NEW ISSUE – BOOK ENTRY ONLY **RATINGS: See "Ratings" herein**

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, assuming continuing compliance by the Corporation and the Board with various covenants in the Trust Agreement and the Refinanced Lease Agreements (as defined herein), under existing statutes, regulations and court decisions, the Interest Component of Basic Rent Payments (a) is excludable from gross income of the holders of the Series 2015A Certificates, except to the extent described under the caption, "TAX EXEMPTION" herein and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, such Interest Component will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. No opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2015A Certificates following termination of the Refinanced Lease Agreements as a result of an Event of Non-Appropriation or Event of Default thereunder. See "TAX EXEMPTION" herein for a discussion of Special Counsel's opinion.

$100,625,000
REFUNDING CERTIFICATES OF PARTICIPATION
(School Board of Hillsborough County, Florida Master Lease Program), Series 2015A

Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida

Dated: Date of Delivery **Due: July 1, as shown on the inside cover page**

The Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A (the "Series 2015A Certificates") evidence an undivided proportionate interest in a portion of the Basic Rent Payments (as defined herein) to be made by The School Board of Hillsborough County, Florida (the "Board") under a Master Lease-Purchase Agreement dated as of April 1, 1994, as amended and supplemented (the "Master Lease") with the Hillsborough School Board Leasing Corporation, a Florida not-for-profit corporation (the "Corporation"), particularly as supplemented by (i) the Fourth Amended and Second Restated Lease Schedule No. 2000, dated as of August 1, 2015 (the "Amended and Restated Lease Schedule No. 2000" and, together with the Master Lease, the "Series 2000 Lease Agreement") and (ii) the Third Amended and Restated Lease Schedule No. 2006A, dated as of August 1, 2015 (the "Amended and Restated Lease Schedule No. 2006A" and, together with the Master Lease, the "Series 2006A Lease Agreement" and, collectively with the Series 2000 Lease Agreement, the "Refinanced Lease Agreements") providing for the lease purchase of the Series 2000 Project and the Series 2006A Project (each as defined herein and, collectively, the "Refinanced Projects"), respectively, and the current refunding of all of the Series 2005A Certificates (as defined herein) and the advance refunding of a portion of the Series 2006A Certificates (as defined herein), respectively (as described herein). Pursuant to a Twenty-Seventh Amendment to Assignment of Lease Agreement, dated as of August 1, 2015, the Corporation has assigned by outright assignment to the Trustee for the benefit of the Owners of the Series 2015A Certificates on a pro rata basis with the owners of, with respect to the Series 2006A Lease Agreement, the Unrefunded Series 2006A Certificates (as defined herein), and the Series 2004C Certificates (as defined herein) and the Series 2007 Certificates (as defined herein) allocated to certain facilities leased under the Series 2006A Lease Agreement (see "SECURITY FOR THE SERIES 2015A CERTIFICATES - Master-Lease Aspects" herein), all of its rights, title and interest in and to the Refinanced Lease Agreements, except certain rights relating to indemnification, the right to enter into additional Lease Schedules (as defined herein) and its obligation not to impair the tax status of the Series 2015A Certificates and the Unrefunded Series 2006A Certificates, but including the right of the Corporation to receive Lease Payments.

The Series 2015A Certificates are subject to optional prepayment prior to their stated maturities as set forth herein. The Series 2015A Certificates are not subject to extraordinary prepayment as set forth herein.

THE BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE LEASE PAYMENTS, WHICH CONSIST OF BASIC RENT, SUPPLEMENTAL RENT, AND ALL OTHER AMOUNTS OWING UNDER THE MASTER LEASE. THE BASIC RENT AND, CONSEQUENTLY, THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST ARE PAYABLE SOLELY FROM THE BOARD'S AVAILABLE REVENUES APPROPRIATED THEREFOR, AND NEITHER THE BOARD, THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA (THE "DISTRICT"), HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER THE REFINANCED LEASE AGREEMENTS EXCEPT FROM AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE. BASIC RENT IS SUBJECT TO ANNUAL APPROPRIATION BY THE BOARD ON AN ALL-OR-NONE BASIS. THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST AND THE PAYMENTS DUE FROM THE BOARD UNDER THE REFINANCED LEASE AGREEMENTS AND THE CONTRACTUAL OBLIGATIONS OF THE BOARD UNDER THE REFINANCED LEASE AGREEMENTS DO NOT CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OF THE BOARD, THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. THE ISSUANCE OF THE SERIES 2015A CERTIFICATES WILL NOT DIRECTLY OR INDIRECTLY OBLIGATE THE BOARD, THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATSOEVER THEREFOR AND THE OWNERS OF THE SERIES 2015A CERTIFICATES WILL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION OF THE BOARD OR ANY OTHER GOVERNMENTAL ENTITY. SEE "RISK FACTORS" HEREIN.

The cover and inside cover pages contain certain information for quick reference only. They are not and are not intended to be a summary of the transaction. Investors must read the entire Offering Statement, including the appendices, to obtain information essential to the making of an informed investment decision.

The Series 2015A Certificates are offered when, as and if delivered and received by the Underwriters, subject to the approval of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, and certain other conditions. Certain legal matters will be passed upon for the Board by its Counsel, Adams and Reese LLP, Tampa, Florida and Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel and for the Corporation by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel. Ford & Associates, Inc., Tampa, Florida will act as Financial Advisor to the Board. Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Tampa, Florida. The Series 2015A Certificates are expected to be delivered to the Underwriters in New York, New York through the facilities of DTC on or about August 20, 2015.

Wells Fargo Securities

BofA Merrill Lynch **RBC Capital Markets**

Raymond James **Stifel, Nicolaus & Company, Incorporated**

Dated August 5, 2015.

$100,625,000
REFUNDING CERTIFICATES OF PARTICIPATION
(School Board of Hillsborough County, Florida Master Lease Program),
Series 2015A
Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida

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

Maturity (July 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP Number**
2016	$ 415,000	2.000%	0.460%	101.325	43232VSJ1
2017	2,730,000	4.000	0.770	105.965	43232VSK8
2018	2,825,000	5.000	1.140	110.844	43232VSL6
2019	2,965,000	5.000	1.380	113.573	43232VSM4
2020	3,125,000	5.000	1.680	115.441	43232VSN2
2021	3,285,000	5.000	1.990	116.579	43232VSP7
2022	3,600,000	5.000	2.300	117.050	43232VSQ5
2023	3,765,000	5.000	2.490	117.822	43232VSR3
2024	3,965,000	5.000	2.670	118.279	43232VSS1
2025	4,175,000	5.000	2.840	118.465	43232VST9
2026	37,135,000	5.000	2.960*	117.337*	43232VSU6
2027	3,905,000	3.000	3.190	98.133	43232VSV4
2028	4,015,000	3.125	3.340	97.764	43232VSW2
2029	4,160,000	5.000	3.250*	114.663*	43232VSX0
2030	4,350,000	5.000	3.320*	114.029*	43232VSY8
2031	12,065,000	3.500	3.650	98.202	43232VTA9
2031	4,145,000	5.000	3.390*	113.398*	43232VSZ5

* Calculated to first optional prepayment date of July 1, 2025.

** CUSIP numbers have been assigned by an independent company not affiliated with the Board and are included solely for the convenience of the owners of the Series 2015A Certificates. Neither the Board nor the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2015A Certificates or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2015A Certificates as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2015A Certificates.

ADDITIONAL INFORMATION

The Series 2015A Certificates are being delivered by The Bank of New York Mellon 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 April 1, 1994, as amended and supplemented, and particularly, as amended and supplemented by a Series 2015A Supplemental Trust Agreement, dated as of August 1, 2015 (collectively, the "Trust Agreement"), each with the Board, the Trustee and the Corporation. The Interest Component of Basic Rent Payments represented by the Series 2015A Certificates is payable on January 1 and July 1 of each year, commencing January 1, 2016 (each a "Payment Date"). Interest will be paid by check or draft of the Trustee, as Paying Agent and Registrar, mailed on each Payment Date to Owners listed in the registration books maintained by the Trustee on the 15th day of the month (whether or not a business day) next preceding each Payment Date. When issued, the Series 2015A 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 2015A Certificates (the "Beneficial Owners") will not receive physical delivery of Series 2015A Certificates. Ownership by the Beneficial Owners of the Series 2015A 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 Component and Interest Component of the Basic Rent Payments represented by the Series 2015A 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 Component of Basic Rent Payments represented by the Series 2015A Certificates is payable to Owners upon presentation, when due, at maturity or earlier prepayment, at the designated corporate trust office of the Trustee in Jacksonville, Florida.

The current terms of the Refinanced Lease Agreements will continue through and including June 30, 2016. The Series 2000 Lease Agreement is automatically renewable annually thereafter through June 30, 2026 and the Series 2006A Lease Agreement is automatically renewable annually thereafter through June 30, 2031, unless each Refinanced Lease Agreement is sooner terminated as described herein. In addition to the Refinanced Lease Agreements, the Board has previously entered into a Series 1996 Lease Agreement, a Series 1998 Lease Agreement, a Series 1999 Lease Agreement, a Series 2001B Lease Agreement, a Series 2001-QZAB Lease Agreement, a Series 2002 Lease Agreement, a Series 2003B Lease Agreement, a Series 2004B Lease Agreement, a Series 2004C Lease Agreement, a Series 2004-QZAB Lease Agreement, a Series 2005-QZAB Lease Agreement, a Series 2007 Lease Agreement and a Series 2010B Lease Agreement (each as defined herein), and may enter into other leases under the Master Lease. There are 54 schools and 45 additions to schools leased under the Master Lease. Based on the District's full time equivalent enrollment for Fiscal Year 2014-15 of 204,558 students, approximately 42% of the District's students will attend classes in facilities leased under the Master Lease (including the Series 2000 Project leased under the Series 2000 Lease Agreement and the Series 2006A Project leased under the Series 2006A Lease Agreement) (see "THE MASTER LEASED PROJECTS" herein for a description of how such percentage is calculated).

When the Board appropriates Lease Payments for any of its Projects leased under the Master Lease, it must appropriate Lease Payments for all other Projects leased under the Master Lease. Failure to appropriate funds to pay Lease Payments under any such lease, or an event of default under any such lease, will result in the termination of all leases, including the Refinanced Lease Agreements. Upon any such termination, any proceeds of the disposition of leased facilities (other than Designated Equipment) will be applied to payment of the related Series of Certificates, all as further described herein. In no event will owners of

the Series 2015A Certificates have any interest in or right to any proceeds of the disposition of facilities leased under any lease other than the Refinanced Lease Agreements. The proceeds of any such disposition of facilities leased under the Series 2000 Lease Agreement shall be applied to the payment of the Series 2015A Certificates. The proceeds of any such disposition of facilities leased under the Series 2006A Lease Agreement shall be applied to the payment of the Series 2015A Certificates, on a pro rata basis with the Unrefunded Series 2006A Certificates, and the Series 2004C Certificates and the Series 2007 Certificates allocated to certain facilities leased under the Series 2006A Lease Agreement. See "SECURITY FOR THE SERIES 2015A CERTIFICATES - Master-Lease Aspects" herein. The Refinanced Projects include Designated Equipment, which consists of equipment components not constituting fixtures of the educational facilities. The Holders of the Series 2015A Certificates will not be granted any interest in Designated Equipment. Should termination of the Master Lease occur, the Series 2015A Certificates will not be prepaid except to the extent the Trustee has or receives moneys available for such purpose from the disposition of facilities leased under the Refinanced Lease Agreements (other than Designated Equipment). Special Counsel will express no opinion as to tax exemption or the effect of securities laws with respect to the Series 2015A Certificates following an event of non-appropriation or an event of default under the Master Lease which results in termination of the Refinanced Lease Agreements. Transfers of the Series 2015A Certificates may be subject to compliance with the registration provisions of state and federal securities laws following an event of non-appropriation or an event of default under the Master Lease which results in termination of the Refinanced Lease Agreements (see "TAX EXEMPTION" and "RISK FACTORS" herein).

PARTICIPANTS IN THE FINANCING

LESSOR
Hillsborough School Board Leasing Corporation
Tampa, Florida

LESSEE
The School Board of Hillsborough County, Florida
Tampa, Florida

BOARD MEMBERS
Susan L. Valdes, Chair
Doretha W. Edgecomb, Vice Chair
Sally A. Harris, Member
Cindy Stuart, Member
Melissa Snively, Member
April Griffin, Member
Carol W. Kurdell, Member

DISTRICT OFFICIALS
Jeff Eakins, Superintendent of Schools
Gretchen Saunders, Chief Business Officer

COUNSEL TO THE BOARD
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Tampa, Florida

SPECIAL COUNSEL
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Tampa, Florida

DISCLOSURE COUNSEL
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Tampa, Florida

FINANCIAL ADVISOR
Ford & Associates, Inc.
Tampa, Florida

TRUSTEE
The Bank of New York Mellon Trust Company, N.A.
Jacksonville, Florida

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This Offering Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the Series 2015A Certificates by any person in any jurisdiction to which it is unlawful for such person to make such offer, solicitation or sale. No dealer, sales representative or other person has been authorized to give any information or make any representations other than as 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.

The information contained in this Offering Statement has been provided by the Board, DTC and other sources that are considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. However, information related to DTC and its book-entry only system of registration is not to be construed as a representation of the Board, the Corporation, 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 Board, the Corporation, the Trustee, the Financial Advisor and the Underwriters expressly make no representations that such estimates, assumptions and opinions will be realized or fulfilled. 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 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 respective responsibilities 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.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015A 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.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2015A CERTIFICATES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE BOARD, THE CORPORATION AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2015A CERTIFICATES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFERING STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE BOARD OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2015A CERTIFICATES.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFERING STATEMENT CONSTITUTE "FORWARD LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE BOARD DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFERING STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT ("ORIGINAL BOUND FORMAT"), OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS OFFERING STATEMENT MAY BE RELIED ON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED OR SAVED IN FULL DIRECTLY FROM THE AFOREMENTIONED WEBSITES.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2015A Certificates are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements. References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this offering document.

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OFFERING STATEMENT
related to

$100,625,000
REFUNDING CERTIFICATES OF PARTICIPATION
(School Board of Hillsborough County, Florida Master Lease Program),
Series 2015A
Evidencing an Undivided Proportionate Interest of Owners
thereof in Basic Rent Payments to be made under a Master Lease-Purchase
Agreement by The School Board of Hillsborough County, Florida

INTRODUCTION

This Offering Statement, including the cover page, inside cover page and appendices hereto, is provided to furnish information with respect to The School Board of Hillsborough County, Florida (the "Board"), and the sale and delivery of the Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A (the "Series 2015A Certificates"), which are being issued in the aggregate principal amount of $100,625,000 pursuant to a Master Trust Agreement, dated as of April 1, 1994, as amended and supplemented, and particularly as amended and supplemented by the Series 2015A Supplemental Trust Agreement, dated as of August 1, 2015 (collectively, the "Trust Agreement"), each by and among the Board, the Hillsborough School Board Leasing Corporation, a Florida not-for-profit corporation, as lessor thereunder (the "Corporation"), and The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as successor trustee to NationsBank of Florida, N.A., Tampa, Florida (the "Trustee"), who is also serving as Paying Agent, Registrar and Escrow Agent. The Series 2015A Certificates represent an undivided proportionate interest of the owners thereof in the right to receive a portion of the Basic Rent Payments (as defined herein) payable under a Master Lease-Purchase Agreement dated as of April 1, 1994, as amended and supplemented (the "Master Lease"), by and between the Corporation and the Board, as supplemented by (i) the Fourth Amended and Second Restated Lease Schedule No. 2000, dated as of August 1, 2015 (the "Amended and Restated Lease Schedule No. 2000" and, together with the Master Lease, the "Series 2000 Lease Agreement") and (ii) the Third Amended and Restated Lease Schedule No. 2006A, dated as of August 1, 2015 (the "Amended and Restated Lease Schedule No. 2006A" and, together with the Master Lease, the "Series 2006A Lease Agreement" and, collectively with the Series 2000 Lease Agreement, the "Refinanced Lease Agreements") providing for the lease purchase of the Series 2000 Project and the Series 2006A Project (each as defined herein and, collectively, the "Refinanced Projects"), respectively, and the current refunding of all of the Series 2005A Certificates (as defined herein) and the advance refunding of a portion of the Series 2006A Certificates (as defined herein), respectively. See "PLAN OF REFINANCING" herein.

As described in the Preliminary Offering Statement dated July 27, 2015 (the "Preliminary Offering Statement"), the Fiscal Year 2014-15 ended on June 30, 2015, and the District is in the early stages of its fiscal year close-out process. The preliminary amounts shown for Fiscal Year 2014-15 in the Preliminary Offering Statement under "SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA – General Fund and Capital Project Funds Operations" were as of July 20, 2015. The District had continued such close-out process and the amounts included in this Offering Statement have been revised to be as of August 12, 2015. See "SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA – General Fund and Capital Project Funds Operations" for such revised amounts.

The Refunded Certificates

In November 2000, the Board entered into the Lease Schedule No. 2000 to the Master Lease (the "Original Series 2000 Lease Schedule") and leased certain educational and related facilities (the "Series 2000 Project"), which Original Series 2000 Lease Agreement is automatically renewable annually through June 30, 2026. In connection with the execution and delivery of the Original Series 2000 Lease Schedule, the Trustee executed and delivered $48,860,000 Certificates of Participation, Series 2000 (the "Series 2000 Certificates"), which financed the Series 2000 Project. In February 2005, the Board entered into the Fourth Amended and First Restated Lease Schedule No. 2000 to the Master Lease (the "Amended Series 2000 Lease Schedule") and refinanced the Series 2000 Project. In connection with the execution and delivery of the Amended Series 2000 Lease Schedule, the Trustee executed and delivered $48,915,000 Refunding Certificates of Participation, Series 2005A (the "Series 2005A Certificates"), which are currently outstanding in the aggregate principal amount of $43,495,000. As described herein, a portion of the proceeds of the Series 2015A Certificates will be used to currently refund all of the Series 2005A Certificates. See "PLAN OF REFINANCE" herein.

In January 2006, the Board entered into the Lease Schedule No. 2006A to the Master Lease (the "Original Series 2006A Lease Schedule") and leased certain educational and related facilities (the "Series 2006A Project"), which Original Series 2006A Lease Agreement is automatically renewable annually through June 30, 2031. See "THE REFINANCED PROJECTS – Series 2006A Project" herein. In connection with the execution and delivery of the Original Series 2006A Lease Schedule, the Trustee executed and delivered $86,435,000 Certificates of Participation, Series 2006A (the "Series 2006A Certificates"), which financed the Series 2006A Project. In April 2007, the Original Series 2006A Lease Agreement was amended by the First Amendment to Lease Schedule No. 2006A to provide that certain educational facilities constituting a portion of the Series 2006A Project are secured on a proportionate basis under the Series 2006A Lease Agreement and the Series 2007 Lease Agreement (as defined herein). The Series 2006A Certificates are currently outstanding in the aggregate principal amount of $68,675,000. As described herein, a portion of the proceeds of the Series 2015A Certificates will be used to advance refund a portion of the Series 2006A Certificates. See "PLAN OF REFINANCE" herein.

Upon the issuance of the Series 2015A Certificates, the Board will enter into (i) the Amended and Restated Lease Schedule No. 2000, which amends and restates the Amended Series 2000 Lease Schedule in its entirety and provides for the further refinancing of a portion of the Series 2000 Project; and (ii) the Amended and Restated Lease Schedule No. 2006A, which amends and restates the Original Series 2006A Lease Schedule in its entirety and provides for the refinancing of the Series 2006A Project. See "THE REFINANCED PROJECTS" herein. Subject to the Board's right of non-appropriation, (i) the Series 2000 Lease Agreement will be automatically renewable annually through June 30, 2026; and (ii) the Series 2006A Lease Agreement will be automatically renewable annually through June 30, 2031. See "PLAN OF REFINANCE" herein.

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The Prior Certificates

The following table presents a summary of the existing Lease Schedules, the related projects financed and refinanced thereby, the final termination date of each Lease Schedule, the related Series of Certificates and the outstanding principal amount of such Certificates after the issuance of the Series 2015A Certificates and the refunding of the Refunded Certificates. See "INTRODUCTION – The Refunded Certificates" and "THE PRIOR CERTIFICATES" herein for information regarding the issuance of each Series of Certificates.

Lease Schedule	Projects Financed	Final Termination Date of Lease	Related Series of Certificates	Outstanding Principal
Series 1996 Lease	Series 1996 Project	06/30/2017	Series 2004A	$27,305,000
Series 1998 Lease	Series 1994 Project	06/30/2023	Subseries 1998A	17,690,000
	Series 1995 Project		Series 2006B	25,291,470
	Series 1998 Project		Series 2008A	109,625,000
Series 1999 Lease	Series 1999 Project	06/30/2025	Series 2010A	85,440,000
Series 2000 Lease	Series 2000 Project	06/30/2026	Series 2015A	37,590,000
Series 2001B Lease	Series 2001B Project	06/30/2026	Series 2006B	26,868,530
Series 2001-QZAB Lease	Series 2001-QZAB Project	11/06/2015	Series 2001-QZAB	517,210[1]
Series 2002 Lease	Series 2002 Project	06/30/2028	Series 2012A	55,685,000
			Series 2014A	2,059,235
Series 2003B Lease	Series 2003B Project	06/30/2029	Series 2012A	68,880,000
Series 2004B Lease	Series 2004B Project	06/30/2026	Series 2014A	35,195,765
Series 2004-QZAB Lease	Series 2004-QZAB Project	06/30/2020	Series 2004-QZAB	1,354,741[1]
Series 2004C Lease	Series 2004C Project	06/30/2030	Series 2004C	77,525,000[2]
Series 2005-QZAB Lease	Series 2005-QZAB Project	12/20/2020	Series 2005-QZAB	879,670[1]
Series 2006A Lease	Series 2006A Project	06/30/2031	Series 2006A	2,475,000
			Series 2015A	63,035,000
Series 2007 Lease	Series 2007 Project	06/30/2031	Series 2007	66,040,000
Series 2010B Lease	Series 2010B Project	11/30/2028	Series 2010B	29,505,000[1]
			Total	$732,961,621[3]

(1) Amounts remaining to be deposited to the applicable sinking fund such that amounts deposited therein together with the interest earnings thereon will equal the total principal and interest due on the respective maturity dates.

(2) The Board anticipates that it will issue its Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015B in an aggregate principal amount not to exceed $77,800,000 to currently refund all of the outstanding Series 2004C Certificates. See "EXPECTED ISSUANCE OF OTHER OBLIGATIONS" herein.

(3) See footnote 2 to "ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY REQUIRED TO COVER MAXIMUM ANNUAL PAYMENTS ON THE SERIES 2015A CERTIFICATES AND THE PRIOR CERTIFICATES."

Brief descriptions of the Series 2015A Certificates, the Board, the Corporation, the Refinanced Lease Agreements, the Trust Agreement, the Assignment of Lease Agreement dated as of April 1, 1994, as amended, and particularly as amended pursuant to a Twenty-Seventh Amendment to Assignment of Lease Agreement, dated as of August 1, 2015 (collectively, the "Assignment"), the Ground Lease Agreement dated as of November 1, 2000, as amended and supplemented (the "Series 2000 Ground Lease"), and the Ground Lease Agreement dated as of January 1, 2006, as amended and supplemented

(the "Series 2006A Ground Lease" and, collectively with the Series 2000 Ground Lease, the "Ground Leases") are included in this Offering Statement. All references herein to the Series 2015A Certificates, the Board, the Corporation, the Refinanced Lease Agreements, the Trust Agreement, the Assignment and the Ground Leases are qualified in their entirety by reference to the respective complete documents. Copies of forms of the Trust Agreement, the Refinanced Lease Agreements, the Assignment and the Ground Leases are attached hereto as Appendices D, E, F and G, respectively. This Offering Statement speaks only as of its date and the information contained herein is subject to change. This Offering Statement is intended to be made available through the office of the Board's Chief Business Officer, 901 East Kennedy Boulevard, 3rd Floor, Tampa, Florida 33602.

Unless otherwise indicated, capitalized terms used in this Offering Statement shall have the same meaning established in the documents referenced in the foregoing paragraph. See "Appendix C - DEFINITIONS APPLICABLE TO THE BASIC DOCUMENTS" attached hereto.

AUTHORIZATION

Pursuant to the applicable provisions of the laws of the State of Florida (the "State"), including particularly Chapters 1000 through 1013, Florida Statutes (collectively, the "Act"), and the judicial decisions related thereto, the Board has the power and authority to enter into transactions such as that contemplated by the Refinanced Lease Agreements, the Ground Leases, and the Trust Agreement. The Board authorized doing so pursuant to a resolution duly adopted by the Board on June 23, 2015 (the "Resolution").

PLAN OF REFINANCE

All of the Series 2005A Certificates in the principal amount of $43,495,000 (collectively, the "Refunded Series 2005A Certificates"), will be currently refunded on September 21, 2015, at a Prepayment Price of 100%, plus accrued interest, pursuant to the plan of refinancing. A portion of the Series 2006A Certificates in the principal amount of $66,200,000 (collectively, the "Refunded Series 2006A Certificates"), will be advanced refunded on July 1, 2016, at a Prepayment Price of 100%, plus accrued interest, pursuant to the plan of refinancing. The moneys required to refund and prepay the Refunded Series 2005A Certificates and the Refunded Series 2006A Certificates (collectively, the "Refunded Certificates") will be derived from a portion of the proceeds of the Series 2015A Certificates and other legally available funds of the Board. The Series 2006A Certificates maturing on July 1, 2016 in the principal amount of $2,475,000 (the "Unrefunded Series 2006A Certificates") will not be refunded with proceeds of the Series 2015A Certificates and will remain outstanding under the Trust Agreement.

A portion of the proceeds of the Series 2015A Certificates will be irrevocably placed in an escrow fund (the "Escrow Fund") with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent"), pursuant to an escrow deposit agreement, between the Board and the Escrow Agent (the "Escrow Agreement"). A portion of such funds will be applied to purchase obligations the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America (the "Refunding Securities"). The Refunding Securities will mature at such times and bear interest in such amounts so that sufficient moneys will be available from the maturing principal and interest thereof, together with any initial cash balances, to pay the Prepayment Price on the Refunded Certificates upon their prepayment.

Upon the deposit of such moneys, the Refunded Certificates shall no longer be deemed outstanding for purposes of the Trust Agreement and the resolutions and other documents authorizing their issuance, and all liability of the Corporation and the Board with respect thereto shall cease, terminate and be completely discharged and extinguished, and the holders thereof shall be entitled to payment solely out of the moneys and securities on deposit pursuant to the Escrow Agreement.

VERIFICATION

As of the delivery date of the Series 2015A Certificates, Causey, Demgen & Moore, P.C., certified public accountants (the "Verification Agent") will verify, from information provided to them, the mathematical accuracy of the computations contained in schedules provided by Wells Fargo Bank, N.A., the senior managing underwriter, to determine that the anticipated receipts from the Refunding Securities and the initial cash deposit to be held in the Escrow Fund will be sufficient to pay on the respective due dates and prepayment dates, the principal of and interest on the Refunded Certificates. The Verification Agent will express no opinion on the assumptions provided to them nor as to the exclusion from gross income for federal income tax purposes of the interest on the Series 2015A Certificates.

THE PRIOR CERTIFICATES

In August 2011, the Board entered into the Fourth Amended and Restated Lease Schedule No. 1998 to the Master Lease (the "Fourth Amended and Restated Lease Schedule No. 1998" and together with the Master Lease, the "Series 1998 Lease Agreement"), and leased certain educational and related facilities (the "Series 1994 Project," the "Series 1995 Project," and the "Series 1998 Project") thereunder. See "THE PRIOR PROJECTS – Series 1994 Project," "THE PRIOR PROJECTS – Series 1995 Project," and "THE PRIOR PROJECTS – Series 1998 Project" herein. The Series 1998 Lease Agreement relates to three series of Certificates which are secured on a parity basis by the Series 1998 Lease Agreement. The Series 1998 Certificates (the "Series 1998 Certificates") were issued in the original principal amount of $336,930,000 and are currently outstanding in the principal amount of $17,690,000. The Refunding Certificates of Participation, Series 2006B (the "Series 2006B Certificates"), which refunded a portion of the Series 1998 Certificates, were delivered in the original principal amount of $77,900,000 and are currently outstanding in the principal amount of $52,160,000, $25,291,470 of which has been allocated to the Series 1998 Lease Agreement. The Certificates of Participation, Series 2008A (the "Series 2008A Certificates"), which also refunded a portion of the Series 1998 Certificates, were delivered in the original principal amount of $109,830,000, and are currently outstanding in the principal amount of $109,625,000. The Series 1998 Lease Agreement is automatically renewable through June 30, 2023.

In July 2001, the Board entered into Lease Schedule No. 2001B to the Master Lease (the "Original Series 2001B Lease Agreement") and leased certain educational and related facilities (the "Series 2001B Project"), which Original Series 2001B Lease Agreement was amended and restated by the Amended and Restated Lease Schedule No. 2001B in January 2007 (together with the Master Lease, the "Series 2001B Lease Agreement"), in connection with the issuance of the Series 2006B Certificates. See "THE PRIOR PROJECTS – Series 2001B Project" herein. In connection with the issuance and delivery of the Original Series 2001B Lease Agreement, the Trustee executed and delivered $69,265,000 aggregate principal amount of Certificates of Participation, Series 2001B (the "Series 2001B Certificates"), a portion of which were refunded with a portion of the proceeds of the Series 2006B Certificates and the balance of the Series 2001B Certificates have matured. The Series 2006B Certificates are currently outstanding in the principal amount of $52,160,000, $26,868,530 of which have been allocated to the Series 2001B Lease Agreement.

In November 2001, the Board entered into the Lease Schedule No. 2001-QZAB to the Master Lease (together with the Master Lease, the "Series 2001-QZAB Lease Agreement") and leased certain educational and related facilities (the "Series 2001-QZAB Project"), which Series 2001-QZAB Lease Agreement is automatically renewable annually through November 6, 2015. See "THE PRIOR PROJECTS – Series 2001-QZAB Project" herein. In connection with the execution and delivery of the Series 2001-QZAB Lease Agreement, the Trustee executed and delivered $9,600,000 aggregate principal amount of the Certificates of Participation, Series 2001-QZAB (the "Series 2001-QZAB Certificates"), all of which are currently outstanding with $6,723,730 having been deposited into a sinking fund related thereto.

In September 2002, the Board entered into Lease Schedule No. 2002 to the Master Lease (the "Original Series 2002 Lease Agreement") and leased certain educational and related facilities (the "Series 2002 Project"), which Original Series 2002 Lease Agreement was amended and restated by the Amended and Restated Lease Schedule No. 2002 in April 2012 (the "First Amended Series 2002 Lease Agreement"), in connection with the issuance of the Refunding Certificates of Participation, Series 2012A (the "Series 2012A Certificates") and was further amended and restated by the Second Amended and Restated Lease Schedule No. 2002 in April 2014 (together with the Master Lease and the First Amended Series 2002 Lease Agreement, the "Series 2002 Lease Agreement") in connection with the issuance of the Refunding Certificates of Participation, Series 2014A (the "Series 2014A Certificates"). See "THE PRIOR PROJECTS – Series 2002 Project" herein. In connection with the issuance and delivery of the Original Series 2002 Lease Agreement, the Trustee executed and delivered $64,010,000 aggregate principal amount of Certificates of Participation, Series 2002 (the "Series 2002 Certificates"), a portion of which were refunded with a portion of the proceeds of the Series 2012A Certificates and the Series 2014A Certificates. The balance of the Series 2002 Certificates have matured. The Series 2012A Certificates are currently outstanding in the principal amount of $124,565,000, $55,685,000 of which have been allocated to the Series 2002 Lease Agreement. The Series 2014A Certificates are currently outstanding in the principal amount of $37,255,000, $2,059,235 of which have been allocated to the Series 2002 Lease Agreement. The Series 2002 Lease Agreement is automatically renewable annually through June 30, 2028.

In September 2003, the Board entered into Lease Schedule No. 2003B to the Master Lease (the "Original Series 2003 Lease Agreement") and leased certain educational and related facilities (the "Series 2003B Project"), which Original Series 2003B Lease Agreement was amended and restated by the Amended and Restated Lease Schedule No. 2003B in April 2012 (together with the Master Lease, the "Series 2003B Lease Agreement"), in connection with the issuance of the Series 2012A Certificates. See "THE PRIOR PROJECTS – Series 2003B Project" herein. In connection with the issuance and delivery of the Original Series 2003B Lease Agreement, the Trustee executed and delivered $72,065,000 aggregate principal amount of Certificates of Participation, Series 2003B (the "Series 2003B Certificates"), a portion of which were refunded with a portion of the proceeds of the Series 2012A Certificates and the balance of the Series 2003B Certificates have matured. The Series 2012A Certificates are currently outstanding in the principal amount of $124,565,000, $68,880,000 of which have been allocated to the Series 2003B Lease Agreement. The Series 2003B Lease Agreement is automatically renewable annually through June 30, 2029.

In February 2004, the Board entered into the Fourth Amended and First Restated Lease Schedule No. 1996, as amended, to the Master Lease (together with the Master Lease, the "Amended and Restated Series 1996 Lease Agreement") and leased certain educational and related facilities (the "Series 1996 Project"), which Amended and Restated Series 1996 Lease Agreement is automatically renewable annually through June 30, 2017. See "THE PRIOR PROJECTS – Series 1996 Project" herein. In connection with the execution and delivery of the Amended and Restated Series 1996 Lease Agreement, the Trustee

executed and delivered $27,305,000 aggregate principal amount of Certificates of Participation, Series 2004A (the "Series 2004A Certificates"), $27,305,000 of which are currently outstanding.

In February 2004, the Board entered into the Lease Schedule No. 2004B, as amended, to the Master Lease (the "Original Series 2004B Lease Agreement") and leased certain educational and related facilities (the "Series 2004B Project"), which Original Series 2004B Lease Agreement was amended and restated by the Amended and Restated Lease Schedule No. 2004B in April 2014 (together with the Master Lease, the "Series 2004B Lease Agreement"), in connection with the issuance of the Series 2014A Certificates. See "THE PRIOR PROJECTS – Series 2004B Project" herein. In connection with the execution and delivery of the Series 2004B Lease Agreement, the Trustee executed and delivered $56,715,000 aggregate principal amount of Certificates of Participation, Series 2004B (the "Series 2004B Certificates"), a portion of which were refunded with a portion of the Series 2014A Certificates and the balance of the Series 2004B Certificates have matured. The Series 2014A Certificates are currently outstanding in the principal amount of $37,255,000, $35,195,765 of which have been allocated to the Series 2004B Lease Agreement. The Series 2004B Lease Agreement is automatically renewable annually through June 30, 2026.

In June 2004, the Board entered into the Lease Schedule No. 2004-QZAB to the Master Lease (together with the Master Lease, the "Series 2004-QZAB Lease Agreement") and leased certain educational and related facilities (the "Series 2004-QZAB Project"), which Series 2004-QZAB Lease Agreement is automatically renewable annually through June 3, 2020. See "THE PRIOR PROJECTS – Series 2004-QZAB Project" herein. In connection with the execution and delivery of the Series 2004-QZAB Lease Agreement, the Trustee executed and delivered $6,131,000 aggregate principal amount of the Certificates of Participation, Series 2004-QZAB (the "Series 2004-QZAB Certificates"), all of which are currently outstanding with $2,980,430 having been deposited into a sinking fund related thereto.

In November 2004, the Board entered into the Lease Schedule No. 2004C to the Master Lease (the "Original Series 2004C Lease Agreement") and leased certain educational and related facilities (the "Series 2004C Project"), which Original Series 2004C Lease Agreement is automatically renewable annually through June 30, 2030. In April 2007, the Original Series 2004C Lease Agreement was amended by the First Amendment to Lease Schedule No. 2004C (together with the Master Lease, the "Series 2004C Lease Agreement") to provide that certain educational facilities constituting a portion of the Series 2007 Project are secured on a proportionate basis under the Series 2004C Lease Agreement, the Series 2006A Lease Agreement and the Series 2007 Lease Agreement. See "THE PRIOR PROJECTS – Series 2004C Project" herein. In connection with the execution and delivery of the Series 2004C Lease Agreement, the Trustee executed and delivered $89,750,000 aggregate principal amount of the Certificates of Participation, Series 2004C (the "Series 2004C Certificates"). In May 2008, the Board remarketed the Series 2004C Certificates in order to change the auction interest rate to a daily adjustable rate. The Series 2004C Certificates are currently outstanding in the aggregate principal amount of $77,525,000.

In December 2005, the Board entered into the Lease Schedule No. 2005-QZAB to the Master Lease (together with the Master Lease, the "Series 2005-QZAB Lease Agreement") and leased certain educational and related facilities (the "Series 2005-QZAB Project"), which Series 2005-QZAB Lease Agreement is automatically renewable annually through December 20, 2020. See "THE PRIOR PROJECTS – Series 2005-QZAB Project" herein. In connection with the execution and delivery of the Series 2005-QZAB Lease Agreement, the Trustee executed and delivered $3,002,000 aggregate principal amount of Certificates of Participation, Series 2005-QZAB (the "Series 2005-QZAB Certificates"), all of

which are currently outstanding, with $1,319,505 having been deposited into a sinking fund related thereto.

In April 2007, the Board entered into the Lease Schedule No. 2007 to the Master Lease (the "Series 2007 Lease Agreement") and leased certain educational and related facilities (the "Series 2007 Project"), which Series 2007 Lease Agreement is automatically renewable annually through June 30, 2031. In connection with the execution and delivery of the Series 2007 Lease Agreement, the Trustee executed and delivered $84,685,000 Certificates of Participation, Series 2007 (the "Series 2007 Certificates"), which financed the Series 2007 Project. The Series 2007 Certificates are currently outstanding in the aggregate principal amount of $66,040,000.

In April 2010, the Board entered into the Second Amended and Restated Lease Schedule No. 1999 to the Master Lease (the "Second Amended 1999 Lease Agreement") and leased certain educational and related facilities (the "Series 1999 Project"), which Second Amended Series 1999 Lease Agreement is automatically renewable annually through June 30, 2025. See "THE PRIOR PROJECTS – Series 1999 Project" herein. In connection with the execution and delivery of the Second Amended 1999 Lease Agreement, the Trustee executed and delivered $97,545,000 aggregate principal amount of Certificates of Participation, Series 2010A (the "Series 2010A Certificates"), $85,440,000 of which are currently outstanding.

In December 2010, the Board entered into the Lease Schedule No. 2010B to the Master Lease (the "2010B Lease Agreement") and leased certain educational and related facilities (the "Series 2010B Project"), which 2010B Lease Agreement is automatically renewable annually through November 30, 2028. See "THE PRIOR PROJECTS – Series 2010B Project" herein. In connection with the execution and delivery of the 2010B Lease Agreement, the Trustee executed and delivered $35,827,500 aggregate principal amount of Certificates of Participation, Series 2010B (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy) (the "Series 2010B Certificates"), all of which are currently outstanding with $8,430,000 having been deposited into a sinking fund related thereto.

The Series 1998 Certificates, the Series 2001-QZAB Certificates, the Series 2004A Certificates, the Series 2004B Certificates, the Series 2004-QZAB Certificates, the Series 2004C Certificates, the Series 2005-QZAB Certificates, the Series 2006B Certificates, the Series 2007 Certificates, the Series 2008A Certificates, the Series 2010A Certificates, the Series 2010B Certificates, the Series 2012A Certificates and the Series 2014A Certificates are referred to herein, collectively, as the "Prior Certificates." Similarly, the Series 1994 Project, the Series 1995 Project, the Series 1996 Project, the Series 1998 Project, the Series 2001B Project, the Series 2001-QZAB Project, the Series 2002 Project, the Series 2003B Project, the Series 2004B Project, the Series 2004-QZAB Project, the Series 2004C Project, the Series 2005-QZAB Project, the Series 2007 Project and the Series 2010B Project are collectively referred to herein as the "Prior Projects".

The rights, title and interest of the Corporation in the Refinanced Lease Agreements, including the right of the Corporation to receive Basic Rent (as herein defined), to use, sell and relet projects and to exercise remedies thereunder, other than its rights to indemnification, its right to enter into additional Lease Schedules and its obligation not to impair the tax status of the Series 2015A Certificates and the Unrefunded Series 2006A Certificates, have been irrevocably assigned by outright assignment to the Trustee pursuant to the Assignment.

The Series 2015A Certificates are being issued to provide funds for the purposes of (i) refunding the Refunded Certificates, and (ii) paying certain costs of issuance with respect to the Series 2015A Certificates.

The Board has agreed to undertake, for the benefit of Series 2015A Certificate Owners, to provide certain annual financial information and operating data and certain material event notices when and if they occur relating to the District and the Series 2015A Certificates pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended. See "CONTINUING DISCLOSURE" herein.

THE SERIES 2015A CERTIFICATES

Form and Denomination

The Series 2015A Certificates are issuable as fully registered Certificates in denominations of $5,000 or any integral multiple thereof. The Series 2015A Certificates shall be dated their date of delivery and shall mature in the years and principal amounts and bear interest at the rates set forth on the inside cover page of this Offering Statement. The Series 2015A Certificates shall initially be issued exclusively in "book-entry" form and ownership of one fully registered Series 2015A 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 DTC.

The Interest Component of Basic Rent Payments represented by the Series 2015A Certificates is payable on January 1 and July 1 of each year, commencing January 1, 2016. Said interest component shall represent an undivided proportionate interest in a portion of the Interest Component of Basic Rent Payments due on December 15 and June 15 of each year (each a "Payment Date") as set forth in the Refinanced Lease Agreements, to and including the maturity date of each Series 2015A Certificate, or upon earlier prepayment, at the rates set forth on the inside cover page hereof. Interest will be paid by check or draft of the Trustee, as Paying Agent and Registrar, mailed on each Payment Date to the Owners of the Series 2015A Certificates listed in the registration books maintained by the Trustee on the fifteenth day of the month (whether or not a business day) next preceding each Payment Date. DTC will act as securities depository and payment will be made as described below under "– Book-Entry Only System."

The principal amount of the Series 2015A Certificates payable at maturity or upon prepayment thereof, whichever is earlier, shall represent an undivided proportionate interest in a portion of the Principal Component of Basic Rent Payments on each of the dates set forth in the Refinanced Lease Agreements. The Principal Component of Basic Rent Payments represented by the Series 2015A Certificates is payable to the Owner thereof upon presentation, when due, at maturity or upon earlier prepayment, at the designated corporate trust office of the Trustee in Jacksonville, Florida.

Optional Prepayment

The Series 2015A Certificates maturing on and after July 1, 2026, may be prepaid at the option of the Board from prepayments of Basic Rent made by the Board pursuant to the Refinanced Lease Agreements, in whole or in part on July 1, 2025, or any date thereafter, and if in part, by lot within a maturity in such manner as may be designated by the Trustee, at a Prepayment Price equal to the principal amount of the Series 2015A Certificates or portion thereof to be prepaid, plus accrued and unpaid interest thereon to the optional prepayment date, without premium.

No Extraordinary Prepayment

The Series 2015A Certificates are not subject to extraordinary prepayment prior to maturity from net proceeds related to the Series 2000 Project or the Series 2006A Project. If the pro rata portion of the net proceeds related to the Series 2000 Project or the Series 2006A Project, as the case may be, allocable to the Series 2015A Certificates is not greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due in the immediately following fiscal year under the Series 2000 Lease Agreement or the Series 2006A Lease Agreement, as the case may be, then such amounts shall be used first, to pay the Interest Component of the Series 2015A Certificates for the next two interest Payment Dates and then to pay the Principal Component next coming due. In the event such net proceeds are greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due under the Series 2000 Lease Agreement or the Series 2006A Lease Agreement, as the case may be, in the immediately following fiscal year, at the option of the Board, the Board shall apply the portion of the net proceeds of such insurance or condemnation award allocable to the Series 2015A Certificates to (i) the acquisition, construction and installation of other Land and/or Buildings to be used for educational purposes that will be subject to the Series 2000 Lease Agreement or the Series 2006A Lease Agreement, as applicable, or (ii) upon receipt of an approving opinion of Special Counsel, to the Series 2015A Subaccount of the Interest Account, or Series 2015A Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts.

Notice of Prepayment

Notice of prepayment of the Series 2015A Certificates and of prepayment of such Series 2015A Certificates shall be mailed, postage prepaid, not more than sixty (60) days nor fewer than thirty (30) days prior to the date of prepayment, to the Owners of such Series 2015A Certificates to be prepaid. Such mailing shall not be a condition precedent to such prepayment, and failure to mail any such notice, or any defect in such notice as mailed, shall not affect the validity of the proceeding for the prepayment of such Series 2015A Certificates.

Each such notice shall state: (i) the CUSIP numbers of all Series 2015A Certificates being prepaid, (ii) the original issue date of such Series 2015A Certificates, (iii) the maturity date and rate of interest borne by each Series 2015A Certificate being prepaid, (iv) the prepayment date, (v) the Prepayment Price, (vi) the date on which such notice is mailed, (vii) if less than all Outstanding Series 2015A Certificates are to be prepaid, the certificate number (and, in the case of a partial prepayment of any Series 2015A Certificate, the principal amount) of each Series 2015A Certificate to be prepaid, (viii) that on such prepayment date, there shall become due and payable upon each Series 2015A Certificate to be prepaid the prepayment price thereof, or the prepayment price of the specified portions of the principal thereof in the case of Series 2015A Certificates to be prepaid in part only, together with interest accrued thereon to the prepayment date, and that from and after such date, interest thereon shall cease to accrue and be payable, (ix) that the Series 2015A Certificates to be prepaid, whether as a whole or in part, are to be surrendered for payment of the Prepayment Price at the designated corporate trust office of the Trustee at an address specified, and (x) the name and telephone number of a person designated by the Trustee to be responsible for such prepayment.

The Board is not required to deposit funds with the Trustee prior to the mailing by the Trustee of any notice of prepayment for the Series 2015A Certificates, provided that, notice of any prepayment of Series 2015A Certificates shall explicitly state that the proposed prepayment is conditioned on there being on deposit in the applicable account or subaccount on the prepayment date sufficient funds to pay the

full Prepayment Price of the Series 2015A Certificates to be prepaid or any other conditions as may be set forth in such notice of prepayment. In the event the conditions stated in the notice of prepayment are not satisfied on the proposed prepayment date, such prepayment shall not occur and such notice of prepayment shall be of no further force or effect.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CORPORATION, THE BOARD AND THE UNDERWRITERS BELIEVE TO BE RELIABLE, BUT THE CORPORATION, THE BOARD AND THE UNDERWRITERS TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Series 2015A Certificates. The Series 2015A 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 certificate will be issued for each maturity of the Series 2015A Certificates and deposited with DTC.

DTC, the world's largest securities 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 3.5 million issues of U.S. and non-U.S. equity issues, 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 is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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 a Standard & Poor's rating of AA+. 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.

Purchases of Series 2015A Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015A Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2015A Certificate (the "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 2015A 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 the Series 2015A Certificates, except in the event that use of the book-entry system for the Series 2015A Certificates is discontinued.

To facilitate subsequent transfers, all Series 2015A 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 2015A 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 2015A Certificates. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015A 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 2015A Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015A Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Series 2015A Certificate documents. For example, Beneficial Owners of the Series 2015A Certificates may wish to ascertain that the nominee holding the Series 2015A 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.

Redemption notices shall be sent to DTC. If less than all of the Series 2015A Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such certificates to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2015A Certificates unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee 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 the Series 2015A Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2015A Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee on the payable date 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 Participants and not of DTC, Agent, or the Trustee, 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 for the Series 2015A Certificates. 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.

DTC may discontinue providing its services as depository with respect to the Series 2015A Certificates at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered to DTC.

The Board may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

SECURITY FOR THE SERIES 2015A CERTIFICATES

Master-Lease Aspects

The Master Lease contemplates that the relationship between the Board and the Corporation will be a continuing one, that Projects in addition to the Prior Projects and the Refinanced Projects may be added to the Master Lease from time to time, and that Additional Certificates in addition to the Series 2015A Certificates will be issued under the Trust Agreement in connection with such Projects. The Board has previously entered into the Prior Leases as described under the heading "INTRODUCTION."

The Series 2015A Certificates evidence fractional undivided interests in a portion of the Basic Rent Payments to be made by the Board under (i) the Series 2000 Lease Agreement, and (ii) the Series 2006A Lease Agreement, on a pro rata basis with the Unrefunded Series 2006A Certificates, and the Series 2004C Certificates and the Series 2007 Certificates allocated to certain facilities leased under the Series 2006A Lease Agreement (as described below). The Series 2015A Certificates are secured by and payable from the Trust Estate established for the Series 2015A Certificates pursuant to the Trust Agreement. The Trust Estate consists of, among other things, all estate, right, title and interest of the Trustee in and to the Basic Rent Payments under the Refinanced Lease Agreements allocable to the Series 2015A Certificates, and all amounts held in the funds and accounts under the Trust Agreement, allocable to the Series 2015A Certificates 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 Refinanced Lease Agreements and the Trust Agreement which are not required to be remitted to the Board or the Corporation pursuant to the Master Lease or the Trust Agreement.

The owners of the Series 2015A Certificates shall have no claim against, nor receive any benefits from, any portion of the Trust Estate derived from the sale, reletting or other disposition of Projects, other than the Refinanced Projects (except for Designated Equipment – see "THE REFINANCED PROJECTS"). Such portion of the Trust Estate which is derived from the sale, re-letting or other disposition of the Series 2000 Project will be utilized solely for the benefit of the owners of the Series 2015A Certificates. Such portion of the Trust Estate which is derived from the sale, re-letting or other disposition of the Series 2006A Project will be utilized solely for the benefit of the owners of the Series 2015A Certificates on a pro rata basis with the owners of the Unrefunded Series 2006A Certificates, and the Series 2004C Certificates and the Series 2007 Certificates allocated to certain facilities leased under the Series 2006A Lease Agreement (as described below). Any cash, securities or investments in the Series 2015A Pledged

Accounts shall be utilized solely for the benefit of the Owners of the Series 2015A Certificates. See "SECURITY FOR THE SERIES 2015A CERTIFICATES - Lease Payment Fund" and "-Additional Series of Certificates."

Notwithstanding any provision of the Series 2006A Lease Agreement and the Series 2007 Lease Agreement to the contrary, that portion of the Series 2006A Project and the Series 2007 Project comprised of Steinbrenner High School and Smith Middle School shall be secured, on a proportionate basis, by the Series 2004C Lease Agreement, the Series 2006A Lease Agreement and the Series 2007 Lease Agreement and that portion of the Series 2006A Project and the Series 2007 Project comprised of Barrington Middle School and Reddick Elementary School shall be secured, on a proportionate basis, by both the Series 2006A Lease Agreement and the Series 2007 Lease Agreement.

Limited Obligation of the Board

The obligation of the Board to make Lease Payments, which includes Basic Rent and Supplemental Rent under the Refinanced Lease Agreements, is a limited and special obligation, payable solely from moneys specifically appropriated by the Board for such purpose from the Board's Available Revenues (as defined herein). There shall be credited, against such obligation, moneys, if any, on deposit with the Trustee in certain accounts pledged under the Trust Agreement and from amounts, if any, realized from the exercise of remedies with respect to the Refinanced Projects (other than Designated Equipment – see "THE REFINANCED PROJECTS") by the Trustee on behalf of Certificate Owners. Such Basic Rent is subject to annual appropriation by the Board and the Refinanced Lease Agreements shall be terminated upon the occurrence of an Event of Non-Appropriation. An "Event of Non-Appropriation" will occur if the Board does not approve a tentative Budget and a final Budget in accordance with State law which appropriates sufficient funds from Available Revenues to continue paying Basic Rent in full for all Projects (including the Prior Projects and the Refinanced Projects) leased under the Master Lease beyond the end of such Initial Lease Term or Renewal Lease Term for the following Renewal Lease Term. The Lease Term shall be deemed renewed pending the enactment of the final Budget and the Board shall be liable for any Basic Rent and other obligations under the Master Lease coming due during such period but only if the tentative Budget and the final Budget make available to the Board moneys which may be legally used to pay the Basic Rent and pay such other obligations coming due during such period. Upon the occurrence of an Event of Non-Appropriation, the Board will not be obligated to pay Basic Rent for the Refinanced Lease Agreements and any other obligations accruing beyond the then current Fiscal Year.

While the Board is not legally obligated to do so, it has represented in the Master Lease that it is its present intent to continue the Refinanced Lease Agreements with respect to the Refinanced Projects for the Maximum Lease Terms thereof (ending June 30, 2026 and June 30, 2031, respectively). Subject to the right of non-appropriation, the Board has agreed in the Master Lease to take such action as may be necessary to include all Basic Rent due under the Master Lease as a separately stated line item in its Budget and to appropriate in each Fiscal Year from Available Revenues an amount necessary to pay the Basic Rent due in such Fiscal Year.

"Available Revenues" includes the moneys and revenues of the Board legally available under the Act to pay the Basic Rent. Available Revenues may include, but are not limited to, Capital Outlay Millage funds. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS" and "OPERATING REVENUE OF THE DISTRICT" herein.

The Board has and may issue additional indebtedness which is not in connection with the Master Lease secured by any of its Available Revenues without the consent of the Owners of the Series 2015A Certificates. The incurrence of such indebtedness by the Board may adversely affect the Board's ability to pay Basic Rent and Supplemental Rent under the Master Lease.

BASIC RENT AND, CONSEQUENTLY, THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST ARE PAYABLE SOLELY FROM THE BOARD'S AVAILABLE REVENUES, AND NEITHER THE BOARD, THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA (THE "DISTRICT"), HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER THE REFINANCED LEASE AGREEMENTS EXCEPT FROM AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE. BASIC RENT IS SUBJECT TO ANNUAL APPROPRIATION BY THE BOARD. THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST AND THE PAYMENTS DUE FROM THE BOARD UNDER THE REFINANCED LEASE AGREEMENTS AND THE CONTRACTUAL OBLIGATIONS OF THE BOARD UNDER THE REFINANCED LEASE AGREEMENTS DO NOT CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OF THE BOARD, THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. THE ISSUANCE OF THE SERIES 2015A CERTIFICATES WILL NOT DIRECTLY OR INDIRECTLY OBLIGATE THE BOARD, THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATSOEVER THEREFOR AND THE OWNERS OF THE SERIES 2015A CERTIFICATES WILL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION OF THE BOARD OR ANY OTHER GOVERNMENTAL ENTITY.

THE BOARD IS NOT OBLIGATED TO APPROPRIATE AVAILABLE REVENUES TO PAY BASIC RENT. IF, FOR ANY FISCAL YEAR, THE BOARD DOES NOT APPROVE A BUDGET WHICH APPROPRIATES SUFFICIENT AVAILABLE REVENUES (WITHOUT REGARD TO ANY CREDITS FROM EARNINGS ON AMOUNTS HELD IN THE FUNDS AND ACCOUNTS ESTABLISHED UNDER THE TRUST AGREEMENT) IN A LINE ITEM SPECIFICALLY IDENTIFIED FOR PAYMENT OF ITS OBLIGATIONS UNDER THE MASTER LEASE, SUCH FAILURE SHALL CONSTITUTE AN EVENT OF NON-APPROPRIATION AND THE MASTER LEASE SHALL TERMINATE AS OF THE LAST DAY OF THE INITIAL LEASE TERM OR THE LAST RENEWAL LEASE TERM FOR WHICH AVAILABLE REVENUES HAVE BEEN BUDGETED AND APPROPRIATED AND THE BOARD WILL NOT BE OBLIGATED TO PAY ANY BASIC RENT ACCRUING OR ARISING BEYOND SUCH LAST DAY. IN SUCH EVENT, THE BOARD IS REQUIRED TO SURRENDER USE, POSSESSION AND CONTROL OF ALL PROJECTS (OTHER THAN DESIGNATED EQUIPMENT) LEASED UNDER THE MASTER LEASE, INCLUDING THE PRIOR PROJECTS AND THE REFINANCED PROJECTS, TO THE TRUSTEE.

Uniform Commercial Code

The Series 2015A Certificates will have all the qualities and incidents of an investment security under the Uniform Commercial Code-Investment Securities Law of the State and are exempt from the provisions of the uniform commercial code relating to secured transactions.

