	<u>District Total Millage</u>	<u>Miami-Dade County</u>	<u>Other</u>	<u>Total<sup>(2)</sup></u>
2004	6.418	0.682	2.00	9.100	5.97	.74	15.81
2003	6.482	0.770	2.00	9.252	5.89	.74	15.88
2002	6.528	0.848	2.00	9.376	5.71	1.08	16.17
2001	6.702	0.915	2.00	9.617	5.75	.74	16.11
2000	6.654	0.990	2.00	9.644	5.81	.74	16.19
1999	7.182	0.978	2.00	10.160	6.02	.74	16.92
1998	7.360	1.106	1.996	10.462	6.02	.75	17.23
1997	7.356	1.010	2.00	10.366	6.47	.71	17.55
1996	7.373	1.016	2.00	10.389	6.83	.69	17.91
1995	7.503	.842	2.00	10.345	7.25	.65	18.25

(1) District fiscal year ends June 30; County fiscal year ends September 30.

(2) Excluding special district millages.

SOURCE: Miami-Dade County Finance Department and the School Board of Miami-Dade County - Office of Budget Management.

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**Annual Debt Service**

The following table sets forth the ratio of annual debt service for bonded debt to total governmental funds expenditures for the District:

**THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY  
RATIO OF ANNUAL DEBT SERVICE (IN THOUSANDS)  
FOR BONDED DEBT TO TOTAL GOVERNMENTAL FUNDS EXPENDITURES -  
TEN FISCAL YEARS\***

Fiscal Year Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	Total Debt Service Expenditures <sup>(1)</sup>	Total Governmental Funds Expenditures	Ratio Of Debt Service Expenditures To Total Governmental Funds Expenditures
2004 <sup>(2)</sup>	247,955	40,581	288,536	3,320,456	8.69
2003	55,245	42,423	97,668	3,018,368	3.24
2002	52,605	45,297	97,902	3,010,151	3.25
2001	50,140	48,188	98,328	2,988,845	3.29
2000	48,535	50,940	99,475	2,725,885	3.65
1999	42,455	52,104	94,559	2,704,174	3.49
1998	40,000	55,777	95,777	2,562,687	3.74
1997	32,595	48,308	80,903	2,578,142	3.14
1996	30,565	39,821	70,386	2,505,383	2.81
1995	24,265	34,147	58,412	2,388,947	2.45

(1) Excludes dues and fees which are considered insignificant.

(2) 2004 figures reflect remarketing of \$ \_\_\_\_\_ general obligation bonds of the District on \_\_\_\_\_, 2004.

\*Unaudited.

SOURCE: The School Board of Miami-Dade County - Office of Accounting.

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## Current Debt Ratios and Bonded Debt Per Capita

The following table sets forth the current debt ratios and the bonded debt per capita for the District:

### THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA CURRENT DEBT RATIOS AND BONDED DEBT PER CAPITA OF THE DISTRICT - DIRECT AND OVERLAPPING DEBT<sup>(1)</sup>

Factors:	
Assessed Valuation <sup>(2)</sup>	\$157,719,483,000
Net Taxable Assessed Valuation	127,196,133,000
Miami-Dade County Florida ("County") Debt Net of Reserves (as of September 30, 2003)	
General Obligation	\$ 242,086,725
Special Obligation <sup>(3)</sup>	<u>1,047,952,697</u>
Combined Direct Debt (as of September 30, 2003)	<u>\$1,290,039,422</u>
Overlapping Debt, Net of Reserves <sup>(4)</sup>	
General Obligation	\$1,150,870,263
Special Obligation	<u>468,834,690</u>
Combined Overlapping Debt	<u>\$1,619,704,953</u>
Population of Miami-Dade County (2002)	2,372,418
Assessed Valuation Per Capita	\$ 66,480
Net Taxable Assessed Valuation Per Capita	\$ 53,615
Debt Ratios:	
Net Direct County General Obligation Debt as a percent of Net Taxable Assessed Valuation	0.19%
Net Direct County and Overlapping General Obligation Debt as a percent of Net Taxable Assessed Valuation	1.10%
Net Direct County General Obligation Debt per Capita	\$ 102
Net Direct County General and Special Obligation Debt per Capita	\$ 544
Net Direct County and Overlapping General Obligation Debt per Capita	\$ 587
Net Direct County and Overlapping General Obligation and Special Obligation Debt per Capita	\$ 1,226

- (1) Data for Miami-Dade County and municipalities within Miami-Dade County is as of September 30, 2003.  
 (2) Assessed valuation as of January, 2003 reflects 100% of assessed values as mandated by Florida Law.  
 (3) Special or limited obligation debt is payable from revenue sources other than enterprise funds and ad valorem taxes.  
 (4) Overlapping debt is comprised of debt issued by municipalities within Miami-Dade County as of September 30, 2003 and District bonded debt as of June 30, 2004.

\*Unaudited.

SOURCE: Miami-Dade County Finance Department and The School Board of Miami-Dade County Office of the Controller.

### Outstanding TAN and RAN Issues

On July 20, 2004, the School Board issued \$106,000,000 of its Tax Anticipation Notes, Series 2004 (the "2004 TANs"). Such 2004 TANs bear interest at 2.75% and mature on June 28, 2005. Sufficient funds have been set aside to pay all principal and interest on the 2004 TANs at maturity.

In addition, the School Board has authorized the issuance of Revenue Anticipation Notes, Series 2005 in the aggregate principal amount of \$100,000,000 (the "2005 RANs"). The School Board expects to issue the 2005 RANs on or

about June \_\_, 2005. The School Board intends to refinance the 2005 RANs at maturity through the issuance of a series of Certificates under the Master Lease.

## **THE CAPITAL IMPROVEMENT PROGRAM**

### **Overview of the Program**

#### **[Update statistical information]**

In May 1988, the District outlined the first phase of a detailed program to implement a capital outlay plan (the "Capital Improvement Program"), the financing of a portion of which included the proceeds of the sale of general obligation school bonds. The Capital Improvement Program, designated the District's "Annual and Long-Range Educational Facilities Plan" (the "Plan") was, at its inception, and continues to be through annual updating, one of the most comprehensive school district capital outlay programs developed in the United States.

