

Business Operations
 Ofelia San Pedro, Deputy Superintendent

SUBJECT: ISSUANCE OF UP TO \$65 MILLION CERTIFICATES OF PARTICIPATION, SERIES 2006C, IMPACT FEES RESOLUTION 06-14 AND APPOINTMENT OF UNDERWRITING TEAM

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

Attached is Resolution 06-14 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:

Project Name	Award Date	Project Costs	Ground Lease
New Modular - Henry M. Flagler ES	11/16/05	7,095,460	YES
New Modular - Ojus ES	12/14/05	9,397,672	YES
New Modular - Citrus Grove Middle	10/19/05	10,805,860	YES
New Modular - John F. Kennedy Middle	12/14/05	10,800,000	YES
New Modular - Rockway Middle	11/16/05	10,804,508	YES
Sub-Total East Impact Fee COP Series 2006C		48,903,500	
New Modular - Kendale Lakes EL	11/17/2004	1,866,520	NO
New Modular - Caribbean EL	12/15/2004	620,851	NO
New Modular - Hurston EL	12/15/2004	1,689,298	NO
New Modular - Redland EL	2/16/2005	1,823,331	NO
Sub-Total Southwest Impact Fee COP Series 2006C		6,000,000	
Total Impact Fee COP 2006C		54,903,500	

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 \$1 million, including bond insurance.

The following Underwriting Team is selected from the Approved Underwriting List:

SERIES	ROLE	FIRM
2006C Impact Fee	Lead/Sr. Manager	GOLDMAN SACHS & COMPANY
2006C Impact Fee	Co-Sr. Manager	RBC DAIN RAUSCHER, INC.
2006C Impact Fee	Co-Sr. Manager	LOOP CAPITAL MARKETS, LLC
2006C Impact Fee	Co-Manager	CABRERA CAPITAL MARKETS, INC.
2006C Impact Fee	Co-Manager	LEHMAN BROTHERS
2006C Impact Fee	Co-Manager	MORGAN STANLEY & COMPANY, INC.

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

- 1) approve Resolution 06-14 authorizing the issuance of up to \$65 million Certificates of Participation to fund the construction projects listed on this item; and
- 2) assign the proposed Underwriting Team chosen from the Approved Underwriters List.

RESOLUTION 06-14

A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AUTHORIZING EXECUTION OF SCHEDULES 2006C-1 AND 2006C-2 TO THE MASTER LEASE PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF A SERIES 2006C-1 GROUND LEASE; APPROVING THE FORM OF A SERIES 2006C SUPPLEMENTAL TRUST AGREEMENT AND A SERIES 2006C ASSIGNMENT AGREEMENT; APPROVING THE NEGOTIATED SALE OF CERTIFICATES OF PARTICIPATION, SERIES 2006C IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 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 2006C 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 2006C 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 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 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 are identified on separate Schedules (each a "Schedule") attached to the Master Lease and each Schedule, together with the Master Lease, constitutes 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 2006C 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 2006C-1 to be dated as of April 1, 2006, for the lease-purchase financing of certain educational facilities (the "Series 2006C-1 Facilities") and sites (the "Series 2006C-1 Facility Sites") as described in Schedule 2006C-1 to the Master Lease (the Master Lease together with Schedule 2006C-1, the "Series 2006C-1 Lease Agreement"); and

WHEREAS, the School Board will ground lease the Series 2006C-1 Facility Sites to the Foundation pursuant to a ground lease to be dated as of April 1, 2006 (the "Series 2006C-1 Ground Lease"), which ground lease as well as the Series 2006C-1 Lease Agreement may be amended from time to time without further School Board action upon acquisition or modification by the School Board of title to any of the Series 2006C-1 Facility Sites or upon correction of a description of a Series 2006C-1 Facility Site; and

WHEREAS, the School Board and the Foundation have determined to execute Schedule 2006C-2 to be dated as of April 1, 2006, for the lease-purchase financing of certain educational facilities and equipment (the "Series 2006C-2 Facilities" which together with the Series 2006C-1 Facilities are collectively referred to as the "Series 2006C Facilities") as described in Schedule 2006C-2 to the Master Lease (the Master Lease together with Schedule 2006C-2, the "Series 2006C-2 Lease Agreement") (the Series 2006C-1 Lease Agreement and the Series 2006C-2 Lease Agreement being herein collectively referred to as the "Series 2006C Lease Agreement"); 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 2006C-1 Ground Lease, at which meeting a copy of the Series 2006C-1 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 in interest to NationsBank of Florida, N.A.), 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, in order to accomplish the lease-purchase financing of the Series 2006C Facilities, the School Board wishes to authorize the issuance by the Trustee of a series of certificates in an amount

not to exceed \$60,000,000, to be designated Certificates of Participation, Series 2006C (the "Series 2006C Certificates"), 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 2006C Lease Agreement; and

WHEREAS, the Foundation and the Trustee will enter into a Series 2006C Supplemental Trust Agreement, to be dated as of April 1, 2006 (the "Series 2006C Supplemental Trust Agreement"), pursuant to which the Series 2006C Certificates will be issued; and

WHEREAS, the Foundation and the Trustee will enter into an Assignment Agreement to be dated as of April 1, 2006 (the "Series 2006C 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 2006C-1 Facility Sites under the Series 2006C-1 Ground Lease, as sub-lessor of the Series 2006C-1 Facility Sites and as lessor of the Series 2006C Facilities under the Series 2006C Lease Agreement, except for certain rights to hold title to certain Series 2006C-1 Facilities, to indemnification and to receive notices, to the Trustee for the benefit of the Series 2006C Certificate holders; and

WHEREAS, all necessary approvals of the Department of Education have been received with respect to the Series 2006C Facilities to be leased thereunder, or are expected to be received prior to execution and delivery of the Series 2006C Lease Agreement; and

WHEREAS, the payments represented by the Series 2006C Certificates shall be insured by an insurance policy (the "Series 2006C 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 2006C Insurer"); and

WHEREAS, the School Board wishes to appoint underwriters for the upcoming sale of the Series 2006C Certificates; and

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

Section 1. Schedule 2006C-1 and Schedule 2006C-2, which together with the Master Lease constitute the Series 2006C Lease Agreement, substantially in the forms submitted to this meeting and attached hereto as **Exhibits A-1 and A-2**, respectively, 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 Schedule 2006C-1 and Schedule 2006C-2. The execution of Schedule 2006C-1 and Schedule 2006C-2 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 2006C-1 Lease Agreement and the recording thereof in the Official Public Records of Miami-Dade County, Florida.

Section 2. The Series 2006C-1 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 2006C-1 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 2006C-1 Ground Lease. The execution and delivery of the Series 2006C-1 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 2006C-1 Ground Lease and the recording thereof in the Official Public Records of Miami-Dade County, Florida.

Section 3. The form of Series 2006C 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 2006C Supplemental Trust Agreement by the Foundation and the Trustee shall constitute conclusive evidence of the approval thereof.

Section 4. The form of Series 2006C 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 2006C 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 2006C 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 2006C Lease Agreement as evidenced by the Series 2006C 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 2006C Certificates;

(ii) The financing of the Series 2006C 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 (hereinafter defined) in explaining the credit to the market;

(iv) The Underwriters have participated in structuring the issuance of the Series 2006C 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 2006C Certificates are not sold pursuant to a competitive sale.

The form of the Certificate Purchase Contract among the underwriters selected by the School Board and named therein (the “Underwriters”), the Foundation and the School Board (the “2006C Purchase Contract”) submitted to this meeting and attached hereto as **Exhibit E**, and the sale of the Series 2006C 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 or the Chief Financial Officer. Any of the Chair, Vice Chair, Superintendent or Deputy Superintendent, Business Operations, upon such approval by the Superintendent or the Chief Financial Officer, are hereby authorized and directed to execute the 2006C Purchase Contract. The execution and

delivery of the 2006C Purchase Contract by the Chair, Vice Chair, Superintendent or Deputy Superintendent, Business Operations shall constitute conclusive evidence of the approval thereof.

Execution of the 2006C Purchase Contract is subject to the following additional requirements:

(i) the principal amount of the Series 2006C Certificates shall not exceed \$60,000,000,

(ii) the final maturity of the Series 2006C Certificates shall be no later than twenty (20) years after the dated date of the Series 2006C Certificates,

(iii) the Series 2006C Certificates which are subject to optional prepayment, except for Series 2006C Certificates subject to a make-whole call provision, shall be subject to optional prepayment not later than approximately ten (10) years after their date of issuance at a prepayment price initially not to exceed 101%, declining to par after not later than approximately one (1) year thereafter, and Series 2006C Certificates subject to a make-whole call provision shall reference the Municipal Market Data AAA General Obligation tax-exempt bond index, the year of such index to be based on the remaining life of the Series 2006C Certificate to be prepaid, plus a spread not to exceed ten (10) basis points,

(iv) the price at which the Series 2006C 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 2006C Certificates as calculated for arbitrage purposes shall not exceed 5.75% per annum.

Section 6. The form of Preliminary Offering Statement for the Series 2006C 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 2006C 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 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 2006C Purchase Contract for the Series 2006C 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 2006C 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 2006C Certificates and the requirements of the 2006C 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 2006C Certificates.

Section 8. 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, it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement (Series 2006C Certificates) to be dated the dated date of the Series 2006C Certificates, the form 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 2006C Certificates are subject to the Rule. Notwithstanding any other provision of this Resolution, the Series 2006C Lease Agreement, or the Series 2006C Trust Agreement, failure of the School Board to comply with such Disclosure Agreement shall not be considered an event of default under the Series 2006C Lease Agreement or the Series 2006C Trust Agreement; provided, however, any Series 2006C 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. Upon selection of the Series 2006C Insurer, 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 2006C Insurance Policy by the Series 2006C Insurer.

Section 10. The Chair, Vice Chair, Secretary, Superintendent, Chief Financial Officer, Treasurer, Deputy Superintendent, Business Operations 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 2006C Insurer of the Series 2006C Insurance Policy, and relating to the implementation of a book-entry-only system of registration of the Series 2006C 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 2006C Certificates, in the event of a delay in the issuance of the Series 2006C Certificates, on behalf of the School Board which are necessary or desirable in connection with the issuance of the Series 2006C Certificates, the execution and delivery and compliance with the provisions of the Master Lease, the Series 2006C Lease Agreement, the Series 2006C-1 Ground Lease, the Master Trust Agreement, the Series 2006C Supplemental Trust Agreement, the Series 2006C Assignment Agreement, the 2006C Purchase Contract, the Disclosure Agreement and the Interlocal Agreement, or the acquisition, construction and financing of the Series 2006C 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 15th day of March, 2006.

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

Attest:

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

EXHIBIT A-1

FORM OF SCHEDULE 2006C-1

EXHIBIT A-2

FORM OF SCHEDULE 2006C-2

EXHIBIT B

FORM OF SERIES 2006C-1 GROUND LEASE

EXHIBIT C

FORM OF SERIES 2006C SUPPLEMENTAL TRUST AGREEMENT

EXHIBIT D

FORM OF SERIES 2006C ASSIGNMENT AGREEMENT

EXHIBIT E

FORM OF 2006C PURCHASE CONTRACT

EXHIBIT F

FORM OF PRELIMINARY OFFERING STATEMENT

EXHIBIT G

FORM OF 15c2-12 CERTIFICATE

\$ _____ *

Certificates of Participation, Series 2006C 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 she 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 \$ _____* aggregate principal amount of Certificates of Participation, Series 2006C referred to above (the "Series 2006C Certificates").

(ii) In connection with the offering and sale of the Series 2006C Certificates, there has been prepared a Preliminary Offering Statement, dated the date hereof, setting forth information concerning the Series 2006C 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 2006C 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.

(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 her hand this _____ day of _____, 2006.

* Preliminary, subject to change

THE SCHOOL BOARD OF MIAMI-DADE COUNTY,
FLORIDA

Treasurer
Office of Treasury Management

EXHIBIT H

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

PRELIMINARY OFFERING STATEMENT DATED _____, 2006

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: (See "RATINGS" herein)

In the opinion of Co-Special Tax Counsel, assuming continuing compliance with certain tax covenants and the accuracy of certain representations of the School Board, under existing statutes, regulations, rulings and judicial decisions, the portion of the Basic Lease Payments designated and paid as interest to the Series 2006C Certificate holders will be excludable from gross income for federal income tax purposes and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. See "TAX TREATMENT" for a description of certain other federal tax consequences of ownership of the Series 2006C Certificates. However, no opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2006C 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 are further of the opinion that the Series 2006C Certificates and the Series 2006C Leases will be exempt from the Florida intangible personal property tax imposed pursuant to Chapter 199, Florida Statutes; provided, however, that no opinion is expressed with respect to the payment or reporting of intangible personal property tax on the Series 2006C Certificates following termination of the Master Lease.