Lease Payment Fund

The Trust Agreement provides for the establishment and maintenance of a single Lease Payment Fund, with a Principal Account and an Interest Account for deposit of Basic Rent Payments appropriated and paid under the Master Lease. With certain limited exceptions, separate subaccounts within the Principal Account and the Interest Account will be established upon the issuance of each additional series of Certificates under the Trust Agreement. Basic Rent due under all Lease Schedules to the Master Lease is subject to annual appropriation by the Board on an all-or-none basis and is payable on a parity basis solely from Available Revenues; provided that (i) Basic Rent with respect to a particular Lease Schedule and Series of Certificates may be additionally and separately secured by a Credit Facility or insurance policy, and (ii) Owners of various Series of Certificates are not on a parity as to the amounts in the separate subaccounts established in the Lease Payment Fund with respect to a particular series. The Refinanced Projects are just portions of a series of Projects financed under the Master Lease. There is no limit on the number of additional Projects that may be financed thereunder. The Board may enter into additional lease schedules from time to time, without limitation, for the lease purchase financing of additional Projects. Such additional Projects may be financed through the sale of additional series of Certificates under the Trust Agreement. PURSUANT TO THE MASTER LEASE, THE BOARD MAY NOT BUDGET AND APPROPRIATE BASIC RENT FOR A PORTION OF THE PROJECTS LEASED THEREUNDER; IT MUST BUDGET AND APPROPRIATE FOR ALL PROJECTS 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. See " – Limited Obligation of the Board" herein for further information regarding the effect of an Event of Non-appropriation under the Master Lease.

Flow of Funds

Pursuant to the Trust Agreement, the following funds and accounts were established:

(1) the "School Board of Hillsborough County, Florida Master Lease Project Fund" (the "Project Fund"), which consists of a Project Account, Capitalized Interest Account and a Costs of Issuance Account;

(2) the "School Board of Hillsborough County, Florida Master Lease Payment Fund" (the "Lease Payment Fund"), which consists of a Principal Account and an Interest Account;

(3) the "School Board of Hillsborough County, Florida Master Lease Prepayment Fund" (the "Prepayment Fund"); and

(4) the "School Board of Hillsborough County, Florida Master Lease Rebate Fund" (the "Rebate Fund").

Series subaccounts have been or will be established within the Principal Account, Interest Account, Project Account, Costs of Issuance Account and Prepayment Fund for each Series of Certificates, including the Series 2015A Certificates.

Basic Rent Payments paid to the Trustee, as assignee of the Corporation pursuant to the Master Lease and the Assignment, shall be deposited as received by the Trustee in the Lease Payment Fund and applied by the Trustee in the following manner and in the following order of priority:

(i) There shall be deposited to the subaccount of the Interest Account established for the payment of a Series of Certificates from the Interest Component of Basic Rent made in relation to such Series of Certificates an amount which shall be sufficient to pay the interest becoming due on such Series of Certificates on the next succeeding Payment Date. Moneys in each subaccount of the Interest Account shall be used to pay the interest on the Series of Certificates for which it was established as and when the same become due, whether by redemption or otherwise, and for no other purpose. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on all Outstanding Certificates on the next succeeding Payment Date.

(ii) There shall be deposited to the subaccount of the Principal Account established for the payment of a Series of Certificates from the Principal Component of Basic Rent made in relation to such Series of Certificates an amount which shall be sufficient to pay the principal and the Amortization Installment becoming due on such Series of Certificates on the next succeeding principal Payment Date. Moneys in each subaccount of the Principal Account shall be used to pay the principal and Amortization Installment of the Series of Certificates for which it was established as and when the same shall mature or are redeemed, and for no other purpose. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal and the Amortization Installment coming due on all Outstanding Certificates on the next succeeding principal Payment Date.

Defaults and Remedies

Upon the occurrence of an Event of Default under the Trust Agreement (which includes the occurrence of an "Event of Default" or "Event of Non-Appropriation" under the Master Lease unless the Master Lease "Event of Default" has been remedied or waived), the Trustee is entitled to and, upon direction of the Owners of not less than a majority in aggregate principal of Certificates then Outstanding is required to, exercise a variety of remedies including, without limitation, any one or more of the following: (1) declare the principal of all Certificates of a Series due and payable (but only if the Master Lease has been terminated); (2) protect and enforce its rights and the rights of the Owners under the Trust Agreement, the Master Lease or the Ground Leases; and (3) take possession of the Projects, including the Refinanced Projects (other than Designated Equipment), and sell, re-let or otherwise dispose of the leasehold estate of the Corporation in the Projects, or any portion thereof.

Refunding Certificates

Refunding Certificates may be issued under and secured by the Trust Agreement for the purposes of (i) providing funds for refunding part or all of the Certificates at or prior to their maturity or maturities, including the payment of any Prepayment Premium thereon and interest which will accrue on such Certificates to their date of payment, (ii) making a deposit, as necessary, to the subaccount of the Reserve Account which shall secure such Refunding Certificates, and (iii) paying the Costs of Issuance relating to said Refunding Certificates.

In order to issue Refunding Certificates, the Trustee must have received, among other items, a report of a certified public accountant or firm of certified public accountants verifying the mathematical accuracy of calculations supplied by the Board, or its designee, that the proceeds of such Refunding Certificates plus any other moneys available for such purpose, including investment earnings, shall be not less than an amount sufficient to pay the principal of and the Prepayment Premium, if any, on the Certificates to be refunded and the Interest Component of the Basic Rent represented by such Certificates which will accrue thereon to the prepayment date or maturity dates applicable thereto.

Other than for amounts required to pay Costs of Issuance, the proceeds of such Refunding Certificates and any other moneys received by the Trustee for such purpose, shall be held by the Trustee or other designated fiduciary in a special fund appropriately designated, to be held in trust for the sole and exclusive purpose of paying the principal of and Prepayment Premium, if any, on the Certificates to be refunded and the Interest Component of the Basic Rent represented by such Certificates, all as provided in the Trust Agreement. The Refunding Certificates shall be secured in the same manner and from the same Pledged Accounts as the Certificates to be refunded in accordance with the terms of the Trust Agreement. The Series 2015A Certificates constitute Refunding Certificates under the Trust Agreement.

Additional Certificates and Other Indebtedness

Additional Series of Certificates ("Additional Certificates") may be issued under the Trust Agreement, in addition to the Series 2015A Certificates and the Prior Certificates, to finance additional Projects under the Master Lease without the consent of the Owners of the Series 2015A Certificates. The number of Series of Certificates that may be created under the Trust Agreement is not limited. The aggregate principal amount of each Series of Certificates which may be issued, authenticated and delivered under the Trust Agreement is not limited except as set forth in the related Lease Schedule specifying the details of such Series.

In addition to Additional Certificates issued under the Master Lease, the Board may also issue indebtedness or other obligations which are not in connection with the Master Lease secured by any of its Available Revenues without the consent of the Owners of the Series 2015A Certificates. The incurrence of such indebtedness or other obligations may affect the Board's obligations to make Lease Payments under the Master Lease. Failure of the Board to appropriate Available Revenues for all Lease Payments under the Master Lease would not necessarily impair the Board's right to appropriate revenues to make payments for obligations which are not connected to the Master Lease.

Interest Rate Exchange Agreement

In connection with the issuance of the Series 1998 Certificates the Board entered into an ISDA Master Agreement between UBS AG ("UBS") and the Board (together with all schedules and confirmations thereto, the "1998 Interest Rate Exchange Agreement"), dated February 19, 2003 and amended April 19, 2005. Under such agreement the Board will pay UBS a 4.97% fixed rate of interest on an amortizing notional amount of $109,670,000 (as of June 30, 2015) (the "UBS Swap"). In return, UBS will pay the Board a variable rate based on the Securities Industry and Financial Markets Association Municipal Swap Index. Payments (other than non-scheduled termination payments) made by the Board under the 1998 Interest Rate Exchange Agreement, together with payments due under any similar agreement entered into by the Board in the future, constitute or would constitute Basic Rent Payments under the Master Lease secured by the Lease Schedule to which the notional amount relates (i.e., in the case of the 1998 Interest Rate Exchange Agreement, the Series 1998 Lease Agreement).

Under certain circumstances, the 1998 Interest Rate Exchange Agreement is subject to early termination, which may or may not be in control of the Board, in which event the Board may be obligated to make a payment to UBS. Such circumstances include, but are not limited to, the long term unsecured credit rating of the Board by S&P or Moody's is withdrawn, suspended or falls below BBB or Baa2, respectively, events related to the insurer of the UBS Swap (subject to certain remedial actions of the Board), and the occurrence of an event of default under the 1998 Interest Rate Exchange Agreement. If a

termination event were to occur under such agreement, the Board may or may not be obligated to appropriate a significant termination payment or payments within a single fiscal year. Such an obligation could have a material adverse effect on the Board's ability to make Lease Payments. See "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" and specifically, Note 8 therein entitled "Interest Rate Swap."

RISK FACTORS

The purchasers of the Series 2015A Certificates are subject to certain risks. Each prospective investor in the Series 2015A 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 2015A Certificates to an extent that cannot be determined.

Annual Right of the Board to Terminate the Lease Agreement

Although the Board has determined in the Master Lease that the Refinanced Projects are necessary to its operations and currently intends to continue the Refinanced Lease Agreements with respect to the Refinanced Projects for the Maximum Lease Terms thereof and has covenanted in the Refinanced Lease Agreements that the Superintendent will include a sufficient amount in the tentative Budget and final Budget to enable the Board to make the Basic Rent due in each Fiscal Year, the Board is not required to appropriate funds to pay Basic Rent. If for any Fiscal Year the Board does not approve a tentative Budget and a final Budget which appropriates sufficient funds from Available Revenues in a line item specifically identified for payment of its obligations under the Master Lease, the Master Lease shall terminate as of the last day of the Initial Lease Term or last Renewal Lease Term for which moneys have been budgeted and appropriated with respect to the Refinanced Projects, the Prior Projects and all other Projects financed thereunder, and the Board will not be obligated to make Basic Rent accruing or arising thereafter, and the Board shall be required to surrender use, possession and control of the Refinanced Projects (other than the Designated Equipment) and all other Projects to the Trustee within seven Business Days after the date on which such Event of Non-Appropriation occurs.

The likelihood that the Refinanced Lease Agreements will be terminated as the result of an Event of Non-Appropriation is dependent upon certain factors that are beyond the control of the Certificate Owners, including the continuing future utility of the Refinanced Projects and Prior Projects to the Board and changes in population or demographics within the County (which may impact such future utility).

Limitation Disposition; Ability to Sell or Relet

Following an Event of Default under the Trust Agreement (which includes an Event of Non-Appropriation or Event of Default under the Master Lease), the Trustee may take possession of all or a portion of the Refinanced Projects (other than Designated Equipment). However, due to the governmental nature of the Refinanced Projects, it is not certain whether a court would permit the exercise of the remedies to sell, relet or dispose of the Refinanced Projects. Also, there is no assurance that the Trustee will be able to sell, relet or dispose of the components of the Refinanced Projects or that the Owners of the Series 2015A Certificates and the Unrefunded Series 2006A Certificates will obtain payment of all or any portion of the Principal Component or Interest Component thereof upon an Event of Default under the Trust Agreement.

Tax Exempt Status

Upon termination of the Master Lease, there is no assurance that payments made by the Trustee with respect to the Series 2015A Certificates and designated as interest will be excludable from gross income for federal income tax purposes. See "TAX EXEMPTION" herein.

Applicability of Securities Laws

In the event of the termination of the Master Lease, the transfer of a Series 2015A 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 2015A Certificates will not be impaired following termination of the Master Lease.

Capital Outlay Millage

The amount which can be realized by the Board derived from the levy of the Capital Outlay Millage (hereinafter described), the Board's primary source of repayment of the Basic Rent represented by the Series 2015A Certificates, can be affected by a variety of factors not within the Board's control including, without limitation, fluctuations in the assessed valuation of the property within the County and the amount of general business activity, growth and new construction which occurs within the County. The revenues derived from the Capital Outlay Millage could be affected adversely by, among other things, a decline in property values brought on by market, catastrophic or other events or crises, litigation or legislation. There can, therefore, be no assurances that such revenues will not decrease in the event that such growth and new construction, for whatever reason, decreases or ceases altogether within the County. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS" herein and "APPENDIX A--GENERAL INFORMATION RELATING TO HILLSBOROUGH COUNTY, FLORIDA" attached hereto.

The Capital Outlay Millage may also be adversely affected pursuant to changes in applicable law. See " – Recent Legislative and Constitutional Initiatives" below and "AD VALOREM TAXATION – Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" herein, for a description of recent changes in applicable law affecting the levy of the Capital Outlay Millage.

State Revenues

A large portion of the District's funding is derived from State sources. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – State Sources" and "AD VALOREM TAXATION – Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" herein. A significantly large percentage of such state revenue is generated from the levy of a State sales tax. The amount budgeted for distribution from the State to the District is subject to change in the event that projected revenues are not realized.

For Fiscal Year 2006-07 through Fiscal Year 2012-13, the Florida Legislature reduced the State's budget, which resulted in a significant revenue decline for Florida school districts. Beginning in Fiscal Year 2013-14, the Florida Legislature increased State funding for K-12 education. The adopted State budget for Fiscal Year 2013-14 provided for an approximately $1.05 billion increase in State funding for K-12 education, including a $480 million increase in salaries for school personnel, retirement rate increases and growth. As a result of the enacted budget, funding in the State increased by approximately

$400 per student or 6.5% over Fiscal Year 2012-13. The District received an increase of approximately $80,012,783 in State revenues for Fiscal Year 2013-14 as compared to Fiscal Year 2012-13. The adopted State budget for the Fiscal Year 2014-15 included an appropriation of approximately $18.9 billion for public education, an increase of approximately $175 million in State funding for K-12 education. As a result, per-student funding in the State increased by approximately $129 to $6,890 per student as compared to the Fiscal Year 2013-14. The enacted budget also included approximately $600 million in money for construction projects for public schools, universities and colleges, including $75 million for charter schools. The District received an increase of approximately $42,418,100 in State revenues for the Fiscal Year 2014-15 as compared to the Fiscal Year 2013-14. On June 23, 2015, Governor Scott signed the State Budget for Fiscal Year 2015-16 into law. The State budget for Fiscal Year 2015-16 included an appropriation of approximately $19.7 billion for K-12 education, an increase of approximately $780 million in State funding. This increase in State funding will result in a per student funding in the State of approximately $7,105 or approximately a 3% increase over Fiscal Year 2014-15. The District estimates an increase of approximately $62,102,874 in State revenues for the Fiscal Year 2015-16 as compared to the Fiscal Year 2014-15.

To meet the needs of the District and work within the reduced State funding, the District made the following budget reductions:

Fiscal Year	District Budget Reductions
2007-08	$47,000,000
2008-09	14,195,938
2009-10	39,813,200
2010-11	25,550,069
2011-12	8,651,963
2012-13	7,226,902
2013-14	8,358,758
2014-15	9,360,979
Total	$160,157,809

Additional Lease Schedules

The Board may enter into other Lease Schedules in addition to the Fourth Amended and First Restated Lease Schedule No. 1996, the Fourth Amended and Restated Lease Schedule No. 1998, the Second Amended and Restated Lease Schedule No. 1999, the Amended and Restated Lease Schedule No. 2000, the Amended and Restated Lease Schedule No. 2001B, the Lease Schedule No. 2001-QZAB, the Amended and Restated Lease Schedule No. 2002, the Amended and Restated Lease Schedule No. 2003B, the Lease Schedule No. 2004B, the Lease Schedule No. 2004-QZAB, the Lease Schedule No. 2004C, the Lease Schedule No. 2005-QZAB, the Amended and Restated Lease Schedule No. 2006A, the Lease Schedule No. 2007 and the Lease Schedule No. 2010B. Failure to appropriate funds to pay Basic Rent under any such Lease Schedules will, or an event of default under any such Lease Schedules may, result in the termination of all Lease Schedules, including the Refinanced Lease Agreements. Upon any such termination of all Lease Schedules, the Board must surrender all Projects (other than Designated Equipment), including the Refinanced Projects, to the Trustee for sale or lease. The proceeds of any such disposition of Projects will be applied to the payment of the applicable Certificates. In no event will owners of the Series 2015A Certificates have any interest in or right to any proceeds of the disposition of

facilities financed with the proceeds of another Series of Certificates, except for the Series 2000 Project, and the Series 2006A Project on a pro rata basis with the Owners of the Unrefunded Series 2006A Certificates, and the Series 2004C Certificates and the Series 2007 Certificates allocated to certain facilities leased under the Series 2006A Lease Agreement. See "SECURITY FOR THE SERIES 2015A CERTIFICATES - Master-Lease Aspects" herein. In no event will Series 2015A Certificate holders have any interest in or rights to Designated Equipment. There can be no assurance that the remedies available to the Trustee upon any such termination of all Lease Schedules and the disposition of the Refinanced Projects will produce sufficient amounts to pay the Series 2015A Certificates.

Additional Indebtedness

The Board may issue additional indebtedness other than in connection with the Master Lease secured by or payable from Available Revenues without the consent of the Owners of the Series 2015A Certificates. Incurring such additional indebtedness may adversely affect the Board's ability to make Lease Payments under the Master Lease. See "SECURITY FOR THE SERIES 2015A CERTIFICATES - Additional Certificates and Other Indebtedness" herein.

Recent Legislative and Constitutional Initiatives

During recent years, many legislative and constitutional proposals have been introduced that could affect District funding sources to the extent passed. See "AD VALOREM TAXATION – Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" for a description of recent initiatives that have been proposed. The Board is unable to predict what proposals, and their effect on Board finances, may be introduced during the time the Series 2015A Certificates are Outstanding.

No Reserve Account

No reserve account has been or will be established for the Series 2015A Certificates.

Property and Casualty Insurance

Many governmental entities including school districts in the State of Florida are facing substantial increases in property and casualty insurance premiums for insurance policies which include substantial increases in deductibles and limitations on coverage. No assurances can be given that property and casualty insurance coverage may be obtained which will insure for the full replacement value of the Board's facilities including the facilities leased under its Master Lease Program (as defined herein). The Board is currently unable to insure such full replacement value.

The Board has covenanted in the Lease Agreement, subject to the requirements of State law, to procure and maintain insurance against loss or damage to any part of the Projects by fire or lightning, with extended coverage and vandalism and malicious mischief insurance. Such extended coverage insurance will, as nearly as practicable, also cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. The Lease Agreement requires that such insurance be in an amount equal to the lesser of (i) one hundred percent (100%) of the replacement cost of the Projects, (ii) the Principal Component of the Basic Rent Payments then remaining unpaid, (iii) the amount of $75,000,000 per occurrence or, (iv) such lesser amount as is available at commercially reasonable costs, as set forth in a Certificate of an Insurance Consultant filed with the Board and the Trustee. Such insurance may be subject to deductible clauses not to exceed

$250,000 in the aggregate for any one loss or, in the case of windstorm damage, two percent (2%) of the replacement cost.

Sequestration

Pursuant to the Sequestration Transparency Act of 2012 (P.L. 112-155), as a consequence of the Joint Select Committee on Deficit Reduction's failure to propose, and Congress' failure to enact, a plan to reduce the federal deficit by $1.2 trillion (as required by the Budget Control Act of 2011 by January 2, 2013), the President of the United States, in his report to Congress of sequestration for fiscal year 2013, included in such sequestration the payments authorized for direct-pay bonds issued under the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), such as Build America Bonds, including the Series 2010B Certificates. The sequestration cut for direct-pay bonds was initially scheduled to last through fiscal year 2021 but has been extended through fiscal year 2024. On September 30, 2013, the Internal Revenue Service announced that payments to issuers of direct-pay bonds, such as the Series 2010B Certificates, are subject to a reduction of 7.2% of the amount budgeted for such cash subsidy payments ("Federal Subsidy Payments") through September 30, 2014. On October 16, 2014, the Internal Revenue Service announced that payments to issuers of direct-pay bonds are subject to a reduction of 7.3% of the amount budgeted for such Federal Subsidy Payments through September 30, 2015. On August 11, 2015, the Internal Revenue Service announced that payments to issuers of direct-pay bonds are subject to a reduction of 6.8% of the amount budgeted for such Federal Subsidy Payments through September 30, 2016. No assurance can be given that legislative proposals may be introduced or enacted by Congress that would or might apply to, or have an adverse effect upon, the Board's receipt of the Federal Subsidy Payments. *Payment of debt service on the Series 2010B Certificates is not contingent upon receipt by the Board of the Federal Subsidy Payments and the Board does not expect that any such reduction in Federal Subsidy Payments will affect its ability to make Lease Payments on the Series 2010B Certificates*.

THE MASTER LEASED PROJECTS

The Refinanced Projects will be refinanced under the Board's existing Master Lease Purchase Program (the "Master Lease Program") with the Corporation pursuant to the Master Lease. The Projects financed by the Board under the Master Lease Program are subject to annual appropriation on an all or none basis. The District has 54 schools and 45 additions to schools subject to the Master Lease Program. Based on the District's full time equivalent enrollment for the Fiscal Year 2014-15 of approximately 204,558 students, approximately 42% of the District's students will attend classes in facilities leased under the Master Lease. Under certain conditions set forth in the Master Lease, the Board may substitute or add components to any of the Prior Projects and the Refinanced Projects and modify the Plans and Specifications thereof. For a complete description of the facilities see "THE REFINANCED PROJECTS" and "THE PRIOR PROJECTS" herein. To determine the above percentage, the number of students attending each facility was calculated as follows: for schools that are built and operating, the number of students for the Fiscal Year 2014-15 was used; for the additions, the number of student stations attributable to each specific classroom for Fiscal Year 2014-15 based on the type of school (elementary, middle or high) was used. For purposes of the foregoing calculation, the improvements that comprise Designated Equipment were not included. Such attendance levels may change at any time based on an increase or reduction in actual enrollment or further State of Florida legislative or constitutional requirements. See "SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA - Constitutional Amendments Related to Class Size Reduction and Pre-K Education" for a further description of the current Florida Constitutional requirements related to class size.

Pursuant to the Master Lease, the Board does not have the ability to appropriate Basic Rent for payment of one Project or some combination of Projects only. The Board's annual appropriation for Lease Payments must be for all Projects under the Master Lease Program or it must terminate all Projects under the Master Lease Program. In the event the Board decides not to appropriate funds in its annual budget for all of such financed Projects, the Board would, at the Trustee's option, have to surrender such Projects (other than Designated Equipment) for the duration of their applicable lease terms, including the Refinanced Projects, to the Trustee for the benefit of the Owners of the Certificates which financed or refinanced such Projects.

THE REFINANCED PROJECTS

The Refinanced Projects consists of the acquisition, construction and/or installation of certain educational facilities located in the District. The Series 2000 Project is refinanced in whole with proceeds of the Series 2015A Certificates. The Series 2006A Project is partially refinanced with proceeds of the Series 2015A Certificates.

Series 2000 Project

The following educational facilities comprise the principal components of the Series 2000 Project:

Farnell Middle School
Lewis Elementary School addition
Essrig Elementary School addition
Morgan Woods Elem. School addition
Ferrell Middle School addition*
Gorrie Elementary School addition*
West Tampa Elementary School addition
Cimino Elementary School
Claywell Elementary School addition
Mabry Elementary School addition
Riverview Elementary School addition
Dover ESE addition
Lopez ESE addition
Westshore Elementary School addition*

Series 2006A Project

The following educational facilities comprise the principal components of the Series 2006A Project:

Steinbrenner High School
Smith Middle School
Gaither High School Renovations*
Barrington Middle School
Reddick Elementary School

Substitution of the Refinanced Projects

Under certain conditions set forth in the Master Lease, the Board may substitute or add components to the Refinanced Projects and modify the Plans and Specifications thereof. The Refinanced Projects were approved by the Board in connection with the Board's Capital Improvement Program. Construction on all educational facilities comprising the Series 2000 Project was completed during 2000 through 2006 and the Series 2006A Project was completed during 2006 through 2013.

Designated Equipment

The Refinanced Projects include Designated Equipment which consists of equipment components not constituting fixtures of the educational facilities described above. The Owners of the Series 2015A Certificates will not be granted any interest in Designated Equipment. With respect to the Refinanced Projects, Designated Equipment also includes the educational facilities described under the heading above and the facilities designated with an asterisk (*). Approximately 15.3% of the Series 2000 Project and 11.9% of the Series 2006A Project, constitutes Designated Equipment.

THE PRIOR PROJECTS

The following descriptions of other projects are general descriptions of projects currently subject to the Master Lease. Under certain conditions of the Master Lease, the Board may substitute components of the respective Projects and modify the plans and specifications therefor. All components designated with an asterisk (*) constitute Designated Equipment.

Series 1994 Project

The following educational facilities comprise the principal components of the Series 1994 Project:

Benito Middle School
Walker Middle School
Burnett Middle School
Sickles High School
Wharton High School
Durant High School
Blake High School
Plant City High School Addition
Carrollwood Elementary School Addition

Series 1995 Project

The following educational facilities comprise the principal components of the Series 1995 Project:

Witter Elementary School
Sulphur Springs Elementary School
Clark Elementary School
Pizzo Elementary School*
Valrico Elementary School
Twin Lakes Elementary School
Crestwood Elementary School
Gibsonton Elementary School
Williams Middle School
Portable Classrooms*
Tomlin Middle School Addition
Sulpher Springs Elementary School Addition

Series 1996 Project

The following educational facilities comprise the principal components of the Series 1996 Project:

Westchase Elementary School
Rodgers Middle School

Series 1998 Project

The following educational facilities comprise the principal components of the Series 1998 Project:

Springhead Elementary School
Wilson Elementary School
Media Centers at 13 elementary schools
Media Centers and Classrooms at 10 elementary schools
Completion of Series 1995 Project
Riverview High School
Durant High School Classrooms
Freedom High School Athletic Facility
Middleton High School (land for site only)
Westchase Middle School
Baycrest Elementary School
Woodbridge Elementary School
Completion of Blake High School
Franklin Middle School
Alonso High School Athletic Facility

Series 1999 Project

The following educational facilities comprise the principal components of the Series 1999 Project:

Middleton High School
Freedom High School and land for site
Liberty Middle School and land for site
Mulrennan Middle School
Sheehy Elementary School
Newsome Athletic Facility*
Spoto High School Athletic Facility*

Series 2001B Project

The following educational facilities comprise the principal components of the Series 2001B Project:

Jennings Middle School
East County Career Center
Broward Elementary School Classrooms
Nelson Elementary School
ESE/East County Career Center
MacFarlane Center Food Service/Media Center
Ippolito Elementary School
Grady Elementary School
Heritage Elementary School
Sessums Elementary School
Kingswood Elementary School Classrooms
Sligh Middle School Gymnasium

Series 2001-QZAB Project *

The Series 2001-QZAB Project consists of renovations of Van Buren Middle School Academy and Cahoon Elementary School Academy. All of the components of the Series 2001-QZAB Project constitute Designated Equipment for purposes of the Master Lease.

[Remainder of page intentionally left blank]

Series 2002 Project

The following educational facilities comprise the principal components of the Series 2002 Project:

Corr Elementary School
Turner Elementary School
Bartels Middle School
Collins Elementary School
Middleton High School Athletic Facility*
Hammond Elementary School
Just Early Childhood Center
Stewart Middle School (Classroom additions)
Woodbridge Elementary School (Classroom additions)
Smith Middle School Completion*

Series 2003B Project

The following educational facilities comprise the principal components of the Series 2003B Project:

Spoto High School
Fishhawk Elementary School
Knights Elementary School Classroom Additions
Frost Elementary School
Rampello Downtown Partnership School

Series 2004B Project

The following educational facilities comprise the principal components of the Series 2004B Project:

Earl J. Lennard High School
New parking facility serving Rampello Downtown Partnership School
Inez Doby Elementary School
Ruskin Elementary School Additions*

Series 2004-QZAB Project*

The Series 2004-QZAB Project consists of the complete renovation of Just Elementary School, Cleveland Elementary School, Foster Elementary School and Desoto Elementary School. All of the components of the Series 2004-QZAB Project constitute Designated Equipment for purposes of the Master Lease.

Series 2004C Project

The following educational facilities comprise the principal components of the Series 2004C Project:

Steinbrenner High School
Earl J. Lennard High School Athletic Facility*
Nancy Bartels Middle School
Summerfield Crossing Elementary School
Armwood High School Renovations and Remodeling*
Deer Park Elementary School
Gary Adult School
Stowers Elementary School
Oak Park Elementary School

Series 2005-QZAB Project*

The Series 2005-QZAB Project consists of certain renovations to Wimauma Elementary School. All the components with the Series 2005-QZAB Project constitute Designated Equipment for purposes of the Master Lease.

Series 2007 Project

The following educational facilities comprise the principal components of the Series 2007 Project:

Strawberry Crest High School
Completion of Steinbrenner High School
Completion of Barrington Middle School
Bloomingdale High School Renovations*

Series 2010B Project*

The Series 2010B Project consists of certain renovations to the following District schools and facilities:

Marshall Middle School
Brandon High School
Twin Lakes Elementary School
Forest Hills Elementary School
Grady Elementary School
Monroe Middle School
Hill Middle School
Shore Elementary School
Shore Elementary School
Progress Village Middle School
Progress Village Middle School
McLane Middle School
Memorial Middle School
Forest Hills Elementary School
Davidsen Middle School
Lincoln Elementary School
South County Career School
Morgan Woods Elem School
Turkey Creek Middle School
Seffner Elementary School
Sligh Middle School
Springhead Elementary School
Sulphur Springs Elementary School
Mort Elementary School
Woodbridge Elementary School
Wilson Elementary School
Temple Terrace Elementary School
Alexander Elementary School
Bellamy Elementary School
Broward Elementary School
Chiarmonte Elementary School
Claywell Elementary School
Dickenson Elementary School
Dover Elementary School
Hillsborough High School
Robinson High School
Knights Elementary School
Coleman Middle School
Lavoy Center School
Rossac School
Maintenance Operations School
Yates Elementary School
Van Buren Middle School
Hanna Warehouse School

All of the components with the Series 2010B Project constitute Designated Equipment for purposes of the Master Lease.

Designated Equipment

The Projects which include Designated Equipment that consists of equipment components not constituting fixtures of the educational facilities described above are the facilities designated with an asterisk (*). Upon the occurrence of an Event of Non-Appropriation or an Event of Default, the Owners of the Prior Certificates will have no rights to the components of the Prior Projects constituting Designated Equipment.

THE MASTER LEASE PROGRAM

The Ground Lease

The Board, as Ground Lessor, granted to the Corporation, as Ground Lessee, a leasehold estate in the Series 2000 Project and the real estate on which such Series 2000 Project is located (the "Series 2000 Projects Land") pursuant to the Series 2000 Ground Lease. The term of the Series 2000 Ground Lease commenced on the dated date of the Series 2000 Certificates and will terminate on the earlier of (a) the date on which the Series 2015A Certificates related to the Series 2000 Project (and any Series of Certificates refunding such Certificates) have been paid in full, or (b) July 1, 2031 (both dates inclusive). So long as no Event of Default or Event of Non-Appropriation under the Series 2000 Lease Agreement has occurred, the Series 2000 Projects Land shall be used by the Board with respect to the Series 2000 Project. Upon termination of the Master Lease, the rental of the Series 2000 Projects Land shall be increased to fair market value in accordance with the terms of the Series 2000 Ground Lease. The payment of such increased rent is subordinate to the obligation to pay the Principal Component and the Interest Component of the Series 2015A Certificates.

The Board, as Ground Lessor, granted to the Corporation, as Ground Lessee, a leasehold estate in the Series 2006A Project and the real estate on which such Series 2006A Project is located (the "Series 2006A Projects Land") pursuant to the Series 2006A Ground Lease. The term of the Series 2006A Ground Lease commenced on the dated date of the Series 2006A Certificates and will terminate on the earlier of (a) the date on which the Series 2015A Certificates and Unrefunded Series 2006A Certificates related to the Series 2006A Project (and any Series of Certificates refunding such Certificates) have been paid in full, or (b) July 1, 2036 (both dates inclusive). So long as no Event of Default or Event of Non-Appropriation under the Series 2006A Lease Agreement has occurred, the Series 2006A Projects Land shall be used by the Board with respect to the Series 2006A Project. Upon termination of the Master Lease, the rental of the Series 2006A Projects Land shall be increased to fair market value in accordance with the terms of the Series 2006A Ground Lease. The payment of such increased rent is subordinate to the obligation to pay the Principal Component and the Interest Component of the Series 2015A Certificates on a pro rata basis with the Unrefunded Series 2006A Certificates, and the Series 2004C Certificates and the Series 2007 Certificates allocated to certain facilities leased under the Series 2006A Lease Agreement. See "SECURITY FOR THE SERIES 2015A CERTIFICATES - Master-Lease Aspects" herein.

The foregoing does not attempt to completely summarize the provisions of the Ground Leases. See "APPENDIX G – FORM OF GROUND LEASES" attached hereto for more information regarding the Ground Lease.

The Master Lease and the Refinanced Lease Agreements

The Master Lease provides for the lease-purchase financing by the Board from time to time of various real and/or personal property projects ("Projects"), including the Prior Projects and the Refinanced Projects, that are described in various Lease Schedules to the Master Lease. The Master Lease provides the terms and conditions governing the lease of Projects, and the framework under which the Board is obligated to pay rent ("Basic Rent") to the Corporation for the particular Project described on a particular Lease Schedule. Lease Payments consist of Basic Rent, the principal and interest components of which are set forth in each Lease Schedule, and Supplemental Rent set forth on each such Lease Schedule, consisting of Trustee, Credit Enhancer, if any, and Corporation fees and expenses, prepayment premiums and other financing expenses, and all other amounts owing under the Master Lease. Each Lease Schedule describes the particular Project to be lease-purchased by the Board and the details governing the particular lease transaction, including the obligation to pay Basic Rent for such Project and to pay Supplemental Rent.

Under the Trust Agreement, one or more Series of Certificates may be issued to obtain funds to be used to pay the costs of acquisition, construction and installation of Projects. The proceeds of sale of the Certificates of each Series is deposited with the Trustee and is requisitioned by the Board, acting as agent for the Corporation, to pay the costs of one or more related Projects. The Corporation has assigned its rights under the Master Lease, including its right to receive Basic Rent Payments from the Board under all Lease Schedules, other than its right to indemnification, its right to enter into additional Lease Schedules and its obligation not to impair the tax status of the Certificates, to the Trustee for the benefit of owners of the Certificates of all Series in order to secure such Certificates; provided, however, that once monies are deposited into a specific subaccount under the Trust Agreement for payment of a particular Series of Certificates, the Certificates of other Series are not collateralized by such monies. Failure to appropriate any Basic Rent results in an Event of Non-Appropriation with respect to all Basic Rent set forth on all Lease Schedules to the Master Lease, and a default with respect to any obligation under the Master Lease or any Lease Schedule results in an Event of Default with respect to the entire Master Lease and all Lease Schedules thereto. See "SECURITY FOR THE SERIES 2015A CERTIFICATES" herein.

The Principal Component of the Basic Rent Payments under the Refinanced Lease Agreements represented by the Series 2015A Certificates is payable in accordance with the debt service schedule set forth herein, subject to prepayment as provided herein.

The foregoing does not attempt to completely summarize the provisions of the Master Lease. See "APPENDIX E – FORM OF MASTER LEASE, AS AMENDED, AND THE FORMS OF THE REFINANCED LEASE AGREEMENTS" attached hereto.

EXPECTED ISSUANCE OF OTHER OBLIGATIONS

The Board expects to issue its Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015B in the principal amount of not to exceed $77,800,000 (the "Series 2015B Certificates"). The Series 2015B Certificates are expected to be privately placed with Wells Fargo Municipal Capital Strategies, LLC. It is anticipated the Series 2015B Certificates will bear interest at an indexed rate equal to 70% of One-Month LIBOR, plus an applicable spread (subject to adjustment), and the Series 2015B Certificates will be subject to mandatory tender for purchase approximately three years from their date of issuance unless remarketed in another interest rate mode. The proceeds of the Series 2015B Certificates, if issued, will be used for the principal purpose of

refunding all of the Series 2004C Certificates. The Series 2004C Lease Agreement will be further amended and restated in connection with the issuance of the Series 2015B Certificates.

In addition, the Board expects to issue its Sales Tax Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds") in the principal amount of $65,195,000. The Series 2015B Bonds were publically offered on July 30, 2015. The proceeds of the Series 2015B Bonds, if issued, will be used for the principal purposes of refunding (i) all of the Board's Sales Tax Revenue Refunding Bonds, Series 2005, maturing on and after October 1, 2020, and (ii) a portion of the Board's Sales Tax Revenue Bonds, Series 2006, maturing on and after October 1, 2020. The Series 2015B Bonds are payable form a separate revenue source and are not secured by the revenues used by the Board to pay the Certificates of Participation.

SHORT TERM FINANCING

The Board has authorized the Superintendent to establish a line of credit tax anticipation note pursuant to Section 1011.13, Florida Statutes (the "Note") that would allow the Board to borrow funds if necessary due to the timing of receipts of revenue and expenditures coming due. Such Note would be repaid in full within 90 days from the first draw. For the last several years, the Board has annually approved such a note but has never made any draws thereon. The Board authorized the Superintendent to establish the Note for the Fiscal Year 2015-16, in an amount not exceeding $80,000,000 at any time that would bear interest at one month LIBOR plus a spread, adjusted monthly. If drawn upon, the Note would be secured by a pledge of anticipated ad valorem tax proceeds. The Board has no current expectations to make any draws on the Note.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2015A Certificates are expected to be applied as follows:

Sources of Funds	
Par Amount of Series 2015A Certificates	$100,625,000.00
Net Original Issue Premium	12,518,825.40
Other Legally Available Revenues	700,235.01
TOTAL SOURCES	$113,844,060.41

Uses of Funds	
Deposit to the Escrow Fund	$113,082,350.78
Deposit to Series 2015A Subaccount of Costs of Issuance Account[1]	761,709.63
TOTAL USES	$113,844,060.41

[1] Includes, without limitation, Underwriters' discount, legal, accounting and financial advisory fees, printing costs and other costs associated with the issuance of the Series 2015A Certificates.

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COMBINED CERTIFICATE PAYMENT SCHEDULE

Payment requirements of the Certificates are as follows[1]:

Maturity as of July 1	Series 1998A Certificates[2]	Series 2001 QZAB Certificates	Series 2004A Certificates	Series 2004 QZAB Certificates	Series 2004C Certificates[2]	Series 2005 QZAB Certificates	Series 2006A Certificates	Series 2006B Certificates	Series 2007 Certificates	Series 2008A Certificates[3]	Series 2010A Certificates
2016	$2,532,950	$517,210	14,733,513	$270,948	$3,925,750	$146,612	$2,574,000	$7,237,048	$5,796,999	$ 5,947,825	$6,600,525
2017	1,067,150	-	14,740,263	270,948	3,852,750	146,612	-	8,699,235	5,796,399	5,945,135	6,608,175
2018	16,827,250	-	-	270,948	3,555,500	146,612	-	8,057,954	5,801,399	5,942,445	6,601,425
2019	-	-	-	270,948	3,565,750	146,612	-	5,210,904	5,801,599	25,614,755	6,602,625
2020	-	-	-	270,948	3,549,500	146,612	-	5,211,904	5,793,105	25,583,550	6,603,125
2021	-	-	-	-	3,857,500	146,612	-	5,209,229	5,799,661	25,546,931	6,605,875
2022	-	-	-	-	3,855,000	-	-	5,207,229	5,801,099	25,517,208	6,604,475
2023	-	-	-	-	3,826,000	-	-	5,214,198	5,793,599	25,480,884	6,602,675
2024	-	-	-	-	3,871,250	-	-	5,213,198	5,801,744	-	32,034,900
2025	-	-	-	-	3,863,500	-	-	5,213,188	5,795,994	-	32,029,475
2026	-	-	-	-	3,904,250	-	-	4,983,725	5,796,994	-	-
2027	-	-	-	-	3,942,000	-	-	-	5,597,013	-	-
2028	-	-	-	-	3,901,750	-	-	-	5,597,763	-	-
2029	-	-	-	-	5,785,750	-	-	-	5,600,675	-	-
2030	-	-	-	-	51,886,250	-	-	-	5,598,375	-	-
2031	-	-	-	-	-	-	-	-	10,315,625	-	-
Total	$20,427,350	$517,210	$29,473,775	$1,354,741	$107,142,500	$879,670	$2,574,000	$65,457,809	$96,488,040	$145,578,733	$116,893,275

(1) Numbers may not add due to rounding. Chart continues on next page.

(2) As calculated by the Financial Advisor assuming a true interest cost of 3.000% on the Series 2004C Certificates. Actual rates may vary depending on future market conditions.

(3) Debt service for the Series 2008A Certificates is calculated using a combined rate of 5.38% which is inclusive of the fixed swap rate and all related bank fees.

Source: The School Board of Hillsborough County, Florida.

[Table continues on following page]

COMBINED CERTIFICATE PAYMENT SCHEDULE

(continued from prior page)

Maturity as of July 1	Series 2010B Certificates[4]	Series 2012A Certificates	Series 2014A Certificates	Series 2015A Certificates: Principal Component	Series 2015A Certificates: Interest Component	Series 2015A Certificates: Total Payments	Combined Annual Certificates
2016	$2,107,500	$6,206,250	$3,733,728	$415,000	$4,023,255	$4,438,255	$66,769,111
2017	$2,107,500	6,206,250	4,212,560	2,730,000	4,648,844	7,378,844	67,031,820
2018	$2,107,500	6,206,250	4,227,312	2,825,000	4,539,644	7,364,644	67,109,238
2019	$2,107,500	6,206,250	4,244,504	2,965,000	4,398,394	7,363,394	67,134,840
2020	$2,107,500	6,206,250	4,259,008	3,125,000	4,250,144	7,375,144	67,106,645
2021	$2,107,500	6,206,250	3,710,824	3,285,000	4,093,894	7,378,894	66,569,275
2022	$2,107,500	6,206,250	3,734,288	3,600,000	3,929,644	7,529,644	66,562,692
2023	$2,107,500	6,206,250	3,720,064	3,765,000	3,749,644	7,514,644	66,465,813
2024	$2,107,500	6,206,250	3,734,048	3,965,000	3,561,394	7,526,394	66,495,283
2025	$2,107,500	6,206,250	3,755,472	4,175,000	3,363,144	7,538,144	66,509,522
2026	$2,107,500	6,206,250	3,769,080	37,135,000	3,154,394	40,289,394	67,057,193
2027	$2,107,500	46,306,250	-	3,905,000	1,297,644	5,202,644	63,155,406
2028	$2,107,500	46,306,750	-	4,015,000	1,180,494	5,195,494	63,109,256
2029	$2,107,500	44,466,750	-	4,160,000	1,055,025	5,215,025	63,175,700
2030	-	-	-	4,350,000	847,025	5,197,025	62,681,650
2031	-	-	-	16,210,000	629,525	16,839,525	27,155,150
Total	$29,505,000	$205,348,500	$43,100,888	$100,625,000	$48,722,105	$149,347,105	$1,014,088,596

[4] Includes expected interest rate subsidy from the U.S. Treasury in the annual amount of $117,598.50 with respect to the Series 2010B Certificates, but does not include any sinking fund earnings. Such interest rate subsidy is subject to further reduction as a result of the sequestration, and timely payment of such interest rate subsidy requires filing by the District of certain forms with the U.S. Treasury in advance of the applicable interest payment date. For the year ending September 30, 2015, the sequestration rate equals 7.3%. Such amount may change over time. See "RISK FACTORS – Sequestration" herein.

Source: The School Board of Hillsborough County, Florida.

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THE CORPORATION

The Hillsborough School Board Leasing Corporation is a Florida not-for-profit corporation formed for the purpose of acting as lessor in connection with "lease-purchase" capital financings for the Board. The Corporation may in the future initiate additional Lease Schedules under the Master Lease, enter into other lease-purchase agreements with the Board and cause certificates of participation to be issued which represent Lease Payments to be made under one or more lease-purchase agreements with the Board. The members of the Corporation are the members of the Board. The Chair of the Board serves as Chair of the Board of Directors and President of the Corporation; the Vice Chair of the Board serves as Vice Chair of the Board of Directors and Vice President of the Corporation; and the Superintendent of the Board serves as ex-officio Secretary/Treasurer of the Corporation. The financing of the Series 1994 Project constituted the initial activity of the Corporation. There is no litigation pending against the Corporation.

The Corporation has assigned all of its right, title and interest in and to the Master Lease (except certain indemnification rights, the right to initiate additional Lease Schedules from time to time and its obligation not to impair the tax status of the Certificates), including its right to receive Lease Payments from the Board, its right, title and interest in and to the Ground Leases, and its right to use, sell and relet Projects, to the Trustee. The Trustee directly collects from the Board all of the Basic Rent Payments which are the source of and security for payment of the Series 2015A Certificates. Therefore, the credit of the Corporation is not material to any of the transactions contemplated in this Offering Statement. No financial information concerning the Corporation has been included herein, nor is it contemplated that any such financial information will be included in any future Offering Statement relating to the sale of any additional Series of Certificates or other obligations of the Board or the Corporation.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

The Board is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Florida Statutes, as amended, and is the governing body of the School District of Hillsborough County, Florida (the "District"). The geographic boundaries of the District are coterminous with those of the County. For Fiscal Year 2014-15, the District operated 243 schools with 204,558 students (full time equivalent ("FTE")) and, the employment of approximately 26,636 permanent employees, of which 15,975 are instructional. Management of the schools within the District is independent of the County and any city governments. The Board is authorized by State law to levy property taxes for school district operations, capital improvements and debt service. Property taxes are assessed by the Hillsborough County Property Appraiser (the "Property Appraiser"). The Hillsborough County Tax Collector (the "Tax Collector") collects taxes for the Board, but exercises no control over expenditures by the Board.

The Organization and Powers of the Board

The Board is a body corporate existing under the laws of the State of Florida. The Board is the governing body of the District, consisting of members elected by districts for four year terms. Under existing law, the Board's duties and powers include, but are not limited to, the development of policies and rules for the efficient operation of the District; 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; the establishment and operation of programs for gifted students and for 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/from school or school-related activities.

The Board also has broad financial responsibilities, including, but not limited to, the approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls. The annual budget and accounting reports must be filed with the State Department of Education.

The present members of the Board and the expiration of their respective terms are as follows:

Name	District	Term Expires
Susan L. Valdes, Chair	Board District No. 1	November, 2016
Doretha W. Edgecomb, Vice Chair	Board District No. 5	November, 2016
Sally A. Harris, Member	Board District No. 2	November, 2018
Cindy Stuart, Member	Board District No. 3	November, 2016
Melissa Snively, Member	Board District No. 4	November, 2018
April Griffin, Member	Board District No. 6*	November, 2018
Carol W. Kurdell, Member	Board District No. 7*	November, 2016

*At large districts.

Superintendent of Schools

The Superintendent of Schools is appointed by the Board and serves as ex-officio Secretary of the Board. The Superintendent's powers include, but are not limited to, keeping the records of the Board, acting as custodian for District property, preparing long-term and annual school programs, directing the work of District personnel, making policy recommendations to the Board in the area of child welfare, public transportation, school plant and District finance, and performing the additional duties assigned to him by law and the regulations of the State Department of Education. The Superintendent of Schools is Jeff Eakins. He served as Acting Superintendent of Schools for the period March 5, 2015 through June 30, 2015, and has served as the Superintendent since July 1, 2015. His present term expires June 30, 2017.

Jeff Eakins, Superintendent, became the Acting Superintendent of the District on March 5, 2015 and the Superintendent of the District on July 1, 2015. Mr. Eakins received his Bachelor's of Science in Education from Ohio State University and a Master of Science in Educational Leadership from Nova Southeastern University.

Mr. Eakins began his career in education as a teacher at North Franklin Elementary School in Columbus, Ohio. In 1989, Mr. Eakins moved to the County and spent two years as a teacher at Wimauma Elementary School and nearly five years at Cypress Creek Elementary School. Over the next several years, Mr. Eakins was promoted to various key positions within the District. He first served as an assistant principal for elementary instruction at Springhead Elementary School, then he returned to Cypress Creek Elementary as the school's principal. In 2006, he became the director of the District's Title I program. Later, he was promoted to General Director of Federal Programs. In March 2013, Mr. Eakins served as Assistant Superintendent for Performance Management and Community Support. Later that year he was promoted to Deputy Superintendent for the District.

Mr. Eakins has received numerous awards and recognition throughout his career including the 1992 Teacher of the Year at Cypress Creek Elementary School, the 2010 Dr. Earl Lennard Outstanding Leader Award for Hillsborough County Public Schools, and also in 2010, the National Association of Federal Education Program Administrator's Outstanding Leadership Award for the State of Florida. He is a graduate of the 2011 Leadership Tampa Class, co-chair of the Leadership Tampa 2015 Education Committee, and serves on the Board of Directors for the Florida Association of Instructional Supervisors and Administrators.

Administration

Ms. Gretchen Saunders, Chief Business Officer, has been Chief Business Officer for the District since January 1, 2005. In this capacity, Ms. Saunders is responsible for the management of 10 departments containing 130 employees. Departments under her control include Budget, Payroll, Debt Management, Cash Management, and Purchasing. Ms. Saunders oversees a total budget of more than $3 billion and a debt portfolio of approximately $1 billion. Debt instruments under Ms. Saunders control include Certificates of Participation, Sales Tax Revenue Bonds, and Qualified Zone Academy Bonds. In managing the District's debt program, Ms. Saunders has employed the use of both fixed and variable debt, long-dated swaps and swaptions, and medium term swaps. Prior to her appointment as Chief Business Officer, Ms. Saunders served as Manager of Budget and Cash Management for the Board.

Ms. Saunders holds a B.S. in Business from Ferris State University and an M.S. in Public Administration from Central Michigan University. She is a past president of the Florida School Finance Officers Association and was elected a member of the Florida School Finance Council in June, 2004. The School Finance Council is a senior policy advisory board that assists the Florida Commissioner of Education. Its limited membership is by invitation only.

Academics

For Fiscal Year 2014-15, the District operated 142 elementary schools comprised of students in kindergarten through fifth grade. Students in the sixth, seventh and eighth grades comprise the District's 43 middle schools. The District operates three K-8 schools. The District operates 27 high schools which include ninth through twelfth grades as well as the vocational programs. In addition, there are three alternative educational schools, nine Special School Centers, eight adult centers, four technical colleges and four career centers conducted at the various locations within the District.

The elementary school program emphasizes basic skills including reading, writing, language arts, and mathematics. The balanced curriculum includes instruction in science, computer literacy, health, social studies, art, music and physical education. These programs are designed to build a strong foundation and each child is required to attain very specific levels of achievement before promotion to the next grade.

The secondary school program begins with middle school curriculum centering on English, math, science, computer literacy, and social studies. Students are encouraged to begin developing their strengths and interests through electives such as art, music, foreign languages, and vocational exploratory programs.

High school programs are designed to meet the needs of the college bound as well as vocational students. All of the high schools are fully accredited by the Southern Association of Colleges and

Schools. Students who plan to continue their education into college may take a broad range of college preparatory courses as well as advanced placement and honors courses.

In addition to the above programs, for Fiscal Year 2014-15, the District operated 33 "magnet programs." Magnet programs operate at the elementary, middle and high school levels, offering unique educational opportunities and challenges for students. These magnet schools offer specialized programs including: Academy of Health Professionals, Academy of Engineering, Visual/Performing/ Communication Arts, Environmental Studies, International Studies Preparatory Academy/High Technology Program and the International Baccalaureate Program. Applications for each program are distributed annually through the District in December.

Historical Growth

The following table presents a summary of general statistical data regarding the District.

Summary of Statistical Data
Ten Year History

School Year	Number of Schools	Number of Instructors	FTE[1] Enrollment	Average Expenditure per FTE Student[2]
2013-14	244	15,787	201,300	$10,291
2012-13	244	15,638	196,659	9,773
2011-12	244	15,477	195,198	9,823
2010-11	244	15,217	192,499	10,234
2009-10	244	15,048	190,799	10,069
2008-09	242	15,376	189,761	10,202
2007-08	242	15,229	190,580	9,999
2006-07	231	15,118	190,699	9,255
2005-06	224	14,517	190,596	8,450
2004-05	221	13,959	185,511	8,009

(1) K-12 full-time equivalent enrollment.
(2) Expenditures include Government-wide Governmental Activities.

Source: Comprehensive Annual Financial Reports of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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Growth Projections for FTE

The Board has estimated the following FTE Enrollment for School Years 2014-15 through 2017-18:

School Year	FTE Enrollment
2014-15[1]	204,558
2015-16[2]	206,842
2016-17[2]	209,275
2017-18[2]	211,875

[1] Actual FTE Enrollment as of June 30, 2015.
[2] District projections using the Florida Department of Education FTE Forecast System.

Source: School District of Hillsborough County, Florida.

Employee Relations

For Fiscal Year 2014-15, the Board employed 25,635 permanent employees. A portion of these employees are represented by the following groups:

Teachers	Hillsborough Classroom Teachers Association
Paraprofessionals	Hillsborough Classroom Teachers Association
Clerical and Bus Attendants	Hillsborough Classroom Teachers Association
Custodial, Maintenance and Mechanics	Hillsborough Schools Employee Federation
Bus Drivers	Hillsborough Schools Employee Federation

Union members include both instructional and non-instructional personnel. Current union contracts expire as follows:

Paraprofessionals	June 30, 2015*
Clerical	June 30, 2015*
Bus Attendants	June 30, 2017
Teachers	June 30, 2016
Custodial, Maintenance and Mechanics	June 30, 2017
Bus Drivers	June 30, 2017

* Negotiations related to a replacement contract commenced in July 2015 and the current contract is expected to remain in force until replaced.

Under Florida law, public employees and public employee organizations may not participate in a strike against a public employer.

Constitutional Amendments Related to Class Size Reduction and Pre-K Education

Class Size Reduction. 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 2011 school year. Section 1003.03, Florida Statutes, implements Amendment 9 (together with Amendment 9, 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 through 3rd grade, 22 for grades 4 through 8 and 25 for grades 9 through 12. The Class Size Legislation generally provided for compliance in phases, which would be determined on a school-by-school basis through and including Fiscal Year 2009-10. The constitutional class size maximums were required to be implemented on an individual classroom basis beginning in Fiscal Year 2010-11. In the event a school district is not in compliance with such requirements, the Class Size Legislation provides that the State shall reduce categorical funds due to such school district for operational purposes.

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.

As of the October 2014 Survey, used by DOE to determine compliance with class size maximum for Fiscal Year 2014-15, the District was fully compliant with the Class Size Legislation. The District has always been in compliance with the Class Size Legislation.

School districts, including the District, cannot guarantee their ability to maintain class sizes in the manner currently mandated by the Class Size Legislation. While the Class Size Legislation requires that the State Legislature, and not local school districts, is generally responsible for the cost of compliance, there can be no assurance that the State Legislature will provide funds sufficient to meet a school district's ongoing capital, facility and operating needs required by the Class Size Legislation. Further, there can be no assurance that the District will have funds sufficient to meet its ongoing capital, facility and operating needs required by the Class Size Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

Pre-K Programs. The State Constitution provides that every four year old child in the State shall be offered a free, high quality pre-kindergarten learning opportunity by the State. Chapter 1002, Part V, Florida Statutes, creates a statewide Voluntary Pre-kindergarten Education Program (together with the Constitutional amendment, 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.

State funding sufficient to meet the ongoing capital and facility needs of the District required by the Pre-K Legislation cannot be guaranteed, nor can there be any assurance that the District will have funds sufficient to meet the ongoing capital and facility needs of the District required by the Pre-K Legislation or that ongoing compliance therewith will not adversely affect other capital needs and operating costs of the District.

Grant from Gates Foundation

In November 2009, the District was awarded a grant from the Bill & Melinda Gates Foundation of $100,000,000 to increase college-ready graduation rates by increasing the number and distribution of highly effective teachers in schools and classrooms serving low-income and minority students. The grant is being distributed during a seven-year period. In addition, the District must match the $100,000,000 grant money when it is received and, further, it expects to annually pay approximately $32 million to sustain the program after the grant ends. A principal component of the program is to use 200 to 300 teachers with a proven track record of increasing the number of high-achieving students to mentor new teachers. The grant would help hire replacement teachers for the mentors who would return to the classroom in two to three years while others serve as mentors.