The Plan is updated annually to reflect the District's long range capital construction program resulting from accelerated student enrollment growth, and improvements and additions to non-school sites.

From the end of fiscal year 1988 to June 30, 2004, the student population in grades Pre-K through 12 increased from 254,235 to about 369,578 students, an approximately 4% average annual overall increase.

The current Plan includes [61] new schools and renovation/addition projects at [251] existing school facilities. Twenty-nine of these new schools have been opened, [21] new schools are under construction and seven are in the design phase and [four] are in the planning stage. [106] renovation/addition projects at existing schools have been completed, [38] are under construction and [107] are in the design phase.

As part of the funding for the Capital Improvement Program, the District has issued \$980,000,000 of its General Obligation School Bonds since 1989, \$\_\_\_\_\_ of which remain outstanding as of June 30, 2004. See "APPENDIX B – BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA FOR FISCAL YEAR ENDED JUNE 30, 2004 AND INDEPENDENT AUDITORS' REPORT - Notes to the General Purpose Financial Statements -- Note 10. Long-Term Bonds Payable" herein.

In addition to the District's Capital Improvement Program financed through the issuance of the School Board's General Obligation School Bonds, the District has undertaken numerous capital improvements financed under the Master Lease or similar lease purchase arrangements. For a summary of the debt service associated with these obligations, see "AGGREGATE PAYMENTS ON OUTSTANDING CERTIFICATES OF PARTICIPATION" herein.

The following schedule sets forth the Capital Improvement Program from fiscal year 2001 to fiscal year 2004 and estimates for the 2005 fiscal year by categories of Capital Expenditures and Revenue Sources (in thousands):

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**THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
CAPITAL IMPROVEMENT PROGRAM  
ACTUAL AND PROJECTED APPROPRIATIONS AND REVENUES  
(IN THOUSANDS)  
FISCAL YEARS ENDED  
JUNE 30\***

[Update table]

<b>Expenditure Category</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Budgeted 2005</u>
Site and Site Improvements	\$3,996	\$3,935	\$7,962		
Buildings	179,279	150,896	117,389		
Remodeling	71,462	58,007	66,655		
Equipment	28,098	19,841	12,816		
Motor Vehicles & Buses	10,744	12,531	10,327		
Library Books/AV Equip	3,852	2,858	1,067		
Transfers to Gen. Fund	114,347	115,286	107,141		
Transfers to Debt Service	43,965	64,232	65,255		
Int. Payments on RANs/Dues & Fees	1,191	-	3,633		
Ending Balances	668,715	565,654	775,197		
Reserves/Contingency	-0-	-0-	-0-		
<b>Year Total</b>	<b>\$1,125,649</b>	<b>\$993,240</b>	<b>\$1,167,442</b>		
<b>Revenue Sources</b>					
GO Bond & Remarketing Proceeds	\$-0-	\$-0-	\$-0-		
Public Education					
Capital Outlay (PECO)	27,431	19,743	11,979		
Classrooms First Program	-0-	-0-	-0-		
<b>State Revenue</b>					
SIT Awards (School Infrastructure Thrift)	11,789	-0-	-0-		
Effort Index Grants	17,836	8,843	-0-		
K-3 & K-12 Class Size Reduction	1,268	-0-	-0-		
Proceeds Local Option					
Capital Outlay Millage	185,540	201,411	220,819		
State Capital Outlay & Debt Service	1,990	1,989	1,873		
Impact Fees	25,611	29,296	27,860		
SBE Bond Sale	491	1,933	-0-		
Master Lease COPs	184,700	-0-	326,977		
RANs	-0-	43,215	-0-		
Impact Fee COPs	101,000	-0-	-0-		
Qualified Zone Academy Bonds	39,508	-0-	-0-		
Other	5,200	2,376	1,825		
Interest on Investments	21,390	15,719	10,455		
Beginning Balance	501,805	668,715	565,654		
<b>Year Total</b>	<b>\$1,125,649</b>	<b>\$993,240</b>	<b>\$1,167,442</b>		

\*Unaudited

SOURCE: The School Board of Miami-Dade County - Office of Budget Management.

## RECENT CHANGES AFFECTING DISTRICT REVENUES

### Constitutional Amendments

In the November 5, 2002 general election, the voters of the State of Florida approved two amendments to the State Constitution that may affect the District's operations. Amendment 9 to the State Constitution requires that the State Legislature provide funding for sufficient classrooms so that class sizes can be reduced to certain constitutional class size maximums by the beginning of the 2010 school year. Legislation implementing Amendment 9 was passed by the Florida Legislature during the 2003 special legislative session and signed into law on June 9, 2003. Amendment 9 and such legislation is referred to herein as the "Class Size Legislation."

The Class Size Legislation establishes constitutional class size maximums limiting students per class to no more than 18 for pre-kindergarten - 3<sup>rd</sup> grade, 22 for grades 4 - 8 and 25 for grades 9 - 12. These maximums must be implemented by the beginning of the 2010 school year. School districts that presently exceed these class size maximums are required to reduce the average number of students per class in each of these grade groupings by at least two students each year, beginning with the 2003-2004 fiscal year.

The Class Size Legislation further creates an "Operating Categorical Fund for Class Size Reduction," the "Classroom for Kids Program, the "District Effort Recognition Grant Program" and the "Class Size Reduction Lottery Revenue Bond Program" to provide funding programs for capital outlays and operating expenditures necessary in relation to these mandated class size reductions.

The Class Size Legislation requires each school board to consider implementing various policies and methods to meet these constitutional class sizes, including encouraging dual enrollment courses, encouraging the Florida Virtual School, maximizing instructional staff, reducing construction costs, using joint-use facilities, implementing alternative class scheduling, redrawing attendance zones, implementing evening and multiple sessions and implementing year-round and non-traditional calendars. Failure to reduce class sizes by at least two students each year until the constitutional maximum is met may result in transfer of class size reduction operating funds to fixed capital outlay appropriations, required implementation of year-round schools, double sessions, extended school year or rezoning, implementation of a state-mandated constitutional compliance plan or withholding of various State funds.