§ _____ *

CERTIFICATES OF PARTICIPATION, SERIES 2006C
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: Date of Delivery**Due: October 1, as shown on the
inside cover page hereof**

The Certificates of Participation, Series 2006C (the "Series 2006C 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 (i) Schedule 2006C-1 dated as of April 1, 2006 (together with the Master Lease, the "Series 2006C-1 Lease") and (ii) Schedule 2006C-2 dated as of April 1, 2006 (together with the Master Lease, the "Series 2006C-2 Lease" and, together with the Series 2006C-1 Lease, the "Series 2006C Leases"), which leases provide for the lease purchase financing of certain real property and educational facilities by the School Board. The Series 2006C Leases 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 2006C Certificates is payable on April 1 and October 1 of each year, commencing October 1, 2006. When issued, the Series 2006C 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 2006C Certificates (the "Beneficial Owners") will not receive physical delivery of the Series 2006C Certificates. Ownership by the Beneficial Owners of the Series 2006C 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 2006C 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 2006C 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 (successor by acquisition to Nations Bank of Florida, N.A.), as Trustee. Individuals may purchase beneficial interests in the Series 2006C Certificates in the amount of \$5,000 or integral multiples thereof.

The principal portions of Basic Lease Payments represented by the Series 2006C Certificates are subject to optional, mandatory and extraordinary prepayment prior to maturity as described herein.

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONIES 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 2006C LEASES 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 2006C LEASES. SEE "RISK FACTORS" HEREIN.

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2006C Certificates will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2006C Certificates by _____ (the "Insurer"). See "FINANCIAL GUARANTY INSURANCE" herein.

[Insert Insurer logo]

The Series 2006C 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 The Knox Firm, Miami, Florida, Co-Special Tax Counsel, and certain other conditions. Certain legal matters will

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment. The certificates offered hereby may not be sold and offers to buy may not be accepted prior to the time the Offering Statement is delivered in final form. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the certificates offered hereby in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

be passed upon for the School Board and the Foundation by their Counsel, Julie Ann Rico Allison, Esq., Miami, Florida and for the Underwriters by their Co-Counsel, Liebler, Gonzalez & Portuondo, P.A., Miami, Florida and Tew Cardenas LLP, Miami, Florida. It is expected that settlement on the Series 2006C Certificates will occur through the facilities of DTC, in New York, New York, on or about _____, 2006.

This cover page contains certain information for quick reference only. It is not a summary of the transaction. Investors must read the entire Offering Statement to obtain information essential to the making of an informed investment decision.

Goldman, Sachs & Co.

Dated: _____, 2006

*Preliminary, subject to change

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS AND INITIAL CUSIP NUMBERS*

\$ _____ Serial Series 2006C Certificates

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial</u> <u>CUSIP Number.</u>
	\$				

\$ _____ % Term Series 2006C Certificates maturing October 1, 20__ – Yield __%, Initial CUSIP No. _____

*Preliminary, subject to change

Additional Information

The Series 2006C Certificates are being delivered by the Bank of New York Trust Company, N.A., Jacksonville, Florida, as Trustee (the "Trustee"), as fully registered certificates in denominations of \$5,000 or any integral multiple thereof, pursuant to the provisions of a Master Trust Agreement dated as of August 1, 1994, as supplemented, and particularly, as supplemented by a Series 2006C Supplemental Trust Agreement, dated as of April 1, 2006 (collectively, the "Trust Agreement"), each between the Foundation and the Trustee. The interest portion of the Basic Lease Payments represented by the Series 2006C Certificates is payable on April 1 and October 1 of each year, commencing October 1, 2006 (each such date an "Interest Payment Date"). Interest will be paid by check or draft of the Trustee mailed on each Interest Payment Date to the holders listed in the registration records maintained by the Trustee on the 15th day of the month (whether or not a business day) next preceding each Interest Payment Date. When issued, the Series 2006C 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 2006C Certificates (the "Beneficial Owners") will not receive physical delivery of Series 2006C Certificates. Ownership by the Beneficial Owners of the Series 2006C 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 2006C 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. Individuals may purchase beneficial interests in the Series 2006C Certificates in the amount of \$5,000 or integral multiples thereof. The principal portion of Basic Lease Payments represented by the Series 2006C Certificates is payable to the holders upon presentation, when due, at maturity or earlier prepayment, at the designated corporate trust office of the Trustee in Jacksonville, Florida.

The initial term of the Series 2006C-1 Lease commences on the date of delivery of the Series 2006C Certificates and continues through and including June 30, 2006, and is automatically renewable annually thereafter through _____ 1, 20__ unless earlier terminated as described herein. The initial term of the Series 2006C-2 Lease commences on the date of delivery of the Series 2006C Certificates and continues through and including June 30, 2006, 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 2006C Leases. 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 2006C Certificates have any interest in or right to any proceeds of the disposition of facilities leased under any Lease other than the Series 2006C Leases, 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 2006C 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 2006C 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 financial guaranty 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

Agustin J. Barrera, Chair
Perla Tabares Hantman, Vice Chair
Frank J. Bolaños
Evelyn Langlieb Greer
Dr. Robert B. Ingram
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

Silvia R. Rojas

CO-SPECIAL TAX COUNSEL

Greenberg Traurig, P.A.
Miami, Florida

The Knox Firm
Miami, Florida

SCHOOL BOARD ATTORNEY

JulieAnn Rico Allison, Esquire

FINANCIAL ADVISOR

De Lara Associates
New York, New York

No dealer, broker, sales representative or other person has been authorized by the School Board or the Underwriters to give any information or to make any representations, other than those contained in this Offering Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Offering Statement does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of the Series 2006C Certificates by any person in any jurisdiction to which it is unlawful for such person to make such offer, solicitation or sale.

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 2006C 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 2006C 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 2006C 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 2006C 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).

THIS OFFERING STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE:

WWW.MUNIOS.COM. THIS OFFERING STATEMENT SHOULD BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

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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 2006C 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, 2005, the District included 356 schools and vocational/technical centers, approximately 361,550 students and approximately 48,000 full and part-time employees, including approximately 22,000 full-time teachers and 4,500 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.

The School Board has previously entered into the following Leases under the Master Lease (collectively referred to herein as the "Prior Leases"):

(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 \$129,940,000 aggregate principal amount is outstanding as of March 1, 2006. 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 \$168,565,000 aggregate principal amount is outstanding as of March 1, 2006.

(v) 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, of which \$61,638,332.00 aggregate principal amount is outstanding as of March 1, 2006.

(vi) 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 \$16,450,000 aggregate principal amount is outstanding as of March 1, 2006 (the "Series 2000A Certificates") and \$87,210,000 Certificates of Participation, Series 2004A, all of which are outstanding as of March 1, 2006 (the "Series 2004A Certificates").

(vii) 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 \$10,308,817 as of March 1, 2006.

(viii) 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, of which \$53,550,000 aggregate principal amount is outstanding as of March 1, 2006, and \$137,780,000 Certificates of Participation, Series 2003B, all of which are outstanding as of March 1, 2006.

(ix) 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 \$6,599,538 as of March 1, 2006.

(x) 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 \$21,295,000 aggregate principal amount is outstanding as of March 1, 2006, and the Series 2004A Certificates referred to above;

(xi) 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, of which \$71,715,000 aggregate principal amount is outstanding as of March 1, 2006, and \$75,000,000 Certificates of Participation, Series 2002B, of which \$71,715,000 aggregate principal amount is outstanding as of March 1, 2006.

(xii) 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, of which \$13,235,000 aggregate principal amount is outstanding as of March 1, 2006;

(xiii) 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, of which \$163,545,000 aggregate principal amount is outstanding as of March 1, 2006.

(xiv) 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 \$6,195,345 as of March 1, 2006.

(xv) a Series 2005A Lease dated as of June 1, 2005 (the "Series 2005A Lease"), and in connection therewith the Trustee issued \$56,380,000 Certificates of Participation, Series 2005A, all of which are outstanding as of March 1, 2006.

(xvi) a Series 2006A-1 Lease and a Series 2006A-2 Lease, each dated as of March 1, 2006 (collectively, the "Series 2006A Leases"), and in conjunction therewith the Trustee issued \$201,080,000 Certificates of Participation, Series 2006A, all of which are outstanding as of March 15, 2006.

(xvii) a Series 2006B-1 Lease and a Series 2006B-2 Lease, each dated as of March 1, 2006 (collectively, the "Series

2006B Leases"), and in conjunction therewith the Trustee issued \$ _____ Certificates of Participation, Series 2006B, all of which are outstanding as of March __, 2006.

The Master Lease Facilities

The School Board currently has 62 school facilities and five administrative facilities under the Master Lease representing 14.7% of the District's total square footage of educational facilities. On a per student station basis, approximately 15.5% of the District's total student stations are included in the Master Lease Program (as defined below). See "THE MASTER LEASE FACILITIES" and "THE PRIOR FACILITIES."

Purpose of Series 2006C Certificates

The Series 2006C Leases (as defined below) are being entered into by the School Board and the Series 2006C Certificates are being issued for the principal purpose of providing funds sufficient to finance the cost of acquisition and construction of the Series 2006C Facilities (as defined below). See "PURPOSE OF THE SERIES 2006C 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 (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 2006C Supplemental Trust Agreement dated as of April 1, 2006 (the "Series 2006C Supplemental Trust Agreement") with the Trustee, pursuant to which the Series 2006C Certificates will be executed and secured under the Master Trust Agreement. The Master Trust Agreement together with the Series 2006C Supplemental Trust Agreement shall be referred to as the "Trust Agreement."

The School Board will hold title to the five sites on which the Series 2006C-1 Facilities are and will be located. All of such sites are located within the District. Pursuant to the Series 2006C-1 Ground Lease dated as of April 1, 2006 between the School Board and the Foundation (the "Series 2006C Ground Lease"), the School Board will lease the Series 2006C Facility Sites (as defined herein) to the Foundation for an initial term of 25 years subject to Permitted Encumbrances (as defined in the Series 2006C Ground Lease). Pursuant to the Series 2006C Assignment Agreement dated as of April 1, 2006 (the "Series 2006C Assignment"), the Foundation will assign by outright and absolute title to the Trustee, for the benefit of the owners of the Series 2006C Certificates, substantially all of its right, title and interest in the Series 2006C Ground Lease and the Series 2006C Leases, including its right to receive Basic Lease Payments thereunder.

See "SECURITY FOR THE SERIES 2006C CERTIFICATES" and "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS" herein.

Security for the Series 2006C Certificates

The Series 2006C Certificates evidence undivided proportionate interests in Basic Lease Payments to be made by the School Board under the Series 2006C Leases. The Series 2006C 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 2006C Facilities to the Trustee. However, upon termination of the Series 2006C Leases 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. Except as provided under "Effect of Termination for Non-Appropriation or Default" herein, the proceeds of any such disposition of the Series 2006C Facilities will be applied solely to the payment of the Series 2006C Certificates. EXCEPT AS PROVIDED UNDER "EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT" HEREIN, IN NO EVENT WILL OWNERS OF THE SERIES 2006C 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 2006C Assignment that, upon any such termination of the Series 2006C Leases, upon request of the Trustee, it will transfer its interest in the Series 2006C Facilities to the Trustee or to a transferee designated by the Trustee for

the remaining term of the Series 2006C Ground Lease. The foregoing notwithstanding, the School Board may not be dispossessed of the Series 2006C-2 Facilities or any other personal property financed, in whole or in part, with the proceeds of Certificates. See "SECURITY FOR THE SERIES 2006C CERTIFICATES," "THE SERIES 2006C FACILITIES" and "THE SERIES 2006C LEASES" 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 FOUNDATION, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES 2006C LEASES 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 2006C LEASES. See "RISK FACTORS" herein.

Lease Payments

All Lease Payments and all other amounts required to be paid by the School Board under the Series 2006C Leases 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 2006C 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 2006C 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 2006C 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 2006C 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 2006C Certificates, when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2006C Certificates by _____ (the "Insurer"). See "FINANCIAL GUARANTY INSURANCE" herein.

Additional Leases

As noted above under “Master Lease”, the School Board has previously entered into Prior Leases, is entering into the Series 2006C Leases, 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 2006C Leases. Upon any such termination of the Lease Term of all Leases, the School Board must surrender possession of all Facilities, including the Series 2006C-1 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 2006C-1 Ground Lease. The Trustee, as assignee of the Foundation, may sell or re-let its interest in the Series 2006C-1 Facilities for the remainder of the term of the Series 2006C-1 Ground Lease. Except as provided under “Effect of Termination for Non-Appropriation or Default” herein, the proceeds of any disposition of the Series 2006C-1 Facilities will be applied to the payment of the Series 2006C Certificates. The School Board may not be dispossessed of the Series 2006C-2 Facilities or any other personal property financed in whole or in part with the proceeds of the Series 2006C Certificates. EXCEPT AS PROVIDED UNDER “EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT” HEREIN, 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 2006C CERTIFICATES” and “THE SERIES 2006C LEASES” 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 2006C Leases or any other Leases. See “SECURITY FOR THE SERIES 2006C 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 2006C 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 2006C CERTIFICATES – Additional Certificates” herein.