Accounting and Funds

Pursuant to Section 11.45, Florida Statutes, as amended, the financial operations of the District are subject to audit by independent auditors of the District at least two out of every three fiscal years with the Auditor General's office auditing the financial operations of the District once every three fiscal years. The District retained the independent accounting firm of KPMG LLP to audit its financial operations, whose report for the Fiscal Year ended June 30, 2014 is attached hereto as part of "APPENDIX B - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" attached hereto.

Accounting policies conform with generally accepted accounting principles applicable to state and local governmental units. Accordingly, the District's accounting system is organized on the basis of funds and account groups. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, either expenditures or expenses depending on fund type, and other financing sources and uses.

The fund financial statements provide information about the Board's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – government and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Because the focus of the governmental fund financial statements differs from the focus of the government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

Governmental Fund Types

The District reports the following major governmental funds:

General Fund – to account for all financial resources not required to be accounted for in another fund and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

Contracted Services – to account for funds from the State or Federal Government which are restricted for Federal programs.

Other Debt Service – accounts for and reports on the payments of principal and interest for outstanding bonds and Certificates of Participation.

Local Capital Improvement – accounts for and reports on the revenues generated from the local capital outlay property taxes.

Other Capital Projects Funds – accounts for and reports on other miscellaneous funds from various sources, including Certificates of Participation.

Other Fund Types

Additionally, the District reports the following fund types:

Internal Service Funds – to account for the District's workers' compensation, general and automobile liability self-insurance programs and the employee health insurance program.

Pension Trust Fund – to account for resources used to finance the early retirement program.

Agency Funds – to account for resources held by the District as custodian for others, primarily for the benefit of various schools and their activity funds.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide Statements – the government-wide statements are presented using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows have taken place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from

grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available if collection is expected in the upcoming fiscal year. Property taxes, sales taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Budget Process

State law requires the 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 State law, on the application of millage levies to 96 percent of the non-exempt assessed value of property in the County.

The Superintendent is responsible for recommending the tentative budget to the Board. State law further requires the Board to advertise its intent to adopt the tentative budget, including a proposed tax millage, within 29 days after certification of taxable property by the property appraiser, which is required by law to occur by July 1, unless extended.

The Board is required to hold a public hearing on the tentative budget and the proposed tax millage within five days, but not earlier than two days, after advertisement. At the hearing, the 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 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 80 days, but not earlier than 65 days, after the taxable property certification by the property appraiser. This public hearing usually occurs 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 State Department of Education. After the final budget hearing, the Board must certify the final millage rate to the tax collector, the property appraiser and the State Department of Revenue. The District adopted its tentative Fiscal Year 2015-16 budget at a public hearing on July 28, 2015, and the District plans on adopting its final budget for Fiscal Year 2015-16 on September 8, 2015.

Auditing System

In addition to local internal audits, other budget reviews are conducted. The State Department of Education conducts regular financial compliance reviews of each school district to ensure that local school districts comply with state regulations. In conjunction with this review, the Financial Management Section of the State Department of Education reviews the cost reporting system of each school district to ensure that the Financial and Program Costs Accounting and Reporting for Florida Schools is being properly implemented by the Board.

General Fund and Capital Project Funds Operations

The Board's general fund revenues are derived from federal and state appropriations and local sources. The tables on the following pages summarize audited results of operations for the general and capital project funds for the Fiscal Year 2010-11 through Fiscal Year 2013-14, and pre-unaudited results of operations for the general and capital project funds for Fiscal Year 2014-15. The pre-unaudited amounts shown below are preliminary and are not ready to be submitted for audit and are subject to completion and adjustment upon completion of the close-out process as well as the final auditing process as described in footnote 3 to the following table. Each of the entries shown below for Fiscal Year 2014-2015 has changed from the amounts shown in the Preliminary Offering Statement and each continues to be preliminary and continue to be finalized by the District in preparation for their submittal to the District's auditor. The Total Revenues and Total Expenditures shown in the Preliminary Offering Statement have been adjusted upward by $2,954,000 and $8,349,000, respectively, and the Total Ending Fund Balance has been adjusted downward by $5,395,000 (each amount in this sentence rounded to the nearest thousand).

The proposed budget for Fiscal Year 2015-16 is also shown. The District has determined that budget reductions relative to Fiscal Year 2015 will be required in the operating fund for Fiscal Year 2015-16 to support, among other things, salary increases for teachers and increased transportation costs. Staff has identified budget reductions totaling approximately $101.8 million that will be considered by the School Board in connection with the approval of the proposed Tentative Budget for Fiscal Year 2015-16. At this time, there can be no assurance that the Board will adopt any of the proposed budget reductions.

The District has in place policies that require it to maintain a minimum fund balance in the General Fund. As shown below, in addition to the annual Revenues, the District has used funds in the General Fund and transfers in from other funds for expenditures in prior years and has included such use in its Fiscal Year 2015-16 Tentative Budget. These transfers in from other funds are included in the "Other Financing Sources (Uses) – Transfers In" entries that are shown on the following table. The decreases in Total Ending Fund Balances shown below are within the District's General Fund minimum fund balance policies and the District has always complied with such policies regarding the General Fund minimum fund balance requirements.

School District of Hillsborough County, Florida
Summary of Revenues and Expenses - General Fund
(in thousands, Fiscal Years ended June 30)*

	Audited				Pre-Unaudited	Tentative Budget
	2011	2012	2013	2014	2015[3]	2016[4]
Revenues						
Federal	$ 2,139	$7,982	$2,676	$2,660	$2,691	$2,483
Federal through State	9,427	8,416	9,421	10,272	6,232	8,692
State Sources	893,524	865,101	914,696	991,806	1,032,034	1,080,070
Local	482,630	496,024	498,477	500,640	501,786	533,427
Total Revenues	$1,387,720	$1,377,523	$1,425,270	$1,505,378	$1,542,743	$1,624,672
Expenditures						
Current - Education:						
Instruction	$841,930	$915,032	$927,798	$1,005,516	$1,093,858	$1,083,433
Pupil Personnel	56,563	55,379	56,268	60,042	64,293	65,648
Instructional Media	44,648	48,718	45,686	51,506	52,242	50,246
Instruction & Curriculum Development	20,700	19,214	20,295	24,089	30,506	27,325
Instructional Staff Training	32,069	31,154	33,913	24,367	27,148	24,076
Board of Education	1,443	1,277	1,519	2,454	1,644	1,500
Gen. Administration	4,278	4,516	5,011	5,479	6,151	6,130
School Administration	88,684	86,554	87,260	91,821	100,459	101,408
Fiscal Services	6,926	5,999	6,635	7,225	6,949	6,862
Food Services	368	281	362	349	537	639
Central Services	25,262	22,398	23,099	31,460	38,244	39,686
Pupil Transportation	69,053	66,274	65,362	68,446	73,537	69,834
Operation of Plant	107,281	108,896	107,314	107,763	111,268	96,867
Maintenance of Plant	28,980	27,288	27,555	26,810	27,441	26,170
Community Services	33,754	40,994	42,229	44,451	44,384	42,925
Facilities Acquisition and Construction and Capital Outlay	19,836	8,635	7,482	7,063	1,533	1,715
Total Expenditures & Other Uses	$1,381,775	$1,442,609	$1,457,788	$1,558,841	$1,680,194	$1,644,464
Other Financing Sources (Uses)						
Transfers in	11,946	2,662	3,150	13,826	54,719[5]	16,753
Ending Fund Balance						
Designated[1]	--[2]	--[2]	--[2]	--[2]	--[2]	--[2]
Undesignated	--[2]	--[2]	--[2]	--[2]	--[2]	--[2]
Nonspendable	4,742	4,955	5,223	5,088	5,064	5,034
Restricted	25,164	25,477	30,383	31,063	31,000	27,304
Assigned	236,055	172,409	137,867	97,685	15,040	19,239
Unassigned	95,100	95,796	95,796	95,796	95,796	97,497
TOTAL ENDING FUND BALANCE	$361,061	$298,637	$269,269	$229,632	$146,900	$149,075

[1] Amounts set aside to meet obligations created by the School District in a prior year.
[2] See Note 12 in "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014."

[Footnotes continued on following page]

(3) The Fiscal Year 2014-15 ended on June 30, 2015, and the District is in the early stages of its close-out process. The preliminary amounts shown for Fiscal Year 2014-15 are as of August 12, 2015 (the preliminary amounts shown in the Preliminary Offering Statement were as of July 20, 2015), and are subject to adjustments and finalization as the Board prepares its unaudited Superintendent's Annual Financial Report (ESE 145) (the "AFR") which must be finalized and submitted to the Florida Department of Education no later than September 11, 2015. These amounts are not ready to be submitted for audit, and are expected to change through the close-out process and in the course of preparing the AFR. The Board's auditors will then audit the AFR to prepare the audited financial statements that will be included in the Board's 2015 Comprehensive Annual Financial Report.

(4) These amounts were approved by the Board on July 28, 2015, at a statutorily required public hearing concerning its Tentative Budget. The Board anticipates that the Tentative Budget amounts will change through the Board's budgeting process. Upon completion of the Fiscal Year 2014-15 AFR, the Fiscal Year 2015-16 budget will be revised such that the Fiscal Year 2015-16 Beginning Fund Balance will match the Fiscal Year 2014-15 Fund Balance at End of Year. Such reconciliation is expected to occur no later than the 2016 Budget final hearing to be held on September 8, 2015.

(5) Includes $43,183 (in thousands) remitted from the Workers Compensation Fund that represents funds on deposit therein that exceeded the actuarially estimated amount of outstanding claims and that was required by the Florida Auditor General to be transferred out of the Workers Compensation Fund to the General Fund. In addition, included $7,000 (in thousands) remitted from the Capital Projects Fund to reimburse the General Fund for capital expenditures.

* Totals may not add due to rounding.

Sources: Comprehensive Annual Financial Reports of the School District of Hillsborough County, Florida for the Fiscal Years ended June 30, 2011 through June 30, 2014. For the pre-unaudited Fiscal Year 2014-15, the School District of Hillsborough County, Florida. For the Tentative Budget Fiscal Year 2015-16, the School Board's District Summary Budget adopted at the July 28, 2015 public hearing.

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School District of Hillsborough County, Florida
Summary of Revenues and Expenses - Capital Projects Funds
(in thousands)*

	Audited				Pre-Unaudited	Tentative Budget
	2011	2012	2013	2014	2015[1]	2016[2]
Revenue						
State Sources	$11,538	$3,499	$3,975	$6,492	$9,675	$5,840
Local Sources	111,357	113,620	114,107	125,176	130,160	123,527
Total Revenues	$122,895	$117,119	$118,082	$131,668	$139,835	$129,367
Expenditures						
Current Education:						
Facilities Acquisition & Construction	$82,900	$105,781	$79,894	$73,715	$98,967	$53,902
Total Expenditures	$82,900	$105,781	$79,894	$73,715	$98,967	$53,902
Excess (Deficiency) Revenues Over Expenditures	39,995	11,338	38,188	57,953	40,868	75,465
Other Financing Sources (Uses)						
Operating Transfers In (Out)	(67,290)	(69,001)	(70,939)	(74,342)	(78,819)	(78,527)
Nonrevenue Sources	41,354	93	--	--	3,282	--
Total Other Financing Sources (Uses)	$(25,936)	$(68,908)	$(70,939)	$(74,342)	$(75,537)	$(78,527)
Excess (Deficit) of Revenues and Other Sources over Expenditures & Other Uses	$14,059	$(57,570)	$(32,751)	$(16,389)	$(34,669)	$(3,062)
Beginning Fund Balance	260,938	274,997	217,427	184,676	168,287	124,431[2]
Fund Balance at End of Year	$274,997	$217,427	$184,676	$168,287	$133,618[2]	$121,369

(1) The Fiscal Year 2014-15 ended on June 30, 2015 and the District is in the early stages of its close-out process. The preliminary amounts shown for 2015 are as of August 12, 2015 (the preliminary amounts shown in the Preliminary Offering Statement were as of July 20, 2015), and are subject to adjustments and finalization as the School Board prepares its unaudited Superintendent's Annual Financial Report (ESE 145) (the "AFR") which must be finalized and submitted to the Florida Department of Education no later than September 11, 2015. These amounts are not yet complete and are expected to change through the close-out process and in the course of preparing the AFR. The School Board's auditors will then audit the AFR to prepare the audited financial statements that will be included in the School Board's 2015 Comprehensive Annual Financial Report.

(2) These amounts were approved by the Board on July 28, 2015, at a statutorily required public hearing concerning its Tentative Budget. The Board anticipates that the Tentative Budget amounts will change through the Board's budgeting process. Upon completion of the Fiscal Year 2014-15 AFR, the Fiscal Year 2015-16 budget will be revised such that the Fiscal Year 2015-16 Beginning Fund Balance will match the Fiscal Year 2014-15 Fund Balance at End of Year. Such reconciliation is expected to occur no later than the 2016 Budget final hearing to be held on September 8, 2015.

* Totals may not add due to rounding.

Sources: Comprehensive Annual Financial Reports of the School District of Hillsborough County, Florida for the Fiscal Years ended June 30, 2010 through June 30, 2014. For the pre-unaudited Fiscal Year 2014-15, the School District of Hillsborough County, Florida. For the Tentative Budget Fiscal Year 2015-16, the School Board's District Summary Budget adopted at the July 28, 2015 public hearing.

SELECTED FINANCIAL INFORMATION
SCHOOL DISTRICT
OF HILLSBOROUGH COUNTY, FLORIDA
Debt Statement as of June 30, 2014

DIRECT AND OVERLAPPING DEBT[1]	General Obligation Debt	Non-Self Supporting Debt	Self-Supporting Debt
DIRECT DEBT OF DISTRICT			
State of Florida[2]:			
Series 2005-A		$50,000	
Series 2005-Q		17,555,000	
Series 2006-A		2,655,000	
Series 2008-A		4,445,000	
Series 2009-A		2,410,000	
Series 2010-A		3,470,000	
Series 2011-A		1,570,000	
Series 2014-A		2,486,000	
District Bonds:			
Series 1998 Capital Improvement & Racetrack Revenue, Refunding[3]			$1,280,000
Series 2005 Sales Tax, Refunding[4]			109,610,000
Series 2006 Sales Tax[4]			40,065,000
Series 2007 Sales Tax, Refunding			47,515,000
Total Direct Debt		$34,641,000	$198,470,000
OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT			
Board of County Commissioners:			
General Obligation Bonded Debt[5]	$68,163,000		
Total Overlapping Debt	$68,163,000		
TOTAL DIRECT AND OVERLAPPING DEBT	$68,163,000	$34,641,000	$198,470,000

(1) Omits Certificates of Participation. See "INTRODUCTION" and "COMBINED CERTIFICATE PAYMENT SCHEDULE FOR CERTIFICATES" herein for a description of outstanding Certificates of Participation.

(2) See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – State Sources – Capital Outlay Bonds" herein for a description of the funding sources for these bonds.

(3) On March 23, 2015, the District issued its Capital Improvement and Refunding Revenue Bonds, Series 2015, in the aggregate principal amount of $6,000,000, which refunded Series 1998 Bonds and funded additional capital improvement projects.

(4) On July 17, 2015, the District issued its Sales Tax Revenue Refunding Bond, Series 2015A in the initial principal amount of $53,760,000, which refunded (i) the Series 2005 Bonds maturing on October 1 in the years 2016 through and including 2019, and (ii) the Series 2006 Bonds maturing on October 1 in the years 2016 through and including 2019.

(5) Constitutes total county-wide debt payable from ad valorem tax revenues. No other governmental entity in Hillsborough County has General Obligation Debt.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

School District of Hillsborough County, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	State Board of Education Bonds	Certificates of Participation	District Revenue Bonds	Premiums/ (Discounts)/ (Loss on Refunding)[1]	Total Primary Government	Personal Income[2][3]	Percentage of Personal Income	Population[3]	Per Capita
2014	-	$34,641,000	$827,508,000	$198,469,861	$28,191,208	$1,088,810,069	$51,109,828	2.130%	1,291,578	$843.01
2013	-	39,960,000	855,283,000	209,448,592	4,845,256	1,109,536,848	49,671,035	2.234	1,277,746	868.35
2012	-	46,620,000	881,518,000	220,082,159	5,084,377	1,153,304,536	45,473,079	2.536	1,246,480	925.25
2011	-	50,570,000	925,971,000	230,290,971	(3,561,048)	1,203,270,923	45,511,155	2.644	1,238,890	971.25
2010	-	50,735,000	912,061,000	240,101,621	(3,584,929)	1,199,312,692	45,779,076	2.620	1,229,226	975.66
2009	-	54,530,000	936,491,000	249,560,619	(3,607,539)	1,236,974,080	45,184,510	2.738	1,234,010	1,002.40
2008	-	58,400,000	958,151,000	258,698,225	(3,063,895)	1,272,185,330	42,954,586	2.962	1,224,510	1,038.93
2007	-	57,025,000	977,486,000	267,728,225	(2,743,352)	1,299,495,873	41,599,322	3.124	1,189,946	1,092.06
2006	-	60,580,000	907,121,000	272,568,225	(126)	1,240,269,099	38,422,038	3.228	1,164,022	1,065.50
2005	$9,520,000	61,820,000	835,319,000	224,173,000	(1,668)	1,130,830,332	36,330,438	3.113	1,147,120	985.80

(1) Effective in 2014, only premiums and discounts are part of the debt totals. Loss on refunding has been moved to deferred outflows due to the implementation of GASB Statement 65. Prior year amounts were not restated.

(2) Personal income expressed in thousands.

(3) Estimates of population and personal income were obtained from the United States Department of Commerce and the City-County Planning Commission.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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School District of Hillsborough County, Florida
Direct and Overlapping Governmental Activities Debt
June 30, 2014

						Direct Debt		Direct and Overlapping Debt	
Jurisdiction	General Obligation Bonds	State Board of Education Bonds	Certificates of Participation	District Revenue Bonds	Premiums/ (Discounts)	Percentage Applicable to Governmental Unit	Amount Applicable to Governmental Unit	Percentage Applicable to Hillsborough County	Amount Applicable to Hillsborough County
Hillsborough County Board of Bounty Commissioners	$68,163,000	-	-	-	-	0%	-	100%	$68,163,000
School District of Hillsborough County	-	$34,641,000	$827,508,000	$198,469,861	$28,191,208	100%	$1,088,810,069	100%	1,088,810,069
Totals	$68,163,000	$34,641,000	$827,508,000	$198,469,861	$28,191,208		$1,088,810,069		$1,156,973,069

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS

The Board derives its revenues for capital outlay projects from certain State and local sources. The major categories of these revenue services are briefly described below. In Fiscal Year 2014-15, excluding proceeds from the issuance of any series of Certificates and existing fund balances, approximately 7% of the annual revenues for capital improvements were provided by State revenues, approximately 76% were provided by local millage and approximately 17%, were provided by investment earnings and other sources.

State Sources

Public Education Capital Outlay. A source of State educational funding contributions to the Board's capital outlay requirements is the Florida Public Education Capital Outlay Program ("PECO"). PECO funds are derived from revenues generated from the gross receipts tax levied on utilities pursuant to Article VII of the Florida Constitution. The vast majority of such revenues are generated from assessments imposed on the sale of telecommunication services and electricity pursuant to Chapter 203, Florida Statutes. The method of allocation of funds to the district school boards is provided by State law based upon a statutory formula, a component of which is the number of full-time equivalent students in the school system. The Commissioner of Education of the State administers PECO and allocates or reallocates funds as authorized by law. The Board did not receive any non-charter school PECO funds for Fiscal Years 2011-12 through 2013-14. The Board received $3,831,847 (unaudited) in non-charter PECO funds for Fiscal Year 2014-15. For Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15, the Board received $2,700,049, $3,182,870, $5,756,614, and $4,856,173 (unaudited), respectively, in PECO funds allocated for charter schools in the District, which flow through to the charter schools in the District. PECO funds do not constitute Available Revenues.

Capital Outlay and Debt Service Funds. The State Capital Outlay and Debt Service Funds ("CO&DS") also provides funds for the Board's capital outlay requirements. CO&DS Funds are derived from a portion of the revenues collected from motor vehicle license charges. The Board received $715,892 in Fiscal Year 2011-12, $719,770 in Fiscal Year 2012-13, $699,521 in Fiscal Year 2013-14, and $937,711 (unaudited) in Fiscal Year 2014-15 in CO&DS funds. CO&DS are legally available to the Board to pay the Principal Component and Interest Component of Basic Rent Payments, but only if the Project financed thereby appears on a project priority list approved by the State Board of Education.

Capital Outlay Bonds. 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 CO&DS funds. The annual sinking fund requirements are determined by the State Board of Administration (the "SBA") and amounts necessary to retire bonds and pay interest are withheld from amounts due to the District. The District has eight series of bonds outstanding under this program that are outstanding in the aggregate principal amount of $34,641,000 and that mature on various dates starting in 2020 through 2030. See the chart entitled "SELECTED FINANCIAL INFORMATION – Debt Statement as of June 30, 2014" herein. CO&DS funds in the amount of $6,830,652, $6,810,754, and $6,807,344, were withheld from the allocations in Fiscal Year 2011-12, Fiscal Year 2012-13 and Fiscal Year 2013-14, respectively, to repay bonds issued by the State and secured by such revenues. The District budgeted CO&DS funds in the amount of $6,945,115 will be withheld from the allocations in Fiscal Year 2014-15, to repay bonds issued by the State and secured by such revenues. To date, the State has not provided the number for Fiscal Year 2014-15; therefore, unaudited numbers related to this amount are not yet available.

Other State Sources. 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.

Local Sources

Local revenue for school district support is derived almost entirely from real and tangible personal property taxes. There are no local non-property taxes levied specifically for schools. In addition, the Board earns interest on cash invested and collects other miscellaneous revenues.

Local Property Taxation. The Board is permitted by State law and the State Constitution to assess property tax through any of five provisions, which are briefly described below. The following information is provided in view of the fact that a large portion of the Board's revenues are derived from ad valorem taxation. There is no obligation on the part of the Board to levy ad valorem taxes for payment of its Basic Rent Payments or any recourse of the Owners of the Certificates to the power of taxation of the Board. In addition, such local sources are subject to change through legislative and/or constitutional amendments. See "RISK FACTORS – Recent Legislative and Constitutional Initiatives" and "AD VALOREM TAXATION – Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" herein, for a description of recent material changes in applicable law affecting the levy of the Capital Outlay Millage.

(1) For operational purposes, the State Legislature requires each school board desiring to participate in the allocation of State funds available to school districts to levy a non-voted millage rate referred to as the "district required local effort." The total amount of the required local effort is determined annually by the State Legislature and the Commissioner certifies each district's required local effort millage rate. See "OPERATING REVENUE OF THE DISTRICT – Local Sources" herein. The District's required local effort is set forth in the table entitled "DISTRICT LEVIES" in the section entitled "AD VALOREM REVENUES – Historical and Current Millages" herein.

(2) School boards are also authorized to levy an additional non-voted "discretionary millage" for operations, not to exceed an amount established annually by the State Legislature. The District's discretionary millage is set forth in the table entitled "DISTRICT LEVIES" in the section entitled "AD VALOREM REVENUES – Historical and Current Millages" herein.

(3) School boards may levy an additional non-voted millage (the "Local Option Millage Levy") for capital outlay and maintenance purposes, pursuant to Section 1011.71(2), Florida Statutes. Currently, the Local Option Millage Levy may be up to 1.5 mills (each mill represents $1 of tax assessment per $1,000 of property value assessment, subject to certain exclusions) and may be used to fund: new construction and remodeling projects, sites and site improvement or expansion to new sites, existing sites, auxiliary facilities, athletic facilities or ancillary facilities; maintenance, renovation and repair of existing school plants or of leased facilities to correct deficiencies; the purchase, lease-purchase, or lease of school buses; the purchase, lease-purchase, or lease of new and replacement equipment, computer hardware, including electronic hardware and other hardware devices necessary for gaining access to or enhancing the use of electronic content and resources or to facilitate the access to and the use of a school district's digital classrooms plan, excluding software other than the operating system, and enterprise resource software applications that are classified as capital assets; payments for educational

facilities and sites due under a lease-purchase agreement; payment of loans approved pursuant to Section 1011.14, Florida Statutes and Section 1011.15, Florida Statutes; payment of costs directly related to complying with state and federal environmental statutes, rules and regulations governing school facilities; payment of costs of leasing relocatable education facilities, of renting or leasing educational facilities and sites, or of renting or leasing buildings or space within existing buildings; under certain circumstances, payment of the cost of school buses when a school district contracts with a private entity to provide student transportation services; and payment of the cost of the opening day collection for the library media center of a new school.

Prior to July 1, 2012, payments from the proceeds of the Local Option Millage Levy for lease-purchase agreements for educational facilities and sites could not exceed three-fourths of the proceeds of the Local Option Millage Levy; however, effective July 1, 2012, the three-fourths limitation was waived for lease-purchase agreements originally entered into prior to June 30, 2009. The Refinanced Lease Agreements were originally entered into before June 30, 2009, and the three-fourths limitation is waived relative thereto. In the event that revenues generated from the Local Option Millage Levy are insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2008, an amount equal to the revenue generated from 0.50 mills of the operating levy may be used to make such Lease Payments. Additionally, if the revenue from 1.50 mills is insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2009, or to meet other critical capital outlay needs, a school board, in addition to the 1.5 mills, may elect to levy up to 0.25 mills for fixed capital outlay purposes in lieu of levying an equivalent amount of discretionary operating millage. **SEE "AD VALOREM TAXATION - Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" FOR INFORMATION CONCERNING SUCH LEGISLATION THAT MAY ADVERSELY AFFECT THE DISTRICT'S TAXABLE ASSESSED VALUATION AND THE LOCAL OPTION MILLAGE LEVY AVAILABLE TO MAKE LEASE PAYMENTS.**

The Board is not required to levy any millage for capital outlay purposes in the future. Since revenues from the levy of the Capital Outlay Millage may be used for, but are not pledged to, the payment of Basic Rent Payments under the Refinanced Lease Agreements, the failure of the Board to levy all or a portion of the Capital Outlay Millage would have an adverse effect on Available Revenues from which the Board may appropriate funds to make Basic Rent Payments.

(4) School boards, with the approval of the qualified electorate of the District, may levy an additional millage for current operations and/or capital outlay purposes for a period of not to exceed two years, as provided in Section 1011.73, Florida Statutes. The Board does not currently levy an additional millage for current operations and/or capital outlay purposes.

(5) School Boards may levy millage for debt service on general obligation bonds with the approval of the qualified electorate of the District. The Board does not currently have any general obligation bonds outstanding and, therefore, does not assess a debt service millage.

The Board's total millages for the Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 are 7.913 mills, 7.877 mills, 7.690 mills, and 7.353 mills, respectively, which included a Local Option Millage Levy of 1.500 mills in each such Fiscal Year. See the table entitled "DISTRICT LEVIES" in the section entitled "AD VALOREM REVENUES – Historical and Current Millages" herein. The State Constitution imposes a cap of 10 mills, exclusive of millage levied for the purposes described in paragraphs (4) and (5) above.

ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
REQUIRED TO COVER MAXIMUM ANNUAL PAYMENTS
ON THE OUTSTANDING CERTIFICATES

The table below sets forth the estimated millage levy that would provide 1.00x coverage of the maximum annual payments on the Outstanding Certificates after the issuance of the Series 2015A Certificates.

	Fiscal Year Ending June 30, 2016
Taxable Value for Operating Purposes (2015 Tax Year)[1]	$80,545,571,481
Local Option Millage Levy	1.500
Total Revenue Anticipated from the Local Option Millage Levy at 96% Collection	$115,985,623
Maximum Annual Lease Payments on the Outstanding Certificates[2]	$67,134,840
Millage Levy Required to Provide 1.00x Coverage of Maximum Annual Lease Payments on the Outstanding Certificates[2][3]	0.868 mills

(1) Current year taxable value for operating purposes from Form DR-420S certified by the Property Appraiser on June 25, 2015.

(2) Actual maximum annual lease payments after the issuance of the Series 2015A Certificates. Does not include the effect of the sequestration on interest rate subsidy for the Series 2010B Certificates as such amount may change over time. See "RISK FACTORS – Sequestration" herein.

(3) Payments from the proceeds of the Local Option Millage Levy for lease purchase agreements for educational facilities and sites may not exceed three-fourths of the proceeds of the Local Option Millage Levy; effective July 1, 2012, the three-fourths limitation was waived for lease-purchase agreements originally entered into prior to June 30, 2009. See "AD VALOREM TAXATION - Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" herein. The Refinanced Lease Agreements were originally entered into before June 30, 2009, and the three-fourths limitation is waived relative thereto. Therefore, the three-fourths limitation was not taken into account in calculating the estimated millage levy that would provide 1.00x coverage of the maximum annual lease payments.

School Capital Outlay Sales Surtax Funds. Chapter 212, Part I, Florida Statutes, as amended, imposes a 6% sales tax on the sales price of tangible personal property sold at retail in the State subject to certain exemptions therefrom. A similar tax is imposed on the cost price of tangible personal property when the property is not sold, but is used, consumed, distributed or stored for use in the State. The largest single source of tax receipts in the State is the sales and use tax.

Section 212.055(5), Florida Statutes, authorizes local governments to impose a discretionary sales surtax of 0.5 percent or 1.0 percent on all transactions occurring in the county, which transactions are subject to the sales tax imposed on sales, use, services, rentals, admissions, and other transactions by Chapter 212, Florida Statutes, and certain communications services. However, local governments may not impose the surtax on the portion of any sales amount which exceeds $5,000 on any item of tangible personal property. Section 202.11(1), Florida Statutes, defines "communications services" as the

transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including video services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method now in existence or hereafter devised, regardless of the protocol used for such transmission or conveyance. The term includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice-over-Internet-protocol services or is classified by the Federal Communications Commission as enhanced or value-added. Communications services do not include certain items enumerated in Section 202.11(1), Florida Statutes.

Pursuant to Section 212.055(2)(d)(1), Florida Statutes, the proceeds of any discretionary sales surtax and any interest accrued thereto are required to be expended to finance, plan and construct infrastructure and to acquire land for public recreation, conservation or protection of natural resources and to finance the closure of county-owned or municipally-owned solid waste landfills that are already closed or are required to close by order of the Department of Environmental Protection. Neither the proceeds nor any interest accrued thereto may be used for operational expenses of any infrastructure. "Infrastructure" means, among other things, any fixed expenditure or fixed capital outlay associated with the construction, reconstruction or improvement of public facilities which have a life expectancy of five or more years and any land acquisition, land improvement, design, and engineering costs related thereto. Pursuant to Section 212.055(2)(e), Florida Statutes, school districts, counties and municipalities receiving discretionary sales surtax proceeds may pledge such proceeds for the purpose of servicing new bond indebtedness incurred pursuant to law.

On July 15, 1996, the Board of the County, by a majority, enacted Ordinance No. 96-12 (the "Sales Tax Ordinance") which provided for the levying and imposition throughout the incorporated and unincorporated areas of the County, of an additional tax of 0.5% on all transactions occurring in the County subject to the aforementioned 6% tax (the "Community Investment Tax") the proceeds of which would be applied to pay the costs of acquisition and construction of public safety, transportation and educational infrastructure and a community stadium. On September 3, 1996, the Community Investment Tax was placed on the ballot and approved by a majority of the electors of the County who voted in the referendum. The Community Investment Tax is effective for a 30-year period that commenced December 1, 1996.

Pursuant to the Interlocal Agreement dated July 17, 1996, by and among the County, the City of Tampa, the City of Temple Terrance, the City of Plant City and the Board, the parties agreed upon a monthly method of distribution of the Community Investment Tax. In each of the fiscal years 1997 through 2026, twenty-five percent of the net proceeds of the Community Investment Tax will be distributed to the Board (the "Sales Tax Revenues") with the remaining seventy-five percent to be distributed among the Tampa Sports Authority, the County, the City of Tampa, the City of Temple Terrance and the City of Plant City. The Board received Sales Tax Revenues in the amounts of $23,604,577 in Fiscal Year 2011-12, $24,660,463 in Fiscal Year 2012-13, $25,879,851 in Fiscal Year 2013-14, and $27,000,000 (unaudited) of Sales Tax Revenues in Fiscal Year 2014-15.

OPERATING REVENUE OF THE DISTRICT

The District derives its operating income from a variety of federal, state and local sources. Although Section 1013.15(2)(a), Florida Statutes, provides that operating funds may be specifically authorized by the Board to make Lease Payments on multiple-year leases, the Board has not previously

authorized the use of operating funds to make Basic Rent Payments. In addition, other restrictions applicable to the use of operating funds may conflict with the use of operating funds by the Board to make Basic Rent Payments under Section 1013.15(2)(a), Florida Statutes, and there can be no assurance that such funds would be available to the Board to make Basic Rent Payments in the case of such conflicts. Prospective purchasers should assume that operating funds will not be available to make Basic Rent Payments and that such payments will be made solely from the Local Option Millage Levy. The major categories of these income sources for the operating funds are briefly described below.

State Sources

The three primary sources of educational funding from the State are: (i) basic Florida Educational Finance Program ("FEFP") receipts, (ii) State categorical program receipts, and (iii) certain other specified revenue sources.

Florida Education Finance Program. The major portion of state support is distributed under the provisions of the Florida Education Finance Program, which was enacted by the State Legislature in 1973. Basic FEFP funds are provided on a weighted FTE student 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 each year. The amount of FEFP funds disbursed by the State is adjusted four times during each year to reflect changes in FTE and in other variables comprising the formula, as well as to compensate for increases or decreases in ad valorem tax revenue resulting from adjustments to the valuation of non-exempt property in each county. To participate in FEFP funding, the District must levy a minimum required local effort millage for operating purposes. The District has historically, and currently, complies with such requirement. See "OPERATING REVENUE OF THE DISTRICT – Local Sources" herein. The District's general fund receipts from the state for FEFP pursuant to the above formula for Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 were $577,087,549, $620,982,363, $696,123,514, and $731,095,785 (unaudited), respectively.

State Categorical Program. State categorical programs are lump sum appropriations from the state intended to supplement local school district revenues to enhance the delivery of educational and support services by each school district. In recent years, most categorical programs have been eliminated and the funds are now earmarked within the FEFP base student allocation. The only remaining categorical program is class size reduction. The allocation for class size reduction is based on a funding formula. The majority of the funds available require actual appropriation by the Board for the purposes for which they were provided. Total State categorical aid received by the District for Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 were $355,535,653, $365,292,769, and $366,640,431, $361,531,052 (unaudited) respectively.

State Lottery Revenues. A portion of the revenues generated from the Florida Lottery is distributed to each school district as Discretionary Lottery revenue. The District received $649,322, $169,220, and $750,476 (unaudited) in Discretionary Lottery revenues for Fiscal Years 2011-12, 2013-2014 and 2014-15, respectively. The District did not receive any Discretionary Lottery revenues for Fiscal Year 2012-13.

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. Ad valorem tax revenue collections for operating levies for the Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 were $415,108,017, $402,768,196, $414,933,808, and $421,126,621 (unaudited), respectively.

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 1001, Florida Statutes, as amended, further limits the millage levy for operational purposes to an amount established each year by the state appropriations act and finally certified by the Commissioner of the State Department of Education. Within this operational limit, each school district desiring to participate in the State's appropriation of FEFP funds for current operations must levy a non-voted millage rate referred to as the district "required local effort." The total amount of the required local effort is determined annually by the State Legislature and the Commissioner certifies each district's required local effort millage rate. The required local effort millage levied by the District for the Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 were 5.665, 5.629, 5.442, and 5.105, respectively. Included in such required local effort is a prior period funding adjustment millage as required by Section 1011.62(4)(e), Florida Statutes. Such prior period millage is levied when the preliminary taxable value for the prior year is greater than the final taxable value for such year, thereby resulting in lower than expected revenues from the required local effort millage. In addition to the required local effort millage, school districts are entitled to a non-voted current operating discretionary millage. The District levied a non-voted current operating discretionary millage of 0.748 mills for each of the Fiscal Years 2011-12 through 2014-15.

Budgeted revenues from ad valorem taxes are based on applying millage levies to 96% of the non-exempt assessed valuation of real and personal property within the County. See "AD VALOREM TAXATION – Assessed Valuation" below.

Federal Sources

The District receives certain federal moneys, both directly and through the State, substantially all of which are restricted for specific programs. Much of the revenue is derived from grants that are renewed annually. Many grants reimburse for actual eligible expenses, therefore revenue is not accurately available until projects are reconciled at year end. Federal revenue sources recorded for Fiscal Years 2011-12, 2012-13, 2013-14 and 2014-15 were $297,912,093, $286,256,141, $302,773,013, $293,598,348 (unaudited), respectively.

AD VALOREM TAXATION

The following information is provided in view of the fact that a large portion of the Board's revenues are derived from ad valorem taxation. Local ad valorem property taxes are levied by the application of the millage rate to the assessed valuation of non-exempt property within the County. Under the laws of the State, the assessment of all properties and the collection of all county, municipal and school district property taxes are consolidated in the office of the property appraiser and tax collector.

Property Assessment

General. State law requires that all real and personal property be assessed at its just or fair market value. No ad valorem taxes may be levied by the State upon real estate or tangible personal property. Such taxes may be levied only by counties, school districts, municipalities and certain special districts. Railroad properties are centrally assessed at the State level. Real property used for the following purposes is generally exempt from ad valorem taxation: religious, educational, charitable, scientific, literary, and governmental. Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is entitled to a "homestead exemption" from ad valorem taxation by counties up to the assessed valuation of $25,000 on the residence and contiguous real property. In addition, there are special exemptions for widows, low-income seniors, permanently disabled veterans, hospitals, and homes for the aged and disabled veterans. Agricultural land, non-commercial recreational land, inventory, and livestock are assessed at less than 100% of fair market value.

Article VII, Section 4 of the State Constitution was amended to limit 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, Article VII, Section 4 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. This amendment is known as the "Save Our Homes 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. See "AD VALOREM TAXATION - Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes" herein for information concerning recent changes in law that affects the Save Our Homes Amendment.

Procedure. The Property Appraiser determines property valuation on real and tangible personal property as of January 1 of each year. The Property Appraiser determines the valuation of all real and personal property by July 1 of each year and notifies the County, the District, each municipality, and each other legally constituted special taxing district as to its just valuation, the legal adjustments and exemptions, and the taxable valuation. The taxable valuation is then used by each taxing body to calculate its ad valorem millage for the budget year. Each taxing body must advertise its budget, stating the proposed millage and hold public hearings on such budgets. Final budgets are determined by each taxing body, and the millage is certified to the Property Appraiser by October 1.

Concurrently, the Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on such property. If the individual property owner believes that his or her property has not been appraised at fair market value, the owner may file a petition with the Clerk of the Property Appraisal Adjustment Board (the "Adjustment Board"). The Adjustment Board consists of members of the County Commission and members of the Board. The Adjustment Board holds public

hearings on such petitions and may make adjustments to the valuations made by the Property Appraiser, if such valuations were found not to be fair and at market value. The Adjustment Board must certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used. These changes are then made to the final tax roll. Property owners appealing the assessed value or assigned classification of their property must make a required partial payment of taxes (generally equal to 75% of the ad valorem taxes due, less the applicable statutory discount, if any) with respect to the properties that will have a petition pending on or after the delinquency date (normally April 1). A property owner's failure to make the required partial payment before the delinquency date will result in the denial of the property owner's petition.

The Property Appraiser applies the final certified millage of each taxing body to the assessed valuation on each item of real and tangible personal property, and prepares the final tax roll which he certifies to the County Tax Collector by October 1. This permits the printing of tax bills for delivery on November 1 of each year. The tax bills contain all of the overlapping and underlying millages set by the various taxing bodies, so that all ad valorem taxes are collected by the Tax Collector and distributed to the various taxing bodies.

Truth in Millage Bill

The governing bodies of taxing authorities are required to fix the millage rate and assess all property at one hundred percent (100%) of its just value. Section 200.071, Florida Statutes, and Section 200.091, Florida Statutes, prohibit the millage for taxing authorities from being set by referendum, except as provided in the State Constitution.

Collection of Taxes

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the tax roll is certified and delivered to the Tax Collector. The Tax Collector mails a notice to each property owner on the tax roll for the taxes levied by the County, the District, municipalities within the County 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 (1%) if paid in the month of February. Taxes paid in the month of March are without discount. All unpaid taxes on real and personal property become delinquent on April 1 of the year following the year in which taxes were levied.

Delinquent real property taxes bear interest at the rate of 18% per year from April 1 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 18% per year from April 1 until paid. Delinquent personal property taxes must be advertised within 45 days after delinquency, and after May 1, the property is subject to warrant, levy, seizure and sale. On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property with delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate. Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. State law provides that real property tax liens are superior to all other liens, except prior Internal Revenue Service liens.

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 shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates or liens are not redeemed by the property owner within two years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

Section 197.016(2), Florida Statutes, requires the Tax Collector to distribute the taxes collected, to each governmental unit levying the tax. Such distribution is to be made four times during the first two months after the tax roll comes into its possession, and once per month thereafter.

The District's tax levies and collections for the fiscal years 2006 through 2015 are as follows:

School District of Hillsborough County
Property Tax Levies and Collections
Last Ten Fiscal Years

		Collected to End of Tax Year			Collected in Fiscal Year	
Fiscal Year	Total Tax Levy	Current Tax Collections[1]	Percent of Levy[1]	Delinquent Collections[1]	Total Collections[1]	Percent of Levy[1]
2015[2]	$551,193,456	N/A	N/A	N/A	N/A	N/A
2014	538,166,770	$515,483,196	95.79%	$4,151,492	$519,634,688	96.56%
2013	521,066,245	497,507,461	95.48	6,707,034	504,214,495	96.77
2012	535,661,273	512,201,737	95.62	2,563,795	514,765,532	96.10
2011	537,023,488	508,048,259	94.60	4,153,742	512,202,011	95.38
2010	607,883,201	578,606,240	95.18	5,134,542	583,740,782	96.03
2009	695,871,440	664,675,893	95.52	2,887,719	667,563,612	95.93
2008	662,885,929	635,203,884	95.82	974,481	636,178,365	95.97
2007	616,369,811	592,574,795	96.14	460,888	593,035,683	96.21
2006	512,534,878	494,030,382	96.39	802,840	494,833,222	96.55

(1) Net of allowable discounts. Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy since the percent of levy collected reflects the statutory early payment discounts. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

(2) Tax collection information is currently not available for the Fiscal Year 2014-15.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014. For the Fiscal Year 2014-15, the School District of Hillsborough County, Florida.

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Recent Constitutional and Legislative Amendments Affecting Ad Valorem Taxes

Several Constitutional and Legislative amendments affecting ad valorem taxes have been approved by voters in the past including the following.

Constitutional Amendments Related to Ad Valorem Exemptions. On January 29, 2008, in a special election held in conjunction with State's presidential primary, the requisite number of voters approved amendments to the State Constitution exempting certain portions of a property's assessed value from taxation. These amendments were effective beginning with the 2008 tax year (Fiscal Year 2008-09 for local governments). The following is a brief summary of certain important provisions contained in such amendments:

1. Provides for an additional exemption for the assessed value of homestead property between $50,000 and $75,000, thus doubling the existing homestead exemption for property with an assessed value equal to or greater than $75,000. This exemption does not apply to school district taxes.

2. Permits owners of homestead property to transfer their Save Our Homes Amendment benefit (up to $500,000) to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Amendment benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead. As discussed above, the Save Our Homes Amendment generally limits annual increases in ad valorem tax assessments for those properties with homestead exemptions to the lesser of three percent (3%) or the annual rate of inflation. This exemption applies to all taxes, including school district taxes.

3. Exempts from ad valorem taxation $25,000 of the assessed value of property subject to tangible personal property tax. This limitation applies to all taxes, including school district taxes.

4. Limits increases in the assessed value of non-homestead property to 10% per year, subject to certain adjustments. The cap on increases would be in effect for a 10 year period, subject to extension by an affirmative vote of electors. This limitation does not apply to school district taxes.

Over the last few years, the Save Our Homes Amendment assessment cap and portability provisions described above have been subject to legal challenge. The plaintiffs in such cases have argued that the Save Our Homes Amendment assessment cap constitutes an unlawful residency requirement for tax benefits on substantially similar property in violation of the equal protection provisions of the Florida Constitution and the Privileges and Immunities Clause of the Fourteenth Amendment to the United States Constitution. The plaintiffs also argued that the portability provision simply extends the unconstitutionality of the tax shelters granted to long-term homeowners by Save Our Homes Amendment. The courts in each case have rejected such constitutional arguments and upheld the constitutionality of such provisions; however, there is no assurance that any future challenges to such provisions will not be successful. Any potential impact on the District or its finances as a result of such challenges cannot be ascertained at this time.

In addition to the legislative activity described above, the constitutionally mandated Florida Taxation and Budget Reform Commission (required to be convened every 20 years) (the "TBRC") completed its meetings on April 25, 2008 and placed several constitutional amendments on the November 4, 2008 General Election ballot. Three of such amendments were approved by the voters of the State, which, among other things, do the following: (a) allow the State Legislature, by general law, to exempt from assessed value of residential homes, improvements made to protect property from wind damage and installation of a new renewable energy source device; (b) assess specified working waterfront properties based on current use rather than highest and best use; (c) provide a property tax exemption for real property that is perpetually used for conservation (began in 2010); and, (d) for land not perpetually encumbered, require the State Legislature to provide classification and assessment of land use for conservation purposes solely on the basis of character or use.

Exemption for Deployed Military Personnel. In the November 2010 General Election voters approved a constitutional amendment which provides an additional homestead exemption for deployed military personnel. The exemption equals the percentage of days during the prior calendar year that the military homeowner was deployed outside of the United States in support of military operations designated by the State Legislature. This constitutional amendment took effect on January 1, 2011.

Other Proposals Affecting Ad Valorem Taxation. During the State Legislature's 2011 Regular Session, it passed Senate Joint Resolution 592 ("SJR 592"). SJR 592 allows totally or partially disabled veterans who were not State residents at the time of entering military service to qualify for the combat-related disabled veteran's ad valorem tax discount on homestead property. The amendment is effective January 1, 2013.

During the State Legislature's 2012 Regular Session, it passed House Joint Resolution 93 ("HJR 93"). HJR 93 allows the State Legislature to provide ad valorem tax relief to the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and to the surviving spouse of a first responder who died in the line of duty. The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on the homestead property. The amendment is effective January 1, 2013.

Also during the State Legislature's 2012 Regular Session, it passed House Joint Resolution 169 ("HJR 169") allowing the State Legislature by general law to permit counties and municipalities, by ordinance, to grant an additional homestead tax exemption equal to the assessed value of homestead property to certain low income seniors. To be eligible for the additional homestead exemption the county or municipality must have granted the exemption by ordinance; the property must have a just value of less than $250,000; the owner must have title to the property and maintained his or her permanent residence thereon for at least 25 years; the owner must be age 65 years or older; and the owner's annual household income must be less than $27,300. The additional homestead tax exemption authorized by HJR 169 would not apply to school property taxes.

Each of the above described proposals were approved as amendments to the Florida Constitution by the voters on November 6, 2012. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the District's finances.

During the State Legislature's 2013 Regular Session, it passed Senate Bill 1830 ("SB 1830"), which was signed into law by the Governor and creates a number of changes affecting ad valorem taxation

which became effective July 1, 2013. First, SB 1830 provides long-term lessees the ability to retain their homestead exemption and related assessment limitations and exemptions in certain instances and extends the time for property owners to appeal value adjustment board decisions on transfers of assessment limitations to conform with general court filing timeframes. Second, SB 1830 inserts the term "algaculture" in the definition of "agricultural purpose" and inserts the term "aquacultural crops" in the provision specifying the valuation of certain annual agricultural crops, nonbearing fruit trees and nursery stock. Third, SB 1830 allows for an automatic renewal for assessment reductions related to certain additions to homestead properties used as living quarters for a parent or grandparent and aligns related appeal and penalty provisions to those for other homestead exemptions. Fourth, SB 1830 deletes a statutory requirement that the owner of the property must reside upon the property to qualify for a homestead exemption, provided it is the permanent residence of another person legally or materially dependent upon such owner. Fifth, SB 1830 clarifies the property tax exemptions counties and cities may provide for certain low income persons age 65 and older. Sixth, SB 1830 removes a residency requirement that a senior disabled veteran must have been a State resident at the time they entered the service to qualify for certain property tax exemptions. Seventh, SB 1830 repeals the ability for certain limited liability partnerships to qualify for the affordable housing property tax exemption. Eighth, SB 1830 exempts property used exclusively for educational purposes when the entities that own the property and the educational facility are owned by the same natural persons.

Also during the State Legislature's 2013 Regular Session, the State Legislature passed House Bill 277 ("HB 277"), which was signed into law by the Governor. HB 277 provides that certain renewable energy devices are exempt from being considered when calculating the assessed value of residential property. HB 277 only applies to devices installed on or after January 1, 2013. HB 277 took effect on July 1, 2013.

Also during the State Legislature's 2013 Regular Session, the State Legislature passed House Bill 1193 ("HB 1193"), which was signed into law by the Governor. HB 1193 eliminated three ways in which the property appraiser had authority to reclassify agricultural land as non-agricultural land. Additionally, HB 1193 relieves the value adjustment board of the authority to review the property appraisers. HB 1193 is effective immediately and will apply retroactively to January 1, 2013.

At present, the impact of the SB 1830, HB 277 and HB 1193 on the District's finances cannot be accurately ascertained. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the District's finances.

Reduction in Capital Outlay Millage Levy. In 2008, the State Legislature amended Section 1011.71(2), Florida Statutes, to reduce the maximum Capital Outlay Millage Levy from 2.00 mills to 1.75 mills commencing in Fiscal Year 2008-09. In conjunction with such reduction, the State's Commissioner of Education increased the amount of the required local effort for each school district in the State, which resulted in a shift of the millage (and associated tax revenues) from capital outlay and maintenance purposes to operational purposes. However, if the revenues generated from the reduced Capital Outlay Millage Levy are insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2008, an amount equal to the revenue generated from 0.50 mills of the operating millage levy may be used to make such Lease Payments or for critical capital outlay needs.

Section 1011.71, Florida Statutes, was amended by the State Legislature in 2009, 2010 and 2011 to provide for the following: (i) a reduction of the maximum Capital Outlay Millage Levy from 1.75 mills to

1.50 mills; (ii) a waiver of the three-fourths limit on use of proceeds from the Capital Outlay Millage Levy for lease-purchase agreements entered into before June 30, 2009, for the Fiscal Year 2009-10 (however, see "– Waiver of Three-Fourths Limitation on Use of Capital Outlay Millage Levy" below); and (iii) if the revenue from 1.50 mills is insufficient to make the payments due under a lease-purchase agreement entered into prior to June 30, 2009, or to meet other critical fixed capital outlay needs, authorization for school districts to levy up to 0.25 mills for capital improvement needs in lieu of an equivalent amount of the discretionary mills for operations as provided in the State General Appropriation Act.

The Capital Outlay Millage Levy constitutes the primary source of funds to make Basic Lease Payments with respect to the Series 2015A Certificates, as well as any other Certificates issued in connection with the Master Lease. Accordingly, reduction in the Capital Outlay Millage Levy reduces the funds available to make Basic Lease Payments under the Refinanced Lease Agreements and may adversely impact the District's ability to finance additional educational facilities under the Master Lease.

Waiver of Three-Fourths Limitation on use of Capital Outlay Millage Levy. During the 2012 legislative session, the State Legislature further amended Section 1011.71, Florida Statutes, to indefinitely allow a waiver of the three-fourths limit on the use of proceeds from the Capital Outlay Millage Levy for lease-purchase agreements originally entered into before June 30, 2009. Previously, such waiver was only authorized for the Fiscal Year 2009-10. Such provision became effective on July 1, 2012. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Sources" herein.

Legislative Proposals Relating to Ad Valorem Taxation. During recent years and in the current legislative session, various other legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in the State legislature. Many of these proposals provide for new or increased exemptions to ad valorem taxation, limit increases in assessed valuation of certain types of property, or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent, historical levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the current legislative session or in the future that would, or might apply to, or have a material adverse effect upon, the District or its finances.

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Historical and Current Millages

The following table contains historical and current millage levels for the Board:

DISTRICT LEVIES

TAX LEVY	Fiscal Year Ending June 30								
	2008	2009	2010	2011	2012	2013	2014	2015	2016[1]
General Fund									
Nonvoted School Tax:									
State - Required Local Effort	4.784	5.304	5.422	5.344	5.665	5.629	5.442	5.105	4.999
Local - Discretionary	0.510	0.498	0.748	0.748	0.748	0.748	0.748	0.748	0.748
Local - Supplemental	0.229	0.225	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital Projects Fund									
Nonvoted School Tax:									
Local Capital Improvements	2.000	1.750	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Total Nonvoted millage	7.523	7.777	7.692	7.592	7.913	7.877	7.690	7.353	7.247
Debt Service Fund									
Voted School Tax:									
Debt Service	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total District Millage Levy	7.523	7.777	7.692	7.592	7.913	7.877	7.690	7.353	7.247

(1) These tentative millages were approved by the Board on July 28, 2015 at a statutorily required public hearing concerning its Tentative Budget. The millages are subject to change through the Board's budgeting process.

Source: *Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014. For the Fiscal Year 2014-15, the School District of Hillsborough County, Florida. For the Tentative Budget Fiscal Year 2015-16, the School Board's District Summary Budget adopted at the July 28, 2015 public hearing.*

Pursuant to Article VII of the State Constitution, the Board may not levy ad valorem taxes, exclusive of voted taxes levied for the payment of debt service and for current operations under Section 1011.73 for not more than two years, in excess of 10 mills.

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Assessed Valuation

The following table shows the assessed value and taxable value for operating millages in each of the past ten years.

Hillsborough County, Florida
School Taxable Value
Assessed Value of Taxable Property
2007-2016
(In Thousands)

Fiscal Year	Net Taxable Value	Net Assessed Value	Net Taxable Value as a Percentage of Net Assessed Value
2016	$80,545,572	$99,577,523	80.89%
2015	74,640,107	93,045,243	80.22
2014	69,568,965	87,642,064	79.38
2013	66,836,681	83,787,329	78.58
2012	67,359,851	85,121,195	79.13
2011	70,354,573	88,512,696	79.49
2010	78,519,732	91,800,328	85.53
2009	89,248,351	110,127,213	81.04
2008	87,605,046	114,865,796	76.27
2007	78,428,497	105,425,310	74.39

Note: Net Taxable Values are net Assessed Values after deducting allowable statutory exemption such as Save Our Homes exemption and other exemptions.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014. For the Fiscal Years 2014-15 and 2015-16, the School District of Hillsborough County, Florida.

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Principal Taxpayers

The following table contains the list of the County's ten largest taxpayers. No single taxpayer in the County paid more than 2.57% of the total ad valorem taxes levied in the Fiscal Year 2013-14.

Hillsborough County, Florida
Principal Taxpayers
Fiscal Year 2013-14
(Amount in Thousands)

Taxpayer	Type of Business	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value
Tampa Electric Company	Electric Utility	1	$39,268	$1,792,659	2.57%
Verizon Florida Inc	Communications	2	16,861	769,725	1.10
Hillsborough Aviation Authority	Transportation	3	10,862	495,854	0.71
Camden Operating LP	Real Estate	4	5,637	257,338	0.37
Highwoods/Florida Holding	Real Estate Mgmt	5	5,183	236,623	0.34
Post Apartment Homes LP	Housing	6	5,028	229,514	0.33
Westfield	Shopping Malls	7	4,802	219,231	0.31
Mosaic Fertilizer, LLC	Mining	8	4,795	218,899	0.31
Wal-Mart	Retail Tales	9	4,350	198,576	0.28
Liberty Property	Property Management	10	3,887	177,469	0.25
Total			$100,673	$4,595,888	6.57%

Source: *Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.*

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PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS

The Florida Retirement System

All regular employees of the District are covered by the Florida Retirement System (the "FRS"). The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (the "FRS Plan"), a Deferred Retirement Option Program (the "DROP"), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (the "FRS Investment Plan").