The District presently exceeds the constitutional class size maximums. **[Update]** There can be no assurances that the District will be able to reduce its class sizes in the manner and at the times mandated by the Class Size Legislation. While the Class Size Legislation suggests that the State Legislature, and not local school districts, is generally responsible for the cost of compliance, it is uncertain what effect implementation might have upon the District. The Class Size Legislation is largely focused upon funding of capital outlays and facility needs. There can be no assurance that these funds will be sufficient to meet the capital and facility needs of the District required by the Class Size Legislation. Further, there can be no assurance that the District will have funds sufficient to meet the capital and facility needs of the District required by the Class Size Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

In the November 5, 2002 general election, the voters of the State of Florida also approved Amendment 8 to the State Constitution which provides that every 4-year old child in the State shall be offered a free, high quality pre-kindergarten learning opportunity by the State no later than the 2005 school year. Legislation implementing Amendment 8 was passed by the Florida Legislature during the 2003 regular legislative session and signed into law on June 4, 2003. Amendment 8 and such legislation is referred to herein as the "Pre-K Legislation."

The Pre-K Legislation created a voluntary universal pre-kindergarten education program for four-year olds within the Agency for Workforce Innovation. This bill further directed the State Board of Education to conduct a study and make recommendations for this education program regarding curriculum and standards, quality and quantity of instruction, delivery system, assessment and evaluation, funding and best practices.

Although the Pre-K Legislation suggests that the State Legislature, and not the local school districts, is generally responsible for the costs of compliance, it is uncertain what effect implementation might have upon the District. There can be no assurance that the Pre-K Legislation and compliance therewith, will not adversely affect the District. Further, there can be no assurance that the District will have funds sufficient to meet the capital and facility needs of the District required by the Pre-K Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

## **Budget Constraints**

[to be updated]

As discussed under “OPERATING REVENUES OF THE DISTRICT-State Sources” and “DISTRICT REVENUES FOR CAPITAL PROJECTS-State Sources,” the District receives a substantial portion of its operational and capital revenues from State sources.

While Florida’s economy has not suffered as much as many state economies during the current economic turndown, severe constraints are being placed on its budget due to diminishing revenues being derived from current sources. The Florida Legislature has been reluctant to create new sources of revenues through the levy of new taxes or the elimination of certain exemptions from the payment of sales taxes, the primary source of State revenues. As a result, the Legislature adopted a budget without a significant increase in revenue sources. The fiscal impact of the finally adopted budget on District revenues cannot be accurately predicted at this time.

## **Reduced FEFP Funding under Revised District Cost Differential**

[to be updated]

Section 1011.62, Florida Statutes, sets forth the method for distributing FEFP funds to the State’s school districts. The formula for computing the amount available to each school district is adjusted by such district’s “district cost differential”, a price level index used to determine differences in costs among the various school districts. Section 1011.62(2), Florida Statutes, utilizes the Florida Price Level Index (the “FPLI”) published by the Bureau of Economic and Business Research at the University of Florida (the “BEBR”) to determine the district cost differential.

The Florida Senate commissioned a study by the BEBR to determine whether the current FPLI accurately measures cost differences among school districts. The BEBR study concluded that the FPLI should be adjusted to measure not only differences in the price of consumption among the State’s school districts, but also to measure district differences in the cost of hiring personnel. The BEBR terms the new version of the FPLI the “Amenity Adjusted FPLI”.

During the 2004 legislative session, the Florida Legislature elected to adopt the Amenity Adjusted FPLI as the price level index for determining cost differences among school districts. This new methodology will adversely impact the District’s finances by reducing the amount of FEFP funding allocated to the District in fiscal year 2004-2005 and thereafter. Under the prior formula, the District would have received an additional \$91.0 million in fiscal year 2004-2005 as a result of the district cost differential; under the new formula the District will receive approximately \$64.3 million, representing a reduction of \$26.7 million. The Florida Legislature reduced the impact of decreased FEFP funding by allocating an additional \$14.2 million to the District in fiscal year 2004-2005 from the State’s general revenue fund. There can be no assurance that the Legislature will make similar adjustments in the future.

The District filed a lawsuit against the State Department of Education and the Florida Legislature on June 30, 2004 seeking to block implementation of the new funding formula. The outcome of this lawsuit cannot be predicted at this time.

## **RISK FACTORS**

Each purchaser of Series 2005A Certificates is subject to certain risks and each prospective purchaser of Series 2005A Certificates is encouraged to read this Offering Statement in its entirety. Particular attention should be given to the factors described below which, among others, could affect the market price of the Series 2005A Certificates to an extent that cannot be determined.

## **Annual Right of the School Board to Terminate the Series 2005A Lease**

Although the School Board has determined that the Series 2005A Facilities are necessary to its operations and

currently intends to continue the Series 2005A Lease in force and effect for the maximum Lease Term and has covenanted in the Series 2005A Lease that the Superintendent will include a sufficient amount in the tentative budget to enable the School Board to make the corresponding Lease Payments due in each Fiscal Year, the School Board is not required to appropriate funds for Basic Lease Payments. If for any Fiscal Year the School Board does not approve a final budget which appropriates sufficient funds from legally available revenues, or if no final budget is adopted as of the last day upon which a final budget is required to have been adopted under State law for payment of its obligations under the Series 2005A Lease, or any other Lease under the Master Lease, each respective Lease shall terminate as of the date of adoption of the final official budget, or such last day, whichever is earlier.

THE LIKELIHOOD THAT THE SERIES 2005A LEASE WILL BE TERMINATED AS THE RESULT OF AN EVENT OF NON-APPROPRIATION IS DEPENDENT UPON CERTAIN FACTORS THAT ARE BEYOND THE CONTROL OF THE SERIES 2005A CERTIFICATE HOLDERS, INCLUDING THE CONTINUING FUTURE UTILITY OF THE FINANCED FACILITIES, AND OTHER FACILITIES OF THE SCHOOL BOARD AND CHANGES IN POPULATION OR DEMOGRAPHICS WITHIN THE COUNTY.