Optional Prepayment

Certain of the Series 2006C Certificates are subject to optional prepayment prior to maturity. See “THE SERIES 2006C CERTIFICATES - Prepayment - Optional Prepayment” herein.

Mandatory Sinking Fund Prepayment

The Series 2006C Certificates maturing on October 1, 20__ are subject to mandatory prepayment in part, by operation of a sinking fund as described herein. See “THE SERIES 2006C CERTIFICATES - Prepayment - Mandatory Sinking Fund Prepayment” herein.

Extraordinary Prepayment

The Series 2006C 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 2006C Leases, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, (a) 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 2006C-1 Facilities as a result of damage to, destruction or condemnation of any portion of the Series 2006C-1 Facilities and an election is made by the School Board under the Series 2006C-1 Lease to apply the amount to the prepayment of the principal portion of Basic Lease Payments, or (b) 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 2006C CERTIFICATES - Prepayment - 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 2006C

**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 2006C (the "Series 2006C Certificates").

The Series 2006C Certificates evidence undivided proportionate interests of the owners thereof in the Basic Lease Payments to be made by the School Board under the Series 2006C Leases (as defined herein). The Series 2006C Certificates are being executed and delivered pursuant to a Master Trust Agreement dated as of August 1, 1994, as supplemented by a Series 2006C Supplemental Trust Agreement dated as of April 1, 2006 (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 (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, 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 _____, 2006, the School Board will lease certain Series 2006C Facilities as identified in the Series 2006C Leases (herein defined). The Series 2006C Certificates are being issued in order to provide funds to finance the cost of acquisition and construction of the Series 2006C Facilities and to pay costs associated with the issuance of the Series 2006C Certificates. See "PURPOSE OF THE SERIES 2006C CERTIFICATES" and "THE SERIES 2006C FACILITIES" herein.

The School Board currently has 62 school facilities and five administrative facilities under the Master Lease representing 14.7% of the District's total square footage of educational facilities. On a per student station basis, approximately 15.5% of the District's total student stations are included in the Master Lease Program. See "THE MASTER LEASE FACILITIES" and "THE PRIOR FACILITIES."

Pursuant to the applicable provisions of Florida law, including particularly Florida Statutes, Chapters 1000-1013, and a resolution adopted by the School Board on March 15, 2006, the School Board has authorized the execution and delivery of (i) Schedule 2006C-1 dated as April 1, 2006 to the Master Lease as it may be amended from time to time (together with the Master Lease, the "Series 2006C-1 Lease") and (ii) Schedule 2006C-2 dated as of April 1, 2006 to the Master Lease as it may be amended from time to time (together with the Master Lease, the "Series 2006C-2 Lease" and, together with the Series 2006C-1 Lease, the "Series 2006C Leases").

*Preliminary, subject to change

The initial term of the Series 2006C-1 Lease commences on the date of delivery of the Series 2006C Certificates and continues through and including June 30, 2006, and is automatically renewable annually thereafter through and including October 1, 20__, unless earlier terminated as described herein. The Series 2006C-1 Facilities to be lease purchased by the School Board under the Series 2006C-1 Lease include certain real property and educational facilities, as more particularly described herein (the "Series 2006C-1 Facilities"). See "THE SERIES 2006C LEASES" and "THE SERIES 2006C FACILITIES" herein.

The initial term of the Series 2006C-2 Lease commences on the date of delivery of the Series 2006C Certificates and continues through and including June 30, 2006, and is automatically renewable annually thereafter through and including October 1, 20__, unless earlier terminated as described herein. The Series 2006C-2 Facilities to be lease purchased by the School Board under the Series 2006C-2 Lease include certain educational facilities and equipment, as more particularly described herein (the "Series 2006C-2 Facilities" and, together with the Series 2006C-1 Facilities, the "Series 2006C Facilities"). See "THE SERIES 2006C LEASES" and "THE SERIES 2006C FACILITIES" herein.

The School Board will hold title to the five sites on which the Series 2006C-1 Facilities are located (the "Series 2006C Facility Sites"). All of such sites are located within the District.

Pursuant to the Series 2006C-1 Ground Lease dated as of April 1, 2006 (the "Series 2006C Ground Lease"), the School Board will lease the Series 2006C Facility Sites to the Foundation for an initial term commencing on the date of delivery of the Series 2006C Certificates and ending October 1, 20__, subject to Permitted Encumbrances (as defined in the Series 2006C Ground Lease) and subject to extension or earlier termination as provided therein. See "THE SERIES 2006C FACILITIES" and "APPENDIX C B FORMS OF CERTAIN LEGAL DOCUMENTS B The Series 2006C Ground Lease" herein.

Pursuant to the Series 2006C Assignment Agreement dated as of April 1, 2006 (the "Series 2006C Assignment") between the Foundation and the Trustee, the Foundation has irrevocably assigned to the Trustee for the benefit of the owners of the Series 2006C Certificates, all of its right, title and interest in and to the Series 2006C Ground Lease and the Series 2006C Leases (except for certain rights to indemnification, to hold title to certain of the Series 2006C Facilities and to receive notices), including the right to receive the Basic Lease Payments and all other amounts due under the Series 2006C Leases and the right to sell or re-let facilities and to exercise remedies thereunder. See "APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Series 2006C Assignment Agreement" herein.

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2006C Certificates when due will be guaranteed under a financial guaranty insurance policy (the "Policy") issued concurrently with the delivery of the Series 2006C Certificates by _____ ("_____" or the "Insurer"). See "FINANCIAL GUARANTY INSURANCE" herein.

Brief descriptions of the School Board, the District, the Policy and the Series 2006C Facilities are included in this Offering Statement together with summaries of certain provisions of the Series 2006C Certificates, the Master Lease, the Series 2006C Leases, the Trust Agreement, the Series 2006C-1 Ground Lease and the Series 2006C Assignment. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Master Lease, the Series 2006C Leases, the Trust Agreement, the Series 2006C-1 Ground Lease and the Series 2006C 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 2006C CERTIFICATES

The Series 2006C Certificates are being issued for the principal purpose of providing funds sufficient to: (i) finance the cost of acquisition and construction of the Series 2006C Facilities and (ii) pay costs associated with the issuance of the Series 2006C Certificates. The Series 2006C-1 Facilities to be financed consist of certain real property and educational facilities and the Series 2006C-2 Facilities to be financed consist of personal property comprising certain detached classroom facilities and related equipment. See "THE SERIES 2006C FACILITIES" herein.

THE SERIES 2006C CERTIFICATES

General

The Series 2006C Certificates will be dated the date of delivery, 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 2006C Certificates shall initially be issued exclusively in "book-entry" form and ownership of one fully registered Series 2006C 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 2006C 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 2006C 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 2006C Lease with respect to the Series 2006C Certificates. The interest component of Basic Lease Payments represented by the Series 2006C Certificates is payable on each April 1 and October 1, commencing October 1, 2006 (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 2006C Certificates to and including the maturity or earlier prepayment of the Series 2006C Certificates.

The principal portion and interest portion of Basic Lease Payments represented by the Series 2006C Certificates are payable in the manner set forth under "THE SERIES 2006C CERTIFICATES - Book-Entry Only System" herein.

Prepayment

Optional Prepayment. Series 2006C Certificates maturing on and before October 1, 20__ shall not be subject to prepayment at the option of the School Board.

Series 2006C 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 2006C Leases, in whole at any time, or in part on the first Business Day of any month, and if in part, in such order of maturity of Series 2006C Certificates corresponding to the due dates of the principal portions of Basic Lease Payments under the Series 2006C Leases 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 2006C Certificates or portions thereof to be prepaid, together with interest accrued to the Prepayment Date.

Mandatory Sinking Fund Prepayment. Series 2006C Certificates maturing on October 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 2006C Leases, 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 2006C 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 2006C Certificates shall be subject to extraordinary prepayment in whole or in part at any time, and if in part, in such order of maturity 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 2006C Leases, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, 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 2006C Facilities as a result of damage, destruction or condemnation (by an entity other than the School Board) of any portion of the Series 2006C 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 2006C Facilities and represented by the Series 2006C Certificates.

At the election of the Insurer, the Series 2006C 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 2006C Leases is terminated either because funds have not been appropriated for Lease Payments under the Series 2006C Leases or any other Lease or the School Board has defaulted under the Series 2006C Leases or any other Lease.

Selection

If less than all of the Series 2006C Certificates are called for prepayment, the particular Series 2006C Certificates or portions thereof to be prepaid will be in multiples of \$5,000 and, except as noted above, the Series 2006C Certificates or portions thereof shall be prepaid in such order of maturity as provided in "Prepayment" above. The portion of any Series 2006C 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 2006C Certificates for prepayment, the Trustee will treat each such Series 2006C Certificate as representing that number of Series 2006C Certificates in \$5,000 denominations which is obtained by dividing the principal amount of such Series 2006C 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 2006C 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 2006C 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 2006C Certificates or portions thereof to be prepaid, at their last addresses appearing upon the Series 2006C Certificates registry books, but any defect in the notice to a particular Series 2006C Certificate holder will not affect the validity of the proceedings for the prepayment of Series 2006C Certificates.

Effect of Prepayment

If, on the Prepayment Date, moneys for the payment of the Prepayment Price of the Series 2006C 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 2006C 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 2006C Certificates or portions thereof will continue to bear interest until paid at the same rate as would have accrued had such Series 2006C 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 2006C Certificates. The Series 2006C 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 2006C Certificate will be issued for each maturity of the Series 2006C 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 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 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, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, 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 and www.dtc.org.

Purchases of Series 2006C Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2006C Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2006C 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 2006C 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 2006C Certificates, except in the event that use of the book-entry system for the Series 2006C Certificates is discontinued.

To facilitate subsequent transfers, all Series 2006C 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 2006C 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 2006C Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2006C 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. Beneficial Owners of the Series 2006C Certificates may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2006C Certificates, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2006C Certificates may wish to ascertain that the nominee holding the Series 2006C Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

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 2006C 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 2006C Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

The Trustee will make payments of principal of, premium, if any, and interest on the Series 2006C Certificates to DTC or such other nominee, as may be requested by an authorized representative or DTC, as registered owner of the Series 2006C 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.

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 2006C CERTIFICATES, FOR THE ACCURACY OF RECORDS OF DTC, CEDE & CO. OR ANY DIRECT OR INDIRECT PARTICIPANT WITH RESPECT TO THE SERIES 2006C CERTIFICATES OR THE PROVIDING OF NOTICE OR PAYMENT OF PRINCIPAL, OR INTEREST, OR ANY PREMIUM ON THE SERIES 2006C CERTIFICATES, TO DIRECT OR INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS, OR THE SELECTION OF SERIES 2006C 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 2006C 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 2006C 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 discontinue providing its services as securities depository with respect to the Series 2006C Certificates at any time by giving reasonable notice to the School Board, the Foundation or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2006C 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 2006C Certificates are required to be delivered as described in the Trust Agreement.

Payment of Series 2006C Certificates Upon Discontinuance of Book-Entry Only System. Upon discontinuance of the book-entry only system for the Series 2006C Certificates, the principal portion or Prepayment Price of the Series 2006C 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 2006C Certificates will be payable by check or draft of the Trustee, mailed to the registered owner at the address shown on the Series 2006C 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 2006C 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 2006C CERTIFICATES

General

The Series 2006C Certificates evidence undivided proportionate interests in Basic Lease Payments made by the School Board under the Series 2006C Leases. The Series 2006C Certificates are secured by and payable from the trust estate established for the Series 2006C 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 2006C Leases, 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 2006C Leases, 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 2006C Facilities to the Trustee. Upon termination of the Series 2006C Leases, in the case of an event of non-appropriation or in the case of certain events of default, the Series 2006C-1 Lease provides that the School Board must surrender possession of the Series 2006C-1 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 2006C Certificates, after payment of the expenses of the Trustee (except as provided under "Effect of Termination for Non-Appropriation or Default" herein). The School Board may not be dispossessed of the Series 2006C-2 Facilities or any other personal property financed, in whole or in part, with the proceeds of Certificates. EXCEPT AS PROVIDED UNDER "EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT" HEREIN, 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 SERIES 2006C LEASES - 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 2006C 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 2006C Lease and all other Leases (see "DISTRICT 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 2006C 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. 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 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 FOUNDATION, 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 2006C 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 2006C 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 2006C Lease, the Prior Leases (as described in the Summary Statement) 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 2006C Lease. Upon any such termination of the Lease Term of all Leases, the School Board must surrender all Facilities, including the Series 2006C Facilities (but not the Series 2006C-2 Facilities or such other Facilities specifically excluded under the applicable Leases) to the Trustee for sale or re-letting of the Trustee's interest. Except as provided under "Effect of Termination for Non-Appropriation or Default" herein, the proceeds of any disposition of the Series 2006C Facilities will be applied to the payment of the Series 2006C Certificates. EXCEPT AS PROVIDED UNDER "EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT" HEREIN, IN NO EVENT WILL OWNERS OF THE SERIES 2006C 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 2006C Facilities will produce sufficient amounts to pay the Series 2006C Certificates.