Essentially all regular employees of participating employers are eligible and must enroll as members of the FRS Plan. Benefits vest at specified numbers of years of service depending upon the employee's classification. Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of credible service except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. As described below, the District administers a single-employer retirement program that under certain conditions covers the difference in benefits between normal and early retirement.

The FRS Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

The DROP was established effective July 1, 1998. It permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Eligible FRS members may elect to participate in the FRS Investment Plan in lieu of the FRS Plan. District employees participating in the DROP are not eligible to participate in the FRS Investment Plan. The FRS Investment Plan is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.) Contributions are directed to individual member accounts, and the ultimate benefit depends in part on the performance of investment funds chosen. Employees in the FRS Investment Plan vest after one year of service.

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The benefit provisions and all other requirements of the FRS Plan are established by Florida Statutes. The contribution rates for the FRS Plan are established, and may be amended, by the State. As of June 30, 2014 the contribution rates were as follows:

	Percent of Gross Salary	
	Employee	Employer[1]
Florida Retirement System, Regular	3.00	6.95
Florida Retirement System, Elected County Officers	3.00	33.03
Florida Retirement System, Senior Management Service	3.00	18.31
Florida Retirement System, Special Risk	3.00	19.06
Teachers' Retirement System, Plan E	6.25	9.09
State and County Officers and Employees' Retirement System, Plan B	4.00	9.10
Florida Retirement System, Reemployed Retiree	3.00	6.95

(1) Employer rates include the post-retirement health insurance supplement, which was increased on July 1, 2013 to 1.20%.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

The District's liability for participation in the FRS Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions to the FRS Plan (including employee contributions) for the Fiscal Years 2011-12, 2012-13, and 2013-14, totaled $74,283,216, $79,328,141 and $107,938,639 respectively, representing a percentage of covered payroll of 7.58% for Fiscal Year 2011-12, 7.94% for Fiscal Year 2012-13 and 10.14% for Fiscal Year 2013-14. These amounts are equal to the required contributions for each fiscal year. Effective July 1, 2011, all members of FRS, except for the DROP participants and reemployed retirees who are not eligible for renewed membership, are required to contribute three percent of their compensation to FRS.

See "APPENDIX J – THE FLORIDA RETIREMENT SYSTEM" for more information regarding the FRS.

Early Retirement Program

Plan Description and Provisions. As authorized by Section 1012.685, Florida Statutes, the Board implemented an Early Retirement Plan (the "Plan"), effective August 1, 1984. The Plan is a single-employer defined benefit plan. The purpose of the Plan is to provide eligible District employees, who elect to retire under the early retirement provisions of the FRS with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age of 62. The Board entered into an agreement with Wells Fargo Bank, N.A., as successor bank (the "Bank"), designating it as the Investment Manager and Custodian for the Plan assets. The Agreement also provides that monthly benefits be paid by the Bank.

Based on an actuarial report as of June 30, 2014, there were 571 retirees and beneficiaries currently receiving benefits under the Plan. There are no longer any active participants in the Plan.

Eligibility. A member of the Plan was eligible upon attainment of age 55 to 59, completion of 25 but not more than 28 years of creditable service, at least 5 consecutive and uninterrupted years of service immediately preceding early retirement, and having applied for retirement under the FRS. The Board approved to eliminate new participants to the Early Retirement Program on June 30, 2008. Certain employees were eligible to enter the plan before July 1, 2010. As of July 1, 2010, the Plan is closed to new participants.

Benefits. The amount of the monthly benefit will be equal to the reduction imposed on the retirement benefit by the FRS due to early retirement. The benefit amount will be based on the initial benefit amount determined by the FRS prior to any cost-of-living adjustments and once established will remain unchanged, unless a specific increase is authorized by the Board.

Summary of Significant Accounting Policies. The Plan is accounted for as a pension trust fund; therefore it is accounted for in substantially the same manner as a proprietary fund with a "capital maintenance" measurement focus and the accrual basis of accounting. Employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan. Plan assets are valued at fair value, based on quoted market prices, for financial statement purposes. Separate Statements are not issued for the Plan.

Contributions. Pursuant to the Plan Agreement, no contribution shall be required or permitted from any member. The District's annual contribution to the pension trust is determined through the budgetary process and with reference to actuarial determined contributions. As of July 1, 2013, the most recent actuarial study shows a deficit of $13.0 million on a GASB 67 funding basis. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. The contribution is designed to accumulate sufficient assets to pay benefits when due.

Significant actuarial assumptions used to compute annual required contributions are the same as those used to determine the actuarial accrued liability. Total contributions to the Plan in Fiscal Years 2011-12, 2012-13 and 2013-14 amounted to $879,714, $1,383,120 and $1,401,167 respectively. The net pension asset (obligation) to the Plan in Fiscal Years 2011-12, 2012-13 and 2013-14 were $(611), $(1,807) and $(30) respectively. The actuarially determined contribution for Fiscal Years 2011-12, 2012-13 and 2013-14 were $1,341,630, $1,381,913 and $1,402,918, respectively which were determined through actuarial valuations performed at July 1, 2011, July 1, 2012 and July 1, 2013, respectively. The total annual pension costs for Fiscal Years 2011-12, 2012-13 and 2013-14 were $1,325,989, $1,381,924 and $1,402,944, respectively. The percentage of pension cost contributed for Fiscal Years 2011-12, 2012-13 and 2013-14 were 63.34%, 100.09% and 99.88%, respectively.

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The District's annual pension cost and net pension asset (obligation) for the Plan for the Fiscal Year 2013-14 were as follows:

Description	Amount
Annual Required Contribution	$1,402,918
Interest on Net Pension Obligation	(69)
Adjustment to Annual Required Contribution	95
Annual Pension Cost	1,402,944
Contribution Made with Interest	1,401,167
Decrease in Net Pension Obligation	1,777
Net Pension Asset (Obligation), Beginning of Year	(1,807)
Net Pension Asset (Obligation), End of Year	$(30)

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

As the net pension obligation is immaterial to the District as a whole, no such amounts have been recorded in the District wide statement of net position at June 30, 2014. As of July 1, 2013, the actuarial value of the plan assets was $13,601,965 and the actuarial accrued liability for benefits was $26,618,963, resulting in a funded ratio of 51%. $13,016,998 of the actuarial accrued liability for benefits was unfunded. There is no longer a covered payroll due to the fact that the Plan is closed to any new participants.

The schedule of funding progress, presents multiyear trend information that shows whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and the Plan members in the future. The computation of the annual required contributions for Fiscal Year 2013-14 was based on the same (a) benefit provisions, (b) actuarial funding method, and (c) other significant factors as used to determine annual required contributions in the previous year.

Fiscal Year ended June 30	Actuarial Value of Plan Assets (A)	Actuarial Accrued Liability Entry Age (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as a Percentage of Covered Payroll (B-A)/C
2009	$14,570,542	$31,609,928	$17,039,386	46.1%	$31,812,283	53.56%
2010	15,024,428	38,190,854	23,166,426	39.3	22,676,884	102.20%
2011	15,735,803	29,577,005	13,841,202	53.2	N/A	N/A
2012	15,470,853	28,536,584	13,065,731	54.2	N/A	N/A
2013	14,313,623	27,770,427	13,456,804	51.5	N/A	N/A
2014	13,601,965	26,618,963	13,016,998	51.1	N/A	N/A

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

Actuarial Information. Significant assumptions and other inputs used to measure the annual required contribution are:

Valuation Date	07/01/2013
Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll-Closed
Amortization Period	30 Years
Asset Valuation Method	Fair Value
Actuarial Assumptions:	
Investment Rate of Return	3.5%
Projected Salary Increases	0%
Rate of Inflation Adjustment	None

Mortality rates were based on the RP-2000 IRS PPA Generational Annuitant Table for Males and Females.

Net Pension Liability. The components of net pension liability of the District at June 30, 2014, were as follows:

Total Pension Liability	$26,618,963
Plan Fiduciary Net Position	(13,002,397)
District's Net Pension Liability	$13,616,566
Plan Fiduciary Net Position as of Percentage of the Total Pension Liability	48.84%

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate The following presents the net pension liability of the District, calculated using the discount rate of 3.50 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50 percent) and 1-percentage point higher (4.50 percent) than the current rate.

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	$29,270,312	$26,618,963	$24,356,823
Plan Fiduciary Net Position	(13,002,397)	(13,002,397)	(13,002,397)
District's Net Pension Liability	$16,267,915	$13,616,566	$11,354,426

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members. Therefore, the long term

expected rate of return on pension plan investment was applied to all periods of projected benefit payments to determine the total pension liability.

Post Employment Health Care

Plan Description. The Postemployment Health Care Benefits Plan (the "OPEB Plan") is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical, and prescription drug coverage. Based on the valuation as of July 1, 2013, the District had 26,462 active employees and 1,242 retirees and eligible dependents in the OPEB Plan. The District subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. Separate financial statements for the OPEB Plan are not issued.

Funding Policy. The District via the Board can establish and amend the funding requirements. The District has assigned $20,950,596 of fund balance in the general fund for a portion of the net Other Post Employment Benefits obligation ("OPEB"), but has not advance funded the OPEB costs or the net OPEB obligation. For the Fiscal Year 2013-14, retirees and eligible dependents received postemployment health care benefits, which are funded by the District on a pay-as-you-go basis. The District provided contributions of $4,217,776 toward annual OPEB costs, comprised of benefit payments made on behalf of the retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums and net of retiree contributions totaling $9,196,314 which is about 1 percent of covered payroll.

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Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost is calculated based on the annual required contribution (the "ARC"), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

Description	Amount
Normal Cost (service cost for one year)	$16,461,158
Amortization of Unfunded Actuarial Accrued Liability	7,296,067
Interest on Normal Cost and Amortization	831,503
Annual Required Contribution	24,588,728
Interest on Net OPEB Obligation	2,629,636
Amortization of Net OPEB Obligation	(2,684,233)
Total Expense or Annual OPEB Cost	24,534,131
Annual Contribution Toward OPEB Cost	(4,217,776)
Increase in Net OPEB Obligation	20,316,355
Net OPEB Obligation, Beginning of Year	75,132,459
Net OPEB Obligation, End of Year	$95,448,814

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

The District's annual OPEB cost, the Percentage of annual OPEB cost contributed to the OPEB Plan and the net OPEB obligation for the Fiscal Years 2011-12 through 2013-14 were as follows:

Fiscal Year	Annual OPEB Cost	Annual Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011-12	$18,635,570	$3,921,558	21.0%	$54,733,090
2012-13	23,903,947	3,504,578	14.7	75,132,459
2013-14	24,534,131	4,217,776	17.2	95,448,814

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

Funded Status and Funding Progress. As of June 30, 2014 the actuarial accrued liability for benefits was $191,669,324, all of which was unfunded. The covered payroll (annual payroll for active participating employees) was $1,064,282,519 for the Fiscal Year 2013-14, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18%. The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Fiscal Year ended June 30	Actuarial Value of Plan Assets (A)	Actuarial Accrued Liability Entry Age (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as a Percentage of Covered Payroll (B-A)/C
2009	-	$139,930,959	$139,930,959	0.0%	$990,757,415	14.1%
2010	-	122,763,693	122,763,693	0.0	964,984,023	12.7
2011	-	144,887,062	144,887,062	0.0	991,177,970	14.6
2012	-	156,271,180	156,271,180	0.0	979,901,112	15.9
2013	-	194,788,495	194,788,495	0.0	998,616,019	19.5
2014	-	191,669,324	191,669,324	0.0	1,064,282,519	18.0

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial methods and significant assumptions used in calculating the ARC for the current year and the funded status of the plan are from the actuarial valuation as of July 1, 2013 are: (1) entry age actuarial cost method, (2) actuarial value of assets are fair value, (3) investment rate of return is 3.5%, (4) salary scale is 4.0%, (5) healthcare cost trend rate is 7.75% for Fiscal Year 2013-14 grading to 5.0% for Fiscal Year 2020-21, (6) past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.0% per year, and (7) inflation rate adjustment is 2.5%.

INVESTMENT POLICY

Assets of the District are governed by an investment policy adopted by the Board under the provisions of Sections 1001.42, Florida Statutes, as amended. Furthermore, the investment of certain assets held under the Trust Agreement such as the Lease Payment Fund, the Project Fund, the Prepayment Fund and the Rebate Fund, is also governed by the terms and provisions of the Trust Agreement.

The District's investment policy authorizes the District to invest in the following investments:

(1) The SBA Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act (Section 163.01, Florida Statutes).

(2) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(3) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02(26), Florida Statutes.

(4) Direct obligations of the U.S. Treasury.

(5) Obligations of Federal agencies, government sponsored enterprises, and instrumentalities.

(6) Securities of, or other interest in, any open-end or closed-end management type investment company or trust registered under the Investment Company Act of 1940, 15 U.S.C. 80a-1.

(7) Short-term obligations commonly referred to as "money market instruments" including, but not limited to, commercial paper, provided such obligations carry the highest credit ratings from a nationally recognized rating agency.

(8) Asset-backed securities when (a) the underlying asset is guaranteed by the issuer, or (b) the security carries the highest quality ratings by a nationally recognized rating agency.

The District's investment policy places no limit on the amount the District may invest in any one issuer. The District had no investment, excluding amounts held by the SBA that made up more than 5% of total investments.

LITIGATION

Concurrently with the delivery of the Series 2015A Certificates, Counsel to the Board will deliver an opinion which states, among other things, that there is no litigation or other proceedings pending or, to the best knowledge of the Board, threatened against the Board (i) that seeks to restrain or enjoin the issuance or delivery of the Series 2015A Certificates, the Master Lease or the Refinanced Lease Agreements, or (ii) questioning or affecting the validity of the Series 2015A Certificates, the Master Lease or the Refinanced Lease Agreements or any proceedings of the Board or actions of the Trustee with respect to the authorization, sale, execution or issuance of the Series 2015A Certificates or the transactions contemplated by this Offering Statement or the Master Lease, the Trust Agreement, the Refinanced Lease Agreements, the Ground Leases or any other agreement or instrument to which the Board is a party in connection therewith and which is used or contemplated for use in the transactions contemplated by this Offering Statement, or (iii) questioning or affecting the creation, organization or existence of the Board and which would have an adverse effect on the actions taken by the Board with respect to the issuance of the Series 2015A Certificates.

The Board experiences claims, litigation, and various legal proceedings which individually are not expected to have a material adverse effect on its operations or financial condition, but may, in the aggregate, have a material impact thereon. In the opinion of the Counsel to the Board, however, the Board will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences on the Board's financial condition.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the 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 Board is not and has not since December 31, 1975, been in default as to payment of principal and interest on its bonds or other debt obligations.

TAX EXEMPTION

Opinion of Special Counsel

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2015A Certificates in order that the Interest Component of the Basic Rent Payments received by the Owners of the Series 2015A Certificates be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause such Interest Component to be included in federal gross income retroactive to the date of issuance of the Series 2015A Certificates, regardless of the date on which such non-compliance occurs or is ascertained. The Board and the Corporation have covenanted in the Refinanced Lease Agreements to comply with such requirements in order to maintain the exclusion from federal gross income of the Interest Component.

In the opinion of Special Counsel, the form of which is included as APPENDIX H hereto, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the aforementioned covenants, prior to the termination of the Refinanced Lease Agreements resulting from an Event of Non-Appropriation or Event of Default thereunder, the Interest Component of the Basic Rent Payments is excludable from gross income for federal income tax purposes and is not an item of preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, the Interest Component of the Basic Rent Payments represented by the Series 2015A Certificates is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations pursuant to the Code.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2015A Certificates, including among other things, restrictions relating to the use or investment of the proceeds of the Series 2015A Certificates and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2015A Certificates to the Treasury of the United States. Noncompliance with such provisions may result in the Interest Component of the Basic Rent Payments being included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2015A Certificates.

Collateral Tax Consequences

Except as described above, Special Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2015A Certificates. Prospective purchasers of Series 2015A Certificates should be aware that the ownership of Series 2015A Certificates may result in collateral tax consequences to various types of

corporations relating to (1) the branch profits tax, (2) the denial of interest deductions to purchase or carry such Series 2015A Certificates, and (3) the inclusion of the Interest Component of the Basic Rent Payments in passive income for certain Subchapter S corporations. In addition, the Interest Component may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2015A CERTIFICATES AND THE RECEIPT OR ACCRUAL OF THE INTEREST COMPONENT OF THE BASIC RENT PAYMENTS MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE SERIES 2015A CERTIFICATE HOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2015A CERTIFICATE HOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

The Interest Component of the Basic Rent Payments may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2015A Certificates should consult their own tax advisors as to the income tax status of such Interest Component in their particular state or local jurisdiction.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2015A Certificates. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2015A Certificates. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2015A Certificates and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2015A Certificates.

Original Issue Discount

Under the Code, the difference between the principal amount of the Series 2015A Certificates maturing on July 1 in the years 2027, 2028 and 2031 (bearing interest at 3.500%) (collectively, the "Discount Certificates") and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Certificates of the same maturity was sold, is "original issue discount." Original issue discount represents interest which is excluded from gross income for federal income tax purposes. Original issue discount will accrue over the term of a Discount Certificate at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Certificate at the initial offering price thereof to the public will be treated as receiving, prior to the termination of the Refinanced Lease Agreements resulting from an Event of Non-Appropriation or Event of Default thereunder, an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Certificates and will increase its adjusted basis in such Discount Certificates by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Certificates. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Certificates which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Certificates should consult their own tax advisors

with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Certificates and with respect to the state and local tax consequences of owning and disposing of such Discount Certificates.

Special Counsel expresses no opinion regarding the federal income tax consequences resulting from the accrual of original issue discount following the termination of the Refinanced Lease Agreements resulting from an Event of Non-Appropriation or Event of Default thereunder.

Original Issue Premium

The difference between the principal amount of the Series 2015A Certificates maturing on July 1 in the years 2016 through and including 2026, 2029, 2030 and 2031 (bearing interest at 5.000%) (collectively, the "Premium Certificates") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Certificates of the same maturity was sold constitutes to an initial purchaser amortizable certificate premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable certificate premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Certificates which term ends on the earlier of the maturity or call date for each Premium Certificate which minimizes the yield on said Premium Certificates to the Purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Certificate, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Certificate annually by the amount of amortizable certificate premium for the taxable year. The amortization of certificate premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Certificates. Owners of the Premium Certificates are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Certificates.

Special Counsel expresses no opinion regarding the federal income tax consequences resulting from the accrual of original issue premium following the termination of the Refinanced Lease Agreements resulting from an Event of Non-Appropriation or Event of Default thereunder.

NOTWITHSTANDING THE FOREGOING, SPECIAL COUNSEL EXPRESSES NO OPINION REGARDING THE FEDERAL INCOME TAX OR FLORIDA TAX CONSEQUENCES RESULTING FROM THE OWNERSHIP OF THE SERIES 2015A CERTIFICATES OR THE RECEIPT BY THE OWNERS THEREOF OF PAYMENTS ON THE SERIES 2015A CERTIFICATES FOLLOWING THE TERMINATION OF THE REFINANCED LEASE AGREEMENTS RESULTING FROM AN EVENT OF NON-APPROPRIATION OR EVENT OF DEFAULT THEREUNDER.

RATINGS

Moody's, S&P and Fitch Ratings have assigned ratings of "Aa2" (negative outlook), "AA-" (stable outlook), and "AA" (negative outlook), respectively, to the Series 2015A Certificates.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007;

Standard & Poor's Ratings Services, 25 Broadway, New York, New York 10004; Fitch Ratings, One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2015A Certificates.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2015A Certificates are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, whose approving opinion (a form of which is attached hereto as Appendix H) will be available at the time of delivery of the Series 2015A Certificates. The actual legal opinion to be delivered by Special Counsel may vary from that text if necessary to reflect facts and law on the date of delivery. Such opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Offering Statement or otherwise shall create no implication that Special Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date. Certain legal matters will be passed upon for the Board by its Counsel, Adams and Reese LLP, Tampa, Florida and Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel and for the Corporation by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel. Holland & Knight LLP, Tampa, Florida is serving as counsel to the Underwriters.

Special Counsel has not been engaged to, nor has it undertaken to, review the accuracy, completeness or sufficiency of this Offering Statement or any other offering material relating to the Series 2015A Certificates; provided, however, that Special Counsel shall render an opinion to the Underwriters (as to which only they may rely) of the Series 2015A Certificates relating to the accuracy of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Master Lease, the Refinanced Lease Agreements, the Trust Agreement, the Assignment, the Ground Leases and the Series 2015A Certificates.

FINANCIAL ADVISOR

The Board has retained Ford & Associates, Inc., Tampa, Florida, as financial advisor in connection with the Board's financing plans and with respect to the issuance of the Series 2015A Certificates. Fees paid to Ford & Associates, Inc. may include fees for bidding investments on behalf of the 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 this Offering Statement. The Financial Advisor did not participate in the underwriting of the Series 2015A Certificates.

UNDERWRITING

The Series 2015A Certificates are being purchased by Wells Fargo Bank, National Association (the "Representative"), as representative of Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBC Capital Markets, LLC, Raymond James and Associates, Inc., and Stifel, Nicolaus & Company, Incorporated (together with the Representative, the "Underwriters"). The Series 2015A Certificates are being purchased by the Underwriters at a price of $112,821,117.94 (which represents the par amount of the Series 2015A

Certificates plus a net original issue premium of $12,518,825.40 and less an Underwriters' discount of $322,707.46). The Underwriters' obligations are subject to certain conditions precedent, and it will be obligated to purchase all of the Series 2015A Certificates if any Series 2015A Certificates are purchased. The Series 2015A Certificates may be offered and sold to certain dealers (including dealers depositing such Series 2015A Certificates into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters. The Underwriters have reviewed the information in this Offering Statement in accordance with and, as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guaranty the accuracy or completeness of such information.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against the District in connection with such activities. In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association.

Wells Fargo Bank, National Association ("WFBNA"), one of the underwriters of the Series 2015A Certificates has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2015A Certificates. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2015A Certificates with WFA. WFBNA also utilizes the distribution capabilities of its affiliate, Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2015A Certificates. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Certain subsidiaries of Wells Fargo & Company (parent company of Wells Fargo Bank, National Association, one of the underwriters for the Series 2015A Certificates) have provided, from time to time, investment banking services, commercial banking services or advisory services to the Board for which they have received customary compensation. Wells Fargo & Company or its subsidiaries may, from time to time, engage in transactions with and perform services for the Board in the ordinary course of their respective businesses. Wells Fargo Municipal Capital Strategies, LLC anticipates entering into a direct

purchase transaction with the Board for the purchase of the Series 2015B Certificates. See "EXPECTED ISSUANCE OF OTHER OBLIGATIONS" herein.

GENERAL PURPOSE FINANCIAL STATEMENTS

The general purpose financial statements of the District for the Fiscal Year 2013-14, included in this Offering Statement have been audited by KPMG LLP, independent certified public accountants, as stated in their report appearing in APPENDIX B. Such report is included as a public record and KPMG LLP was not requested to and has not performed any services in connection with the issuance of the Series 2015A Certificates.

CONTINGENT FEES

The Board has retained Special Counsel, Counsel to the Board, Disclosure Counsel, the Financial Advisor, the Underwriters (who in turn retained Underwriters' Counsel), and the Trustee (who in turn retained Trustee's Counsel) and the Corporation has retained Counsel to the Corporation, with respect to the authorization, sale, execution and delivery of the Series 2015A Certificates. Payment of each fee of such professionals is each contingent upon the issuance of the Series 2015A Certificates.

CONTINUING DISCLOSURE

The Board has agreed and undertaken for the benefit of Series 2015A Certificate holders and in order to assist the Underwriters in complying with the continuing disclosure requirements of Rule 15c12-12 of the Securities Exchange Commission (the "Rule"), to provide certain financial information and operating data relating to the Board, the District and the Series 2015A Certificates in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if material. Such undertaking shall only apply so long as the Series 2015A Certificates remain Outstanding under the Trust Agreement. The covenant shall also terminate upon the termination of the Rule by legislative, judicial or administrative action. The Annual Report will be filed annually by the Board or its dissemination agent pursuant to the undertaking with the Municipal Securities Rulemaking Board (the "MSRB") and its Electronic Municipal Market Access ("EMMA") system, as described in the Disclosure Dissemination Agent Agreement. The notices of material events will be filed with the MSRB. The specific nature of the information to be contained in the Annual Report and the notices of material events, are described in the Disclosure Dissemination Agent Agreement. See "APPENDIX I - FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT" attached hereto. With respect to the Series 2015A Certificates, no party other than the Board is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule.

In connection with the issuance of the Refunded Certificates and certain other debt obligations of the Board, the Board has entered into prior undertakings to provide certain continuing disclosure information on an annual basis pursuant to the Rule (the "Prior Undertakings"). During the 2010 calendar year the Board failed to file material event notices for certain rating downgrades (other than for recalibrations) with respect to certain obligations of the Board and the District. Such failures have been remedied. The Board retained Digital Assurance Certification, L.L.C. in 2009 as its dissemination agent in order to ensure ongoing and future compliance with its obligations under the Rule and believes that it is current in all material respects with its obligations under the Rule. The Board intends to fully comply with all of its Prior Undertakings and future continuing disclosure undertakings, including its undertaking with respect to the Series 2015B Certificates.

ACCURACY AND COMPLETENESS OF OFFERING STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the Board and the Projects and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2015A Certificates, the security for the payment of the Series 2015A Certificates and the rights and obligations of the owners thereof and to each such statute, report or instrument.

Any statements made in this Offering Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Offering Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2015A Certificates.

The Appendices attached hereto are integral parts of this Offering Statement and must be read in their entirety together with all foregoing statements.

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AUTHORIZATION OF OFFERING STATEMENT

The execution and delivery of this Offering Statement has been duly authorized and approved by the Board. At the time of delivery of the Series 2015A Certificates, the undersigned will furnish a certificate to the effect that nothing has come to their attention which would lead them to believe that the Offering Statement (except for the information related to DTC and its book-entry only system as to which no view will be expressed), as of its date and as of the date of delivery of the Series 2015A Certificates, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Offering Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

SCHOOL BOARD OF HILLSBOROUGH
COUNTY, FLORIDA

/s/ Susan L. Valdes
Chair

/s/ Jeff Eakins
Superintendent

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APPENDIX A

GENERAL INFORMATION RELATING TO HILLSBOROUGH COUNTY

THE FOLLOWING INFORMATION CONCERNING HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY") AND THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA (THE "DISTRICT") IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE INFORMATION HAS BEEN COMPILED ON BEHALF OF THE DISTRICT AND SUCH COMPILATION INVOLVED ORAL AND WRITTEN COMMUNICATIONS WITH THE VARIOUS SOURCES INDICATED HEREIN. THE INFORMATION IS SUBJECT TO CHANGE, ALTHOUGH EFFORTS HAVE BEEN MADE TO UPDATE THE INFORMATION WHERE PRACTICABLE. CERTAIN OF THE TABLES THAT FOLLOW IN THIS APPENDIX HAVE BEEN DERIVED FROM THE STATISTICAL SECTION OF THE COUNTY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014.

The County

The County was established on January 25, 1834. The County gained its name from Wills Hill (1718-1793), a viscount of Hillsborough, who became secretary of state for the colonies in 1768. Hillsborough County's boundaries of 1834 included the present-day counties of Pasco, Charlotte, Desoto, Hardee, Pinellas, Sarasota, Manatee and Polk.

The County is located on central Florida's western coast, nestled between Tampa Bay on the west and Polk County on the east. The County is bounded to the north by Pasco County and to the south by Manatee County. In area, it is the seventh largest county in the State of Florida. The County covers a total area of 1,266 square miles, of which 215 square miles is water area. The County is part of a four-county Metropolitan Statistical Area (MSA) referred to as the Tampa, St. Petersburg-Clearwater MSA.

Tampa, Plant City and Temple Terrace are the three incorporated cities in the County. Tampa, the largest of the three incorporated cities in the County is the County seat and also a center of international, national, and intrastate commerce. The Tampa International Airport and the Port of Tampa connect the County to other major cities in the nation and major markets throughout the world.

Government

The County operates under a home-rule charter enacted by the voters on September 20, 1983. Under the charter, the Board of County Commissioners (the "BOCC") consists of seven Commissioners; three elected county-wide and four elected from single member districts. As a result of this charter, each voter has a chance to influence the election of a majority of board members. The BOCC is restricted to performing the legislative functions of government and developing policy for the management of the County. The County Administrator, appointed by the BOCC, together with his staff, is responsible for implementing these policies throughout the County.

In addition to the members of the BOCC, there are five elected Constitutional Officers: the Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The County provides a variety of services characteristic of local multi-purpose governments including law enforcement, maintenance of roads and bridges, animal services, social services programs, planning and growth management, environmental protection, fire protection and emergency rescue, consumer protection, parks and recreation programs, mosquito control, employment services, emergency disaster preparedness, traffic control, water/wastewater utilities, solid waste disposal, medical examiner services, agricultural cooperative extension services, children's services, indigent health care, public assistance programs, aging services programs, emergency medical services, and library services.

In addition to their legislative duties, members of the BOCC serve as the County's Environmental Protection Commission. Individual members of the BOCC also take turns serving on various boards, authorities, commissions and private non-profits such as the Children's Board, Tampa Bay Regional Planning Council, Metropolitan Planning Organization, Hillsborough County Tourist Development Council, Tampa Bay Water, Tampa Port Authority, Hillsborough County Aviation Authority, Hillsborough Area Regional Transit Authority, Hillsborough County Public Transportation Commission, Tampa-Hillsborough County Expressway Authority, Tampa Sports Authority, Arts Council of Hillsborough County, Value Adjustment Board, Hillsborough County Hospital Authority, Council of Governments and the Tampa Hillsborough Economic Development Corporation.

Population

The County is the fourth most populous county in the state of Florida. The County's population in 2014 was estimated to be 1,301,887, an increase of 5.9% from 2010. A majority of the County's 2014 population (872,600) resides in the unincorporated part of the County. Population in unincorporated County grew 4.6% from 2010. Communities in southern unincorporated County saw the biggest increases in population growth. The median age for the County in 2014 was 36 years.

	Population	Increase
1950[a]	249,894	-
1960[a]	397,788	59.2%
1970[a]	490,265	23.2
1980[a]	646,960	32.0
1990[a]	834,054	28.9
2000[a]	998,948	19.8
2010[a]	1,229,226	23.1
2011[b]	1,238,951	0.8
2012[b]	1,256,118	1.4
2013[b]	1,276,410	1.6
2014[b]	1,301,887	2.0

(a) U.S. Census Bureau.

(b) Florida Office of Economic Demographics & Research database

Source: *Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*

Hillsborough County, State of Florida, United States Population
2005-2010

	2005	2006	2007	2008	2009	2010
Hillsborough County[a]	1,131,546	1,164,425	1,192,861	1,200,541	1,196,892	1,229,226
State of Florida[a]	17,918,227	18,349,132	18,680,367	18,807,219	18,748,925	18,801,310
United States[b]	296,507,061	299,398,484	301,621,157	306,160,744	307,006,550	311,591,917

Sources: [a] Florida Research & Economic Database.
[b] U.S. Census Bureau

Hillsborough County, State of Florida, United States Population by Age

2000

Age	Hillsborough County	Florida	United States
0 – 14	212,554	3,034,565	60,253,375
15 – 24	133,655	1,942,377	39,183,891
25 – 44	316,603	4,569,347	85,040,251
45 – 64	216,463	3,628,492	61,952,636
65 & over	119,673	2,807,597	34,991,753
Total	998,948	15,982,378	281,421,906

2010

Age	Hillsborough County	Florida	United States
Under 18	294,208	4,002,091	74,181,467
18 – 64	789,781	11,539,617	194,296,087
65 & over	145,237	3,259,602	40,267,984
Total	1,229,226	18,801,310	308,745,538

Source: Bureau of the Census.

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Employment Indicators

The County has a diversified economic base, including large services, manufacturing and retail trade sectors. Hillsborough County's largest industrial sectors include: education and health services; trade, transportation and utilities; professional and business services; leisure and hospitality; and wholesale and retail trade. The principal employers serving the county are the Hillsborough County School Board and the Hillsborough County Government. The vast majority of the County's labor force was employed in non-agricultural jobs in 2014.

Employment By Industry	Employees
Natural Resources and Mining	10,322
Construction	31,094
Manufacturing	25,606
Wholesale trade	28,594
Retail trade	70,395
Utilities	2,724
Transportation and warehousing	15,235
Information	16,108
Financial Activities	61,543
Professional and Business Services	109,458
Educational and Health Services	83,548
Leisure and Hospitality	68,974
Other Services	17,374
Federal Government	14,085
State Government	12,319
Local Government	49,636
Unclassified	257
Total	617,272

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.

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The following table shows the average civilian (non-military) labor force, the average number of individuals employed and related unemployment statistics for the County:

	Hillsborough County				Florida	National
Calendar Year	**Labor Force**	**Number Employed**	**Number Unemployed**	**Unemployment Rate**	**Unemployment Rate**	**Unemployment Rate**
2004	565,184	540,761	24,423	4.3	4.7	5.5
2005	565,617	544,731	20,886	3.7	3.8	5.1
2006	578,731	559,983	18,748	3.2	3.3	4.6
2007	597,472	573,816	23,656	4.0	4.0	4.6
2008	598,657	560,753	37,904	6.3	6.3	5.8
2009	597,220	534,961	62,259	10.4	10.4	9.3
2010	604,896	535,621	69,275	11.5	11.3	9.6
2011	620,466	557,138	63,328	10.2	10.3	8.9
2012	629,444	576,055	53,389	8.5	8.6	8.1
2013	634,531	589,954	44,577	7.0	7.2	7.4

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.

Banking and Finance

A total of 309 commercial and savings bank offices were located in Hillsborough County as of June 30, 2014. The following table presents commercial bank and savings institutions deposits for each year since 2005:

Calendar Year	Commercial Bank Deposits	Savings Bank Deposits	Total Deposits
2005	$16,163,000,000	$715,000,000	$16,878,000,000
2006	17,282,000,000	843,000,000	18,125,000,000
2007	16,326,000,000	1,074,000,000	17,400,000,000
2008	19,319,000,000	885,000,000	20,204,000,000
2009	20,319,000,000	884,000,000	21,203,000,000
2010	20,346,000,000	1,093,000,000	21,439,000,000
2011	22,524,000,000	556,000,000	23,080,000,000
2012	23,079,000,000	433,000,000	23,512,000,000
2013	25,193,000,000	474,000,000	25,667,000,000
2014	25,149,000,000	451,000,000	25,600,000,000

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.

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Medical Facilities

There are seventeen general, specialty, and military hospitals in Hillsborough County with approximately 4,152 hospital beds and 3,932 nursing home beds. The County's medical resources include more than 4,478 physicians, with specialists in all types of medicine and surgery, as well as 835 dentists.

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014

Transportation

Tampa International Airport ("TIA") is a major airport for the west central region of Florida serving primarily Hillsborough, Pinellas (which includes the cities of St. Petersburg and Clearwater), Pasco, and Hernando Counties.

TIA is one of four FAA-coded large hub airports in the State of Florida. TIA occupies approximately 3,400 acres and is primarily an origination-destination airport with a total of 59 gates. It is located five miles from downtown Tampa, and is served by most major airlines which provide non-stop daily service to more than 56 national and international destinations, including London, Toronto, Halifax, Panama City, Ottawa, San Juan, Zurich and Grand Cayman. Passenger enplanements at TIA for the fiscal year ended September 30, 2014, totaled 8,673,887, an increase of 2.1% from the prior fiscal year. For fiscal year 2014, the top three airlines, in terms of market share were: Southwest with 30.9%, Delta with 17.3%, and U.S. Airways with 11.1%.

Three general aviation airports serve as reliever airports, primarily to accommodate light and medium weight aircraft in the general aviation category. These include Peter O. Knight Airport, a 139-acre facility located six miles southeast of TIA; Plant City Airport, a 199-acre facility located 22 miles east of TIA; and Tampa Executive Airport (formerly Vandenberg Airport), a 407-acre facility located 12 miles east of TIA. In addition, there are two full service general aviation executive terminals located at this airport.

AMTRAK provides passenger rail service to major cities throughout the United States. This rail service is provided by the Palmetto and Silver Service Trains (the Silver Meteor and the Silver Star) which offer service between Florida, Georgia, and New York City. The restored Tampa Union Station has seven northbound and seven southbound departures on AMTRAK weekly.

Freight rail service is provided to the County by CSX Transportation Systems. CSX rail units possess some of the world's most technologically advanced terminal equipment and operate on regular schedules throughout the network. Major transports include coal, wood products, phosphate, chemicals, construction materials, semi-tractor trailers, automobiles, and automobile products.

The Hillsborough Area Regional Transit Authority (HART) is Hillsborough County's public transportation system. HART offers local and express routes for residents and visitors alike. Local service seven days a week provides access to area shopping malls, businesses, government buildings, attractions and recreational facilities. An estimated eleven million riders use the system annually.

The County is also served by numerous intrastate and interstate motor common carriers, moving goods between Tampa, other points in Florida, and markets throughout the United States. Tampa is the transportation hub of the west coast of Florida with major trucking firms maintaining terminals serving Florida and major southern cities.

Three interstates and seven other major highways serve the County. All parts of Florida and bordering states to the north and west can be reached within one day of travel by truck or automobile.

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014

Port Facilities

The Port of Tampa is Florida's largest and most diverse seaport, handling 35 million tons of cargo and 875,611 cruise passengers during FY 2011. The Port of Tampa has an economic impact of $15 billion and 100,000 jobs on the Tampa Bay economy. The development of a new container terminal with three gantry cranes, along with substantial room for expansion, has made the deepwater Port of Tampa well-positioned as a gateway for the growing markets of Florida and the Southeast U.S. The Port offers CSX rail service and over one million square feet of warehouse/cold storage space. The Port also contains one of the premier ship repair facilities in the Southeast U.S.

Seventy-five percent of Port cargo is inbound, and with its location on the west end of Florida's Interstate 4 corridor, the Port is ideally located to supply in-state demands for construction materials, commodities and consumer products.

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014

Military Facilities

MacDill Air Force Base is located eight miles south of downtown Tampa on the Southwestern tip of the Interbay Peninsula on the west coast of Florida. The host organization is the 6th Air Mobility Fueling Wing, which uses KC-135 Stratotankers and C-37A Gulfstream aircraft to conduct its air mobility mission. It is headquarters for two non-aviation units: the United States Central Command and the United States Special Operations Command. It is also home to the National Oceanic and Atmospheric Administration.

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.

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Communication

Six television stations, along with twenty-seven radio stations serve the County. Daily newspapers include La Gaceta, The Tampa Tribune, Tampa Bay Times, and tbt*. There are also three other weekly newspapers. Verizon and Brighthouse Networks are the primary providers for telecommunications and cable services, respectively. There are 38 Post Offices in Hillsborough County and 14 internet access or DSL providers.

Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014

Housing (Permits Issued)

Building permit activity in the County is shown in the table below.

Hillsborough County New Residential Units
2008-2013

Year	Single Family Detached	Single Family Attached	Apartments	Mobile Homes	Total
2008	2,391	1,192	2,845	111	6,539
2009	2,029	600	1,003	54	3,686
2010	2,360	800	982	52	4,194
2011	2,377	640	871	24	3,912
2012	3,268	729	2,812	39	6,848
2013	4,107	622	2,396	33	7,158

Source: Hillsborough County City-County Planning Commission.

APPENDIX B

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

SCHOOL DISTRICT
OF
HILLSBOROUGH COUNTY, FLORIDA

FISCAL YEAR ENDED
JUNE 30, 2014

MaryEllen Elia
Superintendent of Schools

Susan L. Valdes, Chair Doretha W. Edgecomb, Vice Chair
April Griffin Sally A. Harris Carol W. Kurdell
Melissa Snively Cindy Stuart

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

The School District of
Hillsborough County, Florida

For the

Fiscal Year Ended June 30, 2014

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Issued by:

MaryEllen Elia, Superintendent of Schools

Prepared by:

Division of Business
Gretchen Saunders, Chief Business Officer
Ed Nicholson, Manager of District Accounting

The School District of Hillsborough County
901 East Kennedy Boulevard
Tampa, Florida 33601

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

COMPREHENSIVE ANNUAL FINANCIAL REPORT
SCHOOL DISTRICT OF HILLSBOROUGH COUNTY
For the Fiscal Year Ended June 30, 2014

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
SCHOOL DISTRICT OF HILLSBOROUGH COUNTY
For the Fiscal Year Ended June 30, 2014

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SCHOOL DISTRICT OF HILLSBOROUGH COUNTY
For the Fiscal Year Ended June 30, 2014

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Introductory Section

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

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School Board
Susan L. Valdes, Chair
Doretha W. Edgecomb, Vice Chair
April Griffin
Sally A Harris
Carol W. Kurdell
Melissa Snively
Cindy Stuart

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Superintendent of Schools
MaryEllen Elia

Deputy Superintendents
Jeff Eakins
Cathy L. Valdes

Chief Business Officer
Gretchen Saunders

BUSINESS DIVISION

December 9, 2014

Dear Chair Valdes and School Board Members:

The Comprehensive Annual Financial Report (CAFR) of the School District of Hillsborough County, Florida, (the District) for the fiscal year ended June 30, 2014, is hereby submitted. These financial statements are presented in conformity with generally accepted accounting principles (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States by a firm of licensed certified public accountants.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District's management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. The District's comprehensive framework of internal controls has been designed to provide more than reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been audited by KPMG LLP, a firm of licensed certified public accountants. The objective of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2014, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Raymond O. Shelton School Administrative Center • 901 East Kennedy Blvd. • Tampa, FL 33602-3507
Business Division : 813-272-4270 : Suncom 547-4270 : Fax (813) 272-4007 : Main Office (813) 272-4000
P.O. Box 3408 • Tampa, FL 33601-3408 • Email: gretchen.saunders@sdhc.k12.fl.us • Website: www.sdhc.k12.fl.us

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), which should be read in conjunction with the financial statements. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The District and its governing board (School Board) were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by District school officials in accordance with Chapter 1001, Florida Statutes. The School Board consists of seven elected officials. The appointed Superintendent serves as chief executive officer of the school system and is responsible for the administration and management of district schools. The District and Superintendent are required by Section 1010.01, Florida Statutes to maintain financial records and accounts as prescribed by law and rules of the State Board of Education.

The CAFR contains the audited financial statements for all operations over which the School Board is financially accountable. Various potential component units were evaluated to determine whether they should be considered as part of the District's reporting entity. Accordingly, the financial statements include the Hillsborough School Board Leasing Corporation (the Corporation) reported as a blended component unit. The Corporation was formed by the School Board solely for the purpose of acting as lessor, with the School Board acting as lessee, to finance the acquisition and/or construction of certain facilities, vehicles and equipment to be used in district operations. The members of the School Board serve as the Board of Directors of the Corporation. In addition, included in the reporting entity are the Hillsborough Education Foundation (the Foundation), a broadly based, non-profit direct-support organization of the School Board, and the Charter Schools that are separate not for profit corporations organized under Section 1002.33, Florida Statutes. Both the Foundation and the Charter Schools are included as discretely presented component units in the accompanying financial statements. Additional information on these component units can be found in the notes to the financial statements.

The District provides a full range of educational programs in Hillsborough County. These include early childhood, kindergarten through 12th grade, basic and enriched programs, and exceptional student education. The District also provides vocational and adult programs.

The District's geographic boundaries correspond with those of Hillsborough County. The District is the 3rd largest school district in Florida and the 8th largest in the United States with over 201,300 K-12 students.

The annual budget serves as the foundation for the District's financial planning and control. The District establishes and maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriations budget. Although project length financial plans are adopted for the Capital Project Funds, the funding is contingent upon the annual budget adoption. Budgetary control is maintained for individual accounts or group of accounts within each school or department through the use of an encumbrance accounting system. This process tests for availability of funds, which precludes a requisition for services, equipment, supplies or materials from becoming a purchase order if the account would be overspent.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Economy. While the District is heavily reliant upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives and educational enhancements may not be available within the desired time frames, but the positive improvements will continue to occur.

In addition, the Board, Superintendent, and staff are acutely aware of the perils of interrupted revenue receipts. Prudent business practices, accompanied by statutes mandating balanced budgets, result in a continual review of the financial condition of the District.

Long-Term Financial Planning. The District continues to maintain adequate fund balances and top debt ratings by careful management of its financial resources. The District continues to implement budget saving initiatives to maintain fund balances without making cuts to the classrooms or necessitating layoffs of employees.

Major Initiatives

Class Size Reduction Amendment - In November 2002, the voters of Florida amended the State Constitution to limit class size. The amendment established the maximum number of students in core-curricula courses assigned to a teacher in each of the following three grade groupings: (1) pre-kindergarten through grade 3, 18 students; (2) grades 4 through 8, 22 students; and (3) grades 9 through 12, 25 students. Based on the annual review for the 2013-1014 fiscal year conducted by the Florida Department of Education, our district continues to meet the constitutional maximums at our schools and classrooms.

Transportation Plan – In June 2014, our School Board accepted and approved a 15 year school bus purchasing plan. Starting in the fiscal year 2013-2014 through fiscal year 2027-2028 our district will be purchasing 100 school buses every year. This plan will continue to cycle in new buses and lower our maintenance expense for older vehicles.

Awards and Acknowledgements.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2013. This was the thirteenth consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this CAFR could not have been accomplished without the efficient and dedicated services of the staff of the Accounting Office. We would like to express our appreciation to all members of the Business Division who assisted and contributed to its preparation.

Sincerely,

MaryEllen Elia
Superintendent

Gretchen Saunders
Chief Business Officer
Business Division

Ed Nicholson
Manager of District Accounting

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA

Principal Officials - Elected

Board Members – Terms of Office
As of December 9, 2014

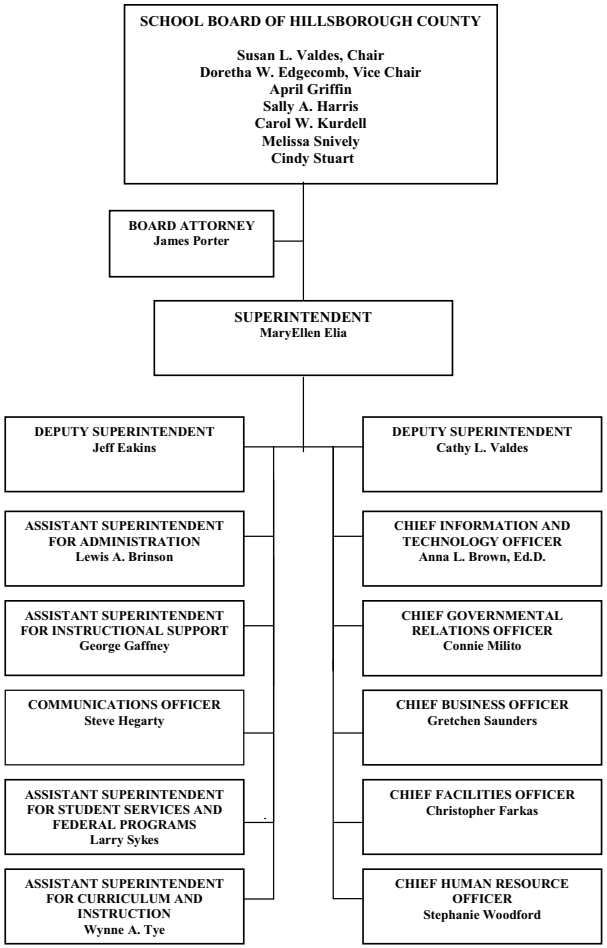
Susan L. Valdes, Chair	
Member from District 1	
Present term began	November, 2012
Present term expires	November, 2016
Began as a Board member	November, 2004
Doretha W. Edgecomb, Vice Chair	
Member from District 5	
Present term began	November, 2012
Present term expires	November, 2016
Began as a Board member	November, 2004
April Griffin	
Member from District 6 (at large)	
Present term began	November, 2014
Present term expires	November, 2018
Began as a Board member	November, 2006
Sally A. Harris	
Member from District 2	
Present term began	November, 2014
Present term expires	November, 2018
Began as a Board member	November, 2014
Carol W. Kurdell	
Member from District 7 (at large)	
Present term began	November, 2012
Present term expires	November, 2016
Began as a Board member	November, 1992
Melissa Snively	
Member from District 4	
Present term began	November, 2014
Present term expires	November, 2018
Began as a Board member	November, 2014
Cindy Stuart	
Member from District 3	
Present term began	November, 2012
Present term expires	November, 2016
Began as a Board member	November, 2012

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA

Other Principal Officials - Appointed
As of December 9, 2014

Name	Title
MaryEllen Elia	Superintendent of Schools
Jeff Eakins	Deputy Superintendent
Cathy L. Valdes	Deputy Superintendent
Lewis A Brinson	Assistant Superintendent for Administration
Anna L. Brown, Ed.D.	Chief Information and Technology Officer
Christopher Farkas	Chief Facilities Officer
George Gaffney	Assistant Superintendent of Student Services
Steve Hegarty	Communications Officer
Connie Milito	Chief Governmental Relations Officer
Gretchen Saunders	Chief Business Officer
Larry Sykes	Assistant Superintendent for Academic Support and Federal Programs
Wynne A. Tye	Assistant Superintendent for Curriculum and Instruction
Stephanie Woodford	Chief Human Resource Officer

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
ORGANIZATIONAL CHART
AS OF DECEMBER 9, 2014



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

School District of Hillsborough County

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Financial Section

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

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KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Independent Auditors' Report

Honorable Chairperson and Members of the School Board
School District of Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Hillsborough County, Florida (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

KPMG LLP, is Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Hillsborough County, Florida, as of June 30, 2014, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the general fund and contracted services funds for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in note 1.N. to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities,* and GASB No. 67, *Financial Reporting for Pension Plans.*

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, the schedule of net pension liability, the schedules of employer contributions, the schedule of changes in net pension liability, the schedule of investment returns, the schedules of funding progress on pages 5 – 12 and 72 – 78, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

KPMG LLP

December 1, 2014
Certified Public Accountants

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

The School District of Hillsborough County's (the "District") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements (beginning on page 13). All amounts unless otherwise indicated, are expressed in thousands of dollars.

Overview of the Financial Statements
This MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements
The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances in a manner similar to the corporate private sector. Governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The Statement of Net Position details information on all of the District's assets, deferred outflows and liabilities, with the assets plus deferred outflows minus liabilities being reported as net position. This statement combines governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District has changed.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying obligation/event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and/or component units.

The government-wide financial statements include not only the District but its component units as well. The Hillsborough School Board Leasing Corporation, although legally separate, functions for all practical purposes, as a department of the District, and therefore has been included as an integral part of the primary government. The Hillsborough County Education Foundation and several separate public charter schools are included as discretely presented component units.

The government wide-financial statement can be found on pages 13 - 15 of this report.

Fund Financial Statements
Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are established for various purposes and the Fund Financial Statements allow for the demonstration of sources and uses and/or budgetary compliance associated therewith (beginning on page 16). All funds of the District can be divided into three major categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds
Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds focus on the sources and uses of liquid resources and balances of spendable resources available at the end of the fiscal year.

This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Because the focus is narrower than that of government-wide financial statements, it is useful to compare it to the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Reconciliation between the government-wide and the governmental fund financial information is necessary because of the different measurement focus (current financial resources versus total economic resources); such reconciliation is reflected on the page following each statement (see pages 19 and 25). The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bonds and others) into the governmental activities column in the government-wide statements.

The District maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Contracted Services Fund, Other Debt Service Fund, Local Capital Improvement Fund and Other Capital Projects Fund that are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of its governmental funds.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2014

Proprietary Funds
The District maintains an internal service fund as its only proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its group health, workers compensation, and liability self-insurance activities.

The basic proprietary fund statements can be found on pages 30 – 32.

Fiduciary Funds
The District is the trustee, or fiduciary, for its employee pension plans. It is also responsible for other assets that, because of a trust agreement, can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The District excludes these activities from the government-wide financial statements because the District cannot use these assets to finance any of its ongoing operations.

The basic fiduciary fund statements can be found on pages 33 -34.

Notes to the Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on page 35 – 71 of this report.

Government-wide Financial Analysis
As noted earlier, net position may serve over time as a useful indicator of an entities financial position. In the case of the District, assets plus deferred outflows exceeded liabilities by $1,634,903 at the end of the current fiscal year.

By far the largest portion of the District's net position (77 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities 2014	Governmental Activities 2013 (Restated)*
Current and other assets	$ 729,878	$ 780,436
Capital assets	2,325,407	2,363,607
Total assets	3,055,285	3,144,043
Deferred outflows	43,557	46,406
Long-term liabilities outstanding	1,337,077	1,356,559
Other liabilities	126,862	117,155
Total liabilities	1,463,939	1,473,714
Net position:		
Net investment in capital assets	1,260,998	1,266,015
Restricted	325,925	326,545
Unrestricted	47,980	124,175
Total Net Position	$ 1,634,903	$ 1,716,735

*Prior year amounts have been restated for the Districts' implementation of GASB Statement No. 65.

An additional portion of the District net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is $47,980. Unrestricted net position may be used to meet the Districts ongoing obligations to citizens and creditors.

The District's net position decreased by $81,832 from last year, due to current year operations. During the current year unrestricted net position decreased by $76,195. This decrease was primarily due to salary increases.

Governmental Activities
Governmental activities decreased the District's net position by $81,832. Key elements of this decrease are as follows:

	Governmental Activities 2014	Governmental Activities 2013 Restated*
Revenues:		
Program revenues:		
Charges for services	$ 51,278	$ 50,666
Operating grants and contributions	82,478	74,682
Capital grants and contributions	7,658	7,747
General revenues:		
Property taxes, levied for operational purposes	418,313	408,137
Property taxes, levied for capital projects	101,322	96,078
Local sales taxes	25,880	24,661
Grants and contributions not restricted to specific programs	1,220,399	1,132,298
Investment earnings	2,454	6,176
Miscellaneous	80,024	77,203
Total revenues	1,989,806	1,877,648
Expenses:		
Instructional services	1,114,285	1,032,881
Instructional support services	232,838	219,710
Pupil transportation services	72,786	70,806
Operation and maintenance of plant	139,024	139,205
Non-capitalizable facilities acquisition and construction	118,081	111,836
School administration	96,080	91,712
General administration	62,875	47,052
Food services	105,851	95,897
Community services and other	85,307	83,642
Interest on long term debt	44,214	45,857
Unallocated depreciation	297	344
Total expenses	2,071,638	1,938,942
Decrease in net position	(81,832)	(61,294)
Net position beginning of year – Restated due to GASB Statement 65	1,716,735	1,778,029
Net position end of year	$ 1,634,903	$ 1,716,735

*Prior year amounts have been restated for the District's implementation of GASB Statement No. 65.

The increase in unrestricted grants and contributions revenue of $88,101 is the result of an increase in Florida Education Finance Program (FEFP) funding and property taxes increased during the year as a result of an increase in assessed values.

For the most part, the increase in expenses was due to the increase in OPEB, compensated absences, increase in salaries due to the implementation of the empowering effective teacher's evaluation system and an increase in retirement costs.

Financial Analysis of the District's Funds
As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds
The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of $542,853, a decrease of $45,050 as compared to the prior year.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was $95,796, while the total fund balance was $229,632. The fund balance of the District's General Fund decreased by $39,637 during the current fiscal year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately six percent of total general fund expenditures, while total fund balance represents approximately fifteen percent of that same amount. The fund balance decrease of $39,637 in the current year was due in part to:

Additional expenditures required for common core training and the required materials;

Computers/technology and infrastructure for the upcoming State Accountability Standards along with escalating online testing requirements;

The Legislative mandate for the "Additional Hour of Intensive Reading" each instructional day for the One Hundred Lowest Performing Elementary Schools in the State (based on the State Reading Assessment). This mandate requires an additional hour of intensive reading instruction beyond the normal school day for all students in these schools. Our district had 11 schools included in this category;

Increased instructional materials expense due to the state-mandated Math Textbook Adoption and alignment to state standards and digital content requirements;

Increased expenditures due to more than 1,400 aging school buses. As the capital dollars have diminished in the last seven years the general fund was responsible for paying these expenditures;

Additionally, services for our exceptional students have grown and the funding for these programs has not kept pace with the expenditure increases;

Student funding remains below pre-recession levels. At the start of the 2007-2008 school year, funding per unweighted student was $7,123.18. In FY 2013-2014 our funding per unweighted student was $6,750.20. This loss of $372.98 per student plus 9,971 new students equals $3,719,103 in funding we didn't receive.