#### **Limitation Upon Disposition; Ability to Sell or Relet**

Following an event of default under the Series 2005A Lease or an Event of Non-Appropriation, the Trustee, as assignee of the Foundation, may take possession of the Series 2005A Facilities and sell or relet the leasehold interests therein. The Trustee=s ability to actually achieve such a disposition of the Series 2005A Facilities is limited by its inability to convey fee simple title to such Series 2005A Facilities, and by the governmental nature of each of the Series 2005A Facilities. Moreover, it is possible that a court of competent jurisdiction could enjoin the sale or reletting of the Trustee=s interest in the Series 2005A Facilities because of the essential governmental nature thereof. There can be no assurance that the remedies available to the Trustee upon any such termination of the Series 2005A Lease and the disposition of the Series 2005A Facilities will provide sufficient amounts to pay the outstanding Series 2005A Certificates.

#### **Tax Effect Upon Termination**

Upon termination of the Series 2005A Lease there is no assurance that payments made by the Trustee or the Insurer with respect to the Series 2005A Certificates and designated as interest will be excludable from gross income for federal income tax purposes or that the ownership or disposition of the Series 2005A Certificates will not be subject to Florida=s intangible personal property tax. See "TAX TREATMENT" herein.

#### **Applicability of Securities Laws**

After termination of the Series 2005A Lease the transfer of a Series 2005A Certificate may be subject to or conditioned upon compliance with the registration provisions of applicable federal and state securities laws. Accordingly, there is no assurance that liquidity of the Series 2005A Certificates will not be impaired following termination of the Series 2005A Lease.

#### **Local Option Capital Outlay Millage Revenue**

The amount which can be realized by the School Board derived from the levy of the Local Option Millage Levy can be affected by a variety of factors not within the School Board=s control including, without limitation, fluctuations in the level of the assessed valuation of property within the District. Additionally, the School Board is not legally required to impose the Local Option Millage Levy. See "SECURITY FOR THE SERIES 2005A CERTIFICATES - Limited Obligation of the School Board" and "DISTRICT REVENUES FOR CAPITAL PROJECTS - Local Capital Outlay Sources" herein.

#### **Educational Facilities Impact Fee Revenues**

The amount which the School Board may receive from the imposition of the Educational Facilities Impact Fees can be affected by a variety of factors not within the School Board=s control, including, without limitation, fluctuations in the level of new residential development within the County and future State legislation that may seek to limit increases in the amount of school impact fees levied by counties. In addition, the School Board=s ability to comply with the provisions of the Educational Facilities Impact Fees Interlocal Agreement that impose conditions on the School Board=s continued receipt of Educational Facilities Impact Fee Revenues and the amount of exemptions, credits, reimbursements and refunds for which fee payers are

eligible can also affect the amount of Educational Facilities Impact Fee Revenues received by the School Board. Additionally, the School Board is not legally required to appropriate any Educational Facilities Impact Fee Revenues to pay the lease payments represented by the Series 2005A Certificates. See "SECURITY FOR THE SERIES 2005A CERTIFICATES B Limited Obligation of the School Board" herein.

### **State Revenues**

A large portion of the District's funding is derived from State sources. See "DISTRICT REVENUES FOR CAPITAL PROJECTS - State Revenue Sources" and "RECENT CHANGES AFFECTING DISTRICT REVENUES" herein. A significantly large percentage of such State revenues is generated from the levy of the State sales tax. The amounts budgeted for distribution from the State to the District are subject to change in the event that projected revenues are not realized. The State has experienced some significant shortfalls in sales tax revenues in recent years which have resulted in cuts to school budgets.

### **Additional Indebtedness**

The School Board may issue additional indebtedness other than in connection with the Master Lease secured by or payable from revenues which would otherwise be available to make Lease Payments without the consent of the Series 2005A Certificate holders. The incurrence of such additional indebtedness by the School Board may adversely affect the School Board's ability to make Basic Lease Payments under the Series 2005A Lease.

### **No Right of Certificate Holders to Direct Remedies**

Termination of the Master Lease, in and of itself, will not result in termination of the Insurer's Policy. Unless the Insurer is in default of its payment obligations under the Policy, the Insurer is entitled to control and direct any of the rights or remedies of the Trustee including the right to direct the Trustee as to whether or not to re-let or sell the Facilities. Upon the occurrence of an Event of Default under the Trust Agreement, the Insurer may elect to redeem all of the Series 2005A Certificates outstanding, in which case the principal and interest represented by the Series 2005A Certificates shall become due and payable immediately. If the Insurer does not elect to redeem all Series 2005A Certificates outstanding, it has an obligation to continue to make payments to Series 2005A Certificate holders in accordance with the original schedule of Basic Lease Payments represented by the outstanding Series 2005A Certificates. However, the Insurer has no fiduciary responsibility to the Series 2005A Certificate holders with respect to the direction of such remedies and has no obligation to preserve the exclusion from gross income for federal income tax purpose of amounts paid to Series 2005A Certificate holders by the Insurer and designated as interest.

## **LITIGATION**

There is no litigation now pending or threatened (i) to restrain or enjoin the issuance or sale of the Series 2005A Certificates, (ii) questioning or affecting the validity of the Series 2005A Lease or the obligation of the School Board to make Lease Payments, (iii) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution or delivery of the Series 2005A Certificates or (iv) challenging the existence of the Board or the District or the powers of the several offices of the officials of the Board or the titles of the officials holding their respective offices.

Various suits and claims arising in the ordinary course of School Board operations are pending against the District. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of the School Board, the liabilities that may arise from such actions would not result in losses that would materially affect the financial position of the District or the School Board or the results of its operations.

## **RATINGS**

Moody's Investors Service ("Moody's") and Standard & Poor's Ratings Services ("S&P") have assigned ratings of "Aaa" and "AAA," respectively, to the Series 2005A Certificates with the understanding that upon delivery of the Series 2005A Certificates, a policy insuring the payment when due of the Basic Lease Payments represented by the Series 2005A Certificates will be issued by the Insurer. Moody's and S&P have also assigned underlying ratings of "\_\_\_" and "\_\_\_," respectively, to the Series 2004A Certificates without regard to the Policy. An explanation concerning the significance of the

ratings given by Moody's may be obtained from Moody's at 99 Church Street, New York, New York 10007, (212) 553-0470. An explanation of the ratings given by S&P may be obtained from S&P at 25 Broadway, New York, New York 10004, (212) 208-8000. Certain information and materials concerning the Series 2005A Certificates, the School Board and the District were furnished to Moody's and S&P by the School Board. Either rating service may raise, lower or withdraw its ratings at any time. If a downward change or withdrawal should occur, it could have an adverse effect on the resale price of the Series 2005A Certificates.