In addition to the Series 2006C Lease, the School Board has previously entered into the Prior Leases. The School Board has caused the Trustee to issue the series of Certificates listed below under "Outstanding Certificates" pursuant to the Prior Leases.

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 SERIES 2006C 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.

Outstanding Certificates

The following is a listing of the series of Certificates (the "Prior 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:

<u>Series of Certificates</u>	<u>Outstanding Principal Amount as of March 1, 2006</u>
Series 1998A Certificates	\$129,940,000
Series 1998C Certificates	168,565,000
Series 2000A Certificates	16,450,000
Series 2000 QZAB Certificates	10,308,817*
Series 2001B Certificates	53,550,000
Series 2001 QZAB Certificates	6,599,538*

Series 2001C Certificates	21,295,000
Series 2002A Certificates	71,715,000
Series 2002B Certificates	71,715,000
Series 2003A Certificates	61,638,332
Series 2003B Certificates	137,780,000
Series 2003C Certificates	13,235,000
Series 2003D Certificates	163,545,000
Series 2003 QZAB Certificates	6,195,345*
Series 2004A Certificates	87,210,000
Series 2005A Certificates	56,380,000
Series 2006A Certificates	201,080,000
Series 2006B Certificates	

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

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 2006C 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.

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 SERIES 2006C 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 2006C 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 2006C Certificates and in connection therewith remove all or a portion of, as the case may be, the Series 2006C Facilities from the Series 2006C Leases and, in the case of the Series 2006C-1 Facilities, from the lien of the Series 2006C Ground Lease by paying the Purchase Option Price for the specific Series 2006C Facilities being purchased or, to the extent permitted by law, by substituting other facilities for the Series 2006C Facilities being acquired. No such partial prepayment of the Series 2006C Certificates which is accomplished by the removal of the specific Series 2006C Facilities from the Series 2006C Leases and, in the case of the Series 2006C-1 Facilities, from the lien of the Series 2006C 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 2006C Leases, as the Remaining Principal Portion of the Purchase Option Price; (ii) minus any credits pursuant to the provisions of the Series 2006C Leases; (iii) plus an amount equal to the interest to accrue with respect to the Series 2006C Certificates to be prepaid as a result of the release of such Series 2006C Facilities from the Series 2006C-1 Lease or the Series 2006C-2 Lease, as the case may be, from such Lease Payment Date to the next available date for prepaying the Series 2006C Certificates; and (iv) plus an amount equal to any other amounts then due and owing under the Series 2006C-1 Lease or the Series 2006C-2 Lease, as the case may be, relating to such Series 2006C Facility, including any prepayment premiums payable on the Series 2006C Certificates prepaid.

Bond Insurance

The scheduled payment of the principal portion and the interest portion of Basic Lease Payments represented by the Series 2006C Certificates when due will be guaranteed under the financial guaranty insurance policy to be issued concurrently with the delivery of the Series 2006C Certificates by _____. See "FINANCIAL GUARANTY INSURANCE" herein.

No Reserve Account for Series 2006C Certificates

THERE IS NO RESERVE ACCOUNT ESTABLISHED FOR THE SERIES 2006C 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.

FINANCIAL GUARANTY INSURANCE

THE INFORMATION IN THIS SECTION CONCERNING THE FINANCIAL GUARANTY 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 financial guaranty insurance policy to be issued with respect to the Series 2006C Certificates. A specimen of the financial guaranty insurance policy is attached as Appendix F hereto.

[INSERT SUMMARY OF FINANCIAL GUARANTY INSURANCE POLICY]

THE MASTER LEASE FACILITIES

The Series 2006C Facilities will be financed under the School Board's existing Master Lease as part of the School Board's master lease purchase program (the "Master Lease Program") with the Foundation. The Facilities financed by the School Board under the Master Lease Program are subject to annual appropriation on an all or none basis. The School Board currently has 62 school facilities and five administrative facilities under the Master Lease representing 14.7% of the District's total square footage of educational facilities. On a per student station basis, approximately 15.5% of the District's total student stations are included in the Master Lease Program (see "RISK FACTORS"). For a complete description of the Facilities under the Master Lease Program see "THE SERIES 2006C FACILITIES" and "THE PRIOR FACILITIES" herein.

Pursuant to the Master Lease, the School Board does not have the ability to stop payment on one Facility or some combination of Facilities only. The School Board's annual appropriation for Basic Lease Payments must be for all Facilities under the Master Lease Program or it must terminate all Facilities under the Master Lease Program (other than certain designated Facilities, including the Series 2006C-2 Facilities). In the event the School Board decides not to appropriate funds in its annual budget for all of such financed Facilities, the School Board would, at the Trustee's option, have to surrender such Facilities (except for certain designated Facilities currently consisting of approximately 25% of the Facilities subject to the Master Lease Program), including the Series 2006C Facilities, to the Trustee for the benefit of the Owners of the Certificates which financed such Facilities.

THE SERIES 2006C FACILITIES

The Series 2006C Facilities consist of the acquisition, construction, installation and equipping of certain educational facilities, sites and equipment, the leasing of the Series 2006C-1 Facility Sites by the School Board to the Foundation pursuant to the Series 2006C Ground Lease and the subleasing of the Series 2006C-1 Facility Sites back to the School Board. The School Board will hold title to all of the Series 2006C-1 Facility Sites. All of the Series 2006C Facilities are located in the District. Under certain conditions set forth in the Series 2006C Leases, the School Board may substitute components for the Series 2006C Facilities. See -- Substitution of Facilities" below. The following is a brief general description of the schools and facilities which comprise the Series 2006C Facilities.

The Series 2006C-1 Facilities

Henry M. Flagler Elementary School Addition: This Project is located at 5222 N.W. First Street, Miami in the East Benefit District. The Project includes the addition of a detached two-story classroom building housing 24 classrooms and related restrooms providing 505 student stations. Project costs include site development, furnishing, and equipping the facility.

Ojus Elementary School Addition: This Project is located at 18600 W. Dixie Highway, North Miami Beach in the East Benefit District. The Project includes the addition of a detached three-story classroom building housing 13 classrooms and related restrooms providing 538 student stations along with a kitchen/ dining area. Project costs include site development, furnishing, and equipping the facility.

Citrus Grove Middle School Addition: This Project is located at 2153 N.W. 3 Street, Miami in the East Benefit District. The Project includes the addition of a detached two-story classroom building housing 24 classrooms and related restrooms providing 711 student stations. Project costs include site development, furnishing, and equipping the facility.

John F. Kennedy Middle School Addition: This Project is located at 1075 N.E. 167 Street, North Miami Beach in the East Benefit District. The Project includes the addition of a detached two-story classroom building housing 13 classrooms and related restrooms providing 466 student stations. Project costs include site development, furnishing, and equipping the facility.

Rockway Middle School Addition: This Project is located at 9393 S.W. 29 Terrace, Westchester in the East Benefit District. The Project includes the addition of a detached three-story classroom building housing 36 classrooms and related restrooms providing 676 student stations. Project costs include site development, furnishing, and equipping the facility.

The Series 2006C-2 Facilities

Kendale Lakes Elementary School Addition: This Project is located at 8000 S.W. 142 Avenue, Kendall in the Southwest Benefit District. The Project includes the addition of a detached one-story classroom building housing 13 classrooms and related restrooms providing 242 student stations. Project costs include site development, furnishing, and equipping the facility.

Caribbean Elementary School Addition: This Project is located at 11990 S.W. 200 Street, Homestead in the Southwest 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.

Zora Neale Hurston Elementary School Addition: This Project is located at 13137 S.W. 26 Street, Kendall in the Southwest 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.

Redland Elementary School Addition: This Project is located at 24501 S.W. 162 Avenue, Homestead in the Southwest Benefit District. The Project includes the addition of a detached one-story classroom building housing 13 classrooms and related restrooms providing 242 student stations. Project costs include site development, furnishing, and equipping the facility.

Estimated Series 2006C Facilities Budget. The following table sets forth the School Board's current estimates of the cost of each of the facilities comprising the Series 2006C Facilities. Actual costs may be greater or less than those shown.

Series 2006C Facilities

Henry M. Flagler Elementary School Addition	\$7,095,460
Ojus Elementary School Addition	9,397,672
Citrus Grove Middle School Addition	10,805,860
John F. Kennedy Middle School Addition	10,800,000
Rockway Middle School Addition	10,804,508
Kendale Lakes Elementary School Addition	1,866,520
Caribbean Elementary School Addition	620,851
Zora Neale Hurston Elementary School Addition	1,689,298
Redland Elementary School Addition	<u>1,823,331</u>
Total	<u>\$54,903,500</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 2006C 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 2006C 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 2006C Facilities for which they are substituted, (c) are of substantially equal usefulness as the Series 2006C 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 2006C Facilities to be replaced will be released from the encumbrance of the Series 2006C Leases and Series 2006C Ground Lease and the facilities to be substituted shall be incorporated into said Series 2006C Leases and Series 2006C 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 2006C 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 2006C 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.

THE PRIOR FACILITIES

The following provides a summarized description of the Facilities (collectively referred to as the "Prior Facilities") being lease-purchased under the Prior Leases and subject to the Master Lease. Under certain conditions set forth in the Master Lease, the School Board may substitute Facilities, modify the plans and specifications therefor or eliminate Facilities.

The Series 1994A Facilities

Jan Mann Opportunity Education Center
Dante B. Fascell Elementary School
Laura C. Saunders/A.L. Lewis Elementary School
Henry S. Reeves Elementary School
John I. Smith Elementary School
Zora Neale Hurston Elementary School
Paul W. Bell Middle School
Coral Reef Senior High School
Jeff Building School Board Administration Complex

The Series 1996A Facilities

Charles R. Hadley Elementary School
Greynolds Park Elementary School
Hialeah Gardens Elementary School
Kensington Park Elementary School
Buena Vista Elementary School
Santa Clara Elementary School
Edward L. Whigham Elementary School
Charles David Wyche, Jr. Elementary School
Maintenance Operations/Maintenance Materials Management Warehouse

The Series 1996B Facilities

Bowman Foster Ashe Elementary School
Dr. Gilbert L. Porter Elementary School
Ernest R. Graham Elementary School
Jack D. Gordon Community Elementary School
W.J. Bryan Elementary School
Ada Merritt Elementary School
Caribbean Elementary School
Linda Lentin Elementary School
Dr. Michael M. Krop Senior High School
Lindsey Hopkins (Garage) Technical Education Center

The Series 1998B Facilities

Miami Lakes Educational Center

Booker T. Washington Senior High School

The Series 2000A Facilities

David Lawrence, Jr. K-8 Facility
Hubert O. Sibley Elementary School
Bob Graham Education Center (also a Series 2001C Facility)
Felix Varela Senior High School (also a Series 2003D Facility)

The Series 2001A & B Facilities

Miami Palmetto Senior High School
Miami Coral Park Senior High School
John A. Ferguson Senior High School
Ana B. Meyers Telecommunication Center (WLRN)
Transportation Center Central West

The Series 2001C Facilities

Key Biscayne Elementary School
State School "WWW" (also a Series 2005A Facility)

The Series 2002A & B Facilities

South Miami Senior High School
Ronald W. Reagan/Doral Senior High School

The Series 2003D Facilities

Redland Middle School
Calusa Elementary School
Greenglade Elementary School
Southwood Middle School
Miami Norland Senior High School
Avocado Elementary School
Eugenia B. Thomas Elementary School
Irving & Beatrice Peskoe Elementary School
Natural Bridge Elementary School
Redondo Elementary School
Barbara Goleman Senior High School
Hialeah-Miami Lakes Senior High School
Crestview Elementary School
Flamingo Elementary School
Southwest Miami Senior High School
Miami Killian Senior High School
Meadowlane Elementary School
Miami Jackson Senior High School

The Series 2005A Facilities

Pine Villa Elementary School
Coral Way Elementary School
Frank Crawford Martin Elementary School
Miami Beach Senior High School

The Series 2006A Facilities

South Dade Senior High School Replacement/State School CCC-1
Palm Lakes Elementary School Addition
Coral Reef Senior High School Addition
Miami Palmetto Senior High School Addition
Pinecrest Elementary School Addition
Winston Park Elementary School Conversion to K-8 Facility

The Series 2006B Facilities

South Hialeah Elementary School Addition
South Miami Elementary School Conversion to K-8 Facility
Early Childhood Center 1
Early Childhood Center 2 at Marjory Stoneman Douglas Elementary School
Early Childhood Center 3
Chapman, Naranja, Redland Relief Elementary School/SS A1
Joella Good, C.D. Wyche, Palm Springs North Relief Elementary School/SS U1
E.R. Graham, Ben Sheppard Relief Elementary School/SS V1
Ponce de Leon Middle School Restoration and Renovations

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2006C Certificates, exclusive of accrued interest, shall be applied as follows:

Sources of Funds:

Par Amount of Series 2006C Certificates	\$
Plus: Net Original Issue Premium	
 Total Sources of Funds	 \$

Uses of Funds:

Deposit to Series 2006C Acquisition Account	\$
Costs of Issuance ⁽¹⁾	
Underwriters' Discount	
 Total Uses of Funds	 \$

⁽¹⁾ Includes financial guaranty insurance premium, counsel fees and other costs of issuance.