The state-wide proration (reduction of funds) was $51,655,306; of that amount Hillsborough County Public Schools share was $3,890,308.

Increased school security measures in response to the tragic events on school campuses across the country.

The Contracted Services Fund had a decrease in revenue due to the funding cuts in ARRA stimulus grants.

The Other Debt Service Fund shows nearly the same fund balance as the prior year because the debt service payments are approximately equal over the years.

The Local Capital Improvement Fund's ending fund balance of $103,650 dropped $23,978 from the prior year. Taxes for capital outlay were $5,244 more this year and expenditures for various projects were $12,321 higher than last year due to additional maintenance of schools.

Other Capital Projects Fund includes the Certificates of Participation funds. Overall there was an increase of $8,680 in fund balance from $54,021 to $62,701. The increase was due to the reduction of ongoing capital projects expenditures.

General Fund Budgetary Highlights

During the fiscal year, the District revised its budget and brought amendments to the Board on a monthly basis. These amendments were needed to adjust to actual revenues and direct resources where needed. The Board approves the final amendment to the budget after year-end.

Budgeted expenditures increased $113.4 million from the original budget to the final amended budget. The increases were due in part to the increase in salaries due to the implementation of the empowering effective teacher's evaluation system.

Actual expenditures were $140.3 million below the final amended expenditure budget. Unexpended appropriations of $140.3 million were composed of the following: (1) $31.1 million in restricted programs, (2) $97.7 million in other earmarked assigned funds and (3) $11.5 million in other unexpended budget items. The $11.5 million reflects less than 1.0% of the final budget. In the normal course of business, some of the budget is left unspent, primarily due to temporarily unfilled positions.

Capital Assets and Debt Administration

Capital Assets
The Districts investment in capital assets for its governmental activities as of June 30, 2014, amounts to $2,325,407 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction in progress, improvements other than buildings, buildings and systems, furniture, fixtures and equipment, motor vehicles, and computer equipment.

	Governmental Activities 2014	Governmental Activities 2013
Land	$ 160,441	$ 154,608
Land improvements	90,256	90,067
Construction in progress	33,205	16,452
Improvements other than buildings	82,212	83,824
Buildings and systems	1,915,878	1,966,016
Furniture, fixtures and equipment	32,015	35,989
Motor vehicles	9,947	13,937
Audio visual materials	2	-
Computer software	1,451	2,714
Total capital assets	$ 2,325,407	$ 2,363,607

This year's additions of $53,120 included several renovation projects. The total of capital assets decreased due to the fact that deletions and depreciation charges were higher than additions.

See note 5 to the financial statements for more information on the District's capital assets.

Long Term Debt

At the end of the current fiscal year the District had total borrowed and bonded debt outstanding of $1,088,810, which includes unamortized bond premiums of ($28,191).

	2014	2013
Bonds payable	238,226	255,056
Certificates of participation	850,584	879,958
Total long term debt	$ 1,088,810	$ 1,135,014

The District's total borrowed and bonded debt decreased by $46,204 (net of repayment of principal on outstanding debt) during the current fiscal year. The decrease is approximately equal to the payment of principal ($86,509) offset by the issuance of new refunding debt ($42,436).

The District has been given the following bond ratings:

	Sales Tax Revenue Bonds	
	Insured	Underlying
Moody's	A2	A2
Standard & Poors	AA/BBB+	BBB
Fitch IBCA		BBB+

	Certificates of Participation	
	Insured	Underlying
Moody's	Aa2	Aa2
Standard & Poors	AA-	AA-
Fitch IBCA		AA

See notes 7-11 to the financial statements for more information on the District's long-term debt.

Requests for Information
This financial report is designed to provide a general overview of the School District of Hillsborough County's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Accounting Department, 901 E. Kennedy Blvd. Tampa, Florida, 33602 or call 813-272-4292.

Hillsborough County
PUBLIC SCHOOLS
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BASIC FINANCIAL STATEMENTS

Hillsborough County
PUBLIC SCHOOLS
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B-18

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF NET POSITION
JUNE 30, 2014
(amounts expressed in thousands)

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash	$ 207,995	29,663
Investments	465,759	5,961
Accounts receivable, net	11,118	2,265
Due from other governmental agencies	39,081	674
Inventories	5,925	-
Other Assets	-	464
Prepaid items	-	4,386
Capital Assets (net of accumulated depreciation):		
Land	160,441	8,049
Land improvements	90,256	250
Construction in progress	33,205	1,105
Improvements other than buildings	82,212	701
Buildings and systems	1,915,878	53,673
Furniture, fixtures and equipment	32,015	4,281
Motor vehicles	9,947	14
Property under capital leases	-	156
Audio visual materials	2	1
Computer software	1,451	-
Total assets	3,055,285	111,643
DEFERRED OUTFLOWS		
Accumulated decrease in fair value of hedging derivatives	19,156	121
Deferred charge on refunding	24,401	-
	43,557	121
LIABILITIES		
Accounts payable	$ 55,657	14,947
Construction retainage payable	2,019	-
Salaries and wages payable	1,145	3,405
Accrued payroll taxes and withholdings	3,099	10
Accrued interest	16,340	-
Due to other governmental agencies	6,574	30
Deposits payable	56	44
Advanced revenue	14,954	291
Derivative instrument - liability	27,018	121
Noncurrent liabilities:		
Due within one year	68,862	2,324
Due in more than one year	1,268,215	72,249
Total liabilities	1,463,939	93,421
NET POSITION		
Net investment in capital assets	1,260,998	(5,194)
Restricted for:		
Categorical carryover programs	13,474	-
Debt service	93,075	1,440
Capital outlay	166,268	38
Non categorical carryover programs	35,519	-
Other purposes	17,589	7,312
Unrestricted	47,980	14,747
Total net position	$ 1,634,903	18,343

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

Functions/Programs	Expenses	Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units
Primary government:						
Governmental activities:						
Instructional services	$ 1,114,285	$ 23,451	$ -	$ -	$ (1,090,834)	$ -
Instructional support services	232,838	-	-	-	(232,838)	-
Pupil transportation services	72,786	2,805	-	-	(69,981)	-
Operation and maintenance of plant	139,024	-	-	-	(139,024)	-
Non capitalizable facilities acquistion and construction	118,081	-	-	850	(117,231)	-
School administration	96,080	-	-	-	(96,080)	-
General administration	62,875	-	-	-	(62,875)	-
Food services	105,851	25,022	82,478	-	1,649	-
Community services and other	85,307	-	-	-	(85,307)	-
Interest on long-term debt	44,214	-	-	6,808	(37,406)	-
Unallocated depreciation expense	297	-	-	-	(297)	-
Total governmental activities and primary government	$ 2,071,638	$ 51,278	$ 82,478	$ 7,658	$ (1,930,224)	$ -
Component units:						
Foundation and charter schools	$ 114,966	$ 4,577	$ 5,035	$ 4,311	-	(101,043)
Total component units	$ 114,966	$ 4,577	$ 5,035	$ 4,311	-	(101,043)

	Primary Government Governmental Activities	Component Units
General Revenues:		
Property taxes, levied for operational purposes	418,313	-
Property taxes, levied for capital projects	101,322	-
Local sales taxes	25,880	-
Grants and contributions not restricted to specific programs	1,220,399	99,223
Investment earnings	2,454	498
Miscellaneous	80,024	5,682
Total general revenues	1,848,392	105,403
Change in net position	(81,832)	4,360
Net position - beginning - Restated See notes 1-N and 1-A	1,716,735	13,983
Net position - ending	$ 1,634,903	$ 18,343

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014
(amounts expressed in thousands)

	General	Contracted Services	Other Debt Service	Local Capital Improvement	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash	$ 197,194	$ 68	$ 4	$ 6,011	$ -	$ 76	$ 203,353
Investments	31,059	-	101,577	110,443	60,008	40,255	343,342
Accounts receivable	10,652	5	-	-	-	261	10,918
Due from other governmental agencies	8,637	18,259	4,037	920	5,666	977	38,496
Due from other funds	12,782	137	3,918	497	-	254	17,588
Inventories	5,088	-	-	-	-	837	5,925
Total assets	$ 265,412	$ 18,469	$ 109,536	$ 117,871	$ 65,674	$ 42,660	$ 619,622
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 19,962	$ 6,192	$ 2,747	$ 9,858	$ 2,611	$ 955	$ 42,325
Salaries and wages payable	1,141	-	-	-	-	4	1,145
Payroll deductions and withholdings	3,099	-	-	-	-	-	3,099
Due to other funds	563	11,756	-	4,363	362	544	17,588
Due to other governmental agencies	6,574	-	-	-	-	-	6,574
Deposits payable	-	-	56	-	-	-	56
Advanced revenue	4,441	521	-	-	-	1,020	5,982
Total liabilities	35,780	18,469	2,803	14,221	2,973	2,523	76,769
Fund balances:							
Nonspendable	5,088	-	-	-	-	837	5,925
Restricted for:							
Federal programs	181	-	-	-	-	34,683	34,864
State programs	21,828	-	-	-	-	-	21,828
Local programs	9,054	-	-	-	-	-	9,054
Debt service	-	-	106,733	-	-	2,681	109,414
Capital projects	-	-	-	103,650	62,701	1,936	168,287
Assigned for District operations	97,685	-	-	-	-	-	97,685
Unassigned	95,796	-	-	-	-	-	95,796
Total fund balances	229,632	-	106,733	103,650	62,701	40,137	542,853
Total liabilities and fund balances	$ 265,412	$ 18,469	$ 109,536	$ 117,871	$ 65,674	$ 42,660	$ 619,622

Hillsborough County
PUBLIC SCHOOLS
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RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

Total Fund Balances - Governmental Funds		$	542,853
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			2,325,407
Deferred outflows are not available to pay for current period expenditures and therfore are not recorded in the funds.			43,557
Derivative instrument liability is not due and payable in the current period and therefore is not reported in the funds.			(27,018)
Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			88,316
Long-term liabilities, including unamortized bonds premiums, are not due and payable in the current period and therefore, are not reported in the funds.			
Post Employment Benefits	95,449		
Compensated Absences Payable	135,594		
Certificates of Participation	850,584		
Bonds Payable	238,226		(1,319,853)
Accrued interest on long-term liabilities is not due and payable in the current period and therefore, is not reported in the funds.			(16,340)
Accrued retainage payable is not due and payable in the current period and therefore, is not reported in the funds.			(2,019)
Total Net Position - Governmental Activities		$	1,634,903

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	General	Contracted Services	Other Debt Service	Local Capital Improvement	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Local sources:							
Ad valorem taxes	$ 418,313	$ -	$ -	$ 101,322	$ -	$ -	$ 519,635
Local sales tax	-	-	21,880	-	4,000	-	25,880
Food services	-	-	-	-	-	25,022	25,022
Interest income	1,159	-	633	226	49	48	2,115
Other	81,168	469	-	1,572	18,004	60	101,273
Total local sources	500,640	469	22,513	103,120	22,053	25,130	673,925
State sources:							
Florida education finance program	696,124	-	-	-	-	-	696,124
Categorical programs	263,615	-	-	-	-	-	263,615
Workforce development	28,708	-	-	-	-	-	28,708
Food services	-	-	-	-	-	1,419	1,419
Other	3,359	791	-	-	5,756	7,990	17,896
Total state sources	991,806	791	-	-	5,756	9,409	1,007,762
Federal sources:							
Food services	-	-	-	-	-	81,060	81,060
Federal grants direct	2,660	16,231	-	-	-	-	18,891
Federal grants through state	10,272	140,927	-	-	-	-	151,199
Federal grants through local	-	51,623	-	-	-	-	51,623
Total federal sources	12,932	208,781	-	-	-	81,060	302,773
Total revenues	1,505,378	210,041	22,513	103,120	27,809	115,599	1,984,460
EXPENDITURES							
Current:							
Instructional services:							
Basic programs	794,606	61,833	-	-	-	-	856,439
Exceptional child programs	159,660	17,005	-	-	-	-	176,665
Adult and vocational technical programs	51,250	4,363	-	-	-	-	55,613
Total instructional services	1,005,516	83,201	-	-	-	-	1,088,717
Instructional support services:							
Pupil personnel services	60,042	20,063	-	-	-	-	80,105
Instructional media services	20,421	2,512	-	-	-	-	22,933
Instruction and curriculum development services	24,089	24,498	-	-	-	-	48,587
Instructional staff training services	24,367	18,019	-	-	-	-	42,386
Instructional related technology	31,085	1,870	-	-	-	-	32,955
Total instructional support services	160,004	66,962	-	-	-	-	226,966
Pupil transportation services	68,446	1,001	-	-	-	-	69,447
Operation and maintenance of plant:							
Operation of plant	107,763	194	-	-	-	-	107,957
Maintenance of plant	26,810	-	-	-	-	-	26,810
Total operation and maintenance of plant	134,573	194	-	-	-	-	134,767
School administration	91,821	2,197	-	-	-	-	94,018
General administration:							
Central services	31,460	5,666	-	-	-	-	37,126
Board of education	2,454	-	-	-	-	-	2,454
General administration	4,479	7,466	-	-	-	-	11,945
Fiscal services	7,225	489	-	-	-	-	7,714
Administrative technology services	1,000	-	-	-	-	-	1,000
Total general administration	46,618	13,621	-	-	-	-	60,239

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	General	Contracted Services	Other Debt Service	Local Capital Improvement	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Facilities acquisition and construction	1,254	23	-	28,367	61	1,710	31,415
Food services	349	-	-	-	-	102,524	102,873
Community services and other	44,451	40,728	-	-	-	-	85,179
Debt Service:							
Principal retirement	-	-	39,110	-	-	5,169	44,279
Interest	-	-	44,749	-	-	2,118	46,867
Dues, fees and other	-	-	852	-	-	136	988
Capital outlay:							
Facilities acquisition and construction	267	391	-	33,524	9,933	116	44,231
Other capital outlay	5,542	1,750	-	-	-	1,597	8,889
Total expenditures	1,558,841	210,068	84,711	61,891	9,994	113,370	2,038,875
Excess (deficiency) of revenues over (under) expenditures	(53,463)	(27)	(62,198)	41,229	17,815	2,229	(54,415)
OTHER FINANCING SOURCES (USES):							
Refunding bonds issued	-	-	-	-	-	2,486	2,486
Premium on sale of refunding bonds	-	-	-	-	-	397	397
Refunding certificates of participation	-	-	39,950	-	-	-	39,950
Payments to refunded bond escrow agent	-	-	(40,262)	-	-	(2,158)	(42,420)
Transfers in	13,853	27	68,660	-	-	856	83,396
Transfers out	(27)	-	(75)	(65,207)	(9,135)	-	(74,444)
Total other financing sources and uses	13,826	27	68,273	(65,207)	(9,135)	1,581	9,365
Net change in fund balances	(39,637)	-	6,075	(23,978)	8,680	3,810	(45,050)
Fund balances - beginning	269,269	-	100,658	127,628	54,021	36,327	587,903
Fund balances - ending	$ 229,632	$ -	$ 106,733	$ 103,650	$ 62,701	$ 40,137	$ 542,853

The notes to the financial statements are an integral part of this statement.

Hillsborough County
PUBLIC SCHOOLS
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THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds	$	(45,050)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays ($53,120) were less then depreciation expense ($97,160) during the current period.		(44,040)
The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net position differs by the cost of assets sold.		(395)
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		5,328
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which payments of bond principal ($44,279) and payments to refunding agent ($42,420) was more than the proceeds of ($42,436) in the current year.		44,263
Governmental funds report costs associated with certain bond transaction as resources or uses. However, in the statement of activities these transactions are reported over the life of the debt as expenses ($397) bond premium.		(397)
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds:		
Postemployment health care benefits		(20,316)
Interest expense		1,506
Compensated absences		(5,306)
Amortization of bond discount and premium		1,261
Amortization of investment derivative		874
Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities.		(19,560)
Change in Net Position of Governmental Activities	$	(81,832)

The notes to the financial statements are an integral part of this statement.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Local sources:				
Ad valorem taxes	$ 414,288	$ 418,313	$ 418,313	$ -
Interest income	1,100	1,162	1,159	(3)
Other	76,522	86,371	81,168	(5,203)
Total local sources	491,910	505,846	500,640	(5,206)
State sources:				
Florida education finance program	623,429	696,124	696,124	-
Categorical programs	260,872	264,861	263,615	(1,246)
Workforce development	28,417	28,708	28,708	-
Other	68,406	3,421	3,359	(62)
Total state sources	981,124	993,114	991,806	(1,308)
Federal sources:				
Federal grants direct	4,264	2,660	2,660	-
Federal grants through state	8,976	10,272	10,272	-
Total federal sources	13,240	12,932	12,932	-
Total revenues	1,486,274	1,511,892	1,505,378	(6,514)
EXPENDITURES				
Current:				
Instructional services:				
Basic programs	817,604	842,217	794,606	47,611
Exceptional child programs	155,549	160,232	159,660	572
Adult and vocational technical programs	59,048	60,826	51,250	9,576
Total instructional services	1,032,201	1,063,275	1,005,516	57,759
Instructional support services:				
Pupil personnel services	63,070	61,977	60,042	1,935
Instructional media services	21,463	20,992	20,421	571
Instruction and curriculum development services	22,849	25,618	24,089	1,529
Instructional staff training services	37,752	29,044	24,367	4,677
Instructional related technology	29,649	36,414	31,085	5,329
Total instructional support services	174,783	174,045	160,004	14,041
Pupil transportation services	66,050	69,650	68,446	1,204
Operation and maintenance of plant:				
Operation of plant	103,816	118,873	107,763	11,110
Maintenance of plant	29,063	35,474	26,810	8,664
Total operation and maintenance of plant	132,879	154,347	134,573	19,774
School administration	96,463	92,283	91,821	462
General administration:				
Central services	22,783	43,067	31,460	11,607
Board of education	1,526	2,801	2,454	347
General administration	4,813	6,258	4,479	1,779
Fiscal services	7,165	30,260	7,225	23,035
Administrative technology services	714	1,005	1,000	5
Total general administration	37,001	83,391	46,618	36,773

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Facilities acquisition and construction	2,301	2,607	1,254	1,353
Food services	463	349	349	-
Community services and other	43,650	53,433	44,451	8,982
Capital outlay:				
Facilities acquisition and construction	-	267	267	-
Other capital outlay	-	5,542	5,542	-
Total expenditures	1,585,791	1,699,189	1,558,841	140,348
Excess (deficiency) of revenues over (under) expenditures	(99,517)	(187,297)	(53,463)	133,834
OTHER FINANCING SOURCES (USES)				
Transfers in	3,000	13,853	13,853	-
Transfers out	(33)	(29)	(27)	2
Total other financing sources and uses	2,967	13,824	13,826	2
Net change in fund balances	(96,550)	(173,473)	(39,637)	133,836
Fund balances - beginning	269,269	269,269	269,269	-
Fund balances - ending	$ 172,719	$ 95,796	$ 229,632	$ 133,836

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Local sources:				
Other	$ 364	$ 833	$ 469	$ (364)
Total local sources	364	833	469	(364)
State sources:				
Other	987	2,299	791	(1,508)
Total state sources	987	2,299	791	(1,508)
Federal sources:				
Federal grants direct	12,018	31,547	16,231	(15,316)
Federal grants through state	121,614	181,496	140,927	(40,569)
Federal grants through local	50,408	56,309	51,623	(4,686)
Total federal sources	184,040	269,352	208,781	(60,571)
Total revenues	185,391	272,484	210,041	(62,443)
EXPENDITURES				
Current:				
Instructional services:				
Basic programs	61,068	78,826	61,833	16,993
Exceptional child programs	19,822	25,586	17,005	8,581
Adult and vocational technical programs	5,000	6,453	4,363	2,090
Total instructional services	85,890	110,865	83,201	27,664
Instructional support services:				
Pupil personnel services	14,715	22,632	20,063	2,569
Instructional media services	2,308	3,973	2,512	1,461
Instruction and curriculum development services	19,787	28,026	24,498	3,528
Instructional staff training services	13,598	30,014	18,019	11,995
Instructional related technology	1,544	2,934	1,870	1,064
Total instructional support services	51,952	87,579	66,962	20,617
Pupil transportation services	1,121	1,849	1,001	848
Operation and maintenance of plant:				
Operation of plant	142	233	194	39
Maintenance of plant	1	-	-	-
Total operation and maintenance of plant	143	233	194	39
School administration	2,492	2,359	2,197	162
General administration:				
Central services	6,807	13,126	5,666	7,460
Board of education	1,851	-	-	-
General administration	4,024	10,723	7,466	3,257
Fiscal services	595	492	489	3
Administrative technology servcies	-	176	-	176
Total general administration	13,277	24,517	13,621	10,896

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Facilities acquisition and construction	373	468	23	445
Community services and other	30,176	42,502	40,728	1,774
Capital outlay:				
Facilities acquisition and construction	-	391	391	-
Other capital outlay	-	1,750	1,750	-
Total expenditures	185,424	272,513	210,068	62,445
Excess (deficiency) of revenues over (under) expenditures	(33)	(29)	(27)	2
OTHER FINANCING SOURCES (USES)				
Transfers in	33	29	27	(2)
Total other financing sources and uses	33	29	27	(2)
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014
(amounts expressed in thousands)

	Internal Service Funds
ASSETS	
Current assets:	
Cash	$ 4,642
Investments	122,417
Accounts receivable	200
Due from other governmental agencies	585
Total assets	127,844
LIABILITIES	
Current liabilities:	
Accounts payable	13,332
Advanced revenue	8,972
Estimated liability for claims	8,421
Total current liabilities	30,725
Noncurrent liabilities:	
Estimated liability for claims	8,803
Total noncurrent libilities	8,803
Total liabilities	39,528
NET POSITION	
Unrestricted	88,316
Total net position	$ 88,316

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Internal Service Funds
OPERATING REVENUES:	
Premium revenue from other funds	$ 157,216
Other revenue	1,470
Total operating revenues	158,686
OPERATING EXPENSES:	
Salaries	453
Benefits	155
Purchased services	309
Claims, premiums and other	168,716
Total operating expenses	169,633
Operating income (loss)	(10,947)
NON-OPERATING REVENUE:	
Interest	339
Total non-operating revenue	339
Loss before transfers	(10,608)
TRANSFERS IN	3,080
TRANSFERS OUT	(12,032)
Change in net position	(19,560)
Total net position - beginning	107,876
Total net position - ending	$ 88,316

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from interfund services provided	$ 157,126
Payment to suppliers	(167,667)
Payment to employees	(608)
Other receipts	1,448
Net cash used in operating activities	(9,701)
CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfers from other funds	3,080
Transfers to other funds	(12,032)
Net cash used in noncapital and related financing activities	(8,952)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sales and maturities of investments	19,519
Purchase of investments	(353)
Interest and dividends earned on investments	339
Net cash provided by investing activities	19,505
Net increase in cash	852
Cash - Beginning of year	3,790
Cash - End of year	$ 4,642
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (10,947)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(5)
(Increase) decrease in due from other governmental agencies	39
Increase (decrease) in accounts payable	219
Increase (decrease) in estimated liability for long-term claims	1,100
Increase (decrease) in deferred revenue	(107)
Total adjustments	1,246
Net cash used in operating activities	$ (9,701)

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014
(amounts expressed in thousands)

	Pension Trust Fund	Agency Funds
ASSETS		
Cash	$ -	$ 15,896
Investments, at fair value:		
State Board of Administration	-	37,291
U.S. Government securities	12,971	-
Total investments	12,971	37,291
Accounts receivable, net	31	-
Inventory	-	161
Total assets	13,002	53,348
LIABILITIES		
Accounts payable	-	1,452
Due to student organizations	-	16,859
Payroll deductions	-	35,037
Total liabilities	-	53,348
NET POSITION		
Assets held in trust for pension benefits	13,002	-
Total net position	$ 13,002	$ -

The notes to the financial statements are an integral part of this statement.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Pension Trust Fund
ADDITIONS	
Contributions received from employer	$ 1,356
Investment income:	
Interest income	107
Net increase in fair value of investments	6
Total investment earnings	113
Less investment expense	33
Net investment income	80
Total additions	1,436
DEDUCTIONS	
Benefit payments	2,023
Administrative expenses	13
Total deductions	2,036
Net decrease in net position	(600)
Net position - beginning	13,602
Net position - ending	$ 13,002

The notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The School District of Hillsborough County, Florida (District) has direct responsibility for the operation, control, and supervision of the District schools and is considered a primary government for financial reporting purposes. The District is a part of the Florida system of public education. The governing body of the school district is the Hillsborough County District School Board (Board) that is composed of seven (7) elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Hillsborough County.

The accompanying financial statements present the activities of the Board and its component units. Criteria for determining if other entities are potential component units, which should be reported within the District's financial statements, are identified and described in Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units and GASB Statement No. 61, The Financial Reporting Entity - Omnibus. The application of these criteria provide for identification of any entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the District's financial statements to be misleading or incomplete.

Based on the application of these criteria, the following component units are included within the District School Board's reporting entity:

Blended Component Unit
The Hillsborough School Board Leasing Corporation (Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in note 7. Due to the substantive economic relationship between the Hillsborough County District School Board and the Corporation, the financial activities of the Corporation are included in the accompanying financial statements of the School Board in the Other Capital Projects Fund. Separate financial statements of the Corporation are not published.

Discretely Presented Component Units
The component unit's column in the government wide financial statements include the financial data of the District's other component units for the fiscal year ended June 30, 2014. These component units consist of the Hillsborough Education Foundation, Inc. (the Foundation) and the District's Charter Schools. Both the Foundation and the Charter Schools are reported in a separate column to emphasize that they are legally separate from the District School Board. While the District's officials are not financially accountable for the Foundation or the Charter Schools, it would be misleading to exclude them from the District's financial statements. None of the individual component units are considered to be major.

The Hillsborough Education Foundation, Inc., is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and to make expenditures to, or for the benefit of, the District.

A. Reporting Entity (continued)

Complete financial statements of the Foundation can be obtained from their administrative office at:

Hillsborough Education Foundation
2306 N. Howard Ave.
Tampa, Florida 33607

The Charter Schools are separate not for-profit corporations organized under Section 1002.33, Florida Statutes to operate as public (as opposed to private) schools and are held responsible for prudent use of the public funds they receive. Each Charter School is a separate component unit that operates under a charter approved by their sponsor, the School Board. There are forty (40) Charter Schools operating in the School District of Hillsborough County that meet the criteria for presentation as a discretely presented component unit.

The individual Charter Schools are listed below. Further, complete audited financial statements of the individual component units can be obtained from their administrative offices. These schools include:

Advantage Academy of Hillsborough
350 West Prosser St.
Plant City, Fl 33563

Advantage Academy Middle School
350 West Prosser St.
Plant City, Fl 33563

Bell Creek Academy
132210 Boyette Road
Riverview, Fl 33569

Bell Creek Academy High School
132210 Boyette Road
Riverview, Fl 33569

Brooks DeBartolo Collegiate High School
11602 N. 15th Street
Tampa, Fl 33612

Channelside Academy of Math & Science
1029 E. Twiggs St.
Tampa, Fl 33602

Channelside Academy Middle School
1029 E. Twiggs St.
Tampa, Fl 33602

Community Charter Middle School of Excellence
10948 N. Central Ave.
Tampa, Fl 33612

Community Charter School of Excellence
10948 N. Central Ave.
Tampa, Fl 33612

Florida Autism Charter School of Excellence
6400 East Charles St.
Tampa, Fl 33610

Focus Academy
304 Druid Hills Road
Temple Terrace, Fl 33592

Henderson Hammock
10322 Henderson Rd.
Tampa, Fl 33625

Hillsborough Academy of Math & Science
9659 W. Waters Ave.
Tampa, Fl 33635

Kid's Community School
10544 Lake St. Charles
Riverview, Fl 33578

A. Reporting Entity (continued)

Kid's Community Middle School
6528 U S Hwy. 301 #114
Riverview, Fl 33578

Kid's Community School Southeast
3526 US Highway 301 South
Riverview, Fl 33578

Kings Kid Academy of Health Sciences
1924 E. Comanche Ave.
Tampa, Fl 33610

Learning Gate Charter School
16215 Hanna Road
Lutz, Fl 33549

Legacy Preparatory Academy, Inc.
2002 Rome Ave.
Tampa, Fl 33607

Literacy/Leadership Technology Academy MS
6771 Madison Ave.
Tampa, Fl 33619

Lutz Preparatory School
17951 North U. S. Hwy 41
Lutz, Fl 33618

New Springs Elementary School
2410 E. Busch Blvd.
Tampa, Fl 33612

New Springs Middle School
2410 E. Busch Blvd.
Tampa, Fl 33612

Pepin Academies
3916 E. Hillsborough Ave.
Tampa, Fl 33610

Pepin Transitional School
3916 E. Hillsborough Ave.
Tampa, Fl 33610

Pivot Charter School
3020 Faulkenburg Road
Riverview, Fl 33578

Richardson Academy Charter School
68150 N. Roam Ave.
Tampa, Fl 33604

Seminole Heights Charter High School
400 North Florida Ave.
Tampa, Fl 33603

Shiloh Elementary Charter School
905 West Terrace St.
Plant City, Fl 33563

Shiloh Middle Charter School
905 West Terrace St.
Plant City, Fl 33563

Tampa Charter School
5429 Beaumont Center
Tampa, Fl 33634

Terrace Community Charter School
4801 E. Fowler Ave.
Tampa, Fl 33617

Trinity School for Children
2402 W. Osborne Ave.
Tampa, Fl 33603

Valrico Lake Advantage Academy
1653 Bloomingdale Ave.
Valrico, Fl 33596

The Village of Excellence Charter School
8718 North 46th St.
Temple Terrace, Fl 33617

Walton Academy Charter School
4817 N. Florida Ave.
Tampa, Fl 33603

W. E. Phillips Learning Academy
2508 S. Parson Ave.
Seffner, Fl 33584

West University Charter High School
11602 N. 15th Street
Tampa, Fl 33612

Withrop Charter School
6204 Scholars Hill Lane
Riverview, Fl 33578

Woodmont Charter School
10402 N 56th St.
Temple Terrace, Fl 33617

A. Reporting Entity (continued)

The Charter Schools implemented GASB Statement Number 65, Items Previously Reported as Assets and Liabilities for fiscal year ended June 30, 2014

As a result the beginning net position of component units as a whole has been adjusted by $(404) from $14,387 previously reported to $13,983.

B. Basis of Presentation

The basic financial statements include the government-wide financial statements and fund financial statements.

Government-wide Financial Statements – Government-wide financial statements include a Statement of Net Position and a Statement of Activities that display information about the primary government (District School Board) and its component units. These financial statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal service fund activities. The effect of interfund activities has not been eliminated in the Statement of Activities.

The Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the District School Board's functions. The expense of individual functions is compared to the revenues generated by the function (for instance, through user charges or intergovernmental grants). Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to other funds and to employees for workers compensation and insurance. Operating expenses for the internal service funds include the cost of services and administrative costs. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

B. Basis of Presentation (continued)

Fund Financial Statements – The fund financial statements provide information about the District School Board's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Because the focus of the governmental fund financial statements differs from the focus of the government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund - to account for all financial resources not required to be accounted for in another fund and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

Contracted Services - to account for funds from the State or Federal Government which are restricted for Federal programs.

Other Debt Service – Accounts for and reports on the payments of principal and interest for outstanding bonds and Certificates of Participation.

Local Capital Improvement – Accounts for and reports on the revenues generated from the local capital outlay property taxes.

Other Capital Projects Fund – Accounts for and reports on other miscellaneous funds from various sources including Certificates of Participation.

Additionally, the District reports the following fund types:

Internal Service Funds – to account for the District's workers' compensation, general and automobile liability self-insurance programs and the employee health insurance program.

Pension Trust Fund – to account for resources used to finance the early retirement program.

Agency Funds – to account for resources held by the District as custodian for others primarily for the benefit of various schools and their activity funds.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide Statements – The government-wide statements are presented using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows have taken place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available if collection is expected in the upcoming fiscal year. Property taxes, sales taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Cash

Cash consists of petty cash funds and deposits held by banks qualified as public depositories under Florida law. All deposits are fully insured by Federal depository insurance and a multiple financial institution collateral pool required by Chapter 280 Florida Statutes. The statement of cash flows for the Proprietary Funds considers cash as those accounts used as demand deposit accounts.

E. Investments

Investments of the general government consist of amounts placed with the State Board of Administration for participation in the State investment pool, those made by the State Board of Administration from the District's bond proceeds held and administered by the State Board of Education, and those made locally.

District monies placed with the State Board of Administration for participation in the State investment pool represent an interest in the pool rather than ownership of specific securities. The District does not own specific investments but an interest in the pool. Such investments are stated at fair value. Investments of the early retirement program are reported at fair value.

Types and amounts of investments held at year-end are further described in note 3 on investments.

F. Inventory

Inventories consist of expendable supplies and equipment held for consumption in the course of District operations. Inventories at the central warehouse, maintenance, textbook depository and the bus garage are stated at cost based on a moving average. Food service inventories are stated at cost based on the first-in, first-out basis, except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Health and Rehabilitative Services, Food Distribution Center. All other inventories are stated at cost on the last invoice price method, which approximates the first-in, first-out basis. The cost of inventories is recorded as expenditures when used rather than purchased.

G. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are recorded at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets purchased after July 1, 2004 are defined as those costing more than $1,000 and having a useful life of more than one year; those purchased before July 1, 2004 are defined as those costing more than $750 and having a useful life of more than one year. Donated assets are recorded at fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Interest costs incurred during construction are not capitalized as part of the cost of construction.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class Description	Estimated Useful Lives
Buildings	15-50 years
Improvements other than buildings	10-25 years
Building improvements	10-25 years
Furniture, Fixtures and Equipment	5-20 years
Motor Vehicles	4-10 years
Audio Visual Materials and Computer Software	3-5 years

H. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported in the government-wide statement of net position. Bond premiums, discounts and losses on refunding issuances, are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding issuances are reported as deferred outflows.

In governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond premiums, discounts and losses on refunding issuances as well as bond issuance costs, during the current period. The face amount of debt issued, as well as any related premium is reported as an other financing source while discounts on debt issuances and losses on refunding issuances are reported as an other financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Changes in long-term debt for the current year are reported in note 11.

I. State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program (FEFP) administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the Board determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of nine (9) months following the date of original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions of or additions to revenues in the year when the adjustments are made.

The District receives revenue from the State to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided. The money not expended or encumbered as of the close of the fiscal year is usually carried forward into the following year to be expended for the same programs. The Department requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted for the balance of categorical educational program resources.

J. Property Taxes

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property taxes are assessed by the Hillsborough County Property Appraiser and are collected by the Hillsborough County Tax Collector.

The School Board adopted the 2013 tax levy for the 2014 fiscal year on September 10, 2013. Tax bills are mailed in October; and taxes are payable between November 1 of the year assessed and March 31 of the following year with discounts of up to four percent for early payment.

Taxes become delinquent on April 1 of the year following the assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. These procedures result in the collection of essentially all taxes prior to June 30 of the year following the assessment.

Property tax revenues are recognized in the government-wide financial statements in the fiscal year for which the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when the taxes are received by the District, except that revenue is accrued for taxes collected by the Hillsborough County Tax Collector at fiscal year end which have not yet been remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued.

Millages and taxes levied for the current year are presented in note 16.

K. Federal Revenue Sources

The District receives Federal financial assistance for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For Federal financial assistance in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

L. Deferred Outflows

In the government-wide financial statements the District records deferred outflows which represent the consumption of net position by the District that is applicable to a future reporting period. At June 30, 2014 deferred outflows represent activity associated with various swap agreements, as discussed in note 8, and the deferred charge on refunding.

M. Use of Estimates

The preparation of the financial statements requires management of the District to make a number of assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

N. Accounting Standards

The District implemented GASB Statement Number 65, Items Previously Reported as Assets and Liabilities for fiscal year ended June 30, 2014. This resulted in a reduction of beginning net position of $8,431 from $1,725,166 to $1,716,735 due to the removal of deferred charges. Also due to the implementation of GASB 65, the carrying amount of debt refunding has been reclassified from long term debt to deferred outflows on the Statement of Net Position.

The District also implemented GASB Statement Number 67, Financial Reporting for Pension Plans. This required additional notes and required supplemental information to be included in the financial statements.

2. BUDGET COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The School Board follows the procedures established by State statutes and State Board of Education rules in establishing final budget balances reported in the financial statements:

1. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules. Original budgets are submitted to the State Commissioner of Education for approval.

2. The budget is prepared by fund, function, object and department. Management may make transfers of appropriations between departments and object. The functional level is the legal level of budgetary control and may only be amended by resolution of the Board at any Board meeting prior to the due date for the Superintendent's Annual Financial Report (State Report). Budgetary disclosure in the accompanying financial statements reflects the original and final budget including all amendments approved for the fiscal year through September 9, 2014.

3. Budgets are prepared using the modified accrual basis as is used to account for actual transactions in the governmental funds.

4. Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

All budget amounts presented in the basic statements and the accompanying supplementary information reflect the original budget and the final amended budget (which has been adjusted for legally authorized revisions of the annual budget during the year).

At the governmental fund level, outstanding encumbrances are re-appropriated in the subsequent year. Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls.

3. CASH AND INVESTMENTS

At June 30, 2014, the District's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

As of June 30, 2014, the District had the following investments and maturities (amounts in thousands):

Investment	Maturities	Fair Value
United States Treasuries	10/31/2014 – 05/31/2020	$ 7,525
United States Agencies	08/27/2014 – 05/15/2020	10,093
State Board of Administration		
Florida PRIME	40.0 Days	446,434
Pool B	2.86 Years	1,644
Debt Service Account	40.0 Days	1,576
Certificates of Deposit	07/18/2014 – 05/11/2015	40,430
Wells Fargo Advantage Treasury Plus Money Market	N/A	237
Bank Investment Contract	11/06/2015	8,082
Total Investments Reporting Entity		$ 516,021

Investments are reflected in the financial statements as follows (amounts in thousands):

Governmental funds	$343,342
Internal service funds	122,417
Fiduciary funds	
Pension trust	12,971
Agency	37,291
Total Primary Government	$516,021

Interest Rate Risk

The District has a formal investment policy that the investment objectives are safety of capital, liquidity of funds, and investment income, in that order. The performance measurement objective shall be to exceed the State Board of Administration's Florida PRIME yield. The policy limits the type of investments and the length of investments of idle funds. The weighted average duration of the investment portfolio shall not exceed five years.

3. CASH AND INVESTMENTS (continued)

Credit Risk

Section 218.415(17) Florida Statutes, limits the types of investments that the District can use. The District policy authorizes the following investments:

(a) The State Board of Administration (SBA) Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided by F. S. 163.01.

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02(26), Florida Statutes.

(d) Direct obligations of the U.S. Treasury.

(e). Obligations of Federal agencies, government sponsored enterprises, and instrumentalities.

(f) Securities of, or other interest in, any open-end or closed-end management type investment company or trust registered under the Investment Company Act of 1940, 15 U.S. C. 80a-1.

(g) Short-term obligations commonly referred to as "money market instruments" including but not limited to commercial paper, provided such obligations carry the highest credit rating from a nationally recognized rating agency.

(h) Asset-backed securities when either a) the underlying asset is guaranteed by the issuer or b) the security carries the highest quality rating by a nationally recognized rating agency.

The District's investments in the SBA consist of Florida PRIME and Fund B Surplus Funds Trust Funds (Fund B).

Florida PRIME is an external investment pool that is not registered with the Securities Exchange Commission (SEC), but does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows funds to use amortized cost to maintain a constant net asset value (NAV) of $1.00 per share. Accordingly, the District's investment in the Florida PRIME is reported at the account balance which is considered fair value. Florida PRIME is rated AAAm by Standard & Poors.

The Fund B is accounted for as a fluctuating NAV pool. With a fluctuating NAV pool the fair value approximates market value. The SBA provides a fair value factor to use on the Fund B account balance to determine market value or fair value. As of June 30, 2014 the fair value factor was 184.44%. Fund B is not rated by a nationally recognized statistical rating agency. Currently participants are unable to withdraw funds from Fund B. Rather as cash becomes available in Fund B from interest receipts, maturities, or sales, it is distributed to participant accounts in the Florida PRIME according to each participant's pro rata share of Fund B. All such distributions from Fund B to Florida PRIME will be 100% available for withdrawal upon transfer.

3. CASH AND INVESTMENTS (continued)

Credit Risk (continued)

The District's investments in United States Agencies or Treasuries for the Pension Trust Fund were rated either AA+ by Standard and Poors or Aaa by Moody's Investors Services. The remaining government securities were rated either AA+/A-1 by Standard and Poors or Aaa by Moody's Investors Services.

The District's investments in Certificates of Deposits were in qualified public depositories.

Investments in the State Board of Administration Debt Service Account totaling $1,576,337 are to provide for debt service payments on bonded debt issued by the State Board of Administration for the benefit of the District. These investments consist of United States Treasury securities, with maturity dates of six months or less and are reported at fair value. The District has no formal policy for managing interest rate risk or credit risk for this account, but relies on policies developed by the State Board of Administration.

Custodial Credit Risk

The District's investment policy requires that securities purchased or otherwise acquired by the District shall be properly designated as an asset of the District. Also, Florida Statute, Section 218.415(18) requires every security purchased under this section on behalf of the District to be properly earmarked and:

1. If registered with the issuer or its agents, must be immediately placed for safekeeping in a location that protects the District's interest in the security;

2. If in book entry form, must be held for the credit of the District by a depository chartered by the Federal Government, the state, or any other state or territory of the United States which has a branch or principal place of business in Florida as defined in Section 658.12, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in Florida, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or

3. If physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.

Of The District's investments, $7,524,762 of U. S. Treasuries and $10,092,660 of U.S. Agencies are not registered in the name of the District, but are held by the counterparty's trust department or agent and are not insured.

3. CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. The District had no investment, excluding amounts held with the State Board of Administration that made up more than 5% of total investments.

Foreign Currency Risk

The District has no investments which are exposed to foreign currency risk at June 30, 2014. The District does not have a formal investment policy that limits its investment in foreign currency.

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

Amounts due from other governmental agencies as of June 30, 2014 are shown below (amounts in thousands):

	General Fund	Contracted Services Fund	Other Debt Service Fund	Local Capital Improve-ment Fund	Other Capital Projects Fund	Non-Major and Other Funds	Total
Federal Government:							
Miscellaneous	$ 423	$ 7,065	$ -	$ -	$ -	$ -	$ 7,488
State Government:							
Food Reimbursement	-	-	-	-	-	977	977
Miscellaneous	3,440	485	-	-	-	585	4,510
Local Government:							
Hillsborough County Board of County Commissioners	3,922	10,555	4,037	920	5,662	-	25,096
Miscellaneous	852	154	-	-	4	-	1,010
Total:	$ 8,637	$ 18,259	$ 4,037	$ 920	$ 5,666	$ 1,562	$ 39,081

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows (amounts in thousands):

Description	Beginning Balances	Additions	Deletions	Ending Balances
Capital Assets Not Being Depreciated:				
Land	$ 154,608	$ 5,895	$ 62	$ 160,441
Land Improvements-Non Depreciable	90,067	189	-	90,256
Construction in Progress	16,452	45,639	28,886	33,205
Total Capital Assets Not Being Depreciated	261,127	51,723	28,948	283,902
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	206,522	5,252	1,203	210,571
Buildings and Systems	2,646,501	23,491	6,795	2,663,197
Furniture, Fixtures and Equipment	167,675	8,178	15,870	159,983
Motor Vehicles	97,343	282	966	96,659
Audio Visual Materials	40	3	8	35
Computer Software	25,640	574	2,453	23,761
Total Capital Assets Being Depreciated	3,143,721	37,780	27,295	3,154,206
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	122,698	6,831	1,170	128,359
Buildings & Systems	680,485	73,420	6,586	747,319
Furniture, Fixtures And Equipment	131,686	11,520	15,238	127,968
Motor Vehicles	83,406	4,272	966	86,712
Audio Visual Materials	40	1	8	33
Computer Software	22,926	1,116	1,732	22,310
Total Accumulated Depreciation	1,041,241	97,160	25,700	1,112,701
Total Capital Assets Being Depreciated (Net)	2,102,480	(59,380)	1,595	2,041,505
Governmental Activities Capital Assets (Net)	$ 2,363,607	$ (7,657)	$ 30,543	$ 2,325,407

5. CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows (amounts in thousands):

Instructional Services	$ 5,798
Instructional Support Services	2,189
Pupil Transportation Services	783
Operation and Maintenance of Plant	597
Non Capitalizable Facilities Acquisition and Construction	86,578
School Administration	227
General Administration	171
Food Services	496
Community Services and Other	24
Un-Allocated Depreciation	297
Total Depreciation Expense	$97,160

6. LINE OF CREDIT

Pursuant to the provisions of Section 1011.13, Florida Statutes, on May 21, 2013 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2014, in the amount of $80,000,000 with Wells Fargo Bank of Florida. The outstanding principal amount of the Note shall bear interest at one month London Interbank Offered Rate (LIBOR) plus 80 basis points adjusted monthly. This line-of-credit allows the Board to borrow funds if established revenues (cash) are lagging behind expenditures such as weekly payrolls and weekly vendor payments. The Note is secured by a pledge of anticipated ad valorem tax proceeds. This Note would be repaid in full in ninety days from the first draw. The Note shall not exceed $80,000,000 at any time. For the year ended June 30, 2014, no funds had been borrowed or utilized under this line-of-credit, and therefore no amounts are outstanding at June 30, 2014.

On April 20, 2014 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2015, with the same terms as described above.

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

The District entered into various financing arrangements each of which was characterized as a lease-purchase agreement, with the Hillsborough School Board Leasing Corporation (Corporation), whereby the District secured financing of various education facilities through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the School District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Hillsborough School Board Leasing Corporation, with a rental fee of $10 per year. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreements to the Trustee for the benefit of the securers of the Certificates to the end of the ground lease term.

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

Certificates of Participation that are still part of the District's debt obligation are as follows (amounts in thousands):

Certificates	Date of Certificates	Original Amount of Certificates	Remaining Amount of Certificates	Ground Lease Term Expiration
Series 1998 Project (A)	March 1, 1998	$ 336,930	$ 43,685	June 30, 2017
Series 2001QZAB Project	November 6, 2001	9,600	9,600	November 6, 2015
Series 2004A Project	February 19, 2004	27,305	27,305	June 30, 2017
Series 2004B Project	February 19, 2004	56,715	2,270	June 30, 2026
Series 2004 QZAB Project	June 8, 2004	6,131	6,131	June 30, 2020
Series 2004C Project	November 4, 2004	89,750	79,850	June 30, 2030
Series 2005A Project	February 25, 2005	48,915	45,000	June 30, 2026
Series 2005 QZAB Project	December 20, 2005	3,002	3,002	December 20, 2020
Series 2006A Project	January 31, 2006	86,435	73,185	June 30, 2031
Series 2006B Project	January 26, 2007	77,900	63,475	June 30, 2026
Series 2007 Project	April 24, 2007	84,685	71,260	June 30, 2031
Series 2008A Projects	July 1, 2008	109,830	109,715	June 23, 2023
Series 2010A Projects	April 15, 2010	97,545	90,580	June 30, 2025
Series 2010 QSCB Projects	December 21, 2010	37,935	37,935	December 1, 2028
Series 2012A Projects	April 3, 2012	124,565	124,565	June 30, 2029
Series 2014A Projects	April 2, 2014	39,950	39,950	June 30, 2026
Totals		$ 1,237,193	$ 827,508	

The Series 1998 Certificates of Participation were issued, in part, in order to provide the funds necessary to advance refund the Series 1994 and the Series 1995 Certificates of Participation and refinance the Series 1994 and Series 1995 facilities which the School Board has acquired, constructed and installed from the proceeds of the Series 1994 and Series 1995. The Series 2004A Certificates of Participation were issued in order to provide funds necessary to advance refund the Series 1996 Certificates of Participation and refinance the Series 1996 facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1996. The Series 2005A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 2000 Certificates of Participation and refinance the Series 2000 facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2000. The Series 2006B Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 1998B and 2001B Certificates of Participation and refinance the Series 1998B and 2001B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1998B and 2001B. On May 23, 2008 the District remarketed the Series 2004C Certificates of Participation in order to change the auction interest rate to a daily adjustable rate. The Series 2008A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 1998A Certificates of Participation and refinance the Series 1998A facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1998A. The Series 2010A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 2001A Certificates of Participation and refinance the Series 2001A facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2001A. The Series 2012A Certificates of Participation

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

were issued in order to provide funds necessary to partially advance refund the Series 2002 Certificates of Participation and fully refund the Series 2003B Certificates of Participation and refinance the Series 2002 and Series 2003B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2002 and Series 2003B. The Series 2014A Certificates of Participation were issued in order to provide funds necessary to fully advance refund the Series 2002 Certificates of Participation and partially advance refund the Series 2004B Certificates of Participation and refinance the Series 2002 and Series 2004B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2002 and Series 2004B. See Note 10.

Due to the economic substance of the issuances of the Certificates of Participation as a financing arrangement on behalf of the Board, the financial activities of the Corporation have been blended in with the financial statements of the District. For accounting purposes, due to the blending of the Corporation within the District's financial statements, basic lease payments are reflected as debt service expenditures when payable to Certificate holders. During the year ended June 30, 2014, $137,425 was expended for capital outlay in the Certificates of Participation Funds as part of the Other Capital Projects Funds.

The lease payments for the Series 1998, Series 2004A, Series 2004B, Series 2005A, Series 2006A, Series 2006B, Series 2007, Series 2010A, Series 2012A and Series 2014A Certificates are payable by the District, semi-annually, on July 1 and January 1 at interest rates of 3.60 to 5.50 percent, 5.25 percent, 2.00 percent to 5.09 percent, 2.375 to 5.00 percent, 3.50 to 5.00 percent, 3.50 to 5.00 percent, 3.75 to 5.00 percent, 3.00 to 5.00 percent, 4.00 to 5.00 and 2.56% percent, respectively. The lease payments for the Series 2004C and the Series 2008A Certificates are payable by the District semi-annually on July 1 and January 1. The interest is paid monthly based on a daily rate set by the remarketing agent that is expected to approximate the Securities Industry and Financial Markets Associations (SIFMA) Municipal Swap index over the life of the Bonds. The lease payments for the Series 2001-QZAB, 2004-QZAB, 2005-QZAB and 2010-QSCB Certificates are due November 6, 2015, June 30, 2020, December 20, 2020 and December 1, 2028, respectively. There is no interest to be paid on the QZABs or QSCB, as the certificate holders receive Federal Tax Credits in lieu of interest payments. The District is required to reserve a portion of the lease payments each year. The following is a schedule by years of future minimum lease payments under the lease agreements as of June 30 (amounts in thousands):

	Total	Principal	Interest
2015	$ 63,562	$ 29,645	$ 33,917
2016	73,799	41,020	32,779
2017	64,276	32,990	31,286
2018	64,624	34,855	29,769
2019	64,659	36,525	28,134
2020 – 2024	329,357	218,138	111,219
2025 – 2029	353,107	292,220	60,887
2030 – 2032	148,854	142,115	6,739
Total Minimum Lease Payments	$1,162,238	$ 827,508	$ 334,730

8. INTEREST RATE SWAPS

Item	Type	Objective	Notional Amount	Effective Date	Maturity Date	Fair Value	Cash Flow
A	Pay fixed interest rate swap	Hedge in changes in cash flows on Series 2004C COPS	$29,750,000	12/7/04	12/7/14	$(486,447)	$(1,093,354)

The terms of this pay fixed interest rate swap provide for paying a fixed rate of 3.736% and receiving a variable rate of the bond market association municipal swap index (BMA index).

B	Pay fixed interest rate swap	Hedge in changes in cash flows on Series 2008A COPS	$109,830,000	7/1/08	7/1/23	$(26,531,550)	$(5,386,315)

As it relates to derivative B the District entered into a swaption contract on February 19, 2003 that provided the District an up-front payment of $5,006,500. This payment was reduced by $1,800,000 at which time the swaption was amended on April 19, 2005 to reduce the original notional amount from $177,195,000 to $109,830,000. The swaption was exercised on July 1, 2008 commencing a pay-fixed interest rate swap that provided for payment of a fixed rate of 4.97% and receiving a variable rate of municipal swap index (defined as the bond market association municipal swap index). Prior to the exercise date, the swaption was considered an investment derivative instrument. Accordingly, the negative fair value at the exercise date in the amount of $13,102,591 is being amortized as an increase to the deferred outflow balance and a decrease to interest expense over the remaining life of the swap agreement. Such amortization amounted to $873,506 for the year ended June 30, 2014.

The fair values of the interest rate swaps are estimated using the zero coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero coupon bonds due on the date of each future net settlement on the swaps. The fair values of the derivative instrument were recorded as derivative instrument – liability in the Statement of Net Position at June 30, 2014.

During the year ended June 30, 2014 the change in the fair value of the derivative instruments, which were recorded as decreases to deferred outflows in the Statement of Net Position, were as follows:

Derivative instrument A	$ (1,021,076)
Derivative instrument B	$ (1,624,646)

Risks

Credit risk – Both of the District's derivative instruments are held with different counterparties. The credit rating for the counterparty of Derivative A is A by Standard and Poors and for the counterparty of Derivative B is AA- by Standard and Poors.

8. INTEREST RATE SWAPS (continued)

Interest rate risk – The District is exposed to interest rate risk on its pay fixed, receive variable interest rate swaps. As the municipal swap index decreases, the District's net payment on the swap increases.

Termination risk – The District or the counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

9. BONDS PAYABLE

Bonds payable at June 30, 2014 were as follows (amounts in thousands):

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:			
Series 2005-A	50	3.0 – 5.0	2015
Series 2005-Q	17,555	3.5 – 5.0	2020
Series 2006-A	2,655	5.5	2026
Series 2008-A	4,445	3.25 – 5.0	2028
Series 2009-A	2,410	2.0 – 5.0	2029
Series 2010-A	3,470	3.0 – 5.0	2030
Series 2011-A	1,570	3.5 – 5.0	2023
Series 2014-A	2,486	2.0 – 5.0	2025
District Revenue Bonds:			
Series 1998 Capital Improvement & Racetrack Revenue Refunding	1,280	3.5 - 5.35	2028
Series 2005 Sales Tax Refunding	109,610	2.25 – 5.00	2023
Series 2006 Sales Tax	40,065	4.0 – 4.25	2026
Series 2007 Sales Tax	47,515	3.5 – 5.0	2026
Total Bonds Payable	$233,111		

The various bonds were issued to finance capital outlay projects of the District. The following is a description of bonded debt service:

STATE SCHOOL BONDS

These bonds are issued by the State Board of Education (SBE) on behalf of the District. The bonds mature serially and are secured by a pledge of part of the District's portion of State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these issues. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration.