## **TAX TREATMENT**

**[to be updated by Co-Special Tax Counsel]**

The Internal Revenue Code of 1986, as amended (the "Code"), includes certain requirements which the School Board must continue to meet subsequent to the issuance and delivery of the Series 2005A Certificates in order that the portion of the Basic Lease Payments designated and paid as interest to the holders of the Series 2005A Certificates be and remain excluded from gross income for federal income tax purposes. Non-compliance may cause the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders to be included in gross income for federal income tax purposes retroactive to the date of execution and delivery of the Series 2005A Certificates, regardless of the date on which such non-compliance occurs or is ascertained. The School Board has covenanted in the Series 2000A Lease and the Series 2001C Lease to comply with such requirements in order to maintain the exclusion from federal gross income of the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders.

In the opinion of Co-Special Tax Counsel, assuming compliance by the School Board with the aforementioned covenants, under existing statutes, regulations, rulings and judicial decisions, prior to the termination of the Master Lease resulting from an Event of Non-Appropriation or Event of Default thereunder, the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations. However, the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. However, no opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2005A Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder.

Co-Special Tax Counsel is further of the opinion that the Series 2005A Lease and the Series 2005A Certificates are exempt from the Florida intangible personal property tax. However, no opinion is expressed with respect to the payment or reporting of intangible personal property tax following termination of the Master Lease.

Except as described above, Co-Special Tax Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders, or the ownership or disposition of the Series 2005A Certificates. Prospective purchasers of Series 2005A Certificates should be aware that the ownership of Series 2005A Certificates may result in other collateral federal tax consequences, including the following: (i) the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2005A Certificates or, in the case of a financial institution, that portion of the owner's interest expense allocable to the portion of the Basic Lease Payments designated and paid as interest to the Series 2005A Certificate holders; (ii) with respect to certain property and casualty insurance companies, the Code reduces the deduction for loss reserves by fifteen percent (15%) of the sum of certain items, including the portion of the Basic Lease Payments designated and paid as interest to Series 2005A Certificate holders; (iii) the portion of the Basic Lease Payments designated and paid as interest to certain foreign corporate Series 2005A Certificate holders doing business in the United States could be subject to a branch profits tax imposed by the Code; (iv) passive investment income, including the portion of the Basic Lease Payments designated and paid as interest to Series 2005A Certificate holders may be subject to federal income taxation for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than twenty-five percent (25%) of the gross receipts of such Subchapter S corporation is passive investment income; and (v) the Code requires recipients of certain Social Security and Railroad Retirement benefits to take into account, in determining the taxability of such benefits, receipts and accruals of the portion of the Basic Lease Payments designated and paid as interest to the Certificate holders.

## ORIGINAL ISSUE DISCOUNT AND PREMIUM

The initial offering prices of \$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ and \$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ (collectively, the "Discount Series 2005A Certificates") are less than the stated principal amounts thereof. Under the Code, the difference between the principal amount of the Discount Series 2005A Certificates and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Series 2005A Certificates of the same maturity was sold, is "original issue discount." Original issue discount represents interest which is excluded from gross income; however, such interest is taken into account for purposes of determining the alternative minimum tax imposed on corporations and may result in the collateral federal tax consequences described above under "TAX TREATMENT." Original issue discount will accrue actuarially over the term of a Discount Series 2005A Certificate at a constant interest rate. A purchaser who acquires a Discount Series 2005A Certificate in the initial offering at a price equal to the initial offering price thereof as set forth on the inside cover page of this Offering Statement will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Series 2005A Certificate and will increase its adjusted basis in such Discount Series 2005A Certificate by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Series 2005A Certificate. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Discount Series 2005A Certificates which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Prospective purchasers of Discount Series 2005A Certificates should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of Discount Series 2005A Certificates and with respect to the State and local tax consequences of owning and disposing of Discount Series 2005A Certificates.

\$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ and \$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ (collectively, the "Noncallable Premium Certificates"), and \$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ and \$ \_\_\_\_\_ of the Series 2005A Certificates maturing on \_\_\_\_\_, 20\_\_ (collectively, the "Callable Premium Certificates"), were sold at a price in excess of the amount payable at maturity in the case of the Noncallable Premium Certificates and to their earlier call date in the case of the Callable Premium Certificates. The difference between the amount payable at maturity of the Noncallable Premium Certificates and the tax basis to the purchaser and the difference between the amount payable at the call date of the Callable Premium Certificates that minimizes the yield to a purchaser of a Callable Premium Certificate and the tax basis to the purchaser (other than a purchaser who holds a Noncallable or Callable Premium Certificate as inventory, stock in trade or for sale to customers in the ordinary course of business) is "bond premium". Bond premium is amortized for federal income tax purposes over the term of a Noncallable Premium Certificate and over the period to the call date of a Callable Premium Certificate that minimizes the yield to the purchaser of the Callable Premium Certificate. A purchaser of a Noncallable Premium Certificate or a Callable Premium Certificate is required to decrease his adjusted basis in the Noncallable Premium Certificate or Callable Premium Certificate, respectively, by the amount of amortizable bond premium attributable to each taxable year he holds the Noncallable Premium Certificate or Callable Premium Certificate. The amount of amortizable bond premium attributable to each taxable year is determined at a constant interest rate compounded actuarially. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes. Purchasers of the Noncallable Premium Certificate and Callable Premium Certificates should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of Noncallable Premium Certificate or Callable Premium Certificates and with respect to the state and local consequences of owning and disposing of Noncallable Premium Certificate or Callable Premium Certificates.

## DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the School Board make full and fair disclosure of any bonds or other debt obligations of such entity that have been in default as to payment of principal or interest at any time after December 31, 1975. The School Board is not and has not been, since December 31, 1975, in default as to payment of principal of or interest on its bonds or other debt obligations.