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SERIES 2006C CERTIFICATE PAYMENT SCHEDULE

Payment requirements on the Series 2006C Certificates are as follows:

<u>Period Ended</u>	<u>Principal Amount</u>	<u>Interest Portion</u>	<u>Period Total</u>
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AGGREGATE PAYMENTS ON OUTSTANDING CERTIFICATES OF PARTICIPATION

[TO BE UPDATED]

The aggregate annual lease payment requirements on the District's outstanding Series 1998A Certificates, Series 1998C Certificates, Series 2000A 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, the Series 2005A Certificates, the Series 2006A Certificates and the Series 2006B Certificates are set forth below.

Fiscal Year Ending June 30	Series 1998A Certificates	Series 1998C Certificates	Series 2000A Certificates ⁽¹⁾	Series 2000 QZAB Certificates ⁽¹⁾	Series 2001 QZAB Certificates ⁽¹⁾	Series 2001B Certificates ⁽¹⁾	Series 2001C Certificates ⁽¹⁾	Series 2002A and 2002B Certificates ⁽¹⁾	Series 2003A and 2003B Certificates ⁽¹⁾	Series 2003C Certificates	Series 2003D Certificates ⁽¹⁾	Series 2003 QZAB Certificates ⁽¹⁾	Series 2004A Certificates ⁽¹⁾	Series 2005A Certificates ⁽¹⁾	Series 2006C and 2006B Certificates	Total
2006	\$7,091,295	\$23,586,446	\$4,557,839	\$1,472,688	\$733,282	\$3,747,041	\$2,494,450	\$10,715,522	\$13,184,700	\$4,797,850	\$7,862,166	\$476,565	\$4,013,138	\$8,533,214		\$72,492,464
2007	7,094,760	23,427,371	4,544,178	1,472,688	733,282	3,744,338	2,494,743	10,715,267	12,101,000	4,776,250	7,931,466	476,565	4,013,138	13,582,925		
2008	16,783,750	12,371,473	4,577,741	1,472,688	733,282	3,743,893	2,493,130	10,713,592	11,911,450	4,731,000	9,543,766	476,565	4,250,438	4,962,925		
2009	16,783,750	11,258,240	4,545,257	1,472,688	733,282	3,512,882	2,497,280	10,718,589	12,951,875	4,740,625	9,815,410	476,565	4,588,888	4,879,050		
2010	16,789,145	11,282,731	4,521,393	1,472,688	733,282	3,992,976	2,495,605	10,715,671	11,724,775		15,004,579	476,565	4,585,963	4,711,550		
2011	16,789,188	11,273,936		1,472,688	733,282	3,515,862	2,494,093	10,712,949	11,719,275		7,903,556	476,565	9,144,750	4,555,800		
2012	16,784,975	11,276,581		1,472,688	733,282	3,978,623	2,496,768	10,714,528	11,422,175		7,732,134	476,565	9,135,425	3,117,000		
2013	16,780,356	11,275,819		1,472,688	733,282	3,732,174	986,461	10,715,021	11,431,150		7,988,334	476,565	10,656,513	3,098,625		
2014	16,788,563	11,277,375		1,472,688	733,282	3,740,040	653,390	10,714,342	11,445,600		9,461,440	476,565	10,980,150	2,996,625		
2015	2,375,873	11,570,375		1,472,688	733,282	3,735,833	1,316,525	10,713,223	12,871,300		22,460,173	476,565	10,306,269	2,894,625		
2016	2,381,870	11,568,375		1,472,688	733,282	3,745,673	565,550	10,713,456	12,885,338		15,574,861	476,565	11,038,638	4,097,625		
2017	2,377,125	11,568,375		1,472,688	733,282	3,748,369	463,250	10,712,685	12,910,188		15,567,099	476,565	11,103,344	4,014,000		
2018	2,377,125	16,806,750		1,472,688	733,282	3,561,390	463,250	10,715,519	12,183,450		11,253,561	476,565	11,092,063	3,846,750		
2019	9,279,623	9,892,625		1,472,688	733,282	3,914,143	463,250	10,715,258	12,225,300		10,860,774	476,565	11,080,188	3,679,500		
2020	9,261,000	9,889,375		1,472,688	733,282	3,573,494	3,324,875	10,718,276	12,261,825		11,198,839	476,565	8,208,450	3,512,250		
2021	1,556,750	17,613,625		1,472,688	733,282	3,486,258	3,324,875	10,713,112	12,278,463		10,877,204	476,565				
2022	1,540,500	17,599,750		1,472,688	733,282	3,729,999	3,324,875	10,715,739	12,349,975		19,195,579	476,565				
2023	1,538,875	17,579,875		1,472,688	733,282	3,715,066	3,324,875	10,712,701	12,373,975		6,368,099	476,565				
2024	1,537,000	17,576,875		1,472,688	733,282	3,729,069	3,324,875	10,711,475	12,373,975		6,359,897	476,565				
2025	1,539,750	17,576,875		1,472,688	733,282	3,630,363	3,324,875	10,713,140	12,416,163		6,412,250	476,565				
2026	10,468,125	1,276,125		1,472,688	733,282	3,873,385	3,324,875	10,713,017	19,765,725		6,238,125	476,565				
2027	18,865,125			1,472,688	733,282	3,648,131	3,324,875	10,714,478	12,714,028		6,335,375	476,565				
2028				1,472,688	733,282	3,789,020	3,324,875	10,714,478	31,535,788		30,085,500	476,565				
2029				1,472,688	733,282	3,729,165	3,324,875	8,974,725	8,974,725		30,085,250	476,565				
2030				1,472,688	733,282	3,720,082	3,324,875	10,712,678	8,972,100		30,078,625	476,565				
2031				1,472,688	733,282	3,728,339	3,324,875		8,988,375			476,565				
2032				1,472,688	733,282							476,565				
Total	\$196,781,345	\$289,017,130	\$22,706,407	\$11,781,505	\$7,332,820	\$87,156,579	\$32,353,089	\$246,430,236	\$335,889,000	\$19,045,275	\$298,212,061	\$6,671,910	\$132,381,956	\$72,492,464		

(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 2006C Leases, the School Board has previously entered into the Prior Leases for the financing of various educational facilities. In connection with the Leases, there are outstanding as of _____ 1, 2006 \$ _____ aggregate principal amount of Certificates (as adjusted to reflect net sinking fund payments due on the Series 2000, 2001, and the 2003 QZAB Certificates). See "SECURITY FOR THE SERIES 2006C CERTIFICATES — Additional Leases" and "— Additional Certificates" and "—Outstanding Certificates" and "THE MASTER LEASE FACILITIES" herein.

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 2006C Leases or any other Leases.

THE SERIES 2006C LEASES

The following is a brief summary of certain provisions of the Series 2006C Leases, 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 2006C Leases are 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.

Terms of Leases

Under the Series 2006C-1 Lease, the Foundation leases to the School Board the Series 2006C-1 Facilities. The Series 2006C-1 Lease has an original Lease Term commencing on the date of delivery of the Series 2006C Certificates through and including June 30, 2006, and is automatically renewable annually thereafter through October 1, 2031, unless sooner terminated in accordance with the provisions of the Series 2006C-1 Lease.

Under the Series 2006C-2 Lease, the Foundation leases to the School Board the Series 2006C-2 Facilities. The Series 2006C-2 Lease has an original Lease Term commencing on the date of delivery of the Series 2006C Certificates through and including June 30, 2006, and is automatically renewable annually thereafter through October 1, 2021, unless sooner terminated in accordance with the provisions of the Series 2006C-2 Lease.

Termination of Lease Term

The Lease Term of each Lease, including the Series 2006C Leases, 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 2006C Leases for a reason referred to in (b) or (c) under “THE SERIES 2006C LEASES - Termination of Lease Term” above, the School Board is required to immediately surrender and deliver possession of all of the Series 2006C-1 Facilities financed under the Series 2006C-1 Lease to the Trustee. Upon such surrender, the Trustee will sell or re-let its interest in the Series 2006C-1 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 2006C-1 Facilities will be applied first to the payment in full of the Series 2006C Certificates and then as described in the Series 2006C-1 Lease. 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 2006C-1 Facilities to the Trustee, See “APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Master Lease Purchase Agreement.”

The Series 2006C-2 Facilities to be financed are comprised of personal property. UNDER THE SERIES 2006C LEASES, THE SCHOOL BOARD MAY NOT BE DISPOSSESSED OF THE SERIES 2006C-2 FACILITIES OR ANY OTHER PERSONAL PROPERTY FINANCED, IN WHOLE OR IN PART WITH THE PROCEEDS OF THE SERIES 2006C CERTIFICATES. For a discussion of the remedies available to the Trustee following an event of default or an Event of Non-Appropriation under the Series 2006C-2 Lease, See “APPENDIX C - FORMS OF CERTAIN LEGAL DOCUMENTS - Master Lease Purchase Agreement.”

There can be no assurance that the remedies available to the Trustee upon any termination of the Lease Term of the Series 2006C Leases for non-appropriation or default and the disposition of the Series 2006C Facilities will produce sufficient amounts to pay the outstanding Series 2006C Certificates. The federal income tax status of payments made to Series 2006C Certificate holders after such termination may also be adversely affected. See “TAX TREATMENT.” Further, after such termination of the Lease Term of the Series 2006C Leases, transfer of the Series 2006C 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 2006C Certificates will not be impaired following termination of the Lease Term of the Series 2006C Leases.

Lease Payments

Subject to the conditions stated in the Series 2006C Leases, the School Board has expressed its current intent to make all Lease Payments due under the Series 2006C Leases. PROVIDED, HOWEVER, THAT NEITHER THE SCHOOL BOARD, THE DISTRICT, THE FOUNDATION, 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 2006C LEASES 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 2006C Leases 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 (15th) day of the month immediately preceding an interest or principal payment date on the Series 2006C 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 2006C Certificates.

Lease Payments due under the Series 2006C Leases 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 2006C Leases; 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 2006C-1 Lease or the Series 2006C-2 Lease, as applicable, 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 2006C Leases to be applied to Basic Lease Payments under the Series 2006C Leases or the Prepayment Price of the Series 2006C Certificates.

Lease Covenants

Under the Series 2006C Leases, the School Board is responsible for the acquisition, construction, installation and equipping of the Series 2006C 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 2006C Facilities. In the Series 2006C Leases, the School Board covenants that it will (i) maintain the Series 2006C 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 2006C Leases.

Budget and Appropriation

The cost and expense of the performance by the School Board of its obligations under the Series 2006C Leases 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 2006C Leases.

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 2006C Leases, 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 2006C Leases 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 2006C Leases 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 2006C Leases, see "THE SERIES 2006C LEASES - 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 2006C Assignment, the Foundation will assign and convey to the Trustee for the benefit of the Series 2006C Certificate holders all of the Foundation's right, title and interest, (i) as lessee of the Series 2006C-1 Facility Sites under the Series 2006C Ground Lease, (ii) as lessor of the Series 2006C-1 Facilities under the Series 2006C-1 Lease and (iii) as lessor of the Series 2006C-2 Facilities under the Series 2006C-2 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 2006C Leases.