9. BONDS PAYABLE (continued)

DISTRICT REVENUE BONDS

Capital Improvement and Racetrack Revenue Refunding Bonds of 1998

These bonds are authorized by Chapter 71-680, Laws of Florida, which authorized the Board to pledge all of the portion of racetrack funds accruing annually to Hillsborough County, under the provisions of Chapters 550 and 551, Florida Statutes, as allocated to the Board pursuant to law, and Chapter 132, Florida Statutes, which authorized the refunding of the District Revenue Bonds of 1985. As required by the bond resolution the Board established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

Sales Tax Revenue Bonds, Series, 2005, 2006 and 2007

These bonds are authorized by the Constitution and Laws of the State of Florida, including, particularly Chapter 1010, Florida Statutes, Chapter 212, Part I, Florida Statutes and other applicable provisions of law. The bonds are secured by a pledge of the proceeds received pursuant to the Interlocal Agreement from the levy and collection by the County of the one-half cent local infrastructure sales surtax.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2014, are as follows (amounts in thousands):

TOTAL SBE BONDS

Fiscal Year Ending June 30	Total	Principal	Interest
2015	$ 6,908	$ 5,253	$ 1,655
2016	6,917	5,504	1,413
2017	6,924	5,781	1,143
2018	6,950	6,093	857
2019	2,141	1,588	553
2020 – 2024	8,297	6,530	1,767
2025 – 2029	4,159	3,707	452
2030	192	185	7
Total Debt Service Payments	$ 42,488	$ 34,641	$ 7,847

TOTAL DISTRICT REVENUE BONDS

Fiscal Year Ending June 30	Total	Principal	Interest
2015	$ 20,333	$ 11,410	$ 8,923
2016	20,330	11,915	8,415
2017	20,294	12,425	7,869
2018	20,181	12,962	7,219
2019	20,169	13,573	6,596
2020 – 2024	100,654	77,962	22,692
2025 – 2029	62,808	58,223	4,585
Total Debt Service Payments	$264,769	$198,470	$ 66,299

10. DEFEASED DEBT

On April 2, 2014 the District issued $39,950,000 Certificates of Participation, Series 2014A with an interest rate of 2.56%. The proceeds were used to fully refund $2,195,000 principal amount of the District's Series 2002 Certificates of Participation and to refund $37,235,000 principal amount of the District's then outstanding $39,505,000 of the Series 2004B Certificates of Participation. $40,262,012 of the net proceeds (after payment of $113,718 of issuance costs) were placed in an irrevocable trust to provide for future debt service payment of the refunded amount of the Series 2002 and 2004B Certificates of Participation.

As a result $2,195,000 of the Series 2002 and $37,235,000 of the Series 2004B are considered defeased and the liability for these certificates have been removed from long term debt. Accordingly the trust account assets and liability for that portion of the Series 2002 and 2004B are not included in the District's financial statements.

As a result of the refunding, the District reduced its total debt service requirements by $4,271,207 which resulted in an economic gain (difference between the present value of debt service payment on the old and new debt) of $3,841,087.

On May 22, 2014 the State Board of Education issued Series 2014A SBE Refunding Bonds in the amount of $2,486,000 at a premium, with an interest rate of 2.0% to 5.0%, on behalf of the District. The proceeds were used to fully refund $2,105,000 of the Series 2004A SBE bonds and advance refund $695,000 principal amount of the then outstanding $745,000 Series 2005A SBE bonds. The net proceeds (after payment of $17,083 in underwriter's fees and other issuance costs) were placed in an irrevocable trust account to refund the 2005A bonds that mature on or after January 1, 2016 and are scheduled to be called on January 1, 2015.

11. CHANGES IN LONG TERM DEBT

The following is a summary of changes in general long-term debt (amounts in thousands):

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due in One Year
Estimated Liability for Long Term Claims	$ 16,124	$ 11,936	$ 10,836	$ 17,224	$ 8,421
Post Employment Benefits	75,133	24,534	4,218	95,449	-
Compensated Absences Payable	130,288	24,992	19,686	135,594	14,133
Certificates of Participation	855,283	39,950	67,725	827,508	29,645
Bonds Payable	249,409	2,486	18,784	233,111	16,663
TOTAL	$1,326,237	$ 103,898	$ 121,249	$1,308,886	$68,862
Plus unamortized bond premium:					
Bonds payable				5,115	
Certificates of participation				23,076	
Total long-term liabilities				$1,337,077	

Internal service funds predominately serve the governmental funds and, accordingly, long-term liabilities of those funds are included in the governmental activities. For the governmental activities, compensated absences are generally liquidated with resources of the General Fund and postemployment health care benefits are generally liquidated with resources of the General and Special Revenue Funds. The estimated liability for long term claims are generally liquidated with resources of the Worker's Compensation and the General and Automobile liability programs Internal Service Funds.

12. FUND BALANCE REPORTING

The Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions (GASB 54). The intention of GASB 54 is to provide more structured classification of fund balance reporting. The reporting standards established a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or are legally or contractually required to remain intact. Examples of this classification are prepaid item, inventories, and principal of an endowment fund. The District has inventories that are considered nonspendable. The District does not have any other nonspendable fund balances.

GASB 54 provides a hierarchy of spendable fund balances, based on spending constraints:

Restricted – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

Committed – fund balance that contain self imposed constraints of the government from its highest level of decision making authority.

Assigned – fund balances that contain self imposed constraints of the government to be used for a particular purpose. The District has a policy No. 6100 approved by the Board that designates administrative staff (the Superintendent and Chief Business Officer) to determine the assignments.

Unassigned – fund balance of the general fund that is not constrained for a particular purpose.

The District has classified its fund balances based on the GASB 54 hierarchy as follows (amounts in thousands):

Nonspendable – The Districts has inventories totaling $5,925 that are classified as nonspendable.

Spendable – The District has classified the spendable fund balances as restricted, assigned and unassigned. The District currently has no funds classified as committed.

Restricted for Federal, State and Local Programs, Debt Service and Capital Projects:

Federal Laws, Florida Statutes and local constraints require that certain revenues be specifically used for certain expenditures. These funds have been included in the restricted category of fund balances. The restricted fund balances total is $343,447 and represent $34,864 for Federal programs, $21,828 for State programs, $9,054 for local programs, $109,414 for Debt Service and $168,287 for Capital Projects.

12. FUND BALANCE REPORTING (continued)

Assigned:

The District has set aside certain spendable fund balances in the amount of $97,685. They are:

School Operations	$54,264
Self-Insurance retention	$10,000
Transportation Department	$12,470
OPEB set aside	$20,951

Unassigned:

The District has a policy that requires it to maintain a contingency fund balance in its operating fund of no less than 5 percent of the annual revenues. The district has $95,796 in unassigned fund balance. At the end of the fiscal year the unassigned fund balance in the general fund is 6.36% of total general fund revenues.

The District applies resources for expenditures to restricted, then assigned and then unassigned, when expenditures are incurred which could use any of the fund balance classifications.

13. INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables reported in the fund financial statements (amounts in thousands):

Funds	Interfund Receivables	Interfund Payables
Major Funds:		
General	$ 12,782	$ 563
Contracted Services	137	11,756
Other Debt Service	3,918	-
Local Capital Improvement	497	4,363
Other Capital Projects	-	362
Non-major Governmental Funds	254	544
Total	$17,588	$17,588

The majority of interfund receivables and payables are established during the closing period. The receivable in the general fund is for payback of direct/indirect charges for June and temporary loans to contracted services for cost reimbursement grants. The amounts in local capital improvement, other capital projects fund and non-major funds are mostly due to the movement of expenditures between capital project funds.

14. INTERFUND TRANSFERS

The following is a summary of interfund transfers reported in the fund financial statements (amounts in thousands):

Funds	Interfund Transfer In	Interfund Transfer Out
Major Funds:		
General	$ 13,853	$ 27
Contracted Services	27	-
Other Debt Service	68,660	75
Local Capital Improvement	-	65,207
Other Capital Projects	-	9,135
Non-major Governmental Funds	856	-
Internal Service Funds	3,080	12,032
Total	$86,476	$86,476

The largest amount of interfund transfers is to move money to the debt service funds for bond principal and interest payments. The remainder is the charging of direct and indirect costs.

15. STATE REVENUE SOURCES

The following is a schedule of the District's state revenue for the 2014 fiscal year (amounts in thousands):

Sources	Amount
Florida Education Finance Program	$ 696,124
Workforce Development	28,708
Categorical Education Programs	263,615
Capital Outlay and Debt Service	7,621
Food Service Supplement	1,419
Mobile Home License Tax	609
State Board of Education Bond Interest	37
Pari-Mutuel Tax	447
Miscellaneous	9,182
Total	$ 1,007,762

16. PROPERTY TAXES

The following is a summary of millages and taxes levied in the 2013 tax roll for the fiscal year 2014 (dollars in thousands):

	Millage Levied	Taxes Levied
General Fund		
Non-voted School Tax:		
Required Local Effort	5.442	$389,573
Discretionary Local Effort	.748	53,547
Capital Projects Funds		
Non-voted Tax:		
Local Capital Improvements	1.500	107,379
Total	7.690	$550,499

17. STATE RETIREMENT PROGRAMS

All regular employees of the District are covered by the Florida Retirement System (FRS). The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

Essentially all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at specified numbers of years of service depending upon the employee's classification. Generally, members are eligible for normal retirement benefits at age 62 with 6 years of service or at any age after 30 years of service. For normal retirement, benefit payments are based on the member's highest 5-year average annual salary (average final compensation) times the number of years of service, multiplied by a percentage ranging from 1.60 percent at either 62 or with 30 years of service to 1.68 percent at age 65 or with 33 years of service. Members are eligible for early retirement after 6 years of service but before age 62; however, normal benefits are reduced by 5 percent for each year a member retires before age 62. As described in note 18, the District administers a single-employer retirement program that under certain conditions covers the difference in benefits between normal and early retirement.

The Plan provides retirement, disability, and death benefits and annual cost-of-living-adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program (DROP) was established effective July 1, 1998. It permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

17. STATE RETIREMENT PROGRAMS (continued)

Eligible FRS members may elect to participate in PEORP in lieu of the Plan. District employees participating in DROP are not eligible to participate in PEORP. PEORP is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.) Contributions are directed to individual member accounts, and the ultimate benefit depends in part on the performance of investment funds chosen. Employees in PEORP vest after one year of service.

The benefit provisions and all other requirements of the Plan are established by Florida Statutes.

The contribution rates for the Plan are established, and may be amended, by the State of Florida. As of June 30, 2014 the contribution rates were as follows:

Class or Plan	Percent of Gross Salary Employee	Employer (A)
Florida Retirement System, Regular (HA)	3.00	6.95
Florida Retirement System, County Elected Officers (HI)	3.00	33.03
Florida Retirement System, Senior Management Service Class (HM)	3.00	18.31
Florida Retirement System, Special Risk (HB)	3.00	19.06
Teachers' Retirement System, Plan E (IE)	6.25	9.09
State and County Officers and Employees' Retirement System, Plan B (AF)	4.00	9.10
Florida Retirement System, Reemployed Retiree (RA)	3.00	6.95

Notes: (A) Employer rates include the post-retirement health insurance supplement, which was increased on July 1, 2013 to 1.20 percent.

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions to the Plan (including employee contributions) for the fiscal years ending June 30, 2012, June 30, 2013, and June 30, 2014, totaled $74,283,216, $79,328,141 and $107,938,639 respectively, representing a percentage of covered payroll of 7.58% for fiscal year 2012, 7.94% for fiscal year 2013 and 10.14% for fiscal year 2014. These amounts are equal to the required contributions for each fiscal year. Effective July 1, 2011, all members of FRS, except for DROP participants and reemployed retirees who are not eligible for renewed membership, are required to contribute 3 percent of their compensation to FRS.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the Florida Retirement System. The report may be obtained by writing to the State of Florida, Division of Retirement, Department of Management Services, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32399.

18. EARLY RETIREMENT PROGRAM

a. Plan Description and Provisions

As authorized by Section 1012.985, Florida Statutes, the Board implemented an Early Retirement Plan (Plan), effective August 1, 1984. The Plan is a single-employer defined benefit plan. The purpose of the Plan is to provide eligible District employees, who elect to retire under the early retirement provisions of the Florida Retirement System, described in Note 17, with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age of 62. The School Board entered into an agreement with Wells Fargo Bank, N.A., designating the Bank as the Investment Manager and Custodian (Trustee) for the Plan assets. The Agreement also provides that monthly benefits be paid by the Trustee.

Based on an actuarial report as of June 30, 2014 employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits	571

Active Plan Participants: There are no longer any active plan participants.

A summary of Eligibility and Benefits follows:

Eligibility

A member of the Plan was eligible upon attainment of age 55 to 59, completion of 25 but not more than 28 years of creditable service, at least 5 consecutive and uninterrupted years of service immediately preceding early retirement, and having applied for retirement under The Florida Retirement System. The Board approved to eliminate new participants to the Early Retirement Program on June 30, 2008. Certain employees were eligible to enter the plan before July 1, 2010. As of July 1, 2010 the plan was closed to any new participants.

Benefits

The amount of the monthly benefit will be equal to the reduction imposed on the retirement benefit by the Florida Retirement System due to early retirement. The benefit amount will be based on the initial benefit amount determined by the Florida Retirement System prior to any cost of living adjustments and once established will remain unchanged, unless a specific increase is authorized by the Board.

b. Summary of Significant Accounting Policies

The Plan is accounted for as a pension trust fund; therefore it is accounted for in substantially the same manner as a proprietary fund with a "capital maintenance" measurement focus and the accrual basis of accounting. Employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan. Plan assets are valued at fair value, based on quoted market prices, for financial statement purposes.

Separate Statements are not issued for the Plan.

18. EARLY RETIREMENT PROGRAM (continued)

c. Contributions

The District's Early Retirement Program was established by the Board on August 1, 1984. Pursuant to the Plan Agreement, no contribution shall be required or permitted from any member. The District's annual contribution to the pension trust is determined through the budgetary process and with reference to actuarial determined contributions. As of July 1, 2013, the most recent actuarial study shows a deficit of $13.0 million on a GASB 67 funding basis. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The contribution is designed to accumulate sufficient assets to pay benefits when due.

Significant actuarial assumptions used to compute annual required contributions are the same as those used to determine the actuarial accrued liability.

Total contributions to the Plan in fiscal years 2012, 2013 and 2014 amounted to $879,714, $1,383,120 and $1,401,167 respectively. The net pension asset (obligation) to the Plan in fiscal years 2012, 2013 and 2014 were $(611), $(1,807) and $(30) respectively. The actuarially determined contribution for fiscal years 2012, 2013 and 2014 were $1,341,630, $1,381,913 and $1,402,918 respectively which were determined through actuarial valuations performed at July 1, 2011, July 1, 2012 and July 1, 2013, respectively. The total annual pension costs for fiscal years 2012, 2013 and 2014 were $1,325,989, $1,381,924 and $1,402,944 respectively. The percentage of pension cost contributed for fiscal years 2012, 2013 and 2014 were 63.34%, 100.09% and 99.88% respectively.

The District's annual pension cost and net pension asset (obligation) for the Early Retirement Program for the current fiscal year were as follows:

Annual Required Contribution (ARC)	$1,402,918
Interest on Net Pension Obligation (NPO)	(69)
Adjustment to the Annual Required Contribution	95
Annual Pension Cost (APC)	1,402,944
Contribution made with interest	1,401,167
Decrease in Net Pension Obligation	1,777
Net Pension Asset Beginning of Year	(1,807)
Net Pension Asset (Obligation) End of Year	$ (30)

As the net pension obligation is immaterial to the District as a whole, no such amounts have been recorded in the District wide statement of net position at June 30, 2014.

As of July 1, 2013 the actuarial value of the plan assets was $13,601,965 and the actuarial accrued liability for benefits was $26,618,963, resulting in a funded ratio of 51%. $13,016,998 of the actuarial accrued liability for benefits was unfunded. There is no longer a covered payroll due to the fact that the Plan is closed to any new participants effective July 1, 2010.

18. EARLY RETIREMENT PROGRAM (continued)

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and the plan members in the future.

The computation of the annual required contributions for fiscal 2014 was based on the same (a) benefit provisions, (b) actuarial funding method, and (c) other significant factors as used to determine annual required contributions in the previous year.

d. Actuarial Information

Significant assumptions and other inputs used to measure the annual required contribution are:

Valuation Date	07/01/13
Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll-Closed
Amortization Period	30 Years
Asset Valuation Method	Fair Value
Actuarial Assumptions:	
Investment Rate of Return	3.5%
Projected Salary Increases	0%
Rate of Inflation Adjustment	None

Mortality rates were based on the RP-2000 IRS PPA Generational Annuitant Table for Males and Females.

e. Investments

The District oversees the management of the District's Early Retirement Plan. The superintendent has established procedures to ensure that idle funds are invested as authorized by Florida Statute, to earn the maximum interest. Investments are reported at fair value. The primary objectives, in priority order, in investment activities shall be safety, liquidity, and yield.

The Plan's investments at June 30, 2014, consisted of the following:

	Balance June 30, 2014	Percentage of Plan Net Position
U. S. Treasury Notes and Bonds	$6,954,845	54%
U. S. Agencies	5,778,885	44%
U. S. Government Mortgage Pool	4	-%
Federation Prime Obligations Fund	237,207	2%
Total	$12,970,941	100%

18. EARLY RETIREMENT PROGRAM (continued)

The long-term expected rate of return on pension plan investment was confirmed appropriate using Aon's (The District's actuary) e-tool model assuming general inflation of 2.5%, which is a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of July 1, 2013 are summarized in the following table:

Asset Class	Target allocation	Long-term Expected real rate of return
Domestic Fixed Income	90%-95%	1.70%
Cash	5%-10%	1.40%

f. Rate of Return

For the year ended June 30, 2013, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.5 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

g. Receivables

The pension plan does not have receivables from long-term contracts with the District contribution.

h. Allocated Insurance Contracts

The pension plan has not allocated insurance contracts that are excluded from pension plan assets.

i. Reserves

The pension plan has no reserves that are required to be disclosed under paragraph 30e of GASB Statement Number 67.

j. Deferred Retirement Option Program (DROP)

The District does not offer DROP.

18. EARLY RETIREMENT PROGRAM (continued)

k. Net Pension Liability

The components of the net pension liability of the District at June 30, 2014, were as follows:

Total Pension Liability	$26,618,963
Plan Fiduciary Net Position	(13,002,397)
District's Net Pension Liability	$13,616,566
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.84%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using the discount rate of 3.50 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50 percent) and 1-percentage point higher (4.50 percent) than the current rate.

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	$29,270,312	$26,618,963	$24,356,823
Plan Fiduciary Net Position	(13,002,397)	(13,002,397)	(13,002,397)
District's Net Pension Liability	$16,267,915	$13,616,566	$11,354,426

l. Discount Rate

The discount rate used to measure the total pension liability was 3.50 percent. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members. Therefore, the long term expected rate of return on pension plan investment was applied to all periods of projected benefit payments to determine the total pension liability.

19. POST EMPLOYMENT HEALTH CARE BENEFITS

a. Plan Description

The Postemployment Health Care Benefits Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical, and prescription drug coverage. Based on the valuation as of July 1, 2013, the District had 26,462 active employees and 1,242 retires and eligible dependants in the plan. The District subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. Separate financial statements for the Plan are not issued.

b. Funding Policy

The District via the Board can establish and amend the funding requirements. The District has assigned $20,950,596 of fund balance in the general fund for a portion of the net Other Post Employment Benefits obligation (OPEB), but has not advance funded the OPEB costs or the net OPEB obligation. For the 2014 fiscal year, retirees and eligible dependents received postemployment health care benefits, which are funded by the District on a pay as you go basis. The District provided contributions of $4,217,776 toward annual OPEB costs, comprised of benefit payments made on behalf of the retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums and net of retiree contributions totaling $9,196,314 which is about 1 percent of covered payroll.

c. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

Descriptions	Amount
Normal Cost (service cost for one year)	$ 16,461,158
Amortization of Unfunded Actuarial Accrued Liability	7,296,067
Interest on Normal Cost and Amortization	831,503
Annual Required Contribution (ARC)	24,588,728
Interest on Net OPEB Obligation (NOO)	2,629,636
Amortization of Net OPEB Obligation	(2,684,233)
Total Expense or Annual OPEB Cost (AOC)	24,534,131
Annual Contribution Toward OPEB Cost	(4,217,776)
Increase in Net OPEB Obligation	20,316,355
Net OPEB Obligation Beginning of Year	75,132,459
Net OPEB Obligation End of Year	$95,448,814

The District's annual OPEB cost, the Percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2014 was as follows:

Fiscal Year	Annual OPEB Cost	Annual Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	$24,534,131	$4,217,776	17.2%	$95,448,814
2013	23,903,947	3,504,578	14.7%	75,132,459
2012	18,635,570	3,921,558	21.0%	54,733,090

d. Funded Status and Funding Progress

As of June 30, 2014 the actuarial accrued liability for benefits was $191,669,324, all of which was unfunded. The covered payroll (annual payroll for active participating employees) was $1,064,282,519 for the 2014 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

e. Actuarial Methods and Assumptions

Actuarial methods and assumptions used for the OPEB calculations are as follows:

1. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

2. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

3. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

4. The actuarial methods and significant assumptions used in calculating the ARC for the current year and the funded status of the plan are from the actuarial valuation as of July 1, 2013 are:

(a). Entry age actuarial cost method
(b). Actuarial value of assets are fair value
(c). Investment rate of return 3.5%
(d). Salary scale is 4.0%
(e). Healthcare cost trend rate is 7.75% for fiscal year ended June 30, 2014 grading to 5.0% for fiscal year ending June 30, 2021.
(f). Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.0% per year.
(g). Inflation rate adjustment – 2.5%.

20. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage are being provided on a self-insured basis up to specified limits. Prior to July 18, 2007, the District entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis. Effective July 18, 2007 the District chose not to purchase excess coverage, but chose to set aside $500,000 per year to accumulate to a total of $5,000,000 to cover any excess claims. As of June 30, 2014, $3,500,000 has been set aside. The Board has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage for the past five fiscal years.

A liability in the amount of $17,224,246 was actuarially determined using a discount rate of 2.0% to cover reported and unreported insurance claims payable at June 30, 2014. It is estimated that $8,420,749 of the liability is current and due within one year. The remaining $8,803,497 will be due in future years.

20. RISK MANAGEMENT (continued)

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance program:

	Beginning-of-Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2012 – 2013	$15,992,106	$ 7,899,185	$(7,767,011)	$16,124,280
2013 – 2014	$16,124,280	$ 11,935,546	$(10,835,580)	$17,224,246

Claims and judgments are generally liquidated by the internal service funds that are funded by the general fund and special revenue funds.

21. COMMITMENTS AND CONTINGENCIES

Construction Contract Commitments

The following is a summary of major construction contract commitments remaining at June 30, 2014 (amounts in thousands):

DETAIL LISTING OF CONSTRUCTION IN PROGRESS

Description	Project Authorization	Expended Through 6/30/14	Committed
Additions	$ 6,893	$ 829	$ 6,064
Elementary	32,765	10,999	21,766
Middle	26,460	212	26,248
Other	985	627	358
Renovations	50,436	19,493	30,943
Improvements	2,028	1,045	983
Total	$ 119,567	$ 33,205	$ 86,362

Litigation

The District is involved in several pending and threatened legal actions. In the opinion of District management, the range of potential loss from all such claims and actions should not materially affect the financial condition of the District.

Grants and Contracts

The District participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the District.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
June 30, 2014
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30	Actuarial Value of Plan Assets	Actuarial Accrued Liability Entry Age (1)	Unfunded Actuarial Accrued Liability (3)	Funded Ratio (2)	Covered Payroll	Unfunded Actuarial Liability as a Percentage of Covered Payroll
2009	14,570,542	31,609,928 (4)	17,039,386	46.1%	31,812,283 (4)	53.56%
2010	15,024,428	38,190,854 (5)	23,166,426	39.3%	22,676,884 (5)	102.20%
2011	15,735,803	29,577,005 (6)	13,841,202	53.2%	N/A (6)	N/A
2012	15,470,853	28,536,584 (7)	13,065,731	54.2%	N/A (7)	N/A
2013	14,313,623	27,770,427 (8)	13,456,804	51.5%	N/A (8)	N/A
2014	13,601,965	26,618,963 (9)	13,016,998	51.1%	N/A (9)	N/A

Notes:
(1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
(2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
(3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
(4) Based on data from an actuarial valuation report as of July 1, 2008, dated July 10, 2009.
(5) Based on data from an actuarial valuation report as of July 1, 2009, dated September 24, 2010.
(6) Based on data from an actuarial valuation report as of July 1, 2010, dated August 18, 2011.
(7) Based on data from an actuarial valuation report as of July 1, 2011, dated July 1, 2012.
(8) Based on data from an actuarial valuation report as of July 1, 2012, dated January 25, 2013.
(9) Base on data from an actuarial valuation report as of July 1, 2013 dated July 23, 2014.

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2014
(UNAUDITED)

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Annual Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2005	1,990,860	1,932,629	58,231	177,676,884	1.09%
2006	2,283,533	1,988,593	294,940	186,742,083	1.06%
2007	3,640,027	3,843,945	(203,918)	187,094,809	2.05%
2008	3,690,335	3,756,041	(65,706	40,602,385	9.25%
2009	2,063,437	1,801,801	261,636	31,812,283	5.66%
2010	2,251,844	2,450,808	(198,964)	22,676,884	10.81%
2011	1,317,182	1,764,068	(446,886)	N/A	N/A
2012	1,341,630	879,714	461,916	N/A	N/A
2013	1,381,913	1,383,258	(1,345)	N/A	N/A
2014	1,402,918	1,401,167	1,751	N/A	N/A

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NET PENSION LIABILITY
June 30, 2014
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30	Total Pension Liability Entry Age	Plan Fiduciary Net Position	Districts' Net Pension Liability (Asset)	Plan Fiduciary Net Position As a Percentage Of The Total Pension Liability	Covered Payroll	Districts Net Pension Liability (Asset) as a Percentage Of Covered Payroll
2014	26,618,963	13,002,397	13,616,566	48.84%	N/A	N/A

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
LAST FISCAL YEAR
(UNAUDITED)

	2014
Total pension liability	
Service cost	$ -
Interest	968,355
Changes of benefit terms	-
Differences between expected and actual experience	(96,760)
Changes of assumptions	-
Benefit payments, including refunds of member contributions	(2,023,059)
Net change in total pension liability	(1,151,464)
Total pension liability - beginning	27,770,427
Total pension liability - ending (a)	$ 26,618,963
Plan fiduciary net position	
Contributions - employer	$ 1,355,705
Contributions - member	-
Net investment income	80,327
Benefit payment, including refunds of member contributions	(2,023,059)
Administrative expense	(12,540)
Other	-
Net change in plan fiduciary net position	(599,567)
Plan fiduciary net position - beginning	13,601,965
Plan fiduciary net position - ending (b)	$ 13,002,397
Net position liability (asset) - ending (a)-(b)	$ 13,616,566

Note: Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited - see accompanying independent auditor's report

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
SCHEDULE OF INVESTMENT RETURNS
LAST FISCAL YEAR
(UNAUDITED)

Fiscal Year Ended June 30,	Money Weighted Rate of Investment Return
2013	3.5%

Note: Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited - see accompanying independent auditor's report

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
POST EMPLOYMENT HEALTH CARE BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
June 30, 2014
(UNAUDITED)

Schedule of Funding Progress:

FISCAL YEAR ENDED JUNE 30	Actuarial Value of Plan Assets	Actuarial Accrued Liability Entry Age (1)	Unfunded Actuarial Accrued Liability (3)	Funded Ratio (2)	Covered Payroll	Unfunded Actuarial Liability as a Percentage of Covered Payroll
2009	-	139,930,959 (5)	139,930,959	0%	990,757,415 (4)	14.10%
2010	-	122,763,693 (6)	122,763,693	0%	964,984,023 (5)	12.70%
2011	-	144,887,062 (7)	144,887,062	0%	991,177,970 (6)	14.60%
2012	-	156,271,280 (8)	156,272,280	0%	979,901,112 (7)	15.9%
2013	-	194,788,495 (9)	194,788,495	0%	998,616,019 (8)	19.5%
2014	-	191,669,324 (10)	191,669,324	0%	1,064,282,519 (9)	18.0%

Notes:
(1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
(2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
(3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
(4) Based on data from an actuarial valuation report as of July 1, 2008, dated August 17, 2009.
(5) Based on data from an actuarial valuation report as of July 1, 2009, dated August 12, 2010.
(6) Based on data from an actuarial valuation report as of July 1, 2010, dated August 18, 2011
(7) Based on data from an actuarial valuation report as of July 2, 2011, dated June 1, 2012
(8) Base on data from an actuarial valuation report as of July 1, 2012, dated July 26, 2013
(9) Based on data from an actuarial valuation report as of July 1, 2013 dated August 11, 2014.

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
POST EMPLOYMENT HEALTH CARE BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2014
(UNAUDITED)

Fiscal Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	15,059,095	29.90%
2010	13,904,935	42.15%
2011	17,397,893	37.84%
2012	18,467,000	21.24%
2013	23,943,720	14.64%
2014	24,588,728	17.15%

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
June 30, 2014
(UNAUDITED)

The following are relevant to the supplemental early retirement pension:

1) Change in plan eligibility

As of July 1, 2010 the Supplemental Early Retirement Pension Plan was closed to any new participants.

2) Method and assumptions used in calculation of actuarially determined contribution:

Actuarial cost method

Entry age normal: This method determines a Normal Cost Rate for each employee that would have been appropriate had the plan always been in effect and had the employee joined when first eligible. Such rate is the level percentage of compensation which, if paid from entry into the plan until retirement would be sufficient to provide the projected retirement benefits. The total Normal Cost rate times such individual's current compensation. The Actuarial Accrued Liability is the present value of total benefits less the present value of future Normal Cost contributions.

Actuarial assumptions

Valuation Date	07/01/13
Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll-Closed
Amortization Period	30 Years
Asset Valuation Method	Fair Value
Actuarial Assumptions:	
Investment Rate of Return	3.5%
Projected Salary Increases	0%
Rate of Inflation Adjustment	None

The following is relevant to the post employment health care benefits:

3) Actuarial assumptions
   (a). Entry age actuarial cost method
   (b). Actuarial value of assets are fair value
   (c). Investment rate of return 3.5%
   (d) Salary scale is 4.0%
   (e). Healthcare cost trend rate is 7.75% for fiscal year ended June 30, 2014 grading to 5.0% for fiscal year ending June 30, 2021.
   (f). Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.0% per year.
   (g). Inflation rate adjustment – 2.5%

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Hillsborough County
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Nonmajor Governmental Funds

Special Revenue Funds

- **Food Services Fund** – Accounts for and reports on activities of the food service program.

Debt Service Funds

The Debt Service Funds account for the payment of interest and principal of the current portion of long-term debt, primarily from tax proceeds and earnings on temporary investments

- **State Board of Education Bond Funds** – Accounts for and reports on payments of principal, interest and related costs on various bond issues serviced by the State.
- **Special Act Bond Funds** - Accounts for and reports on the payment of principal, interest and related costs on bonds that are secured by the portion of the State racetrack funds.

Capital Projects Funds

The Capital Projects Funds account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects

- **Capital Outlay & Debt Service Funds** - Accounts for and reports on funds received from the State Board of Education Capital Outlay Bonds.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014
(amounts expressed in thousands)

	Special Revenue		Debt Service		
	Food Services	Total	State Board of Education Bond Funds	Special Act Bond Funds	Total
ASSETS					
Cash	$ 76	$ 76	$ -	$ -	$ -
Investments	35,502	35,502	1,576	1,105	2,681
Accounts receivable	261	261	-	-	-
Due from other governmental agencies	977	977	-	-	-
Due from other funds	254	254	-	-	-
Inventories	837	837	-	-	-
Total assets	$ 37,907	$ 37,907	$ 1,576	$ 1,105	$ 2,681
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 843	$ 843	$ -	$ -	$ -
Salaries and wages payable	4	$ 4	-	-	-
Due to other funds	520	520	-	-	-
Advanced revenue	1,020	1,020	-	-	-
Total liabilities	2,387	2,387	-	-	-
Fund balances					
Nonspendable	837	837	-	-	-
Restricted for:					-
Federal programs	34,683	34,683	-	-	-
Debt service	-	-	1,576	1,105	2,681
Capital projects	-	-	-	-	-
Total fund balances	35,520	35,520	1,576	1,105	2,681
Total liabilities and fund balances	$ 37,907	$ 37,907	$ 1,576	$ 1,105	$ 2,681

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014
(amounts expressed in thousands)

	Capital Projects		Total Nonmajor Governmental Funds
	Capital Outlay and Debt Service Funds	Total	
ASSETS			
Cash	$ -	$ -	$ 76
Investments	2,072	2,072	40,255
Accounts receivable	-	-	261
Due from other governmental agencies	-	-	977
Due from other funds	-	-	254
Inventories	-	-	837
Total assets	$ 2,072	$ 2,072	$ 42,660
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 112	$ 112	$ 955
Salaries and wages payable	-	-	4
Due to other funds	24	24	544
Advanced revenue	-	-	1,020
Total liabilities	136	136	2,523
Fund balances			
Nonspendable	-	-	837
Restricted for:			
Federal programs	-	-	34,683
Debt service	-	-	2,681
Capital projects	1,936	1,936	1,936
Total fund balances	1,936	1,936	40,137
Total liabilities and fund balances	$ 2,072	$ 2,072	$ 42,660

See accompanying independent auditors' report.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Special Revenue		Debt Service		
	Food Services	Total	State Board of Education Bond Funds	Special Act Bond Funds	Total
REVENUES					
Local sources:					
Food services	$ 25,022	$ 25,022	$ -	$ -	$ -
Interest income	44	44	-	1	1
Other	60	60	-	-	-
Total local sources	25,126	25,126	-	1	1
State sources:					
Food services	1,419	1,419	-	-	-
Other	-	-	6,807	447	7,254
Total state sources	1,419	1,419	6,807	447	7,254
Federal sources:					
Food services	81,060	81,060	-	-	-
Total federal sources	81,060	81,060	-	-	-
Total revenues	107,605	107,605	6,807	448	7,255
EXPENDITURES					
Current:					
Facilities acquisition and construction	-	-	-	-	-
Food services	102,524	102,524	-	-	-
Debt Service:					
Principal retirement	-	-	5,005	164	5,169
Interest	-	-	1,922	196	2,118
Dues, fees and other	-	-	125	7	132
Capital outlay:					
Facilities acquisition and construction	-	-	-	-	-
Other capital outlay	1,597	1,597	-	-	-
Total expenditures	104,121	104,121	7,052	367	7,419
Excess (deficiency) of revenues over (under) expenditures	3,484	3,484	(245)	81	(164)
OTHER FINANCING SOURCES (USES):					
Refunding bonds issued	-	-	2,486	-	2,486
Premium on sale of refunding bonds	-	-	397	-	397
Payments to refunded bond escrow agent	-	-	(2,158)	-	(2,158)
Transfers in	856	856	-	-	-
Total other financing sources and uses	856	856	725	-	725
Net change in fund balances	4,340	4,340	480	81	561
Fund balances - beginning	31,180	31,180	1,096	1,024	2,120
Fund balances - ending	$ 35,520	$ 35,520	$ 1,576	$ 1,105	$ 2,681

(Continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Capital Projects		
	Capital Outlay and Debt Service Funds	Total	Total Nonmajor Governmental Funds
REVENUES			
Local sources:			
Food services	$ -	$ -	$ 25,022
Interest income	3	3	48
Other	-	-	60
Total local sources	3	3	25,130
State sources:			
Food services	-	-	1,419
Other	736	736	7,990
Total state sources	736	736	9,409
Federal sources:			
Food services	-	-	81,060
Total federal sources	-	-	81,060
Total revenues	739	739	115,599
EXPENDITURES:			
Current:			
Facilities acquisition and construction	1,710	1,710	1,710
Food services	-	-	102,524
Debt Service:			
Principal retirement	-	-	5,169
Interest	-	-	2,118
Dues, fees and other	4	4	136
Capital outlay:			
Facilities acquisition and construction	116	116	116
Other capital outlay	-	-	1,597
Total expenditures	1,830	1,830	113,370
Excess (deficiency) of revenues over (under) expenditures	(1,091)	(1,091)	2,229
OTHER FINANCING SOURCES (USES):			
Refunding bonds issued	-	-	2,486
Premium on sale of refunding bonds	-	-	397
Payments to refunded bond escrow agent	-	-	(2,158)
Transfers in	-	-	856
Total other financing sources and uses	-	-	1,581
Net change in fund balances	(1,091)	(1,091)	3,810
Fund balances - beginning	3,027	3,027	36,327
Fund balances - ending	$ 1,936	$ 1,936	$ 40,137

See accompaning independent auditors' report.

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THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

NON MAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Food Services Fund			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
REVENUES:	Original	Final	Actual	
Local sources:				
Food services	$ 29,113	$ 25,418	$ 25,022	$ (396)
Interest income	41	66	44	(22)
Other	152	665	60	(605)
Total local sources	29,306	26,149	25,126	(1,023)
State sources:				
Food services	1,410	1,474	1,419	(55)
Other	-	33	-	(33)
Total state sources	1,410	1,507	1,419	(88)
Federal sources:				
Food services	64,903	82,478	81,060	(1,418)
Total federal sources	64,903	82,478	81,060	(1,418)
Total revenues	95,619	110,134	107,605	(2,529)
EXPENDITURES:				
Current:				
Food services	100,616	121,690	102,524	19,166
Capital outlay	-	1,597	1,597	-
Total expenditures	100,616	123,287	104,121	19,166
Excess (deficiency) of revenues over (under) expenditures	(4,997)	(13,153)	3,484	16,637
OTHER FINANCING SOURCES (USES):				
Transfers in	-	855	856	1
Total other financing sources and uses	-	855	856	1
Net change in fund balance	(4,997)	(12,298)	4,340	16,638
Fund balance - beginning	31,180	31,180	31,180	-
Fund balance - ending	$ 26,183	$ 18,882	$ 35,520	$ 16,638

See accompanying independent auditors' report.

DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	State Board of Education Bond Funds				Special Act Bond Funds				Other Debt Service Funds			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual		Original	Final	Actual		Original	Final	Actual	
REVENUES:												
Local sources:												
Local sales tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000	$ 21,000	$ 21,880	880
Interest income	-	-	-	-	2	2	1	(1)	631	659	633	(26)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	2	2	1	(1)	25,631	21,659	22,513	854
State sources:												
Capital Outlay and debt service withheld for SBE/COBI bonds	7,149	6,807	6,807	-	-	-	-	-	-	-	-	-
SBE/COBI bond interest	1	-	-	-	-	-	-	-	-	-	-	-
Racing commission funds	-	-	-	-	447	447	447	-	-	-	-	-
Total state sources	7,150	6,807	6,807	-	447	447	447	-	-	-	-	-
Total revenues	7,150	6,807	6,807	-	449	449	448	(1)	25,631	21,659	22,513	854
EXPENDITURES:												
Principal retirement	5,145	5,005	5,005	-	164	164	164	-	39,110	39,110	39,110	-
Interest	1,996	1,922	1,922	-	196	196	196	-	46,027	45,613	44,749	864
Dues, fees and other	9	125	125	-	-	7	7	-	643	860	852	8
Total expenditures	7,150	7,052	7,052	-	360	367	367	-	85,780	85,583	84,711	872
Excess (deficiency) of revenues over (under) expenditures	-	(245)	(245)	-	89	82	81	(1)	(60,149)	(63,924)	(62,198)	1,726
OTHER FINANCING SOURCES (USES):												
Refunding bonds issued	-	2,486	2,486	-	-	-	-	-	-	-	-	-
Premium on sale of refunding bonds	-	397	397	-	-	-	-	-	-	-	-	-
Refunding certificates of participation	-	-	-	-	-	-	-	-	-	39,950	39,950	-
Payments to refunded bond escrow agent	-	(2,158)	(2,158)	-	-	-	-	-	-	(40,262)	(40,262)	-
Transfers in	-	-	-	-	-	-	-	-	69,979	70,054	68,660	(1,394)
Transfers out	-	-	-	-	-	-	-	-	-	(75)	(75)	-
Total other financing sources and uses	-	725	725	-	-	-	-	-	69,979	69,667	68,273	(1,394)
Net change in fund balances	-	480	480	-	89	82	81	(1)	9,830	5,743	6,075	332
Fund balances - beginning	1,096	1,096	1,096	-	1,024	1,024	1,024	-	100,658	100,658	100,658	-
Fund balances - ending	$ 1,096	$ 1,576	$ 1,576	$ -	$ 1,113	$ 1,106	$ 1,105	$ (1)	$ 110,488	$ 106,401	$ 106,733	$ 332

(Continued)

DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Totals			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Local sources:				
Local sales tax	$ 25,000	$ 21,000	$ 21,880	$ 880
Interest income	633	661	634	(27)
Other	-	-	-	-
Total local sources	25,633	21,661	22,514	853
State sources:				
Capital Outlay and debt service withheld for SBE/COBI bonds	7,149	6,807	6,807	-
SBE/COBI bond interest	1	-	-	-
Racing commission funds	447	447	447	-
Total state sources	7,597	7,254	7,254	-
Total revenues	33,230	28,915	29,768	853
EXPENDITURES:				
Principal retirement	44,419	44,279	44,279	-
Interest	48,219	47,731	46,867	864
Dues, fees and other	652	992	984	8
Total expenditures	93,290	93,002	92,130	872
Excess (deficiency) of revenues over (under) expenditures	(60,060)	(64,087)	(62,362)	1,725
OTHER FINANCING SOURCES (USES):				
Refunding bonds issued	-	2,486	2,486	-
Premium on sale of refunding bonds	-	397	397	-
Refunding certificates of participation	-	39,950	39,950	-
Payments to refunded bond escrow agent	-	(42,420)	(42,420)	-
Transfers in	69,979	70,054	68,660	(1,394)
Transfers out	-	(75)	(75)	-
Total other financing sources and uses	69,979	70,392	68,998	(1,394)
Net change in fund balances	9,919	6,305	6,636	331
Fund balances - beginning	102,778	102,778	102,778	-
Fund balances - ending	$ 112,697	$ 109,083	$ 109,414	$ 331

See accompanying independent auditors' report.

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CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Capital Outlay & Debt Service Funds				Local Capital Improvement Funds			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
REVENUES:								
Local sources:								
Ad valorem taxes	$ -	$ -	$ -	$ -	$ 101,393	$ 101,549	$ 101,322	$ (227)
Local sales tax	-	-	-	-	-	-	-	-
Interest income	10	3	3	-	247	264	226	(38)
Other	-	-	-	-	-	1,572	1,572	-
Total local sources	10	3	3	-	101,640	103,385	103,120	(265)
State sources:								
Capital outlay distributed to district	720	720	700	(20)	-	-	-	-
Interest on undistributed CO & DS	68	68	36	(32)	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total state sources	788	788	736	(52)	-	-	-	-
Total revenues	798	791	739	(52)	101,640	103,385	103,120	(265)
EXPENDITURES:								
Current								
Facilities acquistion and construction	2,151	2,910	1,710	1,200	152,850	130,849	28,367	102,482
Debt Service								
Dues, fees and other	-	4	4	-	-	-	-	-
Capital outlay								
Facilities acquistion and construction	-	116	116	-	-	33,524	33,524	-
Total expenditures	2,151	3,030	1,830	1,200	152,850	164,373	61,891	102,482
Excess (deficiency) of revenues over (under) expenditures	(1,353)	(2,239)	(1,091)	1,148	(51,210)	(60,988)	41,229	102,217
OTHER FINANCING SOURCES (USES):								
Transfers out	-	-	-	-	(69,979)	(66,601)	(65,207)	1,394
Total other financing sources and uses	-	-	-	-	(69,979)	(66,601)	(65,207)	1,394
Net change in fund balances	(1,353)	(2,239)	(1,091)	1,148	(121,189)	(127,589)	(23,978)	103,611
Fund balances - beginning	3,027	3,027	3,027	-	127,628	127,628	127,628	-
Fund balances - ending	$ 1,674	$ 788	$ 1,936	$ 1,148	$ 6,439	$ 39	$ 103,650	$ 103,611

(Continued)

CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Other Capital Projects Funds				Totals			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
REVENUES:								
Local sources:								
Ad valorem taxes	$ -	$ -	$ -	$ -	$ 101,393	$ 101,549	$ 101,322	$ (227)
Local sales tax	-	4,000	4,000	-	-	4,000	4,000	-
Interest income	40	49	49	-	297	316	278	(38)
Other	14,371	18,042	18,004	(38)	14,371	19,614	19,576	(38)
Total local sources	14,411	22,091	22,053	(38)	116,061	125,479	125,176	(303)
State sources:								
Capital outlay distributed to district	-	-	-	-	720	720	700	(20)
Interest on undistributed CO & DS	-	-	-	-	68	68	36	(32)
Other	3,000	5,757	5,756	(1)	3,000	5,757	5,756	(1)
Total state sources	3,000	5,757	5,756	(1)	3,788	6,545	6,492	(53)
Total revenues	17,411	27,848	27,809	(39)	119,849	132,024	131,668	(356)
EXPENDITURES:								
Current								
Facilities acquistion and construction	54,022	62,801	61	62,740	209,023	196,560	30,138	166,422
Debt Service								
Dues, fees and other	-	-	-	-	-	4	4	-
Capital outlay								
Facilities acquistion and construction	-	9,933	9,933	-	-	43,573	43,573	-
Total expenditures	54,022	72,734	9,994	62,740	209,023	240,137	73,715	166,422
Excess (deficiency) of revenues over (under) expenditures	(36,611)	(44,886)	17,815	62,701	(89,174)	(108,113)	57,953	166,066
OTHER FINANCING SOURCES (USES):								
Transfers out	(3,000)	(9,135)	(9,135)	-	(72,979)	(75,736)	(74,342)	1,394
Total other financing sources and uses	(3,000)	(9,135)	(9,135)	-	(72,979)	(75,736)	(74,342)	1,394
Net change in fund balances	(39,611)	(54,021)	8,680	62,701	(162,153)	(183,849)	(16,389)	167,460
Fund balances - beginning	54,021	54,021	54,021	-	184,676	184,676	184,676	-
Fund balances - ending	$ 14,410	$ -	$ 62,701	$ 62,701	$ 22,523	$ 827	$ 168,287	$ 167,460

See accompanying independent auditors' report.

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Internal Service Funds

The Internal Service Funds account for the cost of the District's Insurance Funds

- **Workers Compensation Fund** - Accounts for and reports on the workers' compensation program.
- **Liability Self-Insurance Fund** - Accounts for and reports on the automobile and general liability programs.
- **Group Health Insurance Fund** – Accounts for and reports on the health insurance program.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014
(amounts expressed in thousands)

	Workers Compensation Fund	Liability Self Insurance Fund	Group Health Insurance Fund	Totals
ASSETS				
Current assets:				
Cash	$ 4,642	$ -	$ -	$ 4,642
Investments	93,406	7,525	21,486	122,417
Accounts receivable	22	10	168	200
Due from other governmental agencies	-	-	585	585
Total assets	98,070	7,535	22,239	127,844
LIABILITIES				
Current liabilities:				
Accounts payable	46	19	13,267	13,332
Advanced revenue	-	-	8,972	8,972
Estimated liability for claims	7,141	1,280	-	8,421
Total current liabilities	7,187	1,299	22,239	30,725
Noncurrent liabilities:				
Estimated liability for claims	6,347	2,456	-	8,803
Total noncurrent liabilities	6,347	2,456	-	8,803
Total liabilities	13,534	3,755	22,239	39,528
NET POSITION				
Unrestricted	84,536	3,780	-	88,316
Total net position	$ 84,536	$ 3,780	$ -	$ 88,316

See accompanying independent auditors' report.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Workers Compensation Fund	Liability Self Insurance Fund	Group Health Insurance Fund	Totals
OPERATING REVENUES:				
Premium revenue from other funds	$ -	$ -	$ 157,216	$ 157,216
Other revenue	1,396	74	-	1,470
Total operating revenues	1,396	74	157,216	158,686
OPERATING EXPENSES:				
Salaries	453	-	-	453
Benefits	155	-	-	155
Purchased services	268	41	-	309
Claims, premiums and other	8,515	2,985	157,216	168,716
Total operating expenses	9,391	3,026	157,216	169,633
Operating loss	(7,995)	(2,952)	-	(10,947)
NON-OPERATING REVENUE:				
Interest	329	10	-	339
Total non-operating revenue	329	10	-	339
Loss before transfers	(7,666)	(2,942)	-	(10,608)
TRANSFERS IN	-	3,080	-	3,080
TRANSFERS OUT	(12,032)	-	-	(12,032)
Change in net position	(19,698)	138	-	(19,560)
Total net position - beginning	104,234	3,642	-	107,876
Total net position - ending	$ 84,536	$ 3,780	$ -	$ 88,316

See accompanying independent auditors' report.

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Workers Compensation Fund	Liability Self Insurance Fund	Group Health Insurance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services provided	$ -	$ -	$ 157,126	$ 157,126
Payment to suppliers	(7,732)	(2,914)	(157,021)	(167,667)
Payment to employees	(608)	-	-	(608)
Other receipts	1,376	72	-	1,448
Net cash provided by (used in) operating activities	(6,964)	(2,842)	105	(9,701)
CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:				
Transfers from other funds	-	3,080	-	3,080
Transfers to other funds	(12,032)	-	-	(12,032)
Net cash provided by (used in) noncapital and related financing activities	(12,032)	3,080	-	(8,952)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	19,519	-	-	19,519
Purchase of investments	-	(248)	(105)	(353)
Interest and dividends earned on investments	329	10	-	339
Net cash provided by (used in) investing activities	19,848	(238)	(105)	19,505
Net increase in cash	852	-	-	852
Cash - Beginning of year	3,790	-	-	3,790
Cash - End of year	$ 4,642	$ -	$ -	$ 4,642
Reconciliation of operating loss to net cash provided by (used in) operating activities:				
Operating loss	$ (7,995)	$ (2,952)	$ -	$ (10,947)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(20)	(2)	17	(5)
(Increase) decrease in due from other governmental agencies	-	-	39	39
(Increase) decrease in accounts payable	46	17	156	219
Increase (decrease) in estimated liability for long-term claims	1,005	95	-	1,100
Increase (decrease) in deferred revenue	-	-	(107)	(107)
Total adjustments	1,031	110	105	1,246
Net cash provided by (used in) operating activities	$ (6,964)	$ (2,842)	$ 105	$ (9,701)

See accompanying independent auditors' report.

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Agency Funds

The Agency Funds account for resources held by the District as custodian for others

- **School Activity Fund** - Accounts for and reports on the school's activity funds.
- **Extended Year Fund** - Accounts for and reports on funds withheld to be paid at a later date.
- **Miscellaneous Depository Fund** – Accounts for and reports on the deposits held by the District on behalf of others.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	School Activity Fund				Extended Year Fund			
	Balances July 1, 2013	Additions	Deductions	Balances June 30, 2014	Balances July 1, 2013	Additions	Deductions	Balances June 30, 2014
ASSETS								
Cash	$ 16,162	$ 15,866	$ 16,161	$ 15,867	$ -	$ -	$ -	$ -
Investments	3,251	4	1,001	2,254	30,968	35,037	30,968	35,037
Inventory	242	161	242	161	-	-	-	-
Total assets	$ 19,655	$ 16,031	$ 17,404	$ 18,282	$ 30,968	$ 35,037	$ 30,968	$ 35,037
LIABILITIES								
Accounts payable	$ 1,738	$ 1,423	$ 1,738	$ 1,423	$ -	$ -	$ -	
Due to student organizations	17,917	24,128	25,186	16,859	-	-	-	-
Payroll deductions	-	-	-	-	30,968	35,037	30,968	35,037
Total liabilities	$ 19,655	$ 25,551	$ 26,924	$ 18,282	$ 30,968	$ 35,037	$ 30,968	$ 35,037

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Miscellaneous Depository Fund				Totals			
	Balances July 1, 2013	Additions	Deductions	Balances June 30, 2014	Balances July 1, 2013	Additions	Deductions	Balances June 30, 2014
ASSETS								
Cash	$ 29	$ -	$ -	$ 29	$ 16,191	$ 15,866	$ 16,161	$ 15,896
Investments	-	-	-	-	34,219	35,041	31,969	37,291
Inventory	-	-	-	-	242	161	242	161
Total assets	$ 29	$ -	$ -	$ 29	$ 50,652	$ 51,068	$ 48,372	$ 53,348
LIABILITIES								
Accounts payable	$ 29	$ -	$ -	$ 29	$ 1,767	$ 1,423	$ 1,738	$ 1,452
Due to student organizations	-	-	-	-	17,917	24,128	25,186	16,859
Payroll deductions	-	-	-	-	30,968	35,037	30,968	35,037
Total liabilities	$ 29	$ -	$ -	$ 29	$ 50,652	$ 60,588	$ 57,892	$ 53,348

See accompanying independent auditors' report.