## CERTAIN LEGAL MATTERS

Certain legal matters in connection with the authorization, execution, delivery and sale of the Series 2005A Certificates are subject to the approving legal opinion of Greenberg Traurig, P.A., Miami, Florida, and \_\_\_\_\_, Miami, Florida, Co-Special Tax Counsel. The proposed forms of such opinions are included as "APPENDIX D - Forms of Legal Opinions of Co-Special Tax Counsel" herein. Certain legal matters will be passed upon by Johnny Brown, Esquire, Counsel to the School Board and the Foundation. Certain legal matters will be passed on for the Underwriters by Liebler, Gonzalez & Portuondo, P.A., Miami, Florida, as Counsel to the Underwriters.

## UNDERWRITING

The Underwriters set forth on the cover page hereof have agreed to purchase the Series 2005A Certificates at a price of \$ \_\_\_\_\_ (which represents the \$ \_\_\_\_\_ principal amount of the Series 2005A Certificates, plus net original issue premium of \$ \_\_\_\_\_ and less an Underwriters= discount of \$ \_\_\_\_\_) plus accrued interest. The Underwriters will purchase all of the Series 2005A Certificates if any are purchased, the obligation to make such purchase being subject to certain terms and conditions contained in a Contract of Purchase and the approval of certain legal matters by counsel.

The Underwriters may offer and sell the Series 2005A Certificates to certain dealers and others at prices lower than the respective public offering prices stated herein. After the initial public offering, the respective offering prices may be changed from time to time by the Underwriters.

## FINANCIAL ADVISOR

De Lara Associates of New York, New York is serving as financial advisor (the "Financial Advisor") to the School Board. The Financial Advisor is not obligated to undertake and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Offering Statement.

## INDEPENDENT AUDITORS

The Basic Financial Statements of the School Board as of and for the year ended June 30, 2004 included in this Offering Statement have been audited by Ernst & Young LLP, independent auditors, as stated in their report appearing in "APPENDIX B – BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2004 AND INDEPENDENT AUDITORS' REPORT" herein. Ernst & Young LLP did not audit the financial statements of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to Ernst & Young LLP, and Ernst & Young LLP's opinion, insofar as it relates to the amounts included for discretely presented component units, is based solely on the reports of other auditors. As discussed in note 1 to the Basic Financial Statements, the School Board of Miami-Dade County, Florida has implemented a new financial reporting model, as required by the Government Accounting Standards Board Statement (GASB) 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments- Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, as of July 1, 2001.

Ernst & Young LLP has not participated in the offering of the Series 2005A Certificates.

## FORWARD LOOKING STATEMENTS

This offering statement contains certain "forward-looking statements" concerning the School Board's or the District's operations, performance and financial condition, including its future economic performance, plans and objectives and the likelihood of success in developing and expanding. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the School Board or District. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.



## CONTINUING DISCLOSURE

The School Board has covenanted and undertaken for the benefit of the Series 2005A Certificate holders to provide certain financial information and operating data relating to the District and the Series 2005A Certificates in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if material. Such covenant shall only apply so long as the Series 2005A Certificates remain outstanding. The undertaking shall also terminate upon the termination of the continuing disclosure requirements of S.E.C. Rule 15c2-12(b)(5) (the "Rule") by legislative, judicial or administrative action. The Annual Report will be filed by the School Board with each Nationally Recognized Municipal Securities Information Repository (the "NRMSIRs") described in the Form of Dissemination Agent Agreement attached hereto as Appendix D, as well as any state information depository that is subsequently established in the State of Florida (the "SID"). The notices of material events will be filed by the School Board with the Municipal Securities Rulemaking Board or the NRMSIRs and the SID. The specific nature of the information to be contained in the Annual Report and the notices of material events are described in Appendix D - Form of Dissemination Agent Agreement dated and to be delivered at the time of issuance of the Series 2005A Certificates. These undertakings have been made in order to assist the Underwriters in complying with the Rule.

## MISCELLANEOUS

The information contained herein is subject to change without notice and no implication is to be derived therefrom or from the sale of the Series 2005A Certificates that there has been no change in the affairs of the School Board or the District from the date hereof. The references, excerpts and summaries of all documents and resolutions referenced herein do not purport to be complete statements of the provisions of such documents and resolutions, and reference is directed to all such documents, agreements and resolutions for full and complete statements of all matters of fact relating to the Series 2005A Certificates, the security for and the repayment of the Series 2005A Certificates and the rights and obligations of the holders thereof. Complete copies of such documents and resolutions may be obtained by request to Eduardo A. Alfaro, Treasurer, Office of Treasury Management, Room 615, School Board Administration Building, 1450 NE Second Avenue, Miami, Florida 33132 (Phone: 305-995-1684 or Fax: 305-995-2387) or during the offering period for the Series 2005A Certificates, from the Financial Advisor: De Lara Associates, New York, New York (Phone: (212) 580-8768 or Fax: (212) 580-3079).

This Offering Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Offering Statement involving matters of opinion or of estimates, whether or not expressly so stated are intended as such and not as representations of fact. No representation is made that any such statements will be realized. Neither this Offering Statement nor any statement which may have been made orally or in writing is to be construed as a contract or agreement between the School Board and the purchasers or the holders of any of the Series 2005A Certificates.

This Offering Statement has been duly executed and delivered on behalf of the District by the authority of the School Board.

**THE SCHOOL BOARD OF MIAMI-DADE  
COUNTY, FLORIDA**

By: \_\_\_\_\_  
Chair

**APPENDIX A**

**ECONOMY AND DESCRIPTIVE STATISTICS  
OF THE DISTRICT AND MIAMI-DADE COUNTY, FLORIDA**

The following highlights the economy of Miami-Dade County and the District.

**Population**

The following table reflects historical trends and forecasts future population growth in Miami-Dade County:

**Historical and Projected Population  
in Miami-Dade County, Florida**

<u>Year</u>	<u>Population in Incorporated Areas</u>	<u>Population in Unincorporated Areas</u>	<u>Total Population</u>	<u>Percent Growth in Total Population</u>
<b>Trends</b>				
1960	582,713	352,334	935,047	N/A
1970	730,425	537,367	1,267,792	35.6%
1980	829,881	795,900	1,625,781	28.2
1990	909,371	1,027,723	1,937,094	19.1
1995	973,912	1,110,293	2,084,205	7.6
2000	1,049,074	1,204,288	2,253,362	8.1
2001	1,078,455	1,204,864	2,283,319	1.3
2002	1,088,655	1,224,382	2,313,047	1.3
2003	1,100,442	1,242,297	2,342,739	1.3
2004	1,265,077	1,107,341	2,372,418	1.3
<b>Forecast</b>				
2005	1,277,454	1,126,312	2,403,766	1.3
2010	1,331,323	1,219,966	2,551,289	6.2
2015	1,382,536	1,320,582	2,703,122	6.0

**SOURCE:** 1960 to 1990 and 2000 figures from U.S. Census Bureau, decennial census reports. 2005, 2010 and 2015 estimates from Miami-Dade County Department of Planning and Zoning, 2004.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

The following table presents a breakdown of Miami-Dade County's population by age since 1990 and forecasts population within each age category through 2030.