Pursuant to the Prior Leases entered into under the Master Lease, the Foundation leases to the School Board certain educational Facilities. See "THE MASTER LEASE PROGRAM" and "MASTER LEASE FACILITIES" 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, Florida. 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, 2005, the District consisted of 356 schools and vocational/technical centers, approximately 361,550 students and approximately 48,000 full and part-time employees, including over 22,000 full-time teachers and approximately 4,500 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:

AGUSTIN J. BARRERA, CHAIR, 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. In November 2005 Mr. Barrera was chosen by his colleagues to serve as Chairman of the School Board. He has been a member of the The Kiwanis Club of Little Havana since 1994 and has served on its Board of Directors from 1996-2000 and as President from 2001-2003. Mr. Barrera was involved with Front Porch Florida from 2000-2002, a program established by Governor Jeb Bush. This program focuses on the family and empowers the resident of the designated Front Porch community to define and resolve neighborhood problems. From 2001 to 2002 he served as Chair for the Riverside Community Council Education Committee and a member of the Miami-Dade County Public Schools Overcrowding Task Force. Mr. Barrera received his Associates Degree from Miami-Dade Community College and his Bachelor of Design from the College of Architecture at the University of Florida. He is currently Director of Operations at Leo A. Daly, Architecture*Planning*Engineering*Interiors. His term expires in November 2006.

PERLA TABARES HANTMAN, VICE CHAIR, 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.

FRANK J. BOLAÑOS, MEMBER, 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. Bolaños 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.

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.

DR. ROBERT B. INGRAM, MEMBER, 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 Assistant to the President for Urban Affairs at Florida Memorial University. 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.

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.

SILVIA R. ROJAS, TREASURER, was appointed Treasurer in September 2005 and assumed her position on September 8, 2005. Her current responsibilities include the District's investments management, cash management, debt management and check distribution. Ms. Rojas joined the District in 1984 with the Office of Management and Compliance Audits. She received a Bachelors of Business Administration from Florida International University in 1983. Ms. Rojas became a Certified Public Accountant in 1986 and a Certified Government Finance Officer in 1996. She is a member of the Government Finance Officers Association, participated in the Nominating Committee for the Florida Government Finance Officers Association and is also a member of the Association of Financial Professionals.

Personnel, Teacher Salaries and Student Enrollment

As of June 30, 2005, the District had approximately 48,000 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, 2004 to June 30, 2007 and provides for a unit average increase of 5% for each of the three years. The DCSMEC contract is effective October 1, 2002 to June 30, 2006. All of the union contracts, with the exception of FOP which has a three year successor contract, had wage reopener provisions for fiscal year 2004-2005 with notice by April 1, 2004. The reopener provision was exercised by each of the bargaining agents. Each of the four union contracts (UTD, AFSCME, DCSAA, and DCSMEC) has been ratified and approved by the School Board for the 2004-2005 reopener. These four union contracts contain wage and health insurance reopener provisions for the 2005-2006 fiscal year. Under Florida law, public employees are not permitted to strike.

SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA

**NUMBER OF PERSONNEL
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	(1) INSTRUCTIONAL	(2) ADMINISTRATIVE	OTHER INSTRUCTIONAL	(3) OTHER NON- INSTRUCTIONAL	(4) PART-TIME HOURLY	TOTAL
2005	22,570	1,993	2,457	10,643	10,754	48,417
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

- (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 NonInstructional), Consultants, Supervisors of Instruction, Principals, Assistant Principals, Community School Coordinators and Other Professional/Technical and NonInstructional Staff.
- (3) Teacher's Aides.
- (4) Technicians, Investigators, Patrol Officers, Clerical and Secretarial Staff, Service Workers (including fulltime Food Service Workers) and skilled Crafters and Laborers.

SOURCE: The School Board of MiamiDade 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>
2005	\$33,275	\$68,325	\$45,873
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

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⁽¹⁾**

Fiscal Year Ended <u>June 30,</u>	Miami-Dade County <u>Population⁽²⁾</u>	School <u>Enrollment</u>
2005	2,402,105	361,550
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

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

⁽²⁾ 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 2005 – Status

On June 30, 2005, the District concluded its 2005 fiscal year. The District's ending General Fund balance as of June 30, 2005 was \$222,067,000. The District prepared its final 2005 fiscal year budget which was presented and adopted at a public hearing held on September 7, 2005. 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. Pursuant to Florida law, the District's financial operations are subject to audit by independent auditors two out of every three years. The Auditor General of the State of Florida audits the District's financial statements one out of every three years. The District retained the independent accounting firm of Ernst & Young LLP to audit its financial operations for the fiscal year ended June 30, 2005. A copy of the General Purpose Financial Statements of the School Board for the fiscal year ended June 30, 2005 is presented as "APPENDIX B – BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA for THE FISCAL YEAR ENDED JUNE 30, 2005 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, 2005 AND INDEPENDENT AUDITORS’ REPORT” herein.)

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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, 2001 through 2005:

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>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Local Sources:					
Ad valorem taxes	\$1,230,305	\$1,129,023	\$1,030,705	\$ 961,591	\$ 903,884
Food Service Sales	35,957	34,988	34,627	32,294	30,383
Interest Income and Other	29,519	16,865	20,071	29,874	46,721
Net increase (decrease) on fair value of investments	(336)	(1,715)			
Local Grants and Other	<u>135,561</u>	<u>114,079</u>	<u>84,743</u>	<u>87,206</u>	<u>74,155</u>
Total Local Sources	<u>1,431,006</u>	<u>1,293,240</u>	<u>1,170,146</u>	<u>1,110,965</u>	<u>1,055,143</u>
State Sources:					
Florida Education					
Finance Program	1,045,087	1,122,153	1,129,605	1,097,551	1,266,189
Public Education Capital Outlay	55,096	60,357	11,980	18,483	38,167
Food Services	2,780	2,878	2,919	2,907	2,763
State Grants & Other	<u>439,798</u>	<u>317,165</u>	<u>254,305</u>	<u>301,175</u>	<u>216,056</u>
Total State Sources	<u>1,542,761</u>	<u>1,502,553</u>	<u>1,398,809</u>	<u>1,420,116</u>	<u>1,523,175</u>
Federal Sources:					
Federal Grants	319,326	297,373	253,598	205,563	189,077
Food Services	<u>89,883</u>	<u>86,287</u>	<u>87,109</u>	<u>83,451</u>	<u>79,073</u>
Total Federal Sources	<u>409,209</u>	<u>383,660</u>	<u>340,707</u>	<u>289,014</u>	<u>268,150</u>
TOTAL REVENUES	<u>\$3,382,976</u>	<u>\$3,179,453</u>	<u>\$2,909,662</u>	<u>\$2,820,095</u>	<u>\$2,846,468</u>
 <u>EXPENDITURES</u>					
Instructional Services	\$1,700,122	\$1,579,017	\$1,546,728	\$1,516,386	\$1,473,241
Instructional Support Services	284,079	276,043	253,048	244,385	239,802
Pupil Transportation Services	84,955	78,350	78,472	80,728	79,136
Plant Operation and Maintenance	345,533	323,947	293,190	299,229	302,099
School Administration	160,925	154,725	147,183	145,542	142,464
General Administration	114,920	99,977	102,057	100,136	95,488
Food Services	142,133	130,872	123,704	120,829	113,531
Capital Outlay	395,790	282,003	271,590	303,739	362,538
Debt Service	209,323	358,743	168,166	161,837	144,337
Other	<u>38,781</u>	<u>36,689</u>	<u>34,230</u>	<u>37,340</u>	<u>36,209</u>
TOTAL EXPENDITURES	<u>\$3,476,561</u>	<u>\$3,320,456</u>	<u>\$3,018,368</u>	<u>\$3,010,151</u>	<u>\$2,988,845</u>

SOURCE: The School Board of Miami-Dade County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2005.

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 of coverage as a coinsurer, based on restrictions in available capacity within the carrier's Florida catastrophic aggregate limits. The District's maximum coinsurance liability is (i) \$8,250,000 in the case of a loss in excess of \$350 million but less than \$400 million; (ii) \$11,250,000 in the case of a loss in excess of \$400 million but less than \$500 million, and (iii) \$51,000,000 in the case of a loss in excess of \$500 million.

The District sustained minor damage from Hurricane Katrina, which came across South Florida in late August 2005, resulting mostly in vegetative damage and debris. Currently FEMA applications have been filed for Hurricane Katrina for approximately \$1.5 million, the bulk of which is attributable to debris removal. There are not filed property insurance claims for Hurricane Katrina, as all physical damage to facilities was under the 3% per location deductible.

Losses from Hurricane Wilma were relatively minor in nature, except in a few locations where roofs were damaged, resulting in interior damage and damage to furniture, fixtures and equipment. Total losses for the District are expected to be between \$35 - \$40 million, including debris removal, roofing damage, interior water damage, furniture, fixtures and equipment and food spoilage. The District expects to receive insurance reimbursements of approximately \$2 - \$2.5 million, based upon insured losses in excess of its windstorm deductible of 3% per location. FEMA applications are currently being filed for all eligible reimbursements, with the federal government expected to pay 75% of uninsured losses and the State of Florida matching 12.5% of such losses, leaving the District to absorb the balance of the 12.5%.

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 2004-2005 were \$1,045,087,000. The projected FEFP revenues for fiscal year 2005-2006 are \$975,662,000.

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 Class Size Reduction, Instructional Materials, Instructional Technology and Transportation. Allocations for these categorical appropriations are based on funding formulae and discretionary State

Department of Education grants. The Class Size Reduction program was created in order to implement two amendments to the Florida Constitution approved by the voters of the State of Florida. See "RECENT CHANGES AFFECTING DISTRICT REVENUES – Constitutional Amendments". The majority of funds available from these programs 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 a maximum of \$50 per full-time equivalent student. For districts that cannot raise \$50 per student from the .25 mills, the State will provide the difference. The 2005 State Legislature modified the \$50 limit to a maximum of \$100 per student. 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 \$20,419,000 in fiscal year 2004-2005. The amount projected to be received during the 2005-2006 fiscal year is approximately \$16,987,400. In addition to these revenues, the District receives federal food services and federal grants for specific contracted programs. Total revenues of \$409,209,000 were received from federal sources in fiscal year 2004-2005.

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 \$23,562,902 were allocated to the District for fiscal year 2004-2005. Funding in the amount of \$33,236,755 has been allocated to the District for fiscal year 2005-2006.

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, 2005, the District has been allocated \$50,866,390 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.

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 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, 2004 totaled \$3,088,360; and, as of June 30, 2005, amounts withheld and in the custody of the State totaled \$2,994,938.

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 2006C Certificates, as well as any other certificates of participation issued in connection with the Master Lease. Notwithstanding the foregoing, the District intends to fund lease payments in respect of the Series 2006C Certificates from Educational Facilities Impact Fee Revenues. 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 2006C 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 2004-2005 and has assessed such 2.0 mills levy in each of the past ten years with the exception of the 1997-1998 fiscal year in which 1.996 mills were levied.

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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 2000 QZAB, Series 2001 QZAB, Series 2001B, Series 2001C, Series 2002A, Series 2002B, Series 2003A, B, C and D, Series 2003 QZAB, Series 2004A, Series 2005A, Series 2006A, Series 2006B and Series 2006C Certificates, assuming a 95% collection of the taxes levied:

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

	<u>Fiscal Year 2005-2006</u>
Net Taxable Assessed Valuation	\$176,379,532,040 ⁽¹⁾
Funds Generated from 1 Mill Levy	\$167,560,555 ⁽²⁾
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, Series 2005A, Series 2006A, Series 2006B and Series 2006C Certificates ^{(3), (4), (5), (6)}	\$ _____
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, Series 2005, Series 2006A, Series 2006B and Series 2006C Certificates ^{(3), (4), (5), (6)}	_____ mills

- (1) Based on Miami-Dade County's certified roll for January 1, 2005. The basis of assessed value is approximately one hundred percent (100%) of actual value.
- (2) Calculated using 95% of the net taxable assessed valuation for January 1, 2005.
- (3) The Series 2000A Certificates, Series 2001C Certificates, Series 2004A Certificates, Series 2005A Certificates and the Series 2006C 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 2006C 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.

As of March 1, 2006, there are \$503,645,000 of the District's general obligation bonds outstanding.

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 Series 2006C Facilities will be located in the East 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, and that such Educational Facilities Impact Fee Revenues will be used only to fund additional facilities and capital assets necessitated by the impacts of new development that could not otherwise have 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.

On June 16, 2004, and on February 16, 2005 the School Board approved an Interlocal Agreement among the School Board, the County, and the City of Homestead, for the establishment of an Educational Facilities Benefit District (Homestead EFBD) by County ordinance, as authorized under Section 1013.355, Florida Statutes. The initial K-8 school within the EFBD will be funded and permanently financed entirely by the District from its 2 mill capital levy. Two additional schools will be funded and financed directly by the EFBD, and secured by, among other sources, Educational Facilities Impact Fee Revenues collected within the Homestead EFBD. The Homestead EFBD is governed by a seven member board comprised of: three

members appointed by the School Board, one member from the County, one member from the City of Homestead, and two members appointed by the landowners.