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Component Units

- **Discretely Presented Component Units** - Accounts for and reports on the Hillsborough Education Foundation and the various Charter Schools

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2014
(amounts expressed in thousands)

	Advantage Academy of Hillsborough	Advantage Academy Middle School	Bell Creek Academy	Bell Creek Academy High School	Brooks DeBartolo Collegiate High School	Channelside Academy of Math and Science	Channelside Academy Middle School	Community Charter Middle School of Excellence	Community Charter School of Excellence	Florida Autism Charter School of Excellence	Focus Academy
ASSETS											
Cash	$ 192	$ 273	$ 155	$ 47	$ 1,958	$ 266	$ 91	$ 81	$ 43	$ 76	$ 31
Investments	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	23	-	13	-	7	8	11	18	1	82	3
Due from other governmental agencies	45	11	23	7	22	22	6	-	14	-	8
Other assets	-	-	-	-	-	-	-	-	-	-	-
Prepaid items	38	1	52	15	-	49	1	2	10	-	-
Capital Assets (Net of accumulated depreciation):											
Land	-	-	-	-	1,975	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	1,064	-	-	-	-	-	-
Improvements other than buildings	-	-	-	-	-	-	-	-	-	-	-
Buildings and systems	8	5	-	-	11,083	6	3	28	53	145	-
Furniture, fixtures and equipment	12	11	84	21	48	25	-	50	9	17	6
Motor vehicles	-	-	-	-	-	-	-	-	-	-	-
Property under capital leases	-	-	-	-	68	-	-	-	-	-	-
Audio visual materials	-	-	-	-	-	-	-	-	-	-	-
Total assets	318	301	327	90	16,225	376	112	179	130	320	48
DEFERRED OUTFLOWS											
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	-	-	-	-	-	-	-
LIABILITIES											
Accounts payable	51	62	37	19	745	50	4	6	129	351	2
Salaries and wages payable	122	36	174	24	-	102	45	88	-	-	16
Accrued payroll taxes and withholdings	-	-	-	-	-	-	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	-	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-	-	-	-	-
Advanced revenue	-	-	-	-	-	-	-	-	-	-	-
Derivative instrument - liabliity	-	-	-	-	-	-	-	-	-	-	-
Noncurrent liabilities:		-									
Due within one year	-	-	132	-	30	-	-	-	-	-	3
Due in more than one year	-	-	221	-	20,071	-	-	-	-	-	-
Total liabilities	173	98	564	43	20,846	152	49	94	129	351	21
NET POSITION											
Net investment in capital assets	20	16	(269)	21	(5,862)	31	3	78	62	162	3
Restricted for:											
Debt service	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	125	187	32	26	1,241	193	60	7	(61)	(193)	24
Total net position	$ 145	$ 203	$ (237)	$ 47	$ (4,621)	$ 224	$ 63	$ 85	$ 1	$ (31)	$ 27

(Continued)

STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2014
(amounts expressed in thousands)

	Henderson Hammock	Hillsborough Academy Of Math & Science	Kid's Community School	Kid's Community Middle School	Kid's Community School Southeast
ASSETS					
Cash	$ 942	$ 696	$ 61	$ 136	$ 24
Investments	-	-	-	-	-
Accounts receivable, net	18	-	98	2	5
Due from other governmental agencies	36	36	47	17	-
Other assets	-	-	-	-	-
Prepaid items	36	79	-	-	-
Capital Assets (Net of accumulated depreciation):					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Construction in progress	-	-	-	-	-
Improvements other than buildings	8	-	-	-	-
Buildings and systems	-	-	7	68	-
Furniture, fixtures and equipment	541	78	4	11	17
Motor vehicles	-	-	5	-	-
Property under capital leases	-	-	-	-	-
Audio visual materials	-	-	-	-	-
Total assets	1,581	889	222	234	46
DEFERRED OUTFLOWS					
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	-
LIABILITIES					
Accounts payable	67	57	26	10	16
Salaries and wages payable	264	199	-	-	-
Accrued payroll taxes and withholdings	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	-
Deposits payable	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Derivative instrument - liabliity	-	-	-	-	-
Noncurrent liabilities:					
Due within one year	243	107	-	64	-
Due in more than one year	253	199	-	-	-
Total liabilities	827	562	26	74	16
NET POSITION					
Net investment in capital assets	68	(228)	16	15	17
Restricted for:					
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other purposes	-	-	-	-	-
Unrestricted (deficit)	686	555	180	145	13
Total net position	$ 754	$ 327	$ 196	$ 160	$ 30

	KingsKid Academy of Health Sciences	Learning Gate Charter School	Literacy Leadership Technology Academy MS	Lutz Prepartory School	Legacy Preparatory Academy Inc.
ASSETS					
Cash	$ 28	$ 370	$ 477	$ 571	$ 4
Investments	-	1,439	-	-	-
Accounts receivable, net	-	-	-	39	-
Due from other governmental agencies	-	30	23	-	4
Other assets	-	57	-	-	-
Prepaid items	-	-	4	100	-
Capital Assets (Net of accumulated depreciation):					
Land	-	572	-	-	-
Land improvements	-	-	-	-	-
Construction in progress	-	-	-	-	-
Improvements other than buildings	-	42	-	283	-
Buildings and systems	-	4,416	143	648	-
Furniture, fixtures and equipment	-	128	-	34	8
Motor vehicles	-	-	-	-	9
Property under capital leases	-	-	26	-	-
Audio visual materials	-	-	-	-	1
Total assets	28	7,054	673	1,675	26
DEFERRED OUTFLOWS					
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	-
LIABILITIES					
Accounts payable	-	-	-	31	16
Salaries and wages payable	24	271	6	186	-
Accrued payroll taxes and withholdings	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	-
Deposits payable	-	-	-	44	-
Advanced revenue	-	-	-	-	-
Derivative instrument - liabliity	-	-	-	-	-
Noncurrent liabilities:					
Due within one year	-	175	48	117	-
Due in more than one year	-	6,824	88	464	-
Total liabilities	24	7,270	142	842	16
NET POSITION					
Net investment in capital assets	-	(1,785)	33	384	18
Restricted for:					
Debt service	-	1,440	-	-	
Capital outlay	-	-	-	-	-
Other purposes	-	-	-	-	-
Unrestricted (deficit)	4	129	498	449	(8)
Total net position	$ 4	$ (216)	$ 531	$ 833	$ 10

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2014
(amounts expressed in thousands)

	New Springs Elementary School	New Springs Middle School	Pepin Academies	Pepin Transtional School	Pivot Charter School	Richardson Academy Charter School	Seminole Heights Charter High School	Shiloh Elementary Charter School	Shiloh Middle Charter School	Tampa Charter School
ASSETS										
Cash	$ 75	$ 73	$ 1,735	$ 342	$ 343	$ 29	$ 1,254	$ 1,231	$ 457	$ 259
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	10	1	30	86	250	1	16	129	-	27
Due from other governmental agencies	9	5	-	-	22	-	28	26	12	-
Other assets	-	-	190	-	-	-	-	-	-	-
Prepaid items	-	-	30	-	14	3	54	2	1	-
Capital Assets (Net of accumulated depreciation):										
Land	-	-	1,237	-	-	208	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	41	-	-	-	-
Improvements other than buildings	-	-	-	-	-	-	-	298	-	-
Buildings and systems	22	2	3,042	-	234	51	102	204	150	25
Furniture, fixtures and equipment	3	12	264	18	465	17	317	52	5	4
Motor vehicles	-	-	-	-	-	-	-	-	-	-
Property under capital leases	-	-	-	-	-	-	-	-	-	-
Audio visual materials	-	-	-	-	-	-	-	-	-	-
Total assets	119	93	6,528	446	1,328	350	1,771	1,942	625	315
DEFERRED OUTFLOWS										
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	-	-	-	-	-	-
LIABILITIES										
Accounts payable	1	11	143	1	16	35	204	30	195	42
Salaries and wages payable	-	-	408	34	34	2	-	177	16	-
Accrued payroll taxes and withholdings	-	-	-	-	-	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	-	-	16	-	-	-
Deposits payable	-	-	-	-	-	-	-	-	-	-
Advanced revenue	-	-	-	-	-	-	11	-	-	-
Derivative instrument - liabliity	-	-	-	-	-	-	-	-	-	-
Noncurrent liabilities:										
Due within one year	-	-	353	-	-	-	-	-	-	-
Due in more than one year	-	-	2,667	-	-	-	-	-	-	-
Total liabilities	1	11	3,571	35	50	37	231	207	211	42
NET POSITION										
Net investment in capital assets	25	14	1,523	18	699	317	419	555	155	29
Restricted for:										
Debt service	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	38	-	-
Other purposes	-	-	5	-	-	-	-	-	-	-
Unrestricted (deficit)	93	68	1,429	393	579	(4)	1,121	1,142	259	244
Total net position	$ 118	$ 82	$ 2,957	$ 411	$ 1,278	$ 313	$ 1,540	$ 1,735	$ 414	$ 273

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2014
(amounts expressed in thousands)

	Terrace Community Charter School	Trinity School for Children	Valrico Lake Advantage Academy	The Village of Excellence Charter School	Walton Academy Charter School	W.E. Phillips Learning Academy	West University Charter High School	Winthrop Charter School	Woodmont Charter School	Hillsborough Education Foundation	TOTALS Component Units
ASSETS											
Cash	$ 1,330	$ 991	$ 1,211	$ 82	$ 25	$ -	$ 217	$ 2,360	$ 231	$ 10,896	$ 29,663
Investments	-	-	-	-	-	-	-	-	-	4,522	5,961
Accounts receivable, net	-	35	17	90	2	-	13	474	289	467	2,265
Due from other governmental agencies	57	-	30	-	59	-	26	49	-	-	674
Other assets	197	20	-	-	-	-	-	-	-	-	464
Prepaid items	-	14	68	-	-	-	41	9	7	3,756	4,386
Capital Assets (Net of accumulated depreciation):											
Land	2,525	1,532	-	-	-	-	-	-	-	-	8,049
Land improvements	-	250	-	-	-	-	-	-	-	-	250
Construction in progress	-	-	-	-	-	-	-	-	-	-	1,105
Improvements other than buildings	-	-	-	-	-	-	-	68	2	-	701
Buildings and systems	2,863	4,875	110	5	50	-	-	14,958	10,367	-	53,673
Furniture, fixtures and equipment	209	287	57	10	52	-	259	538	240	368	4,281
Motor vehicles	-	-	-	-	-	-	-	-	-	-	14
Property under capital leases	-	62	-	-	-	-	-	-	-	-	156
Audio visual materials	-	-	-	-	-	-	-	-	-	-	1
Total assets	7,181	8,066	1,493	187	188	-	556	18,456	11,136	20,009	111,643
DEFERRED OUTFLOWS											
Accumulated decrease in fair value of hedging derivatives	-	121	-	-	-	-	-	-	-	-	121
LIABILITIES											
Accounts payable	53	60	107	13	12	12	469	72	106	11,686	14,947
Salaries and wages payable	109	215	225	-	40	-	-	355	233	-	3,405
Accrued payroll taxes and withholdings	-	-	-	-	-	10	-	-	-	-	10
Due to other governmental agencies	-	-	-	-	-	-	13	1	-	-	30
Deposits payable	-	-	-	-	-	-	-	-	-	-	44
Advanced revenue	-	169	-	-	-	-	41	-	-	70	291
Derivative instrument - liabliity	-	121	-	-	-	-	-	-	-	-	121
Noncurrent liabilities:											
Due within one year	134	139	73	-	-	-	-	570	136	-	2,324
Due in more than one year	5,412	5,977	118	-	-	12	-	17,435	12,508	-	72,249
Total liabilities	5,708	6,681	523	13	52	34	523	18,433	12,983	11,756	93,421
NET POSITION											
Net investment in capital assets	1,107	864	(24)	15	102	-	259	(2,419)	(2,023)	368	(5,194)
Restricted for:											
Debt service	-	-	-	-	-	-	-	-	-	-	1,440
Capital outlay	-	-	-	-	-	-	-	-	-	-	38
Other purposes	-	-	-	-	-	-	-	-	-	7,307	7,312
Unrestricted (deficit)	366	642	994	159	34	(34)	(226)	2,442	176	578	14,747
Total net position	$ 1,473	$ 1,506	$ 970	$ 174	$ 136	$ (34)	$ 33	$ 23	$ (1,847)	$ 8,253	$ 18,343

STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Advantage Academy of Hillsborough	Advantage Academy Middle School	Bell Creek Academy	Bell Creek Academy High School	Brooks DeBartolo Collegiate High School
EXPENSES					
Instructional services	$ 1,213	$ 400	$ 1,877	$ 370	$ 1,629
Instructional support services	43	11	21	6	59
Pupil transportation services	68	29	9	1	8
Operation and maintenance of plant	172	71	266	47	403
Facilities acquistion and construction	284	122	414	104	-
School administration	175	76	257	54	558
General administration	307	112	376	112	75
Food services	141	45	106	25	132
Community services and other	94	-	50	11	76
Interest on long term debt	-	-	23	-	753
Unallocated depreciation/amortization expense	7	11	26	4	387
Total expenses	$ 2,504	$ 877	$ 3,425	$ 734	$ 4,080
PROGRAM REVENUES					
Charges for services	$ 98	$ 11	$ 67	$ 17	$ 28
Operating grants and contributions	152	39	175	-	55
Capital grants and contributions	133	68	215	72	-
Net program expenses	(2,121)	(759)	(2,968)	(645)	(3,997)
GENERAL REVENUES					
Grants and contributions not restricted to specific programs	2,104	837	2,586	668	2,637
Investment earnings	-	-	-	-	-
Miscellaneous	36	1	145	24	265
Total general revenues	2,140	838	2,731	692	2,902
Change in net position	19	79	(237)	47	(1,095)
Net position (deficit) - beginning, restated	126	124	-	-	(3,526)
Net position (deficit) - ending	$ 145	$ 203	$ (237)	$ 47	$ (4,621)

	Channelside Academy of Math and Science	Channelside Academy Middle School	Community Charter Middle School of Excellence	Community Charter School of Excellence	Florida Autism Charter School of Excellence	Focus Academy
EXPENSES						
Instructional services	$ 1,182	$ 253	$ 297	$ 412	$ 978	$ 189
Instructional support services	34	14	18	21	300	-
Pupil transportation services	-	-	4	11	43	3
Operation and maintenance of plant	187	45	75	147	208	18
Facilities acquistion and construction	402	106	-	-	-	92
School administration	177	45	91	213	170	181
General administration	355	94	142	255	288	22
Food services	111	22	36	132	10	8
Community services and other	91	3	-	-	22	19
Interest on long term debt	1	-	-	-	-	-
Unallocated depreciation/amortization expense	12	-	-	-	-	1
Total expenses	$ 2,552	$ 582	$ 663	$ 1,191	$ 2,019	$ 533
PROGRAM REVENUES						
Charges for services	$ 166	$ 52	$ -	$ -	$ 23	$ 7
Operating grants and contributions	96	15	65	118	21	9
Capital grants and contributions	146	42	-	48	-	-
Net program expenses	(2,144)	(473)	(598)	(1,025)	(1,975)	(517)
GENERAL REVENUES						
Grants and contributions not restricted to specific programs	2,277	505	503	888	1,682	504
Investment earnings	-	-	-	-	-	-
Miscellaneous	38	13	-	-	30	40
Total general revenues	2,315	518	503	888	1,712	544
Change in net position	171	45	(95)	(137)	(263)	27
Net position (deficit) - beginning, restated	53	18	180	138	232	-
Net position (deficit) - ending	$ 224	$ 63	$ 85	$ 1	$ (31)	$ 27

(Continued)

STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Henderson Hammock	Hillsborough Academy of Math & Science	Kid's Community School	Kid's Community Middle School	Kid's Community School Southeast
EXPENSES					
Instructional services	$ 3,064	$ 2,483	$ 1,398	$ 602	$ 661
Instructional support services	252	61	3	1	90
Pupil transportation services	105	3	-	-	-
Operation and maintenance of plant	1,437	285	222	107	198
Facilities acquistion and construction	-	434	693	204	440
School administration	-	311	474	218	243
General administration	834	529	135	70	68
Food services	342	237	365	61	78
Community services and other	99	125	8	5	3
Interest on long term debt	38	20	-	-	-
Unallocated depreciation/amortization expense	-	12	10	18	2
Total expenses	$ 6,171	$ 4,500	$ 3,308	$ 1,286	$ 1,783
PROGRAM REVENUES					
Charges for services	$ 315	$ 194	$ 36	$ 9	$ 15
Operating grants and contributions	680	268	243	39	205
Capital grants and contributions	379	267	85	93	-
Net program expenses	(4,797)	(3,771)	(2,944)	(1,145)	(1,563)
GENERAL REVENUES					
Grants and contributions not restricted to specific programs	5,538	3,975	2,295	1,132	1,222
Investment earnings	1	-	-	-	-
Miscellaneous	41	123	560	108	309
Total general revenues	5,580	4,098	2,855	1,240	1,531
Change in net position	783	327	(89)	95	(32)
Net position (deficit) - beginning, restated	(29)	-	285	65	62
Net position (deficit) - ending	$ 754	$ 327	$ 196	$ 160	$ 30

	Kings Kid Academy of Health Sciences	Learning Gate Charter School	Literacy Leadership Technology Academy MS	Lutz Prepartory School	Legacy Preparatory Academy Inc.
EXPENSES					
Instructional services	$ 245	$ 3,129	$ 1,825	$ 2,061	$ 289
Instructional support services	-	-	6	53	35
Pupil transportation services	-	-	-	-	44
Operation and maintenance of plant	100	353	272	333	67
Facilities acquistion and construction	-	305	464	351	81
School administration	208	842	541	447	248
General administration	59	154	38	142	48
Food services	7	156	10	23	145
Community services and other	-	63	112	133	-
Interest on long term debt	-	446	5	214	-
Unallocated depreciation/amortization expense	-	321	31	119	23
Total expenses	$ 619	$ 5,769	$ 3,304	$ 3,876	$ 980
PROGRAM REVENUES					
Charges for services	$ 18	$ 243	$ 137	$ -	$ -
Operating grants and contributions	26	16	-	-	250
Capital grants and contributions	-	349	237	-	46
Net program expenses	(575)	(5,161)	(2,930)	(3,876)	(684)
GENERAL REVENUES					
Grants and contributions not restricted to specific programs	565	4,944	3,226	3,641	602
Investment earnings	-	-	-	-	-
Miscellaneous	8	176	45	649	63
Total general revenues	573	5,120	3,271	4,290	665
Change in net position	(2)	(41)	341	414	(19)
Net position (deficit) - beginning, restated	6	(175)	190	419	29
Net position (deficit) - ending	$ 4	$ (216)	$ 531	$ 833	$ 10

(Continued)

STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	New Springs Elementary School	New Springs Middle School	Pepin Academies	Pepin Transtional School	Pivot Charter School
EXPENSES					
Instructional services	$ 734	$ 516	$ 3,901	$ 410	$ 608
Instructional support services	1	2	1,088	80	2
Pupil transportation services	-	-	17	9	132
Operation and maintenance of plant	118	76	847	49	75
Facilities acquistion and construction	192	93	(153)	(17)	170
School administration	210	151	1,427	219	335
General administration	127	103	101	22	116
Food services	17	8	287	17	-
Community services and other	14	22	112	249	1
Interest on long term debt	-	-	147	36	-
Unallocated depreciation/amortization expense	11	8	-	-	70
Total expenses	$ 1,424	$ 979	$ 7,774	$ 1,074	$ 1,509
PROGRAM REVENUES					
Charges for services	$ 2	$ 1	$ 189	$ 111	$ -
Operating grants and contributions	78	71		-	-
Capital grants and contributions	84	69	-	-	189
Net program expenses	(1,260)	(838)	(7,585)	(963)	(1,320)
GENERAL REVENUES					
Grants and contributions not restricted to specific programs	1,324	844	7,678	820	2,418
Investment earnings	-	-	-	-	-
Miscellaneous	31	35	346	165	160
Total general revenues	1,355	879	8,024	985	2,578
Change in net position	95	41	439	22	1,258
Net position (deficit) - beginning, restated	23	41	2,518	389	20
Net position (deficit) - ending	$ 118	$ 82	$ 2,957	$ 411	$ 1,278

	Richardson Academy Charter School	Seminole Heights Charter High School	Shiloh Elementary Charter School	Shiloh Middle Charter School	Tampa Charter School
EXPENSES					
Instructional services	$ 254	$ 1,039	$ 1,739	$ 622	$ 623
Instructional support services	5	236	28	13	11
Pupil transportation services	-	100	-	-	-
Operation and maintenance of plant	183	93	213	93	239
Facilities acquistion and construction	-	66	122	90	-
School administration	22	-	235	114	339
General administration	45	1,170	345	155	114
Food services	-	-	103	46	15
Community services and other	-	-	-	-	-
Interest on long term debt	-	-	-	-	-
Unallocated depreciation/amortization expense	-	-	31	15	-
Total expenses	$ 509	$ 2,704	$ 2,816	$ 1,148	$ 1,341
PROGRAM REVENUES					
Charges for services	$ -	$ -	$ 89	$ 35	$ 15
Operating grants and contributions	-	156	-	-	-
Capital grants and contributions	18	275	142	87	89
Net program expenses	(491)	(2,273)	(2,585)	(1,026)	(1,237)
GENERAL REVENUES					
Grants and contributions not restricted to specific programs	274	2,579	2,868	1,081	1,212
Investment earnings	-	-	-	-	-
Miscellaneous	1	-	113	68	67
Total general revenues	275	2,579	2,981	1,149	1,279
Change in net position	(216)	306	396	123	42
Net position (deficit) - beginning, restated	529	1,234	1,339	291	231
Net position (deficit) - ending	$ 313	$ 1,540	$ 1,735	$ 414	$ 273

(Continued)

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY

STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(amounts expressed in thousands)

	Terrace Community Charter School	Trinity School for Children	Valrico Lake Advantage Academy	The Village of Excellence Charter School	Walton Academy Charter School	W.E. Phillips Learning Academy	West University Charter High School	Winthrop Charter School	Woodmont Charter School	Hillsborough Education Foundation	TOTALS Component Units
EXPENSES											
Instructional services	$ 2,824	$ 2,488	$ 2,329	$ 1,185	$ 545	$ 152	$ 536	$ 4,348	$ 2,909	$ -	$ 52,319
Instructional support services	-	1,699	18	62	1	1	190	183	267	-	4,915
Pupil transportation services	-	-	9	58	7	24	1	-	105	-	790
Operation and maintenance of plant	96	538	281	76	96	22	218	1,276	1,064	-	10,666
Facilities acquistion and construction	78	-	682	131	147	15	63	-	-	-	6,175
School administration	894	391	254	395	324	59	-	-	-	-	10,898
General administration	358	211	471	89	94	29	775	761	573	608	10,482
Food services	140	-	150	131	100	6	53	329	279	-	3,873
Community services and other	-	336	85	-	55	3	-	209	58	5,738	7,796
Interest on long term debt	321	343	14	-	-	-	-	1,887	1,287	-	5,535
Unallocated depreciation/amortization expense	8	303	32	11	44	-	-	-	-	-	1,517
Total expenses	$ 4,719	$ 6,309	$ 4,325	$ 2,138	$ 1,413	$ 311	$ 1,836	$ 8,993	$ 6,542	$ 6,346	$ 114,966
PROGRAM REVENUES											
Charges for services	$ 438	$ 1,521	$ 150	$ 1	$ -	$ -	$ -	$ 491	$ 98	$ -	$ 4,577
Operating grants and contributions	395	-	106	233	156	8	198	639	523	-	5,035
Capital grants and contributions	-	-	267	91	71	-	202	547	-	-	4,311
Net program expenses	(3,886)	(4,788)	(3,802)	(1,813)	(1,186)	(303)	(1,436)	(7,316)	(5,921)	(6,346)	(101,043)
GENERAL REVENUES											
Grants and contributions not restricted to specific programs	3,989	4,688	4,219	1,810	1,139	323	1,918	7,899	4,076	5,733	99,223
Investment earnings	-	-	-	-	-	-	-	-	-	497	498
Miscellaneous	1	224	62	17	85	18	-	58	1,278	279	5,682
Total general revenues	3,990	4,912	4,281	1,827	1,224	341	1,918	7,957	5,354	6,509	105,403
Change in net position	104	124	479	14	38	38	482	641	(567)	163	4,360
Net position (deficit) - beginning, restated	1,369	1,382	491	160	98	(72)	(449)	(618)	(1,280)	8,090	13,983
Net position (deficit) - ending	$ 1,473	$ 1,506	$ 970	$ 174	$ 136	$ (34)	$ 33	$ 23	$ (1,847)	$ 8,253	$ 18,343

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Statistical Section

(UNAUDITED)

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

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District Statistics

This part of the School District of Hillsborough County, Florida's comprehensive annual financial report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the District's overall financial health.

Contents **Page**

Financial Trends 132
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity 142
These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.

Debt Capacity 149
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 156
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information 160
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
NET POSITION BY COMPONENT - GOVERNMENT-WIDE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts in thousands)

	Fiscal Year									
	2014*	2013	2012	2011	2010	2009	2008	2007	2006	2005
Government activities:										
Net investement in capital assets	$ 1,260,998	$ 1,266,015	$ 1,286,749	$ 1,290,343	$ 1,291,084	$ 1,281,259	$ 1,221,625	$ 1,061,281	$ 907,396	$ 870,883
Restricted	325,925	326,545	311,514	317,770	315,339	334,538	352,028	405,590	340,987	292,200
Unrestricted	47,980	132,606	190,751	262,804	243,337	242,698	280,693	224,479	77,626	593
Total governmental activities net position	$ 1,634,903	$ 1,725,166	$ 1,789,014	$ 1,870,917	$ 1,849,760	$ 1,858,495	$ 1,854,346	$ 1,691,350	$ 1,326,009	$ 1,163,676

*The District adopted GASB Statement No. 65 during fiscal 2014.
Prior year amounts have not been restated.

Note: The District has no business-type activities.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
CHANGES IN NET POSITION - GOVERNMENT WIDE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts in thousands)

	Fiscal Year									
	2014*	2013	2012	2011	2010	2009	2008	2007	2006	2005
EXPENSES										
Instructional services	$ 1,114,285	$ 1,032,881	$ 1,014,459	$ 1,049,491	$ 1,014,163	$ 1,039,995	$ 1,015,155	$ 922,111	$ 842,419	$ 773,361
Instructional support services	232,838	219,710	226,563	235,341	215,612	208,454	206,740	190,456	161,465	135,841
Pupil transportation services	72,786	70,806	70,253	71,489	67,484	68,086	67,755	64,586	62,726	58,847
Operation and maintenance of plant	139,024	139,205	137,589	137,588	140,495	138,449	135,825	127,681	121,611	110,370
Non capitalizable facilities acquisition and construction	118,081	111,836	110,901	109,258	119,075	120,159	120,088	109,174	96,234	103,066
School administration	96,080	91,712	90,299	93,816	92,927	93,055	93,300	87,416	83,111	79,215
General administration	62,875	47,052	43,560	48,391	47,814	42,140	44,061	45,191	40,236	46,366
Food services	105,851	95,897	90,591	87,967	84,171	85,406	85,984	84,708	80,150	77,408
Community services and other	85,307	83,642	84,246	84,274	84,771	83,080	76,885	76,637	70,645	54,744
Interest on long term debt	44,214	48,411	48,414	51,891	54,111	56,862	59,426	56,641	51,253	46,017
Unallocated depreciation/amortization expense	297	344	536	458	508	325	299	240	773	524
Total primary government expenses	$ 2,071,638	$ 1,941,496	$ 1,917,411	$ 1,969,964	$ 1,921,131	$ 1,936,011	$ 1,905,518	$ 1,764,841	$ 1,610,623	$ 1,485,759
PROGRAM REVENUES										
Charges for services:										
Adult course and childcare fees	$ 23,451	$ 22,654	$ 22,505	$ 20,237	$ 18,866	$ 19,922	$ 17,855	$ 15,879	$ 11,630	$ 10,820
Transportation	2,805	3,127	2,939	2,719	3,020	2,912	3,410	2,337	2,576	2,112
Food Services	25,022	24,985	25,422	26,967	28,771	31,558	32,626	35,014	35,585	31,438
Operating grants and contributions	82,478	74,682	70,022	67,857	64,238	95,479	88,182	86,845	83,155	78,181
Capital grants and contributions	7,658	7,747	7,744	16,424	10,866	24,745	70,559	189,809	36,625	32,269
Total primary government program revenues	141,414	133,095	128,632	134,204	125,761	174,616	212,632	329,884	169,571	154,820
Total primary government net (expenses) revenues	(1,930,224)	(1,808,401)	(1,788,779)	(1,835,760)	(1,795,370)	(1,761,395)	(1,692,886)	(1,434,957)	(1,441,052)	(1,330,939)
GENERAL REVENUES										
Property taxes:										
Levied for general purposes	$ 418,313	$ 408,137	$ 417,155	$ 410,958	$ 469,726	$ 517,236	$ 467,057	$ 441,424	$ 369,587	$ 334,149
Levied for debt services	-	-	-	-	-	-	-	2	586	9,966
Levied for capital projects	101,322	96,078	97,610	101,243	114,015	150,328	169,121	151,610	124,660	108,114
Sales taxes	25,880	24,661	23,605	22,651	21,858	22,892	24,765	26,761	28,408	23,248
Unrestricted grants and contributions	1,220,399	1,132,298	1,098,296	1,262,550	1,140,127	1,035,072	1,124,991	1,103,785	1,016,045	914,133
Investment earnings	2,454	6,176	4,360	7,296	14,487	844	30,668	41,383	26,383	14,525
Miscellaneous	80,024	77,203	65,850	52,219	38,651	39,172	39,280	35,333	37,716	31,770
Total primary government general revenues	$ 1,848,392	$ 1,744,553	$ 1,706,876	$ 1,856,917	$ 1,798,864	$ 1,765,544	$ 1,855,882	$ 1,800,298	$ 1,603,385	$ 1,435,905
CHANGE IN NET POSITION										
Total primary government	$ (81,832)	$ (63,848)	$ (81,903)	$ 21,157	$ 3,494	$ 4,149	$ 162,996	$ 365,341	$ 162,333	$ 104,966

Note: The District has no business-type activities.

Source: District Records

* The District adopted GASB Statement No. 65 during fiscal 2014.
Prior year amounts have not been restated.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year Ending June 30,	Property Tax: General Purposes	Property Tax: Debt Service	Property Tax: Capital Projects	Sales Tax	Total
2014	$ 418,312,866	$ -	$ 101,321,821	$ 25,879,851	$ 545,514,538
2013	408,137,021	-	96,077,474	24,660,463	528,874,958
2012	417,155,104	-	97,610,428	23,604,577	538,370,109
2011	410,958,535	-	101,243,466	22,650,963	534,852,964
2010	469,725,783	-	114,014,998	21,857,951	605,598,732
2009	517,235,374	-	150,328,238	22,892,186	690,455,798
2008	467,057,120	-	169,121,245	24,764,880	660,943,245
2007	441,423,769	2,270	151,609,644	26,761,104	619,796,787
2006	369,587,219	586,175 1	124,659,828	28,408,346	523,241,568
2005	334,149,105	9,966,205	108,113,613	23,247,804	475,476,726

1) Fiscal year 2006 was the last payment for general obligation debt.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts in thousands)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Fund balances										
Nonspendable	$ 5,088	$ 5,223	$ 4,955	$ 4,742	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	31,063	30,383	25,477	25,164	-	-	-	-	-	-
Assigned	97,685	137,867	172,409	236,055	-	-	-	-	-	-
Unassigned	95,796	95,796	95,796	95,100	-	-	-	-	-	-
Reserved	-	-	-	-	54,915	46,436	43,935	53,642	77,173	54,809
Unreserved	-	-	-	-	288,255	295,405	338,048	280,858	147,774	94,704
Total general fund	$ 229,632	$ 269,269	$ 298,637	$ 361,061	$ 343,170	$ 341,841	$ 381,983	$ 334,500	$ 224,947	$ 149,513
All Other Governmental Funds										
Nonspendable	837	866	774	667						
Restricted for:										
Federal programs	34,683	30,314	24,119	18,994						
Debt service	109,414	102,778	91,609	95,450						
Capital projects	168,287	184,676	217,427	274,997						
Reserved reported in:										
Other governmental funds	-	-	-	-	$ 48,339	$ 83,485	$ 150,611	$ 188,964	$ 40,631	$ 54,989
Debt services	-	-	-	-	89,560	90,291	91,147	83,881	74,813	69,821
Unreserved, Reported in:										
Special revenue funds	-	-	-	-	13,341	5,224	52	66	164	-
Capital projects funds	-	-	-	-	212,839	250,868	326,485	408,025	394,070	380,055
Total all other governmental funds	$ 313,221	$ 318,634	$ 333,929	$ 390,108	$ 364,079	$ 429,868	$ 568,295	$ 680,936	$ 509,678	$ 504,865

Note:
The change in fund balance presentations from fiscal year 2010 to 2011 is due to the implemented GASB 54 for the fical year ended June 30, 2011.
See notes for explination of new presentation.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting
(amounts expressed in thousands)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
REVENUES										
Local sources:										
Ad valorem taxes	$ 519,635	$ 504,215	$ 514,765	$ 512,202	$ 583,741	$ 667,563	$ 636,178	$ 593,035	$ 494,833	$ 452,229
Local sales tax	25,880	24,661	23,605	22,651	21,858	22,892	24,765	26,761	28,408	23,248
Food services	25,022	24,885	25,422	26,967	28,771	31,549	32,708	35,046	35,714	31,438
Interest income	2,115	5,411	3,708	5,935	9,134	(83)	29,692	40,633	25,471	12,899
Other	101,273	104,666	92,345	76,797	66,603	65,286	58,282	53,490	48,988	43,495
Total local sources	673,925	663,838	659,845	644,552	710,107	787,207	781,625	748,965	633,414	563,309
State sources:										
Florida education finance program	696,124	620,982	577,088	610,790	547,771	518,746	620,999	627,185	604,072	573,732
Public education capital outlay	-	-	-	8,673	3,115	16,962	30,576	42,557	20,559	14,507
Categorical programs	263,615	261,253	255,284	251,296	244,294	302,285	298,558	254,834	203,709	150,161
Class size reduction	-	-	-	-	-	-	32,338	139,683	8,520	10,418
Workforce development	28,708	30,434	30,603	29,139	29,770	32,392	34,254	35,124	32,186	31,359
Food services	1,419	1,406	1,475	1,455	1,476	1,470	1,449	1,420	1,447	1,434
Other	17,896	14,396	13,700	13,343	13,483	14,215	16,062	25,190	16,282	18,642
Total state sources	1,007,762	928,471	878,150	914,696	839,909	886,070	1,034,236	1,125,993	886,775	800,253
Federal sources:										
Food services	81,060	73,276	68,547	66,401	62,761	58,220	50,900	48,286	45,424	42,027
Federal grants direct	18,891	15,152	23,406	17,897	19,715	21,940	13,649	2,995	9,882	9,657
Federal grants through state	151,199	144,218	151,680	286,615	232,208	132,055	127,268	142,510	137,796	162,391
Federal grants through local	51,623	53,610	54,279	61,221	60,638	57,011	57,678	60,656	55,948	10,256
Total federal sources	302,773	286,256	297,912	432,134	375,322	269,226	249,495	254,447	249,050	224,331
Total revenues	1,984,460	1,878,565	1,835,907	1,991,382	1,925,338	1,942,503	2,065,356	2,129,405	1,769,239	1,587,893
EXPENDITURES										
Current:										
Instructional services:										
Basic programs	856,439	801,529	787,946	811,299	782,153	799,155	769,261	697,145	639,149	581,529
Exceptional child programs	176,665	159,592	161,653	174,859	167,394	172,096	169,017	162,053	142,874	136,810
Adult and vocational technical programs	55,613	53,993	52,698	57,767	59,208	61,299	66,310	65,080	58,231	52,235
Total instructional services	1,088,717	1,015,114	1,002,297	1,043,925	1,008,755	1,032,550	1,004,588	924,278	840,254	770,574
Instructional support services:										
Pupil personnel services	80,105	74,534	73,816	77,390	75,521	76,684	76,711	74,626	65,829	61,219
Instructional media services	22,933	21,683	22,164	22,556	22,240	24,639	24,050	26,001	25,269	23,322
Instruction and curriculum development services	48,587	42,694	48,866	53,817	46,299	45,205	46,081	40,637	36,367	38,574
Instructional staff training services	42,386	47,950	46,876	52,302	44,544	36,704	33,151	28,450	16,878	12,098
Instructional related technology	32,955	28,137	30,686	27,150	26,129	22,733	23,936	19,307	11,672	-
Total instructional support services	226,966	214,998	222,408	233,215	214,733	205,965	203,929	189,021	156,015	135,213
Pupil transportation services	69,447	66,576	67,340	69,863	65,559	65,946	65,370	63,084	61,240	56,432
Operation and maintenance of plant:										
Operation of plant	107,957	107,455	109,076	109,343	113,399	109,009	106,956	101,414	96,867	84,770
Maintenance of plant	26,810	27,555	27,294	29,031	28,163	30,040	29,280	28,169	27,442	27,304
Total operation and maintenance of plant	134,767	135,010	136,370	138,374	141,562	139,049	136,236	129,583	124,309	112,074
School administration	94,018	89,472	88,662	93,777	92,653	92,249	91,713	86,624	82,301	78,013
General administration:										
Central services	37,126	25,313	24,657	26,504	24,263	21,163	18,578	16,980	16,269	23,536
Board of education	2,454	1,519	1,277	1,443	1,546	1,357	1,160	1,166	1,659	4,227
General administration	11,945	10,584	9,678	11,384	12,075	10,138	12,573	15,907	12,495	10,227
Fiscal services	7,714	7,194	6,551	7,546	7,526	6,916	8,994	7,725	7,138	5,487
Administrative technology services	1,000	602	602	583	518	642	535	489	447	-
Total general administration	60,239	45,212	42,770	47,460	45,928	40,216	41,840	42,267	38,008	43,477

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting
(amounts expressed in thousands)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Non-capitalizable facilities acquisition and construction	31,415	26,400	26,283	27,122	38,516	47,060	52,016	45,519	41,180	50,720
Food services	102,873	93,553	89,778	88,585	84,613	85,787	86,550	85,913	81,239	77,544
Community services and other	85,179	83,565	84,229	84,208	84,784	83,038	76,787	76,567	70,643	54,610
Debt Service:										
Principal retirement	44,279	41,659	50,502	38,206	36,494	35,022	32,075	27,878	37,933	32,038
Interest	46,867	47,071	50,318	49,930	53,244	58,154	57,254	55,597	49,993	48,203
Dues, fees and other	988	961	1,668	1,729	4,203	1,302	602	2,769	2,372	4,068
Capital outlay										
Facilities Acquistions & Construction	44,231	55,841	83,995	68,878	101,848	222,705	273,211	191,970	237,851	205,796
Other capital outlay	8,889	7,796	8,898	13,652	14,395	9,814	12,348	14,223	16,133	7,714
Total expenditures	2,038,875	1,923,228	1,955,518	1,998,924	1,987,287	2,118,857	2,134,519	1,935,293	1,839,471	1,676,476
Excess (deficiency) of revenues over (under) expenditures	(54,415)	(44,663)	(119,611)	(7,542)	(61,949)	(176,354)	(69,163)	194,112	(70,232)	(88,583)
OTHER FINANCING SOURCES (USES):										
Long term bonds issued	-	-	-	3,235	675	-	5,085	-	58,510	4,560
Premium on sale of bonds	-	-	-	295	18	-	184	-	20	47
Discount on sale of bonds	-	-	-	-	-	-	-	(1,818)	(18)	-
Refunding bonds issued	2,486	-	1,685	970	3,945	-	-	47,515	37,360	127,975
Premium on sale of refunding bonds	397	-	257	157	362	-	-	1,606	3,637	10,296
Certificates of participation issued	-	-	-	37,935	-	-	-	84,685	89,437	89,750
Premium on sale of certificates of participation	-	-	16,280	-	3,898	1,095	-	3,533	2,028	828
Discount on sale of certificates of participation	-	-	-	-	(664)	-	-	(410)	-	-
Proceeds from sale of capital assets	-	-	93	-	-	-	1,257	327	3,776	4,609
Refunding certificates of participation	39,950	-	124,565	-	97,545	109,830	-	77,900	-	48,915
Payments to refunded bond escrow agent	(42,420)	-	(141,872)	(1,130)	(105,720)	(110,570)	-	(125,564)	(40,856)	(187,871)
Proceeds from capital leases	-	-	-	-	-	-	-	1,343	-	-
Transfers in	83,396	70,972	69,194	77,400	73,641	80,669	71,999	63,487	61,436	61,801
Transfers out	(74,444)	(70,972)	(69,194)	(67,400)	(76,211)	(83,239)	(74,520)	(65,905)	(64,851)	(62,882)
Total other financing sources and uses	9,365	-	1,008	51,462	(2,511)	(2,215)	4,005	86,699	150,479	98,028
Net change in fund balances	(45,050)	(44,663)	(118,603)	43,920	(64,460)	(178,569)	(65,158)	280,811	80,247	9,445
Fund balances - beginning	587,903	632,566	751,169	707,249	771,709	950,278	1,015,436	734,625	654,378	644,933
Fund balances - ending	$ 542,853	$ 587,903	$ 632,566	$ 751,169	$ 707,249	$ 771,709	$ 950,278	$ 1,015,436	$ 734,625	$ 654,378
Debt service as a percentage of non-capital expenditures	4.59%	4.77%	5.41%	4.60%	4.80%	4.94%	4.83%	4.83%	5.55%	5.48%

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Property Tax General Purposes	Property Tax Debt Service	Property Tax Capital Projects	Sales Tax	Total
2014	$ 418,312,866	$ -	$101,321,821	$ 25,879,851	$ 545,514,539
2013	408,137,021	-	96,077,474	24,660,463	528,874,958
2012	417,155,104	-	97,610,428	23,604,577	538,370,109
2011	410,958,535	-	101,243,466	22,650,963	534,852,964
2010	469,725,783	-	114,014,998	21,857,951	605,598,732
2009	517,235,374	-	150,328,238	22,892,186	690,455,798
2008	467,057,120	-	169,121,245	24,764,880	660,943,245
2007	441,423,769	2,270	151,609,644	26,761,104	619,796,787
2006	369,587,219	586,175 [1]	124,659,828	28,408,346	523,241,568
2005	334,149,105	9,966,205	108,113,613	23,247,804	475,476,726

1. Fiscal year 2006 was the last payment for general obligation debt.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Net Taxable Value for the School District: Residential Property	Commercial Property	Industrial Property	Total	Total Direct Tax Rate	Net Assessed Value	Net Taxable Value as a Percentage of of Net Assessed Value
2014	$ 44,158,619	$ 21,686,777	$ 3,723,569	$ 69,568,965	7.6900	$ 87,642,064	79.38%
2013	40,557,101	21,309,556	3,970,024	65,836,681	7.8770	83,787,329	78.58%
2012	36,420,767	27,208,584	3,730,500	67,359,851	7.9130	85,121,195	79.13%
2011	39,993,330	26,403,397	3,957,846	70,354,573	7.5920	88,512,696	79.49%
2010	44,400,315	29,802,280	4,317,137	78,519,732	7.6920	91,800,328	85.53%
2009	53,254,024	31,189,571	4,804,756	89,248,351	7.7770	110,127,213	81.04%
2008	53,207,245	29,807,452	4,590,349	87,605,046	7.5230	114,865,796	76.27%
2007	46,131,700	28,126,322	4,170,474	78,428,496	7.8230	105,425,340	74.39%
2006	36,438,698	24,830,385	3,306,308	64,575,391	7.9370	83,476,837	77.36%
2005	30,580,853	22,570,457	2,971,164	56,122,474	8.3609	70,713,902	79.37%

Note: Net Taxable Values are net Assessed Values after deducting allowable statutory exemptions.

Source: Hillsborough County Property Appraiser

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
RATES PER $1,000 ASSESSED VALUATION

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
District School Board:										
Local Required Effort	5.4420	5.6290	5.6650	5.3440	5.4440	5.3040	4.7840	5.0630	5.1680	5.4930
Discretionary Local	0.7480	0.7480	0.7480	0.7480	0.7480	0.4980	0.5100	0.5100	0.5100	0.5100
Supplemental Discretionary	0.0000	0.0000	0.0000	0.0000	0.0000	0.2250	0.2290	0.2500	0.2500	0.1740
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0090	0.1839
Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000	1.7500	2.0000	2.0000	2.0000	2.0000
Total District School Board	7.6900	7.8770	7.9130	7.5920	7.6920	7.7770	7.5230	7.8230	7.9370	8.3609
Other County-Wide:										
Board of County Commissioners	5.7960	5.7978	5.7995	5.8011	5.8027	5.8043	5.8050	6.5867	7.0097	7.2722
Tampa Port Authority	0.1750	0.1850	0.1900	0.1900	0.1925	0.1950	0.1982	0.2200	0.2600	0.2600
Children's Board	0.4828	0.5000	0.5000	0.5000	0.5000	0.5000	0.4634	0.5000	0.5000	0.5000
S.W. Florida Water Management	0.3818	0.3928	0.3928	0.3770	0.3866	0.3866	0.3866	0.4220	0.4220	0.4220
Total County-Wide	14.5256	14.7526	14.7953	14.4601	14.5738	14.6629	14.3762	15.5517	16.1287	16.8151
Non-County Wide:										
Board of County Commissioners										
Public Library Service (1)	0.5583	0.5583	0.5583	0.5583	0.5583	0.5583	0.6083	0.6923	0.6923	0.6423
Municipal Service Tax	4.3745	4.3745	4.3745	4.3745	4.3745	4.3745	4.3755	4.9954	5.1621	5.0621
Parks & Recreation (unincorporated)	0.0259	0.0259	0.0259	0.0259	0.0259	0.0259	0.0259	0.0286	0.0359	0.0398
Independent Special Districts										
SWFWMD Watershed Basins(2)										
Alafia River Basin	0.0000	0.0000	0.0000	0.2163	0.2163	0.2163	0.2163	0.2400	0.2400	0.2400
Hillsborough River Basin	0.0000	0.0000	0.0000	0.2300	0.2421	0.2547	0.2547	0.2850	0.2850	0.2850
N.W. Hillsborough River Basin	0.0000	0.0000	0.0000	0.0000	0.0000	0.2421	0.2421	0.2680	0.2680	0.2680
Transit Authority	0.0000	0.5000	0.5000	0.4682	0.4682	0.4682	0.4495	0.5000	0.5000	0.5000
Tampa Palms C.D.D.	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	2.6000	2.6000	2.6000
Municipalities:										
Tampa	5.7326	5.7326	5.7326	5.7326	5.7326	5.7326	5.7326	6.4080	6.5390	6.5390
Plant City	4.7157	4.7157	4.7157	4.7157	4.7157	4.1653	4.1653	4.7000	4.7000	4.7000
Temple Terrace	6.4300	6.4300	6.2500	5.9500	5.2829	4.5692	4.5692	4.9100	4.9100	4.9100

(1) This Levy is assessed on all property outside Plant City and Temple Terrace, i.e., Tampa and unincorporated areas.
(2) As of fiscal year 2012 SWFWMD no longer has taxes on basins.
Dependent on its location, property within Tampa may be in either the Alafia River, the Hillsborough River or the NW Hillsborough Basins. The city of Temple Terrace is entirely within Hillsborough River Basin. The city of Plant City is within the Alafia and Hillsborough River Basins.

Source: Hillsborough County Tax Collector

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
LAST TEN FISCAL YEARS
(amounts in thousands)

Fiscal Year

		2014				2013			
Taxpayer	Type of Business	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value
Tampa Electric Company	Electric Utility	1	$ 39,268	$ 1,792,659	2.57%	1	$ 39,075	$ 1,751,481	2.65%
Verizon Florida Inc	Communications	2	16,861	769,725	1.10%	2	19,845	889,528	1.53%
Hillsborough Aviation Authority	Transportation	3	10,862	495,854	0.71%	3	9,770	437,913	0.75%
Camden Operating LP	Real Estate	4	5,637	257,338	0.37%	4	6,260	280,592	0.48%
Highwoods/Florida Holding	Real Estate Mgmt	5	5,183	236,623	0.34%	5	5,347	239,686	0.41%
Post Apartment Homes LP	Housing	6	5,028	229,514	0.33%	6	4,978	223,137	0.38%
Westfield	Shopping Malls	7	4,802	219,231	0.31%	7	4,832	216,574	0.37%
Mosaic Fertilizer, LLC	Mining	8	4,795	218,899	0.31%	8	4,164	186,628	0.32%
Wal-Mart	Retail Sales	9	4,350	198,576	0.28%	9	4,018	180,103	0.31%
Liberty Property	Property Management	10	3,887	177,469	0.25%	10	3,535	158,442	0.27%
Brighthouse Networks	Communications								
Tampa Port Authority	Cargo/Cruise/Real Estate								
Total			$ 100,673	$ 4,595,888	6.57%		$ 101,824	$ 4,564,084	7.47%

	2012				2011				2010			
Taxpayer	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value
Tampa Electric Company	1	$ 37,592	$ 1,690,235	2.50%	1	$ 34,683	$ 1,581,026	2.24%	1	$ 32,379	$ 1,481,634	1.88%
Verizon Florida Inc	2	15,858	713,031	1.06%	2	17,657	804,901	1.14%	2	26,455	1,210,535	1.53%
Hillsborough Aviation Authority	3	9,510	427,581	0.63%	3	9,855	449,227	0.64%	3	11,039	505,153	0.64%
Camden Operating LP	4	5,972	268,494	0.40%	5	5,539	252,485	0.36%	4	6,475	296,292	0.38%
Highwoods/Florida Holding	9	4,248	191,019	0.28%	9	4,156	189,438	0.27%	7	4,391	200,936	0.25%
Post Apartment Homes LP	7	4,604	207,016	0.31%	7	4,288	195,469	0.28%	6	4,586	209,827	0.27%
Westfield	6	4,707	211,658	0.31%								
Mosaic Fertilizer, LLC	5	5,770	259,443	0.38%	4	6,459	294,446	0.42%	8	4,205	192,442	0.24%
Wal-Mart	10	4,196	188,642	0.28%	8	4,275	194,860	0.28%	9	4,048	185,225	0.23%
Liberty Property	8	4,312	193,864	0.29%	6	4,607	210,028	0.30%	5	4,913	224,823	0.28%
Brighthouse Networks					10	3,771	171,911	0.24%	10	3,432	157,035	0.20%
Tampa Port Authority												
Total		$ 96,769	$ 4,350,983	6.44%		$ 95,290	$ 4,343,791	6.17%		$ 101,923	$ 4,663,902	5.90%

Fiscal Year

		2009				2008			
Taxpayer	Type of Business	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value
Tampa Electric Company	Electric Utility	1	$ 31,181	$ 1,435,499	1.61%	1	$ 36,664	$ 1,653,149	1.88%
Verizon Florida Inc	Communications	2	25,857	1,190,392	1.33%	2	19,477	878,194	1.00%
Hillsborough Aviation Authority	Transportation	3	12,008	552,822	0.62%	3	11,286	508,850	0.58%
Mosaic Fertilizer, LLC	Mining	4	8,101	372,968	0.42%	4	7,955	358,690	0.41%
Camden Operating LP	Real Estate	6	5,758	265,122	0.30%	5	5,834	263,064	0.30%
Wal-Mart	Retail Sales	9	4,309	198,384	0.22%	6	4,865	219,344	0.25%
Post Apartment Homes	Housing	8	5,245	241,460	0.27%	9	4,585	206,741	0.24%
Westfield	Shopping Malls					8	4651	193195	0.0025
Busch Entertainment	Entertainment								
Liberty Property	Property Management	7	5,286	243,354	0.27%	7	4,777	215,381	0.25%
Tampa Port Authority	Cargo/Cruise/Real Estate	10	4,071	187,440	0.21%	10	3,763	169,685	0.19%
Teachers Insurance & Annuity	Insurance						3,189	143,778	0.16%
Highwoods/Florida Holding	Real Estate Mgmt	5	6455	297164	0.33%				
Tampa Sports Authority	Sports Facilities								
Cargil Incorporated	Mining								
			$ 108,271	$ 4,984,605	5.58%		$ 107,046	$ 4,810,071	5.51%

	2007				2006				2005			
Taxpayer	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value	Rank	Total Tax	Assessed Value	Percentage of Total Assessed Value
Tampa Electric Company	1	$ 40,472	$ 1,680,935	2.13%	1	$ 40,917	$ 1,640,399	2.53%	1	$ 34,257	$ 1,342,026	2.39%
Verizon Florida Inc	2	23,031	956,550	1.21%	2	22,010	882,424	1.36%	2	22,823	894,093	1.59%
Hillsborough Aviation Authority	3	12,035	499,848	0.63%	3	11,161	447,471	0.69%	3	9,711	380,446	0.68%
Mosaic Fertilizer, LLC	4	7,677	318,869	0.40%	4	6,876	275,685	0.43%	4	7,379	289,066	0.52%
Camden Operating LP	5	6,128	254,533	0.32%	5	5,060	202,877	0.31%	6	5,074	198,788	0.35%
Wal-Mart	6	4,802	199,434	0.25%	6	4,657	186,702	0.29%	9	4,113	161,126	0.29%
Post Apartment Homes	7	4,692	194,859	0.25%	7	4,597	184,296	0.28%	7	4,826	189,044	0.34%
Westfield	8	4651	193195	0.25%	8	4279	171570	0.0026	8	4,579	179395	0.0032
Busch Entertainment					9	2,901	116,291	0.18%	10	2,955	115,782	0.21%
Liberty Property												
Tampa Port Authority	9	4,439	184,365	0.23%								
Teachers Insurance & Annuity	10	3,302	137,153	0.17%	10	2,788	111,765	0.17%				
Highwoods/Florida Holding									5	6,945	272,087	0.48%
Tampa Sports Authority												
Cargil Incorporated												
		$ 111,229	$ 4,619,741	5.84%		$ 105,246	$ 4,219,480	6.50%		$ 102,662	$ 4,021,853	7.17%

Source: Hillsborough County Tax Collector

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Collected to End of Tax Year: Current Tax Collections (1)	Collected to End of Tax Year: Percent of Levy	Delinquent Collections (1)	Collected in Fiscal Year: Total Collections (1)	Collected in Fiscal Year: Percent of Levy
2014	$ 538,166,770	$ 515,483,196	95.79%	4,151,492	$ 519,634,688	96.56%
2013	521,066,245	497,507,461	95.48%	6,707,034	504,214,495	96.77%
2012	535,661,273	512,201,737	95.62%	2,563,795	514,765,532	96.10%
2011	537,023,488	508,048,259	94.60%	4,153,742	512,202,011	95.38%
2010	607,883,201	578,606,240	95.18%	5,134,542	583,740,782	96.03%
2009	695,871,440	664,675,893	95.52%	2,887,719	667,563,612	95.93%
2008	662,885,929	635,203,884	95.82%	974,481	636,178,365	95.97%
2007	616,369,811	592,574,795	96.14%	460,888	593,035,683	96.21%
2006	512,534,878	494,030,382	96.39%	802,840	494,833,222	96.55%
2005	469,234,393	449,419,671	95.78%	2,809,251	452,228,923	96.38%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

(1) Net of allowable discounts

Source: Hillsborough County Tax Collector and District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities (A)							
Fiscal Year	General Obligation Bonds	State Board of Education Bonds	Certificates Of Participation	District Revenue Bonds	Premiums/ (Discounts)/ (Loss on Refunding) (C)	Total Primary Government	Percentage of Personal Income (B)	Per Capita (B)
2014	$ -	$ 34,641,000	$ 827,508,000	$ 198,469,861	$ 28,191,208	############	2.130%	$ 843.01
2013	-	39,960,000	855,283,000	209,448,592	4,845,256	1,109,536,848	2.234%	868.35
2012	-	46,620,000	881,518,000	220,082,159	5,084,377	1,153,304,536	2.536%	925.25
2011	-	50,570,000	925,971,000	230,290,971	(3,561,048)	1,203,270,923	2.644%	971.25
2010	-	50,735,000	912,061,000	240,101,621	(3,584,929)	1,199,312,692	2.620%	975.66
2009	-	54,530,000	936,491,000	249,560,619	(3,607,539)	1,236,974,080	2.738%	1,002.40
2008	-	58,400,000	958,151,000	258,698,225	(3,063,895)	1,272,185,330	2.962%	1,038.93
2007	-	57,025,000	977,486,000	267,728,225	(2,743,352)	1,299,495,873	3.124%	1,092.06
2006	-	60,580,000	907,121,000	272,568,225	(126)	1,240,269,099	3.228%	1,065.50
2005	9,520,000	61,820,000	835,319,000	224,173,000	(1,668)	1,130,830,332	3.113%	985.80

(A) The primary government does not have any business type activites.
(B) Total Primary Government Debt divided by Personal Income and Population from Page 150 - Demographics and Economics.
(C) Effective in 2014, only premiums and discounts are part of the debt totals. Loss on refunding has been moved to deferred outflows due to the implementation of GASB Statement 65. Prior year amounts were not restated.

Source District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	Estimated Population (A)	Net Taxable Assessed Value (B)	Gross Bonded Debt (C)	Less Debt Service Funds (D)	Net Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2014	1,291,578	$ 69,568,965	$ -	$ -	$ -	0.000%	$ -
2013	1,277,746	65,836,681	-	-	-	0.000%	-
2012	1,246,480	67,359,851	-	-	-	0.000%	-
2011	1,245,870	70,354,573	-	-	-	0.000%	-
2010	1,229,226	78,519,732	-	-	-	0.000%	-
2009	1,234,010	89,248,351	-	-	-	0.000%	-
2008	1,224,510	87,605,046	-	-	-	0.000%	-
2007	1,189,946	78,428,496	-	-	-	0.000%	-
2006	1,164,022	64,575,391	-	-	-	0.000%	-
2005	1,147,120	56,122,474	9,520,000	9,859,000	(339,000)	-0.001%	-

(A) Population was obtained from the United States Department of Commerce, Bureau of Economic Analysis and the University of Florida, Bureau of Economic and Business Research.
(B) Net Taxable Assessed Values are expressed in thousands.
(C) Includes General Obligation Bonds only.
(D) Reserved for Debt Service - General Obligation Bonds only.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Non-Capital Expenditures (A)	Ratio of Debt Service to General Governmental Non-Capital Expenditures
2014	$ -	$ -	$ -	$ 1,985,755	-
2013	-	-	-	1,859,591	-
2012	-	-	-	1,862,625	-
2011	-	-	-	1,916,394	-
2010	-	-	-	1,871,044	-
2009	-	-	-	1,886,338	-
2008	-	-	-	1,848,960	-
2007	-	-	-	1,729,100	-
2006	-	-	-	1,585,487	-
2005	9,065,000	794,000	9,859,000	1,462,966	0.007

(A) Includes general, special revenue, debt service, and capital projects funds of the Primary Government, excluding capital expenditures.
Amounts in Thousands

Note: The District's General Obligation Bonded Debt was paid off in fiscal year 2005

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2014

Jurisdiction	General Obligation Bonded Debt Outstanding	State Board of Education Bonds	Certificates Of Participation	District Revenue Bonds	Premiums/ (Discounts)	Direct Debt: Percentage Applicable to This Governmental Unit	Direct Debt: Amount Applicable to This Governmental Unit	Direct and Overlapping Debt: Percentage Applicable to Hillsborough County	Direct and Overlapping Debt: Amount Applicable to Hillsborough County
Hillsborough County Board of County Commissioners	$ 68,163,000	$ -	$ -	$ -	$ -	0%	$ -	100%	$ 68,163,000
School District of Hillsborough County	-	34,641,000	827,508,000	198,469,861	28,191,208	100%	1,088,810,069	100%	1,088,810,069
Totals	$ 68,163,000	$ 34,641,000	$ 827,508,000	$ 198,469,861	$ 28,191,208		$ 1,088,810,069		$1,156,973,069

Source: District Records
Hillsborough County Clerk of the Circuit Court

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS
LAST TEN FISCAL YEARS

Fiscal Year	Taxable Assessed Value (A)	Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (B)
2014	$ 69,568,965	$ 65,206,725	0.9373
2013	65,836,681	67,756,565	1.0292
2012	67,359,851	66,005,259	0.9799
2011	70,354,573	62,458,386	0.8878
2010	78,519,732	62,535,435	0.7964
2009	89,248,351	61,358,676	0.6875
2008	87,605,046	59,112,895	0.6748
2007	78,428,497	53,488,469	0.6820
2006	64,575,391	52,475,130	0.8126
2005	56,122,474	48,922,918	0.8717

(A) Assessed Value is in Thousands.