**Estimated Population By Age  
Miami-Dade County, Florida 1990 to 2030<sup>(1)</sup>**

<u>Year</u>	<u>UNDER 16 YEARS</u>		<u>16 TO 64 YEARS</u>		<u>65 YEARS AND OLDER</u>		<u>Total</u>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
<b>Trends</b>							
1990	427,719	21.7	1,266,715	64.4	272,566	13.9	1,967,000
2000	495,375	22.0	1,457,435	64.7	300,552	13.3	2,253,362
<b>Forecasts</b>							
2005	552,848	21.7%	1,559,305	64.1%	321,613	13.2%	2,433,766
2010	534,919	21.0	1,675,516	65.7	340,854	13.3	2,551,289
2015	568,328	21.0	1,762,652	65.2	372,142	13.8	2,703,122
2020	587,943	20.6	1,859,961	65.1	410,285	14.3	2,858,189
2025	624,806	20.7	1,930,253	63.9	464,741	15.4	3,019,800
2030	651,014	20.4	2,011,989	63.1	524,789	16.5	3,187,792

(1) Forecasts are figures developed by Miami-Dade County Department of Planning and Zoning, Research Section. The 1990 census figures were adjusted for census undercount.

SOURCE: U.S. Bureau of Census. Decennial Census Reports for 1990 and 2000. Miami-Dade County Department of Planning and Zoning, Research Section.

**Largest Employers**

The District is southeast Florida's largest single employer and Florida's second largest employer, public and private. The following is a listing of Miami-Dade County's ten (10) largest public and private employers:

**Miami-Dade County's Ten Largest  
Public Employers (2004)**

<u>Employers</u>	<u>Employees</u>
Miami-Dade County Public Schools	46,864
Miami-Dade County	32,265
U.S. Federal Government	20,100
State of Florida	18,900
Jackson Memorial Hospital	11,700
Florida International University	5,000
City of Miami	3,954
VA Medical Center	2,400
City of Miami Beach	1,839

**Miami-Dade County's Ten Largest  
Private Employers (2004)**

<u>Employers</u>	<u>Employees</u>
Baptist Health Systems of South Florida	10,300
University of Miami, Inc.	9,367
American Airlines	9,000
United Parcel Service	5,000
BellSouth	4,800
Winn-Dixie Stores	4,616
Precision Response Corporation	4,196
Publix Supermarkets, Inc.	4,000
Florida Power & Light Company	3,665
Carnival Cruise Lines	3,000

SOURCE: Miami-Dade County Public Schools information obtained from School Board of Miami-Dade County, Florida Comprehensive Annual Financial Report, fiscal year ended June 30, 2004. Beacon Council, Research Department (Data based on most recent responses to survey performed by Beacon Council in 2003. Employers may be excluded at their request). (Unaudited).

**MIAMI-DADE COUNTY, FLORIDA  
TAXABLE ASSESSED VALUATION (IN THOUSANDS) FOR PRINCIPAL TAXPAYERS<sup>(1)</sup>**

<u>TAXPAYER</u>	<u>BUSINESS OR USE</u>	<u>Miami-Dade County Taxes Levied (in thousands)</u>	<u>2003 Net Assessed Real and Personal Property Value (in thousands)</u>	<u>Percent of Taxpayer's Net Assessed Real and Personal Property Value to Countywide Net Assessed Property Value</u>
Florida Power & Light Company	Utility	\$44,946	\$2,017,000	1.59%
BellSouth Telecommunications, Inc.	Utility	24,534	1,101,000	0.87
Turnberry Associates	Real Estate	6,128	275,000	0.22
SDG Dadeland Associates	Commerce	6,021	270,220	0.21
Graham Companies	Real Estate	5,257	235,900	0.19
SRI Miami Venture LP	Real Estate	5,092	228,530	0.18
Falls Shopping Center Associates	Commerce	4,741	212,760	0.17
Bakery Associates	Commerce	4,095	183,760	0.14
Pro Player Stadium Corp.	Sports	3,368	151,160	0.12
S.F. Whitman/Bal Harbor Shops	Commerce	<u>3,229</u>	<u>144,900</u>	<u>0.11</u>
Total		<u>\$107,412</u>	<u>\$4,211,037</u>	<u>3.79%</u>

(1) Unaudited

SOURCE: Miami-Dade County Property Appraiser.

**MIAMI-DADE COUNTY, FLORIDA  
COMPARISON OF UNEMPLOYMENT RATES  
MIAMI-DADE COUNTY, THE STATE OF FLORIDA, THE UNITED STATES  
1995 to 2004**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004<sup>(1)</sup></u>
Miami-Dade County	7.4%	7.3%	7.1%	6.4%	5.8%	5.3%	6.9%	7.6%	7.2%	6.6%
Florida	5.5	5.1	4.8	4.3	3.9	3.6	4.8	5.3	5.1	4.7
United States	5.6	5.4	4.9	4.5	4.2	4.0	4.8	5.7	6.0	5.6

(1) Six month average, January – June 2004.

SOURCE: The Beacon Council.