[UPDATE]

Recent Developments. In 2004 the Florida Legislature enacted Section 1002.33(f), Florida Statutes, authorizing counties to enter into agreements with owners of property designated for new residential development allocating some or all of the educational impact fees required to be paid in connection with such residential development for the construction of charter school facilities designed to mitigate the impact of the need for new student stations. On June 7, 2005 the Miami-Dade County Commission directed the County Manager to assess the recent statute and consider the possible creation of a mechanism for designating certain educational facilities impact fees to be utilized to pay for charter schools within new developments. The Manager is to report back to the Commission upon completion of his study. No timetable was given for completion of such study. In the opinion of the School Board, implementation of the statute would require amendment of the Educational Facilities Impact Fee Ordinance, and the Educational Facilities Impact Fee Interlocal Agreement. The School Board does not expect the County's action to impact the availability of Educational Facilities Impact Fee Revenues to make Basic Lease Payments on any of the Outstanding Leases, including the Series 2006C Lease. However, it is impossible to predict at this time the impact of the County's action on the availability of Educational Facilities Impact Fee Revenues to make Basic Lease Payments on any future Leases.

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 2006C Leases or any other Leases. See "SECURITY FOR THE SERIES 2006C CERTIFICATES - Additional Leases" herein.

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]

Fiscal Year ended <u>June 30</u>	<u>Educational Facilities Impact Fee Revenues</u>			
	<u>East Benefit District</u>	<u>Northwest Benefit District</u>	<u>Southwest Benefit District</u>	<u>Total</u>
2005	\$	\$	\$	\$
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

There can be no assurance that Educational Facilities Impact Fee Revenues will be available to the School Board in the future. See, for example, the description of Section 1002.33(f), Florida Statutes, under "*Recent Developments*" above. 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.

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
 ASSESSED VALUE OF TAXABLE PROPERTY (IN THOUSANDS)
 LAST TEN FISCAL YEARS**

Fiscal Year Ended <u>June 30,</u>	Real Property Assessed <u>Value</u>	Personal Property Assessed <u>Value</u>	Real & Personal Property <u>Exemptions</u>	Net Assessed Property <u>Value(1)</u>
2005	\$163,469,000	\$14,066,893	\$32,544,925	\$144,990,968
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

(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</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>
2005	\$889,599	\$87,207	\$292,151	\$1,268,957	\$1,230,305	97.0%
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

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 1996 through 2005:

<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⁽²⁾</u>
2005	6.090	0.597	2.00	8.687	5.94	.74	15.37
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

(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 June 30,	<u>Principal</u>	<u>Interest</u>	Total Debt Service Expenditures ⁽¹⁾	Total Governmental Funds Expenditures	Ratio Of Debt Service Expenditures To Total Governmental Funds Expenditures
2005	\$95,970	\$36,788	\$132,758	\$3,476,561	3.82
2004 ⁽²⁾	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

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

(2) 2004 figures reflect remarketing of \$189,940,000 principal amount of the District's general obligation bonds, Series 1993, 1994 and 1994A.

*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^{(1)*}**

Factors:	
Assessed Valuation ⁽²⁾	\$177,535,893,000
Net Taxable Assessed Valuation	144,990,968,000
Miami-Dade County Florida ("County") Debt Net of Reserves (as of September 30, 2003)	
General Obligation	\$ 221,553,560
Special Obligation ⁽³⁾	<u>1,150,289,001</u>
Combined Direct Debt (as of September 30, 2003)	<u>\$1,371,842,561</u>
Overlapping Debt, Net of Reserves ⁽⁴⁾	
General Obligation	\$ 995,215,220
Special Obligation ⁽⁵⁾	<u>496,779,218</u>
Combined Overlapping Debt	<u>\$1,491,994,438</u>
Population of Miami-Dade County (estimated 2005)	2,402,105
Assessed Valuation Per Capita	\$ 73,908
Net Taxable Assessed Valuation Per Capita	\$ 60,360
Debt Ratios:	
Net Direct County General Obligation Debt as a percent of Net Taxable Assessed Valuation	0.15%
Net Direct County and Overlapping General Obligation Debt as a percent of Net Taxable Assessed Valuation	0.84%
Net Direct County General Obligation Debt per Capita	\$ 92
Net Direct County General and Special Obligation Debt per Capita	\$ 571
Net Direct County and Overlapping General Obligation Debt per Capita	\$ 507
Net Direct County and Overlapping General Obligation and Special Obligation Debt per Capita	\$ 1,192

- (1) Most recent data available for Miami-Dade County and municipalities within Miami-Dade County is as of September 30, 2004.
 - (2) Projected assessed valuation as of January, 2004 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, 2004 and District bonded debt as of June 30, 2003.
 - (5) Special obligation debt does not include the District's outstanding Certificates of Participation.
- *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 June 28, 2005, the School Board issued \$55,000,000 of its Revenue Anticipation Notes, Series 2005 (the "2005 RANs"). Such 2005 RANs bear interest at 4.00% and mature on June 27, 2006.

On July 21, 2005, the School Board issued \$105,000,000 of its Tax Anticipation Notes, Series 2005 (the "2005 TANs"). Such 2005 TANs bear interest at 4.00% and mature on June 27, 2006.

THE CAPITAL IMPROVEMENT PROGRAM

Overview of the Program

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, 2005, the student population in grades Pre-K through 12 increased from 254,235 to about 361,550 students, an approximately 4% average annual overall increase.

The current Plan includes system expansion of 69,097 additional student stations, which will require the purchase and preparation of 18 sites, the building of 42 new school facilities, and 31 additions, including six conversions of elementary schools to K-8 centers. Five year needs for existing facilities, as well as educational enhancements are also included in the Plan. Existing facilities needs include 18 full or partial school replacements, remodeling/renovations at 216 campuses, and general improvements/stabilization projects at 307 facilities.

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, \$503,645,000 of which remain outstanding as of March 1, 2006. See "APPENDIX B – BASIC FINANCIAL STATEMENTS OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA FOR FISCAL YEAR ENDED JUNE 30, 2005 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 2002 to fiscal year 2005 and estimates for the 2006 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

Expenditure Category	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	Budgeted <u>2006*</u>
Site and Site Improvements	\$3,935	\$7,962	\$32,457	\$27,961	\$49,580
Buildings	150,896	117,389	78,643	199,792	1,025,912
Remodeling	58,007	66,655	72,680	81,298	436,973
Equipment	19,841	12,816	12,949	15,313	102,482
Motor Vehicles & Buses	12,531	10,327	10,134	14	25,574
Library Books/AV Equip	2,858	1,067	3,663	4,598	21,091
Transfers to Gen. Fund	115,286	107,141	122,047	127,292	129,033
Transfers to Debt Service	64,232	65,255	259,834	110,869	93,266
Int. Payments on RANs/Dues & Fees	-	3,633	1,475	1,040	1,347
Ending Balances	565,654	775,197	787,250	782,546	0
Reserves/Contingency	-0-	-0-	0	-0-	1,290
Year Total	\$993,240	\$1,167,442	\$1,381,132	\$1,350,723	\$1,886,548
Revenue Sources					
GO Bond & Remarketing Proceeds	\$-0-	\$-0-	\$213,087	\$37,196	\$-0-
Public Education					
Capital Outlay (PECO)	19,743	11,979	60,357	55,096	33,237
Classrooms First Program	-0-	-0-	-0	-0-	
State Revenue		-0-			
SIT Awards (School Infrastructure Thrift)	-0-	-0-	-0	-0-	
Effort Index Grants	8,843	-0-	10,706	-0-	20,473
K-3 & K-12 Class Size Reduction	-0-	-0-	4,556	42,139	9,425
Proceeds Local Option					
Capital Outlay Millage	201,411	220,819	245,943	281,030	335,121
State Capital Outlay & Debt Service	1,989	1,873	1,693	1,738	1,500
Impact Fees	29,296	27,860	44,074	63,501	45,554
SBE Bond Sale	1,933	-0-	1,269	5,068	0
Master Lease COPs	-0-	326,977	-0	-0-	466,125
RANs	43,215	-0-	0	-0-	100,000
Impact Fee COPs	-0-	-0-	0	58,291	54,904
Qualified Zone Academy Bonds	-0-	-0-	9,744	-0-	2,599
Other	2,376	1,825	5,964	2,438	9,290
Interest on Investments	15,719	10,455	8,542	16,976	25,774
Beginning Balance	668,715	565,654	775,197	787,250	782,546
Year Total	\$993,240	\$1,167,442	\$1,381,132	\$1,350,723	\$1,886,548

* Budgeted as of February 15, 2006

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 - 3rd 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. In 2004-05, the District-wide class size averages were 24.03 (Pre-K through grade 3), 24.96 (grades 4 through 8) and 24.96 (grades 9-12). The 9-12 District-wide average meets the Class Size Legislation mandate but the District does not meet the school level or individual class size maximum. 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. There can be no assurance that 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.

In furtherance thereof, Section 411.012, Florida Statutes, created a voluntary universal pre-kindergarten education program for four-year olds within the Agency for Workforce Innovation and directed the State Board of Education to conduct a study and make recommendations for this education program regarding curriculum and standards, quality of instruction, delivery system, assessment and evaluation, funding and best practices.

During the 2004-A special session, the Florida Legislature passed House Bill 1-A, codified in Part V of Chapter 1002, Florida Statutes, which creates a statewide Voluntary Pre-kindergarten Education Program. House Bill 1-A, as codified in Part V, Chapter 1002, Florida Statutes is referred to herein as the "Pre-K Legislation." Among other things, the Pre-K Legislation provides eligibility and enrollment requirements, authorizes parents to enroll their children in a school-year pre-kindergarten ("Pre-K") program delivered by a private Pre-K provider, a summer program delivered by a public school or

private Pre-K provider or, if offered in a school district that meets class-size reduction requirements, a school year Pre-K program delivered by a public school. The Pre-K Legislation also requires school districts to deliver summer Pre-K programs and permits school districts to deliver school-year Pre-K programs. Additionally, the Pre-K Legislation appropriates State funds to finance the Pre-K programs and provides the method for calculating the funds allocated to each Pre-K program provider.

The Pre-K Legislation provides State funding for the Pre-K programs. It is uncertain what effect implementation of and compliance with the Pre-K Legislation 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, which may have an adverse impact on the District's ability to appropriate funds for Lease Payments.

Reduced FEFP Funding under Revised District Cost Differential

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 and implemented the new methodology in fiscal years 2004-2005 and 2005-2006. This new methodology adversely impacted the District's finances by reducing the amount of FEFP funding allocated to the District in fiscal years 2004-2005 and 2005-2006 and will continue to adversely impact District finances in future years. Under the prior formula, the District would have received an additional \$91.0 million in each of fiscal years 2004-2005 and 2005-2006 as a result of the district cost differential; under the new formula the District will receive approximately \$64.3 million in fiscal year 2004-2005 and \$39.8 million in fiscal year 2005-2006, representing a reduction of \$26.7 million and \$51.2 million, respectively. 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 and an additional \$13 million in fiscal year 2005-2006 from the State's general revenue fund. There can be no assurance that the Legislature will make similar adjustments in the future.

The District, in conjunction with other school districts in Florida which were also impacted by reduced FEFP funding, 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 State Circuit Court ruled against the District on June 10, 2005 finding that the plaintiffs failed to show that the Florida Legislature's actions concerning the district cost differential were illegal or unconstitutional. The District appealed the Court's ruling by filing its initial brief on January 26, 2006. At this time, the District is awaiting the filing of a responsive brief by the defendants. The Appellate Court is expected to render a decision later this year.

Potential Constitutional Amendment Related to District Composition

Joint resolutions have been drafted for the Florida Senate and House of Representatives providing for an amendment to Article IX, Section 4 of the Florida Constitution (School Districts; School Boards) to be submitted to the electors of the State for approval or rejection at the next general election held in the State or at an earlier special election. As currently drafted, the resolutions would permit school districts of more than 45,000 students, including the District, to be divided into two or more districts having no less than 20,000 students each. The resolutions contain procedures for drawing school district boundary lines, allocating assets and debts and other matters.

It is impossible to predict whether the resolutions will be adopted by the required 3/5ths vote of each house and, if adopted, would remain in their present form. It is also impossible to predict whether or not the electors of the State would approve such an amendment (whatever the final form may be) and, if approved, how issues such as existing debt obligations would be handled.

RISK FACTORS

Each purchaser of Series 2006C Certificates is subject to certain risks and each prospective purchaser of Series 2006C 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 2006C Certificates to an extent that cannot be determined.

Annual Right of the School Board to Terminate the Series 2006C Leases

Although the School Board has determined that the Series 2006C Facilities and the Prior Facilities are necessary to its operations and currently intends to continue the Series 2006C Leases in force and effect for the maximum Lease Term and has covenanted in the Series 2006C Leases 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 2006C Leases, 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 2006C LEASES 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 2006C 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 2006C Leases or an Event of Non-Appropriation, the Trustee, as assignee of the Foundation, may take possession of the Series 2006C-1 Facilities and sell or relet the leasehold interests therein. The Trustee's ability to actually achieve such a disposition of the Series 2006C-1 Facilities is limited by its inability to convey fee simple title to such Series 2006C-1 Facilities, and by the governmental nature of each of the Series 2006C-1 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 2006C-1 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 2006C Leases and the disposition of the Series 2006C-1 Facilities will provide sufficient amounts to pay the outstanding Series 2006C Certificates.

The Series 2006C-2 Facilities are comprised of personal property. Under the terms of the Series 2006C Leases, the School Board may not be dispossessed of the Series 2006C-2 Facilities or any other personal property financed, in whole or in part with the proceeds of the Series 2006C Certificates. Following an event of default under the Series 2006C Leases or an Event of Non-Appropriation, the Trustee, as assignee of the Foundation, will not have recourse to the Series 2006C-2 Facilities.

Tax Effect Upon Termination

Upon termination of the Series 2006C Leases there is no assurance that payments made by the Trustee or the Insurer with respect to the Series 2006C 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 2006C 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 2006C Leases the transfer of a Series 2006C 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 2006C Certificates will not be impaired following termination of the Series 2006C Leases.

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 2006C 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 2006C Certificates. See "SECURITY FOR THE SERIES 2006C 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 2006C 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 2006C Leases.

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 2006C Certificates outstanding, in which case the principal and interest represented by the Series 2006C Certificates shall become due and payable immediately. If the Insurer does not elect to redeem all Series 2006C Certificates outstanding, it has an obligation to continue to make payments to Series 2006C Certificate holders in accordance with the original schedule of Basic Lease Payments represented by the outstanding Series 2006C Certificates. However, the Insurer has no fiduciary responsibility to the Series 2006C 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 2006C 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 2006C Certificates, (ii) questioning or affecting the validity of the Series 2006C Leases 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 2006C 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 2006C Certificates with the understanding that upon delivery of the Series 2006C Certificates, a policy insuring the payment when due of the Basic Lease Payments represented by the Series 2006C Certificates will be issued by the Insurer. Moody's and S&P have also assigned underlying ratings of "___" and "___," respectively, to the Series 2006C 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 2006C 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 2006C Certificates.

TAX TREATMENT

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the School Board must continue to meet after the issuance of the Series 2006C Certificates in order that the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates be and remain excludable from gross income of the holders thereof for Federal income tax purposes. The School Board's failure to meet these requirements may cause the interest portion of the Basic Lease Payments designated and paid as interest to the Series 2006C Certificate holders to be included in gross income for Federal income tax purposes retroactively to the date of issuance of the Series 2006C Certificates. The School Board has covenanted in the Series 2006C Leases to take the actions required by the Code in order to maintain the excludability from gross income for Federal income tax purposes of the interest portion of the Basic Lease Payments designated and paid as interest to the Series 2006C Certificate holders and not to take any actions that would adversely affect that excludability. Co-Special Tax Counsel expects to deliver an opinion at the time of issuance of the Series 2006C Certificates substantially in the form set forth in Appendix E.

In the opinion of Co-Special Tax Counsel, assuming continuing compliance by the School Board with the tax covenants referred to above and the accuracy of certain representations of the School Board, under existing statutes, regulations, rulings and court decisions, the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates is excludable from gross income for Federal income tax purposes. However, no opinion is expressed with respect to the Federal income tax consequences of any payments received with respect to the Series 2006C Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder. The interest portion of the Basic Lease Payments represented by the Series 2006C Certificates will not be an item of tax preference for purposes of the Federal alternative minimum tax imposed on individuals and corporations, however the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Co-Special Tax Counsel is further of the opinion that the Series 2006C Certificates and the Series 2006C Leases are exempt from all present intangible personal property taxes imposed under Chapter 199, Florida Statutes. However, no opinion

is expressed with respect to the payment or reporting of intangible personal property taxes 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 interest portion of the Basic Lease Payments designated and paid as interest to the Series 2006C Certificate holders or the ownership or disposition of the Series 2006C Certificates. Prospective purchasers of Series 2006C Certificates should be aware that the ownership of Series 2006C Certificates may result in other collateral Federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2006C Certificates or, in the case of a financial institution, that portion of the owner's interest expense allocable to the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by 15 percent of certain items, including the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates, (iii) the inclusion of the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates in the passive income subject to Federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year and (v) recipients of certain Social Security and Railroad Retirement benefits are required to take into account receipts and accrual of the interest portion of the Basic Lease Payments represented by the Series 2006C Certificates in determining whether a portion of such benefits are included in gross income for Federal income tax purposes.

From time to time, there are legislative proposals in Congress which, if enacted, could alter or amend one or more of the Federal income tax matters referred to herein or adversely affect the market value of the Series 2006C Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Series 2006C Certificates), issued prior to enactment.

The discussion of tax matters in this Offering Statement applies only in the case of purchasers of the Series 2006C Certificates at their original issuance and at the respective prices indicated on the inside cover page of this Offering Statement. It does not address any other tax consequences, such as, among others, the consequence of the existence of any market discount to subsequent purchasers of the Series 2006C Certificates. Purchasers of the Series 2006C Certificates should consult their own tax advisers regarding their particular tax status or other tax considerations resulting from ownership of the Series 2006C Certificates.

ORIGINAL ISSUE DISCOUNT AND PREMIUM

Certain of the Series 2006C Certificates as indicated on the inside cover of this Offering Statement ("Discount Certificates") were offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Certificate. The issue price of a Discount Certificate is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Certificates of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Certificate over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Certificate (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2006C Certificates, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Certificate. A purchaser of a Discount Certificate in the initial public offering at the price for that Discount Certificate stated on the inside cover of this Offering Statement who holds that Discount Certificate to maturity will realize no gain or loss upon the retirement of that Discount Certificate.

Certain of the Series 2006C Certificates as indicated on the inside cover of this Offering Statement ("Premium Certificates") were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Certificate, based on the yield to maturity of that Premium Certificate (or, in the case of a Premium Certificate callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Certificate), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a

Premium Certificate. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Certificate, the owner's tax basis in the Premium Certificate is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Certificate for an amount equal to or less than the amount paid by the owner for that Premium Certificate. A purchaser of a Premium Certificate in the initial public offering at the price for that Premium Certificate stated on the inside cover of this Offering Statement who holds that Premium Certificate to maturity (or, in the case of a callable Premium Certificate, to its earlier call date that results in the lowest yield on that Premium Certificate) will realize no gain or loss upon the retirement of that Premium Certificate.

Owners of Discount and Premium Certificates should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount or Premium Certificates and as to other federal tax consequences and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

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 2006C Certificates are subject to the approving legal opinion of Greenberg Traurig, P.A., Miami, Florida, and The Knox Firm, Miami, Florida, Co-Special Tax Counsel. The proposed form of such opinion is included as "APPENDIX D - Form of Legal Opinion of Co-Special Tax Counsel" herein. Certain legal matters will be passed upon by JulieAnn Rico Allison, 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, and Tew Cardenas LLP, Miami, Florida, as Co-Counsel to the Underwriters.

UNDERWRITING

The Underwriters set forth on the cover page hereof have agreed to purchase the Series 2006C Certificates at a price of \$_____ (which represents the \$_____ principal amount of the Series 2006C Certificates, plus net original issue [discount] [premium] of \$_____ and less an Underwriters' discount of \$_____). The Underwriters will purchase all of the Series 2006C 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 2006C 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, 2005 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, 2005 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 2006C 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 2006C Certificate holders to provide certain financial information and operating data relating to the District and the Series 2006C 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 2006C 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 2006C Certificates. These undertakings have been made in order to assist the Underwriters in complying with the Rule. The School Board has never failed to comply with its continuing disclosure obligations.

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 2006C 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 2006C Certificates, the security for and the repayment of the Series 2006C Certificates and the rights and obligations of the holders thereof. Complete copies of such documents and resolutions may be obtained by request to Silvia R. Rojas, 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 2006C 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 2006C 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>
Trends				
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
2005	1,297,087	1,105,018	2,402,105	1.3
Forecast				
2010	1,331,000	1,220,000	2,551,000	6.1
2015	1,383,000	1,320,000	2,703,000	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, 2005.

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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⁽¹⁾**

<u>Year</u>	<u>UNDER 16 YEARS</u>		<u>16 TO 64 YEARS</u>		<u>65 YEARS AND OLDER</u>		
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Total</u>
Trends							
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
2005	522,487	21.7	1,558,005	64.9	321,613	13.4	2,402,105
Forecasts							
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 (2005)**

<u>Employers</u>	<u>Employees</u>
Miami-Dade County Public Schools	48,417
Miami-Dade County	32,265
U.S. Federal Government	20,100
State of Florida	18,900
Jackson Memorial Hospital	11,700
Miami Dade Community College	7,500
Florida International University	5,000
City of Miami	3,954
VA Medical Center	2,018
City of Miami Beach	1,839

**Miami-Dade County's Ten Largest
Private Employers (2005)**

<u>Employers</u>	<u>Employees</u>
Baptist Health Systems of South Florida	10,300
University of Miami, Inc.	9,079
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
Burdines Macy's	3,368

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, 2005. Beacon Council, Research Department (Data based on most recent responses to survey performed by Beacon Council in 2004. Employers may be excluded at their request). (Unaudited).

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

<u>TAXPAYER</u>	<u>BUSINESS OR USE</u>	<u>Miami-Dade County Taxes Levied (in thousands)</u>	<u>2005 Net Taxable 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	\$46,617	\$2,150,174	1.47%
BellSouth Telecommunications, Inc.	Utility	21,479	990,720	0.68
SDG Dadeland Associates	Commerce	8,586	396,000	0.27
Graham Companies	Real Estate	7,511	346,457	0.24
Jose Milton	Real Estate	7,119	328,360	0.23
SRI Miami Venture LP	Real Estate	5,958	274,800	0.19
Turnberry Associates	Real Estate	5,416	249,805	0.17
Crescent Heights Acquisition, Inc.	Real Estate	4,989	230,121	0.16
Federated Department Stores	Commerce	3,934	181,442	0.12
Flagler Development Co.	Real Estate	<u>3,863</u>	<u>178,199</u>	<u>0.12</u>
Total		<u>\$115,473</u>	<u>\$5,326,077</u>	<u>3.65%</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
1996 to 2005

	<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</u>	<u>2005⁽¹⁾</u>
Miami-Dade										
County	8.0%	7.6%	7.0%	5.9%	5.1%	6.0%	6.6%	6.0%	5.6%	4.7%
Florida	5.3	5.0	4.5	4.0	3.8	4.6	5.7	5.3	4.8	4.2%
United States	5.4	4.9	4.5	4.2	4.0	4.7	5.8	6.0	5.5	5.2%

(1) Six month average, January – June 2005.

SOURCE: The Beacon Council.

MIAMI-DADE COUNTY, FLORIDA
CONSTRUCTION ACTIVITY

PROPERTY VALUE AND CONSTRUCTION
1996-2005
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>
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
2005	914	273,735	8,893	1,031,757	23,855,015	139,613,985	28,092,146

Source: Miami-Dade County Finance Department

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS – 1996-2005
(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>
2005	2,402,105	\$ (1)	(1)	361,550
2004	2,372,418	(1)	36.6	369,578
2003	2,342,739	27,593	37.0	371,482
2002	2,313,047	26,995	36.9	374,725
2001	2,283,319	26,410	35.9	368,453
2000	2,253,485	25,626	35.6	360,202
1999	2,221,630	24,050	35.0	352,595
1998	2,189,719	23,216	35.0	345,861
1997	2,157,208	21,888	35.0	340,904
1996	2,124,885	21,360	35.0	333,444

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 – 1996-2005
(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>
2005	359,122	337,098	1.25	93.87%
2004	354,847	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

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, 2005
AND INDEPENDENT AUDITORS' REPORT

APPENDIX C

FORMS OF CERTAIN LEGAL DOCUMENTS

Series 2006C-1 Ground Lease
Master Lease
Schedule 2006C-1
Schedule 2006C-2
Master Trust Agreement
Series 2006C Supplemental Trust Agreement
Series 2006C Assignment Agreement

APPENDIX D

FORM OF DISSEMINATION AGENT AGREEMENT

APPENDIX E

FORM OF LEGAL OPINION OF CO-SPECIAL TAX COUNSEL

APPENDIX F

FORM OF FINANCIAL GUARANTY INSURANCE POLICY