**MIAMI-DADE COUNTY, FLORIDA  
CONSTRUCTION ACTIVITY**

**PROPERTY VALUE AND CONSTRUCTION  
1995-2004  
Last Ten Fiscal Years  
(Unaudited)**

<u>Year</u>	<u>Commercial Construction</u>		<u>Residential Construction</u>		<u>Real Property</u>		
	<u>Number of Buildings</u>	<u>Value (in thousands)</u>	<u>Number of Units</u>	<u>Value (in thousands)</u>	<u>Commercial (in thousands)</u>	<u>Residential (in thousands)</u>	<u>Nontaxable (in thousands)</u>
1995	564	334,560	19,366	983,376	28,377,827	54,021,424	18,873,595
1996	670	299,348	6,629	455,715	29,660,302	56,819,172	19,727,547
1997	698	325,797	10,422	643,489	29,888,568	59,780,676	20,094,504
1998	596	442,924	8,597	679,105	30,168,469	63,495,144	20,270,274
1999	495	489,353	9,998	781,734	31,680,533	66,827,289	20,914,594
2000	601	513,457	8,360	687,205	32,137,670	71,442,168	21,304,769
2001	525	616,442	9,882	845,123	33,219,426	76,087,033	22,747,425
2002	498	722,077	8,805	751,940	32,650,542	85,606,675	23,648,584
2003	397	697,100	9,373	819,753	29,999,821	99,013,490	24,661,795
2004	794	359,033	9,603	982,420	27,473,191	116,239,333	26,120,760

Source: Miami-Dade County Finance Department

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA  
DEMOGRAPHIC STATISTICS – 1995-2004  
(Unaudited)**

<u>Fiscal Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Approximate Median Age</u>	<u>School Enrollment (Pre-K-12)</u>
2004	2,372,418	(1)	(1)	369,578
2003	2,342,739	(1)	37.0	371,482
2002	2,313,047	26,780	36.9	374,725
2001	2,283,319	26,594	35.9	368,453
2000	2,253,485	26,093	35.6	360,202
1999	2,221,630	24,733	35.0	352,595
1998	2,189,719	23,972	35.0	345,861
1997	2,157,208	23,020	35.0	340,904
1996	2,124,885	22,270	35.0	333,444
1995	2,084,205	21,565	35.0	321,955

SOURCE: Population, per capita income, median age - Miami-Dade County Department of Planning and Zoning; Student Enrollment - The School Board of Miami-Dade County --Office of Evaluation and Research.

(1) Information not available at time of publication.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA  
ATTENDANCE DATA – 1995-2004  
(Unaudited)**

<u>Fiscal Year</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>		
		<u>Average Daily Attendance</u>	<u>Percent of Change</u>	<u>Percent of Membership</u>
2004	354,367	332,944	(1.01)	93.95%
2003	357,847	336,353	(0.51)	93.99
2002	360,436	338,073	1.50	93.80
2001	355,095	333,076	1.10	93.80
2000	352,461	329,460	2.33	93.47
1999	344,899	321,944	0.86	93.34
1998	341,916	319,185	1.97	93.35
1997	336,383	313,025	2.10	93.06
1996	330,578	306,581	3.56	92.74
1995	319,335	296,041	3.13	92.71

SOURCE: The School Board of Miami-Dade County - Division Attendance Services.

**APPENDIX B**

GENERAL PURPOSE FINANCIAL STATEMENTS  
OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY,  
FLORIDA FOR FISCAL YEAR ENDED JUNE 30, 2004  
AND INDEPENDENT AUDITORS= REPORT

**APPENDIX C**

**FORMS OF CERTAIN LEGAL DOCUMENTS**

Master Lease  
Schedule 2005A  
Series 2005A Ground Lease  
Master Trust Agreement  
Series 2005A Supplemental Trust Agreement  
Series 2005A Assignment Agreement



**APPENDIX D**

**FORM OF DISSEMINATION AGENT AGREEMENT**

**APPENDIX E**

**FORM OF LEGAL OPINION OF CO-SPECIAL TAX COUNSEL**

**APPENDIX F**

**FORM OF MUNICIPAL BOND INSURANCE POLICY**

**RESOLUTION NO. 05-21**

**A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA AMENDING RESOLUTION 94-1 OF THE SCHOOL BOARD, AS PREVIOUSLY AMENDED BY RESOLUTION 96-6, AND AS PREVIOUSLY AMENDED BY RESOLUTION 01-21, IN CONNECTION WITH THE SCHOOL BOARD'S DECLARATION OF INTENT TO REIMBURSE ITSELF FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN EDUCATIONAL SITES AND FACILITIES; AUTHORIZING CERTAIN INCIDENTAL ACTIONS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, in connection with the acquisition, construction and equipping by The School Board of Miami-Dade County, Florida (the "School Board"), acting as the governing body of the School District of Miami-Dade County, Florida (the "School District") of certain educational sites and facilities identified in the School Board's annual and long term educational facilities plans, including without limitation the most recent Five-Year Capital Plan for Fiscal Years 2005/2009 dated April, 2005, as such plans may have been or may be amended and supplemented from time to time together with certain additional facilities approved by the School Board from time to time (the "Program"), the School Board expects to incur expenses for which the School Board will advance internal funds legally available for capital outlay purposes; and

**WHEREAS**, the School Board intends to reimburse itself for all or a portion of such expenses from the proceeds of tax-exempt obligations to be incurred by the School Board.

**NOW, THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA:**

**Section I.** Resolution 94-1 of the School Board adopted on January 5, 1994, entitled "A RESOLUTION OF THE SCHOOL BOARD OF DADE COUNTY, FLORIDA, DECLARING THE OFFICIAL INTENT OF THE SCHOOL BOARD TO REIMBURSE ITSELF FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN EDUCATIONAL SITES AND FACILITIES; AUTHORIZING CERTAIN INCIDENTAL ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE," as amended by Resolution 96-6 of the School Board adopted on March 13, 1996 and by Resolution 01-21 of the School Board adopted on April 18, 2001, which are incorporated herein by reference, is hereby further amended to provide that the maximum

amount of obligations to be incurred to finance the Program (as defined herein) is expected not to exceed One Billion Eight Hundred Million Dollars (\$1,800,000,000).

**Section II. Incidental Action.** The appropriate members of the School Board, , and officials and staff of the School District are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

**Section III. Repealing Clause.** All resolutions and orders or parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

[Remainder of Page Intentionally Left Blank]

**Section IV. Effective Date.** This Resolution shall take effect immediately upon its adoption.

Adopted this 18<sup>th</sup> day of May, 2005.

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Chair, The School Board of Miami-Dade  
County, Florida

Attest:

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Secretary, The School Board  
of Miami-Dade County, Florida

Approved as to form and content:

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Johnny Brown, Esq.  
School Board Attorney

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