(B) Millage rate calculated using 95% of the taxable assessed valuation.

Note: Capital lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
CALCULATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(amounts in thousands)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Assessed Value	$ 87,642,064	$ 83,787,329	$ 85,121,195	$ 88,512,696	$ 91,800,328	$ 110,127,213	$ 114,865,796	$ 105,425,340	$ 83,476,837	$ 70,713,902
Debt Limit - 10% of Assessed Value	$ 8,764,206	$ 8,378,733	$ 8,512,120	$ 8,851,270	$ 9,180,033	$ 11,012,721	$ 11,486,580	$ 10,542,534	$ 8,347,684	$ 7,071,390
Amount of Debt Applicable to Debt Limit:										
Bond Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,520
Less, Amount Available for Debt Service	-	-	-	-	-	-	-	-	-	9,859
Total Debt Applicable to the Debt Limit	-	-	-	-	-	-	-	-	-	(339)
Legal Debt Margin	$ 8,764,206	$ 8,378,733	$ 8,512,120	$ 8,851,270	$ 9,180,033	$ 11,012,721	$ 11,486,580	$ 10,542,534	$ 8,347,684	$ 7,071,729
Total Debt Applicable to the Debt Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Rule 6A-1.037(2), State Board of Education, Florida Administration Code, establishes a limit of 10 percent on the assessed valuation of the District.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population (A)	Personal Income (1) (A)	Per Capita Personal Income (A)	Median Age (A)	Unemployment Rate (B)	Education Level (C) Less than High School	High School	Bachelors	Graduate	School Enrollment (D)	Government-wide Governmental Activities (1) Expenses(2)	Cost per Student
2014	1,291,578	$ 51,109,828	39,572	36.50	6.2%	108,577	484,510	173,879	95,403	201,300	$ 2,071,638	$ 10,291
2013	1,277,746	49,671,035	38,874	36.40	7.1%	107,407	488,402	164,779	88,920	198,659	1,941,496	9,773
2012	1,246,480	45,473,079	36,481	36.40	8.8%	114,640	493,709	149,792	83,115	195,198	1,917,411	9,823
2011	1,238,890	45,511,155	36,735	36.10	11.0%	112,733	463,938	155,213	77,644	192,499	1,969,964	10,234
2010	1,229,226	45,779,076	37,242	35.60	11.9%	109,242	458,402	142,655	78,010	190,799	1,921,131	10,069
2009	1,234,010	45,184,510	36,616	37.10	10.9%	114,372	438,754	148,956	79,789	189,761	1,936,011	10,202
2008	1,224,510	42,954,586	35,079	36.50	6.7%	107,281	438,220	151,495	77,595	190,580	1,905,518	9,999
2007	1,189,946	41,599,322	34,959	36.30	3.7%	111,292	439,818	142,748	68,748	190,699	1,764,841	9,255
2006	1,164,022	38,422,038	33,008	37.80	3.3%	112,651	422,193	135,029	68,763	190,596	1,610,623	8,450
2005	1,147,120	36,330,438	31,671	35.50	4.0%	114,839	412,486	130,701	66,478	185,511	1,485,759	8,009

(1) Personal Income and Government-wide expenses are in thousands.
(2) The District adopted GASB Statement No. 65 during 2014, Prior year amount were not restated.

Sources:
(A) Estimates of Population, Personal Income, Per Capita Personal Income and Median Age were obtained from the United States Department of Commerce and the City-County Planning Commission
(B) Unemployment Rate was obtained from the City-County Planning Commission
(C) Education Level was obtained from the U. S. Census Bureau, Population 25 years and over.
(D) Student Enrollment was obtained from District Records.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
HILLSBOROUGH COUNTY EMPLOYMENT
LAST TEN YEARS

	Fiscal Year														
	2014			2013			2012			2011			2010		
Employer	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment
School District of Hillsborough County	26,004	1	4.293%	25,776	1	4.380%	25,554	1	4.444%	25,226	1	4.526%	24,957	1	4.467%
MacDill Air Force Base	14,500	2	2.394%	15,485	2	2.631%	15,485	2	2.693%	15,485	2	2.778%	13,300	2	2.380%
University of South Florida	10,837	3	1.789%	9,464	4	1.608%	8,507	4	1.479%	8,353	4	1.499%	6,151	6	1.101%
Hillsborough County Government	9,355	4	1.544%	10,212	3	1.735%	9,328	3	1.622%	10,034	3	1.800%	12,246	3	2.192%
Tampa International Airport	7,500	5	1.238%	7,500	5	1.274%	8,047	5	1.399%	8,060	5	1.446%	7,500	5	1.342%
Publix Supermarkets	6,826	6	1.127%	5,714	7	0.971%	6,100	8	1.061%	5,823	8	1.045%	5,823	8	1.042%
Tampa General Hospital	6,500	7	1.073%	6,515	6	1.107%	6,600	7	1.148%	6,700	7	1.202%	6,020	7	1.077%
James A Haley Veterans Hospital	4,700	8	0.776%	4,700	8	0.799%									0.000%
H. Lee Moffitt Cancer Center	4,187	9	0.691%	4,187	10	0.711%									
City of Tampa	4,000	10	0.660%	4,278	9	0.727%	4,500	9	0.783%	4,246	10	0.762%	4,525	9	0.810%
St Josephs Hospital / Baker Health							4,437	10	0.772%	4,437	9	0.796%	4,437	10	0.794%
Verizon							7,850	6	1.365%	7,850	6	1.408%	7,850	4	1.405%
	94,409		15.585%	93,831		15.943%	96,408		16.765%	96,214		17.262%	92,809		16.611%

	Fiscal Year														
	2009			2008			2007			2006			2005		
Employer	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment
School District of Hillsborough County	25,272	1	4.452%	25,360	1	4.385%	25,121	1	4.232%	24,286	1	4.129%	23,601	1	4.172%
Hillsborough County Government	12,246	3	2.157%	10,502	2	1.816%	11,169	2	1.881%	11,920	2	2.027%	10,498	2	1.856%
University of South Florida	8,600	4	1.515%	9,575	3	1.656%	9,026	3	1.520%	8,743	3	1.487%	7,794	3	1.378%
Tampa International Airport	7,500	6	1.321%	7,500	4	1.297%	7,300	5	1.230%	6,500	5	1.105%	7,626	4	1.348%
Verizon	7,850	5	1.383%	7,000	5	1.210%	7,456	4	1.256%	7,652	4	1.301%	7,000	5	1.237%
MacDill Air Force Base	13,300	2	2.343%	6,656	6	1.151%	5,432	6	0.915%	5,812	6	0.988%	5,756	6	1.018%
Tampa General Hospital	6,020	7	1.061%	5,842	7	1.010%	5,000	7	0.842%	4,920	7	0.837%			
Publix Supermarkets	5,714	8	1.007%	4,984	8	0.862%	4,832	8	0.814%	4,702	8	0.799%	4,672	7	0.826%
James A Haley Veterans Hospital	4,900	9	0.863%			0.000%			0.000%	4,407	10	0.749%			
City of Tampa	4,154	10	0.732%	4,502	10	0.778%	4,700	9	0.792%	4,700	9	0.799%	4,525	8	0.800%
St Josephs Hospital / Baker Health				4,529	9	0.783%	4,111	10	0.692%				3,907	9	0.691%
Tampa Electric													3,543	10	0.626%
JP Morgan Chase															
U S Postal Service															
GTE Communications Corp															
Nations Banks															
	95,556		16.834%	86,450		14.948%	84,147		14.175%	83,642		14.222%	78,922		13.952%

Sources: State of Florida, Department of Labor and Employment Statistics
City-County Planning Commission

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS

	Acquired Date (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data 2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Elementary Schools													
Alafia Elementary	1980	108,279	-	574.4524	572.9850	569.8300	598.1500	623.2236	644.8500	666.6400	725.1000	775.7167	791.1700
Alexander Elementary	1950	72,170	-	618.5000	661.0000	634.0000	646.0102	655.3254	658.0000	657.5000	628.9800	729.5800	675.1400
Anderson Elementary	1954	54,253	-	355.5000	348.5000	380.5400	391.5402	411.0000	376.7300	372.5400	363.0000	510.5900	482.7700
Apollo Beach Elementary	1981	95,522	-	643.4741	594.6800	557.1800	532.6800	558.6400	570.0800	569.0200	600.6800	588.1500	591.1800
Bailey Elementary	2007	91,773	-	752.0228	744.6300	713.5200	688.4500	616.0700	-	-	-	-	-
Ballast Point Elementary	1924	55,047	-	401.1800	372.6000	391.6100	402.1600	387.6500	395.5400	368.0600	392.8600	373.0200	377.5000
Bay Crest Elementary	1969	86,215	-	765.0000	799.0035	793.5484	829.3655	817.8050	842.3785	803.5800	829.7200	847.0500	835.7800
Bellamy Elementary	1973	97,211	-	680.4842	712.0800	757.0000	743.4600	801.5000	767.0500	802.5800	804.5700	882.1200	843.1300
Bevis Elementary	1998	92,720	-	803.2200	801.6600	820.6000	838.5800	860.8984	794.2200	777.1000	842.7400	865.9400	817.2600
Bing Elementary	1989	95,484	-	590.4385	592.8350	574.0800	611.8050	602.6286	625.0400	597.0000	612.0000	620.1350	787.2300
Boyette Springs Elementary	1990	104,130	-	551.9798	560.1600	563.6000	641.6600	663.5400	1,032.1700	1,049.8600	1,065.7100	1,050.0821	988.7468
Brooker Elementary	1961	97,935	-	892.1400	869.1200	919.0800	963.2600	957.1800	892.2000	970.1800	978.3800	942.5067	948.4300
Broward Elementary	1926	51,018	-	389.5000	387.0300	382.0000	377.5400	381.5400	411.0000	508.0200	516.6200	536.0600	571.3000
Bryan Pland City Elementary	1924	83,419	-	743.2000	698.0400	714.0600	715.5800	721.0200	782.9800	810.6400	851.5600	812.0500	887.3392
Bryant Elementary	2001	98,847	-	965.1018	1,026.2000	1,014.7600	989.8900	995.7000	951.4700	907.5250	850.0100	1,301.4800	1,168.0617
Buckhorn Elementary	1976	102,317	-	665.5700	693.0400	676.5600	633.6536	634.8100	642.9200	706.8150	724.3000	753.1800	719.6950
Burney Elementary	1923	52,488	-	337.1000	332.5200	345.0000	331.9490	325.5800	445.5400	426.5400	424.0400	389.0734	391.0800
Cahoon Elementary	1952	59,943	-	413.1400	388.0500	360.3600	373.3200	370.0000	360.5000	346.9800	374.5000	529.5800	522.5800
Cannella Elementary	1989	119,695	-	711.0400	658.5600	735.5300	770.4750	772.9524	821.7405	894.0000	906.5400	904.5800	858.3400
Carrollwood Elementary	1961	95,779	-	755.5785	727.4700	720.0600	714.1151	724.1200	715.3600	693.5400	723.8200	591.7000	641.7200
Chiaramonte Elementary	1955	63,294	-	392.0600	399.5200	378.0000	371.0000	398.5400	375.5400	369.0000	365.5000	397.5300	425.0500
Chiles Elementary	1996	97,620	-	787.5800	782.5700	749.5500	763.4264	721.6000	726.0200	732.5200	760.6400	864.5600	868.1200
Cimino Elementary	2001	89,868	-	800.5800	815.6800	791.8900	877.1900	936.3000	961.0000	962.2600	1,004.2300	1,001.2400	967.3700
Citrus Park Elementary	1911	80,625	-	588.6500	605.3200	647.2700	655.2400	680.3000	690.3600	623.8800	804.5900	740.9000	754.1900
Clair-Mel Elementary	1960	76,317	-	543.0552	524.0100	515.6102	537.1151	539.1500	617.8800	681.9400	718.4600	725.3900	687.3300
Clark Elementary	1996	107,444	-	808.1300	829.5400	831.5400	832.9330	838.9198	814.3900	660.5400	640.0600	730.6500	1,015.1800
Claywell Elementary	1980	106,930	-	747.6000	760.5400	711.0400	725.5000	726.0500	766.2300	769.8500	851.1900	948.8850	964.5900
Cleveland Elementary	1926	39,417	-	371.0932	359.7700	325.8700	298.8600	324.0700	338.3000	333.1800	331.3000	271.2700	285.4600
Collins Elementary	2004	107,187	-	1,020.0800	955.0400	930.5000	882.1518	882.2600	761.5800	683.6800	1,019.3200	902.0000	-
Colson Elementary	1990	95,676	-	700.0800	688.6000	716.1885	727.6900	718.1917	743.4700	760.5384	755.5900	750.5000	759.4300
Cork Elementary	1879	92,650	-	694.5600	703.2000	649.4750	670.6400	672.8300	854.6500	897.6000	922.0300	921.7000	870.0900
Corr Elementary	2000	88,445	-	708.5437	773.9651	826.8801	773.0900	732.1100	701.5600	689.9100	639.5900	783.0300	651.6800
Crestwood Elementary	1967	94,219	-	890.0400	911.0400	965.0600	991.0300	956.0800	983.0000	1,014.4200	1,009.0000	1,014.5600	1,013.5000
Cypress Creek Elementary	1990	103,644	-	1,132.8427	1,138.5200	1,088.0000	1,079.0400	971.7835	915.1100	1,005.2100	962.6300	979.3400	964.7800
Davis Elementary	2004	93,577	-	795.5400	805.0200	778.5000	771.5200	801.6200	883.0800	917.0800	916.0900	892.5300	798.5200
Dear Park Elementary	2006	84,619	-	955.0800	1,032.6800	990.6800	978.1600	951.0400	825.1800	654.0600	411.0400	-	-
Desoto Elementary	1910	34,078	-	213.5000	186.0600	199.5200	173.0000	199.5800	232.0300	195.2584	387.0000	368.6000	351.5000
Dickenson Elementary	1963	75,829	-	556.0600	570.0600	574.6428	530.1400	532.3000	517.0534	510.5000	511.2101	535.4017	546.2600
Doby Elementary	2003	81,193		797.6400	687.7300	708.2800	675.1401	610.5617	498.5600	452.7936	390.0700	-	-
Dover Elementary	1912	115,088	-	698.6850	706.6400	826.5600	799.0400	770.7352	818.1552	861.0200	859.1963	851.9706	896.7400
Dunbar Elementary	1926	37,812	-	229.0000	247.5000	254.5000	250.0000	257.0000	289.0000	307.5000	314.0000	325.0000	359.0000
Edison Elementary	1925	57,708	-	456.1572	482.7200	454.2202	458.1400	467.0784	441.4300	524.1000	504.1400	521.4200	562.1450
Egypt Lake Elementary	1955	64,544	-	492.6450	504.1000	508.4562	528.7277	480.3200	490.1000	475.4900	476.3901	543.4835	548.4600
Essrig Elementary	1985	86,338	-	688.1500	743.0300	775.5400	801.6600	832.1200	817.1800	856.7500	851.1900	1,002.4700	1,016.3000
Fishhawk Creek Elementary	2003	99,450	-	997.8600	1,045.2000	1,055.6700	1,027.6750	1,057.4000	1,134.8400	1,085.8500	951.4767	768.6600	568.6800
Folsom Elementary	1990	85,686	-	542.5400	533.0100	523.0200	559.6500	561.5500	580.4817	611.0000	636.0200	753.0600	793.1200
Forest Hills Elementary	1954	110,897	-	960.6000	929.5600	926.1000	915.9000	963.1256	956.4300	1,109.3717	1,121.6200	899.6000	889.5300
Foster Elementary	1953	74,644	-	474.4900	493.5000	451.5000	491.0000	470.6300	502.1600	521.7751	562.0217	510.2500	461.5000
Frost Elementary	2004	94,786	-	768.0400	722.5118	709.7003	803.5950	846.1800	748.9434	745.0600	767.0300	670.1267	-
Gibsonton Elementary	1959	94,786	-	565.7000	545.7800	563.0900	588.5700	569.1500	641.9600	677.9300	743.4450	704.6600	690.6500
Gorrie Elementary	1899	60,439	-	563.5970	569.0600	568.1000	564.1800	559.0600	529.8600	560.5400	562.6100	541.2900	559.2800
Grady Elementary	1958	61,086	-	454.6000	422.6300	402.2100	394.5400	396.6968	386.9500	374.5300	401.1500	390.0800	419.7301
Graham Elementary	1922	39,529	-	304.7300	290.3200	343.9400	351.1700	382.2440	364.4700	359.9667	362.0100	372.9000	345.0400
Hammond Elementary	2005	83,551	-	725.0800	697.1000	639.0850	608.5700	641.6600	607.1000	599.0600	-	-	-
Heritage Elementary	2000	66,504	-	637.5266	584.7706	607.5400	603.0600	581.5200	584.0000	542.5000	477.0800	456.6300	516.6200
Hunters Green Elementary	1990	122,008	-	839.7108	838.0880	837.1700	854.2020	835.1818	880.1350	783.8000	876.6500	925.5700	988.0200
Ippolito Elementary	2001	84,095	-	854.5470	847.3884	841.8050	774.0150	736.0800	727.5400	809.3959	719.0000	602.0450	916.6700
Jackson Elementary	1926	56,590	-	503.5200	478.0600	474.0000	484.0000	432.5818	505.9400	535.5600	567.3000	533.5000	518.0700
James K-8 School	1964	70,652	-	621.5200	627.9500	647.8750	730.4050	714.8268	677.4441	598.8378	397.4800	882.0000	814.6500
Just Elementary	1959	68,724	-	591.5625	503.6600	472.7000	475.7200	528.0800	575.8000	555.7700	645.6700	648.1200	579.0800
Kenly Elementary	1927	66,141	-	488.4885	511.0350	477.6900	465.1200	440.5000	448.0200	469.0500	476.5400	467.9600	446.1000
Kimbell Elementary	2007	64,847	-	551.0000	441.5000	422.5000	481.5000	507.5000	440.3401	-	-	-	-
Kingswood Elementary	1967	71,680	-	613.2800	651.9800	642.0400	656.1800	618.7400	612.2400	582.0700	565.1200	604.6800	616.6900
Knights Elementary	1976	94,287	-	669.6002	650.8000	666.1200	639.1250	591.6800	718.5600	764.6900	773.2200	799.1900	782.1600

(Continued)

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS

	Acquired Date (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data 2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Lake Magdalene Elementary	1946	109,683	-	854.5800	852.0504	884.6400	904.6600	879.6134	875.5400	860.6670	901.4523	890.5339	916.7336
Lanier Elementary	1956	52,377	-	345.5652	354.7050	351.7900	337.0500	352.7000	318.3000	316.1000	345.6800	398.0300	448.2300
Lee Elementary School Of Technology	1906	46,043	-	258.5000	253.2823	248.0000	334.0000	326.0000	330.4700	346.9500	396.5584	385.0000	399.8000
Lewis Elementary	1958	98,606	-	801.0400	783.5200	764.0000	744.0700	738.6000	715.6050	756.5950	777.1800	834.1100	767.2600
Limona Elementary	1971	66,488	-	486.5000	468.5200	476.5200	526.5600	493.1200	539.5200	607.5800	593.5800	626.0600	609.6200
Lincoln Elementary	1923	51,315	-	379.0668	378.0400	379.5200	371.0000	369.1600	354.7300	387.6300	384.0000	442.0000	455.5400
Lithia Springs Elementary	1990	95,153	-	615.5600	585.0600	606.0000	630.6150	603.6000	633.6000	648.1400	666.1800	677.7200	631.6200
Lockhart Elementary	1951	85,725	-	360.0800	347.2200	358.5800	433.3884	453.5900	446.0800	436.0000	431.1500	419.1200	365.2000
Lomax Elementary	1907	45,090	-	353.5000	363.5000	335.0000	374.5000	364.5000	371.5000	385.0000	407.5000	404.5000	362.5000
Lopez Elementary	1950	94,589	-	478.5400	500.5000	561.2052	583.4702	628.2600	815.7550	835.7200	830.6204	827.1404	796.2302
Lowry Elementary	1991	113,294	-	768.0400	915.0600	942.0400	926.5200	864.6400	839.1100	889.6000	901.7000	759.8700	766.3100
Lutz Elementary	1920	94,041	-	590.0900	587.5000	615.0000	668.5800	677.6200	716.0484	767.1000	769.0834	759.3300	697.8750
Mabry Elementary	1926	100,309	-	785.8100	793.7350	752.8000	782.5687	789.6300	753.7200	748.2200	720.6000	711.2400	749.3200
Macfarlane Elementary	1925	43,667	-	362.0000	363.5000	366.5000	368.5200	364.0000	363.0000	355.6600	392.4000	325.9000	308.0000
Mango Elementary	1927	87,304	-	703.7085	691.6900	680.8100	731.7700	619.1468	661.2335	663.2471	632.0238	633.5800	601.3170
Maniscalco Elementary	1987	104,406	-	536.5000	541.5000	565.0200	603.0400	631.5600	616.5400	668.6100	742.7000	734.6800	758.3600
Mcdonald Elementary	1976	68,677	-	591.1400	538.5400	502.5800	473.1000	483.0000	509.9600	538.9200	554.9600	558.3100	589.1750
Mckitrick Elementary	1999	102,662	-	995.4798	1,006.0130	977.1600	985.6100	926.2000	866.2900	884.1500	1,107.3000	1,112.4900	1,060.9300
Mendenhall Elementary	1947	89,597	-	676.4200	664.0600	659.5600	657.0200	588.5000	564.4800	577.0300	644.0000	602.0000	633.6200
Metropolitan Ministries	2010	n/a	n/a	65.5000	64.5000	64.0000	68.5000	78.0000	78.0000	69.0000	40.0000	43.0000	26.5000
Miles Elementary	1954	75,391	-	796.5400	698.5000	627.4665	690.0200	733.5100	714.0603	749.5598	722.3500	680.0000	586.4800
Mintz Elementary	1990	105,365	-	826.7200	807.6400	795.1200	867.0650	865.7300	884.4584	850.1200	901.0000	948.4500	982.1750
Mitchell Elementary	1915	69,390	-	615.4370	576.4465	604.9402	576.0350	578.1000	559.6400	523.5800	469.2000	565.1600	594.0600
Morgan Woods Elementary	1967	62,805	-	550.5000	542.5800	529.4252	531.9665	572.0000	570.0000	576.5000	551.9200	552.5000	577.5000
Mort Elementary	1965	90,535	-	817.1400	789.6700	801.9401	790.5150	724.1106	746.7500	789.4900	892.5600	869.6936	864.1500
MOSI Partnership Elementary	n/a	n/a	n/a	241.9602	247.8168	220.5000	223.0000	280.5000	282.0000	247.5000	-	-	-
Muller Elementary	2001	53,666	-	332.0000	335.0400	332.0800	352.0000	306.0000	310.0000	358.0000	380.0000	371.5000	361.5000
Nelson Elementary	2002	89,609	-	768.2200	780.5800	798.2100	826.7400	880.2400	897.3800	922.7850	920.6000	903.6600	839.6800
Northwest Elementary	1984	100,694	-	654.6200	619.6200	657.6400	681.6200	684.6000	728.6850	789.6100	838.6600	860.1000	882.6634
Oak Grove Elementary	1946	111,109	-	868.1796	802.0801	778.5400	841.5053	890.9769	880.6700	882.1000	849.6000	883.0800	851.0800
Oak Park Elementary	1964	-		588.6000	-	-	-	-	-	-	391.0400	429.5167	428.5100
Oak Park Elementary	2005	71,196	-		547.5600	600.3300	584.5000	523.5000	587.5600	647.5000	-	-	-
Palm River Elementary	1948	77,828	2	514.1600	487.0850	481.5400	492.0700	475.0000	497.3501	556.5000	609.5800	554.0600	553.5900
Pinecrest Elementary	1936	103,714	-	541.5200	511.0600	543.2000	573.7000	604.3400	584.8600	641.0600	656.3400	659.9200	649.3300
Pizzo Elementary	1996	88,046	-	697.4765	630.0000	589.5551	621.0300	643.0000	706.5600	830.7800	856.0400	935.5100	927.4300
Potter Elementary	1960	62,387	-	579.7100	543.2000	536.2200	541.2202	556.8800	553.6800	561.0267	787.1750	681.1134	595.0500
Pride Elementary	1999	94,904	-	897.0200	897.1300	890.1400	870.2800	902.7500	939.1400	882.0534	872.5800	893.9000	878.0200
Rampello Downtown Partnership School	2002	140,645	-	762.9296	746.5000	692.5000	630.5719	672.0400	689.3320	696.7134	680.4723	697.0977	211.0000
Reddick Elementary	2006	81,058	-	797.6000	747.3760	731.1600	667.1551	597.1800	592.5800	-	-	-	-
Riverhills Elementary	1962	51,637	-	284.0600	316.1200	342.0300	384.5000	429.6524	464.9750	496.6000	498.5800	569.9734	571.5000
Riverview Elementary	1960	86,496	-	600.8400	592.1200	594.1900	614.2600	629.2170	621.5250	595.7667	579.9488	607.7200	622.4300
Robinson Elementary	1959	83,357	-	562.1100	551.4385	586.1702	601.2300	634.5800	680.2200	644.6848	616.5800	644.6400	629.1200
Robles Elementary	1959	76,857	-	638.6452	633.8300	617.0200	494.6902	548.5400	649.0300	682.8300	730.0500	653.1400	568.6500
Roland Park K-8 School	1963	119,119	-	753.3800	669.3857	527.9800	536.5151	610.0000	663.8946	722.7500	772.0000	809.5000	880.5000
Roosevelt Elementary	1925	71,016	-	707.7700	706.6600	686.0400	684.5451	647.7400	555.8450	534.4200	528.3635	489.4100	504.6600
Ruskin Elementary	1942	92,497	2	1,071.5800	986.5800	992.0700	937.1932	869.1800	845.9100	1,135.5667	1,024.0950	846.5367	802.5900
Schmidt Elementary	2002	87,632	-	609.1300	643.5200	650.0000	600.5000	666.1004	658.4502	646.4600	762.7400	761.6900	713.1000
Schwarzkopf Elementary	1991	91,118	-	640.6000	601.6127	610.2100	610.7500	585.4100	578.8500	579.1854	742.0800	786.4950	800.8000
Seffner Elementary	1961	86,465	-	732.5200	687.4400	664.5600	658.1000	627.6900	709.0700	695.0900	691.1700	698.3300	746.2500
Seminole Elementary	1921	71,458	-	455.3244	431.9052	436.1100	418.6000	390.1400	347.2850	368.4200	438.0000	536.5000	522.0200
Sessums Elementary	2002	101,809	-	813.6400	807.6200	817.3260	850.1860	887.5600	872.8500	893.6200	872.0600	662.0000	1,212.6100
Shaw Elementary	1971	82,530	-	601.0950	554.0000	550.4851	593.9950	591.5000	633.8000	908.5000	1,124.2701	1,049.2400	864.0600
Sheehy Elementary	2001	55,889	-	406.1400	422.3031	456.6100	409.1000	491.0600	471.6500	502.5400	493.7300	511.7367	423.5800
Shore Elementary	1928	63,479	-	382.0000	377.4789	366.5000	387.0000	367.5000	347.7000	396.2500	405.3987	400.9000	409.5000
Springhead Elementary	1914	80,725	-	808.1400	766.6200	740.6150	732.2000	761.0800	812.6200	854.6200	823.6800	819.7700	791.5900
Stowers Elementary	2008	87,686	-	875.7800	798.7000	708.6000	663.5400	557.6100	-	-	-	-	-
Sulphur Springs Elementary	1949	86,950	-	561.8602	629.3200	542.9100	549.4500	506.0452	474.3734	600.0600	662.1801	673.4400	668.1400
Summerfield Crossings	2005	80,100	-	878.7200	901.7000	880.1100	914.6900	936.0968	886.2700	722.0400	-	-	-
Summerfield Elementary	1989	111,194	-	832.6600	807.5800	831.6800	847.9100	929.5000	889.6100	860.6200	926.5500	939.1400	853.4300
Symmes Elementary	1999	69,747	-	646.5000	585.0000	545.1400	607.5800	608.8400	586.5800	635.0800	595.0900	590.6800	625.0100
Tampa Bay Boulevard Elementary	1924	72,586	2	719.5600	689.5900	652.5000	627.5338	670.3224	699.1967	721.2034	769.5401	653.0400	670.0950
Tampa Palms Elementary	1987	122,485	-	825.5000	769.5000	765.5400	760.6400	754.5400	784.1701	755.7000	852.6000	789.8350	840.2600
Temple Terrace Elementary	1955	94,526	-	620.1817	618.0000	617.0200	680.0000	689.5000	664.0550	608.9200	691.4350	746.4700	729.6000
Thonotosassa Elementary	1961	55,534	-	374.7000	402.2300	397.7400	397.1400	406.5900	374.6200	402.0600	383.6300	391.5000	346.0400
Tinker Elementary	1939	69,191	-	556.8082	536.5000	640.5800	656.0400	588.0200	573.0300	581.9600	555.0500	526.6200	492.7400
Town & Country Elementary	1961	72,568	-	441.4355	428.5601	442.9950	426.5600	440.7776	449.4500	468.5600	493.3600	475.4000	494.9950

(Continued)

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS

	Acquired Date (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data 2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Trapnell Elementary	1931	65,217	-	544.5737	479.6000	457.1600	479.7200	504.6500	519.5300	505.0367	541.3287	544.4084	546.7600
Turner Elementary	2001	104,393	-	1,121.7400	1,065.2925	974.8600	896.2200	876.6500	855.8800	789.1400	636.6800	419.0600	-
Twin Lakes Elementary	1926	75,182	-	689.4900	659.0800	662.4700	621.0000	627.5000	622.9200	664.8800	693.6850	969.2350	874.7151
USF/Patel Partnership	2009	n/a	n/a	200.5200	177.3102	151.0000	167.0000	158.5000	175.9000	-	-	-	-
Valrico Elementary	1993	113,930	-	788.5452	855.5400	823.1100	887.6700	896.6800	889.1500	806.4600	869.1600	842.2100	825.7800
Walden Lake Elementary	1990	111,693	-	850.0200	854.5200	872.6000	862.1600	858.3368	849.4700	825.0900	858.7400	877.7800	904.1400
Washington Elementary	1925	59,934	-	458.5800	470.7200	492.1300	461.0400	419.6500	440.6600	449.5700	563.5500	559.5400	895.5312
West Tampa Elementary	1985	89,016	-	466.1664	438.6500	432.6600	408.2350	424.6900	432.6850	452.4950	488.1400	487.9184	496.1350
Westchase Elementary	1997	120,409	-	931.6700	981.1000	1,009.7000	1,046.7600	1,034.7152	1,027.2900	1,000.6600	1,008.7100	1,141.0050	1,052.1400
Westshore Elementary	1926	40,599	-	285.1100	289.0500	288.0600	303.0800	293.1468	323.7600	347.2567	333.2550	316.7600	302.9667
Wilson Elementary	1924	41,864	-	337.0900	352.1200	333.6300	330.0800	362.5600	361.9900	361.0000	361.0544	361.8200	328.5000
Wimauma Elementary	1926	67,731	-	507.1000	487.9270	464.5600	451.5400	458.5800	455.0300	609.3450	594.0800	567.5500	550.5800
Witter Elementary	1959	72,391	-	500.5100	445.2500	487.7996	537.0518	473.1568	484.5600	708.5750	796.0701	774.2700	774.8100
Woodbridge Elementary	1971	77,893	-	586.0000	576.5000	572.5000	578.5500	569.0300	561.0500	593.8334	594.5807	641.0000	713.0900
Yates Elementary	1953	115,314	-	672.0400	703.6300	744.0450	795.2800	779.1600	722.0700	739.0000	762.8100	785.5700	798.2200
Total Elementary Schools				90,601.7554	89,250.9064	88,822.7949	89,747.6262	89,599.6056	89,525.0046	90,266.6038	90,976.8407	91,157.0657	88,682.7350
Middle Schools													
Adams Middle	1957	125,060	-	1,106.8014	1,219.4186	1,243.2514	1,245.3352	1,290.1000	1,292.4000	1,251.0000	1,233.6676	1,186.0000	1,205.8336
Barrington Middle School	2008	144,125	-	1,214.9074	1,159.5040	1,067.2522	996.9178	889.8536	-	-	-	-	-
Bartels Middle School	2001	124,320	-	845.3070	883.5004	831.0020	877.2112	899.3000	897.7000	841.0000	730.3818	-	-
Benito Middle	1995	151,974	-	1,038.2170	1,073.8468	1,126.3348	1,112.4178	1,125.0332	1,155.5000	1,140.6000	1,187.5000	1,498.2316	1,456.5000
Buchanan Middle	1960	119,492	-	738.8000	740.5004	717.5012	749.2502	777.0000	783.8350	716.7400	723.6936	785.7034	897.0000
Burnett Middle	1993	147,317	-	908.9296	1,017.8348	1,014.0000	985.3008	969.3000	947.8000	965.4000	1,017.5762	977.1680	903.5016
Burns Middle	1980	200,212	-	1,272.5988	1,340.5008	1,343.2531	1,387.7526	1,464.6100	1,511.1167	1,499.5000	1,481.1672	1,491.7506	1,531.5846
Coleman Middle	1958	98,026	-	864.7951	930.8356	932.0844	944.0866	932.5000	914.1800	914.8000	887.9382	802.6016	837.8336
Davidsen Middle	1998	125,167	-	970.3246	1,034.8344	1,135.2840	1,108.4924	1,099.5000	1,019.9000	1,223.0200	1,197.1588	1,213.5000	1,303.5000
Dowdell Middle	1959	117,716	-	603.7904	655.0000	663.0000	628.5000	652.3400	677.8300	717.5000	790.5000	860.5000	966.3000
Eisenhower Middle	1954	158,687	-	1,266.0286	1,366.2502	1,425.3304	1,460.5941	1,434.4830	1,559.5234	1,556.7502	1,545.6171	1,429.2740	1,215.6500
Farnell Middle	2000	132,288	-	1,391.6432	1,368.9182	1,268.1696	1,223.4186	1,199.6000	1,140.9000	1,382.5000	1,331.2506	1,386.6310	1,381.8010
Ferrell (Girls) Middle Magnet	1950	93,268	-	401.3584	348.8604	300.0000	323.5000	361.0000	382.0000	427.5834	549.4658	586.0000	686.5000
Franklin (Boys) Middle Magnet	1926	95,618	-	408.5855	346.5000	279.0000	550.9170	565.0000	542.5000	619.1001	600.0000	576.9167	622.9500
Giunta Middle School	2004	142,011	-	986.9720	973.2502	1,022.0000	1,054.7502	1,171.0000	1,234.1000	1,187.5000	1,165.5000	1,038.7502	-
Greco Middle School	1955	139,312	-	888.3460	934.2510	931.5000	913.3726	901.9600	911.2798	904.0000	1,012.0000	1,089.0000	1,115.4337
Hill Middle	1980	151,775	-	932.4800	967.1672	1,010.0012	963.0842	988.9000	962.5000	1,012.8332	1,102.9335	1,174.1734	1,149.7018
Jennings Middle	2001	115,015	-	839.5000	863.0000	916.2938	935.5000	974.5000	1,001.0000	985.5000	1,007.5000	1,099.1500	1,356.4880
Liberty Middle	2000	129,454	-	1,077.8400	1,103.4174	1,191.5000	1,214.8340	1,192.0474	1,151.2776	1,159.3320	1,167.5612	1,552.3186	1,502.1340
Madison Middle	1950	105,625	-	801.9000	779.5000	798.4167	781.5000	738.0000	696.8000	644.7000	766.5000	783.5000	726.8785
Mann Middle	1957	135,985	-	1,135.8400	1,154.0000	1,141.8328	1,022.0012	1,090.7000	1,104.2332	1,180.6332	893.0000	891.0000	811.5000
Marshall Middle	1956	152,662	-	818.7352	841.0000	865.6672	900.8340	881.1000	934.5000	980.0000	1,001.7334	921.1167	914.0000
Martinez Middle	1999	113,231	-	1,060.0401	1,088.0036	1,085.8352	1,130.0008	1,052.7070	1,078.9000	1,103.0000	1,135.8366	1,060.4807	1,028.6680
Mclane Middle	1914	118,350	-	898.4200	1,015.5000	1,028.5000	1,028.2514	1,057.0000	1,157.1300	1,109.6400	1,067.5600	1,022.8500	1,391.0000
Memorial Middle	1925	109,032	-	698.0000	710.8332	704.5008	779.4190	794.5000	725.5000	786.7838	822.3334	920.0500	1,155.0169
Monroe Middle	1956	108,611	-	527.4880	588.5000	627.0000	602.0834	609.3000	654.0000	771.5000	768.0000	783.3023	714.9002
Mulrennan Middle	2002	124,207	-	1,133.5909	1,179.4190	1,213.0846	1,146.9178	1,088.3000	1,042.4000	1,078.5000	1,351.9180	1,334.6341	1,331.7766
Orange Grove Middle	1926	79,379	-	553.2600	552.7685	527.6714	525.9170	557.0000	567.0000	615.7600	656.4400	635.0000	628.5000
Pierce Middle	1953	125,864	-	1,047.8762	1,032.6676	1,067.9170	1,049.0000	1,021.0000	1,023.0000	1,034.0000	1,043.0000	1,122.0000	1,103.3750
Progress Village Middle	1959	144,535	-	854.7960	828.1484	804.0004	777.9174	781.8340	791.9170	843.0000	899.3668	855.9504	858.7852
Randall Middle	1997	128,935	-	1,334.5155	1,331.4046	1,337.0212	1,340.8340	1,296.4446	1,551.7604	1,489.3627	1,502.0951	1,401.3927	1,245.5500
Rodgers Middle	1996	141,920	-	730.9706	901.5000	986.5664	1,014.7532	937.5000	1,180.2000	1,117.0000	1,140.0673	1,078.7000	1,620.0842
Shields Middle	2001	138,397	-	1,483.4850	1,485.0000	1,409.8340	1,393.7540	1,334.1000	1,312.5000	1,225.0000	1,127.7260	1,077.3008	1,063.7676
Sligh Middle	1949	122,229	-	641.3601	704.9835	693.5000	631.0000	692.5000	765.9170	883.5074	905.7000	998.2950	952.5000
Smith Middle School	2009	119,218	-	949.4056	1,046.0000	1,109.4254	1,094.5000	1,034.7000	1,016.0000	-	-	-	-
Stewart Middle	1954	118,074	-	843.6050	848.5000	918.9178	890.0000	910.5000	923.0834	908.9170	904.5000	917.2667	886.5000
Tomlin Middle	1950	154,960	-	1,610.6975	1,588.2526	1,579.0024	1,473.7502	1,434.7498	1,480.9644	1,505.0932	1,534.1111	1,511.4178	1,514.1138
Turkey Creek Middle	1929	129,586	-	1,038.6000	978.9186	993.0004	1,032.0000	1,086.1000	1,158.4832	1,134.8826	1,115.0000	1,102.2834	1,108.0004
Van Buren Middle	1952	118,528	-	582.4200	589.5000	646.8034	594.0000	590.5000	678.0000	755.0000	837.0000	834.5000	831.9670
Walker Middle	1985	142,694	-	887.4862	800.6672	732.1050	647.8040	650.9399	651.5000	1,075.5000	1,118.9170	1,032.5000	973.0000
Webb Middle	1968	116,742	-	850.0000	881.5000	870.4600	819.0000	758.5000	793.0000	720.5334	739.0000	788.9107	732.5000
Williams Middle	1994	132,153	-	789.2670	741.5000	790.5000	801.6664	806.5000	878.9040	913.0000	925.0245	881.5000	846.5000
Wilson Middle	1915	71,455	-	562.3007	599.3368	619.4175	621.0008	631.5000	610.0000	598.5000	586.0000	589.3344	584.5838
Young Middle	1963	134,411	-	555.0000	553.2510	574.9190	661.0000	677.4400	659.3340	689.1668	788.5000	744.0000	797.0000
Total Middle Schools				40,146.2846	41,148.0450	41,542.6567	41,434.1399	41,401.4425	41,520.3691	41,667.6390	42,360.7408	42,034.9548	41,953.1791

(Continued)

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS

	Acquired Date (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data 2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
High Schools													
Alonso High	1999	245,257	5	2,466.6122	2,450.0942	2,355.6573	2,365.9290	2,441.3380	2,791.0090	2,742.1688	2,662.7518	2,695.0012	2,519.9250
Armwood Senior High	1983	337,384	-	1,720.5358	1,681.5983	1,699.3348	1,720.1704	1,686.5024	1,865.2674	1,934.5842	1,926.5700	2,029.9559	1,952.9850
Blake Senior High	1995	347,402	-	1,640.9072	1,699.1600	1,565.8444	1,460.1768	1,430.7702	1,383.2666	1,595.0000	1,721.9170	1,789.9173	1,682.1450
Bloomingdale Senior High	1982	288,270	-	2,150.7699	2,272.6644	2,366.3236	2,374.1976	2,346.0084	2,361.0244	2,266.5882	2,181.9332	2,234.0556	2,241.9848
Brandon Senior High	1960	302,054	-	1,896.9202	1,947.7051	1,930.9634	2,026.9310	2,191.0060	2,326.1700	2,208.5838	2,017.1000	2,002.1114	2,029.3850
Chamberlain Senior High	1956	260,447	3	1,768.0263	1,788.3366	1,836.9242	1,944.6712	1,969.4194	2,061.0095	2,118.4528	2,190.9598	2,170.3057	2,203.7950
D. W. Waters Center	1911	74,586	-	180.3244	182.9665	206.4021	198.1639	232.0560	263.7160	245.1583	267.1325	350.3500	339.9750
Durant Senior High	1992	282,735	1	2,179.3573	2,194.8680	2,167.1050	2,228.5252	2,235.1820	2,458.9338	2,571.5044	2,733.4250	2,766.5000	2,582.0000
East Bay Senior High	1971	261,226	2	2,231.7610	2,096.5611	1,994.8421	1,965.4800	1,951.0902	1,941.2854	1,820.3948	1,848.0800	2,558.8000	2,321.2800
Freedom Senior High	1999	293,407	-	2,028.0564	1,969.5192	2,017.1014	2,025.4086	2,136.5116	2,118.0092	2,084.3364	2,110.3344	2,079.7506	1,793.7260
Gaither Senior High	1983	302,030	2	2,047.4663	1,988.3680	1,945.4333	2,002.1740	2,106.7428	2,307.1042	2,317.0854	2,309.5033	2,374.2854	2,368.7862
Hillsborough Senior High	1927	280,224	2	1,846.4900	1,800.8264	1,859.2514	1,902.4194	1,897.4182	1,950.1680	1,910.4170	2,043.8250	2,016.1633	1,980.2500
Jefferson Senior High	1971	243,761	1	1,499.0808	1,590.3184	1,666.1680	1,702.0842	1,662.5000	1,691.5846	1,827.7518	1,819.8750	1,847.8000	1,823.2015
King Senior High	1959	248,172	-	1,813.7031	1,784.5078	1,744.2555	1,714.8348	1,790.4042	1,821.9904	1,823.2136	1,956.0750	2,040.6500	2,056.8750
Lennard High School	2003	233,007	-	1,883.4810	1,772.8827	1,606.9144	1,487.4313	1,381.6002	1,226.9230	1,101.5016	730.4302	-	-
Leto Senior High	1964	292,496	-	1,803.3546	1,690.7154	1,625.1874	1,695.3238	1,771.3126	1,756.1031	1,727.8336	1,764.7070	1,799.7481	1,773.0534
Middleton Senior High	1999	237,021	2	1,244.9700	1,128.5644	1,167.9190	1,130.5838	1,124.5016	1,287.5440	1,606.2522	1,749.8486	1,977.8750	2,002.7750
Newsome Senior High	1999	251,410	-	2,334.5757	2,326.6162	2,250.7076	2,203.9426	2,081.3444	2,109.3136	2,172.0132	2,052.0500	1,847.8500	1,538.2000
Plant City Senior High	1971	296,496	3	2,115.2174	2,032.1152	1,943.4504	2,002.4286	2,179.4290	2,826.3892	2,752.6656	2,658.0734	2,627.2000	2,455.1100
Plant Senior High	1926	233,263	-	2,308.1880	2,281.4261	2,328.6318	2,331.5116	2,288.0938	2,254.8396	2,155.8428	1,997.1812	1,958.5828	1,993.9224
Riverview Senior High	1995	289,109	-	2,297.8006	2,215.1706	2,265.4286	2,191.5294	2,154.7906	2,131.1560	2,085.6948	2,268.0000	2,775.8201	2,652.6111
Robinson Senior High	1957	198,974	1	1,530.7566	1,557.3368	1,489.0735	1,390.2697	1,331.6680	1,281.4683	1,225.0000	1,210.1000	1,187.9000	1,168.2930
Sickles Senior High	1985	311,652	-	2,049.4281	2,044.4277	1,959.0938	1,811.3160	1,952.2007	2,588.1748	2,631.7578	2,640.1688	2,627.0024	2,492.7494
Spoto High School	2004	222,018	-	1,337.5768	1,258.4022	1,193.4170	1,302.0008	1,353.2502	1,433.9170	1,458.8344	1,086.8500	-	-
Steinbrenner High	2006	249,297	-	2,229.2332	2,220.0256	2,152.6816	1,996.2582	1,541.7626	-	-	-	-	-
Strawberry Crest High	2007	252,588	-	2,134.8384	2,204.3476	2,001.0068	1,843.1740	1,307.3312	-	-	-	-	-
Tampa Bay Technical High School	1967	256,316	-	1,972.1008	2,003.9716	1,972.5840	2,040.8380	2,189.5870	2,096.4182	1,969.9202	1,859.2214	1,841.1490	1,735.4804
Wharton Senior High	1987	299,792	-	2,284.0106	2,360.4888	2,347.0998	2,431.6860	2,456.0990	2,320.4274	2,326.2526	2,309.7750	2,211.8206	2,074.2250
Total High Schools				52,995.5427	52,543.9849	51,658.8022	51,489.4599	51,189.9203	50,653.2327	50,678.8083	50,115.8876	49,810.5944	47,782.7332
Specialty Schools													
Bowers Whitley Career Center	2001	54,179	-	234.0809	289.5000	318.3104	338.5524	353.5004	387.1680	367.3000	368.7500	399.1131	403.5000
Brandon Alternative	1954	5,966	-	91.0960	125.1085	162.9500	186.3000	184.5000	199.3190	190.9706	220.1250	193.2000	168.1950
Caminiti Exceptional Student Education	1985	60,661	-	126.5000	143.4337	153.6758	174.9008	183.7338	185.9303	181.9364	185.5000	187.9350	194.0749
Carver Exceptional Center	1925	34,340	-	77.5000	82.2502	81.2502	77.9170	92.0000	94.0000	116.5000	106.4903	94.4086	76.0000
East County Alternative Center	1957	n/a	-	-	-	-	-	-	-	-	38.5000	59.0000	56.0000
Lavoy Exceptional Student Education	1962	42,748	-	87.8351	108.0000	101.0000	111.0000	101.0000	106.4400	124.6750	125.4750	125.0000	115.2800
Lopez Exceptional Student Center	1950	n/a	-	55.1300	61.5000	-	-	-	-	-	-	-	-
Meacham Center	1926	n/a	-	-	-	-	-	-	-	-	121.4575	144.7725	132.5425
North Tampa Alternative Center	1988	n/a	-	115.0220	147.0980	182.3728	185.0854	175.5000	210.0000	178.7584	78.0000	137.3310	113.6100
Simmons Career Center	1923	46,448	2	223.8909	252.1762	286.1061	263.4593	284.7543	302.3395	313.3961	311.7211	352.7451	342.9951
South County Career Center	2000	102,850	-	263.5611	293.3856	323.1487	274.7468	251.5192	276.3750	277.2500	321.2500	391.8650	392.6200
Velasco Student Services	1985	41,018	-	-	-	-	-	-	-	-	-	-	40.7015
Willis Peters Exceptional Center	n/a	n/a	-	90.9002	101.0000	-	-	-	-	-	-	-	-
Total Specialty Schools				1,365.5162	1,603.4522	1,608.8140	1,611.9617	1,626.5077	1,761.5718	1,750.7865	1,877.2689	2,085.3703	2,035.5190
Charter Schools													
A. T. Jones Science Academy	n/a	n/a	n/a	-	-	216.5000	129.0000	-	-	-	-	-	-
Anderson Elementary Academy	n/a	n/a	n/a	-	-	-	-	-	103.1100	153.5500	62.0000	-	-
Advantage Elementary Academy	n/a	n/a	n/a	322.5000	337.0000	305.0000	295.0000	236.0000	-	-	-	-	-
Advantage Middle Academy	n/a	n/a	n/a	144.0000	142.5000	149.0000	132.0000	109.5000	-	-	-	-	-
Bell Creek Adademy	n/a	n/a	n/a	454.5000	-	-	-	-	-	-	-	-	-
Bell Creek Adademy High School	n/a	n/a	n/a	115.0000	-	-	-	-	-	-	-	-	-
Brooks Debartolo Collegiate	n/a	n/a	n/a	414.0000	320.1692	286.7542	271.9750	268.4180	245.5000	186.5000	-	-	-
Carl Sagan Academy	n/a	n/a	n/a	-	-	-	-	-	75.5000	68.5000	71.0000	49.6680	-
Central City Elem of Tampa	n/a	n/a	n/a	-	-	-	-	-	-	-	-	130.0000	102.5000
Channelside Acadamy	n/a	n/a	n/a	353.4500	311.0000	194.5000	-	-	-	-	-	-	-
Channelside Acadamy Middle School	n/a	n/a	n/a	88.0000	55.5000	-	-	-	-	-	-	-	-
Community Charter Middle School	n/a	n/a	n/a	85.0000	102.5000	102.5000	-	-	-	-	-	-	-
Community Charter School	n/a	n/a	n/a	118.5000	291.0000	249.5000	253.5000	193.0000	120.0000	-	-	-	-
Eastside Multi-Cultural School	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
Focus Adademy	n/a	n/a	n/a	28.5000	-	-	-	-	-	-	-	-	-
Florida Autism Charter School	n/a	n/a	n/a	95.5000	105.0000	87.0000	69.0000	59.4600	70.1300	89.5000	-	-	-
Gates Senior High Charter School	n/a	n/a	n/a	-	73.5000	-	-	-	-	-	-	-	-
Henderson Hammock Charter School	n/a	n/a	n/a	881.5000	602.7083	-	-	-	-	-	-	-	-
Hillsborough Academy Math & Science	n/a	n/a	n/a	627.0000	-	-	-	-	-	-	-	-	-
Kid's Community College	n/a	n/a	n/a	348.0000	346.0000	313.0000	303.5000	279.9940	223.0000	152.5000	99.0000	51.0000	-
Kid's Community Middle College	n/a	n/a	n/a	195.0000	153.0000	108.5000	64.5000	-	-	-	-	-	-
Kid's Community Senior College	n/a	n/a	n/a	180.0000	115.5000	-	-	-	-	-	-	-	-
King Kids Academy	n/a	n/a	n/a	84.0000	49.5000	-	-	-	-	-	-	-	-
Learning Gate Community	n/a	n/a	n/a	800.5000	794.0000	798.5000	572.0000	550.0000	526.3753	500.5000	454.5000	404.5000	391.0000
Literacy Leadership Tech Academy	n/a	n/a	n/a	527.0000	294.3250	285.5000	251.5000	233.0000	231.5000	173.0000	109.5000	92.0000	-
Literacy Leadership Tech High	n/a	n/a	n/a	-	-	-	-	103.9500	63.5000	-	-	-	-
Lutz Preparatory School	n/a	n/a	n/a	565.9600	476.4506	230.0000	-	-	-	-	-	-	-

(Continued)

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS

	Acquired Date (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data 2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Mount Pleasant	n/a	n/a	n/a	97.0000	85.5000	88.0000	95.5000	69.0000	122.0000	96.0000	109.0000	114.0000	66.5000
New Springs Elementary Schools	n/a	n/a	n/a	204.0000	176.0000	99.5000	-	-	-	-	-	-	-
New Springs Schools	n/a	n/a	n/a	145.0000	173.5000	145.5000	104.0000	-	-	-	-	-	-
Newpoint High of Tampa	n/a	n/a	n/a	-	161.1000	222.0000	204.0000	117.5000	-	-	-	-	-
Pepin Academy of Tampa	n/a	n/a	n/a	568.9532	174.2510	158.1672	154.5036	157.3348	148.0036	143.3356	136.5862	112.7874	209.2542
Pepin Elementary	n/a	n/a	n/a	-	109.0000	87.5000	82.5000	85.5000	73.0000	55.5000	54.5000	33.0000	-
Pepin Middle	n/a	n/a	n/a	-	162.5000	121.0000	111.5000	116.8800	74.5922	113.0000	117.5000	105.0000	-
Pepin Transitional	n/a	n/a	n/a	61.5000	67.5000	67.9074	68.8670	61.8970	54.4166	34.4811	23.3610	-	-
Pivot Charter School	n/a	n/a	n/a	321.9203	232.5000	108.5000	-	-	-	-	-	-	-
Prince Academy	n/a	n/a	n/a	-	-	-	-	-	-	43.5000	64.5000	73.5000	35.5000
RCMA Leadership Academy	n/a	n/a	n/a	58.5000	51.5000	-	-	-	-	-	-	-	-
RCMA Wimauma Academy	n/a	n/a	n/a	203.5000	193.0000	224.8751	189.0000	170.5000	150.9500	153.0000	156.5000	130.5000	109.0000
RE-Birth Academy	n/a	n/a	n/a	-	-	-	-	-	73.9500	94.5000	100.0000	118.0000	109.0000
Redlands Christian Migrant	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
Richard Milburn Academy	n/a	n/a	n/a	-	-	-	-	-	-	-	-	254.4001	214.6676
Seminole Heights Charter School	n/a	n/a	n/a	441.0000	389.0000	384.9000	239.5000	-	-	-	-	-	-
Shiloh Elem Charter School	n/a	n/a	n/a	437.0000	429.5000	411.4424	382.3852	353.5000	386.3000	193.8650	-	-	-
Shiloh Middle Charter School	n/a	n/a	n/a	183.8000	190.9000	181.0000	152.5000	110.0000	-	-	-	-	-
Tampa Bay Academy	n/a	n/a	n/a	-	-	-	88.8500	162.5000	148.3000	184.5000	151.5000	154.0000	170.0000
Tampa Charter School	n/a	n/a	n/a	200.0000	172.0000	165.5000	138.0000	142.5000	103.2300	113.5000	105.0000	98.5000	97.0000
Tampa United Methodist	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	178.5000
Terrace Community School	n/a	n/a	n/a	658.5000	659.0000	658.3668	643.5000	638.0000	528.0000	504.0000	399.5000	351.5000	307.5000
The Richardson Academy	n/a	n/a	n/a	42.5000	63.5000	61.5000	74.0000	69.0000	84.0000	89.0000	88.0000	61.5000	79.4416
Trintity School for Children	n/a	n/a	n/a	701.5000	488.0000	471.5000	455.5000	402.5000	410.5000	413.0000	340.0000	481.0000	467.0000
Trinity Upper School	n/a	n/a	n/a	-	255.3882	227.9862	208.0000	195.0000	184.0000	194.9800	339.0000	207.5000	196.5026
University City Charter School	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
USF/Patel	n/a	n/a	n/a	-	-	-	-	-	-	139.0000	139.5000	147.5000	190.5000
USF/Patel Intermediate Charter	n/a	n/a	n/a	-	-	-	-	-	-	69.5000	67.5000	57.0000	-
Valrico Lake Advantage Academy	n/a	n/a	n/a	645.5000	666.0000	539.5000	205.0000	154.0000	-	-	-	-	-
Village of Excellence	n/a	n/a	n/a	219.0000	211.9900	168.9900	136.0000	119.0000	113.5000	106.0000	105.5000	104.4500	113.5000
W.E. Phillips Learning	n/a	n/a	n/a	43.0000	21.0000	-	-	-	-	-	-	-	-
Walton Academy	n/a	n/a	n/a	175.0000	159.0000	153.5000	164.5000	166.0000	163.5000	175.4600	166.9200	122.9200	71.9600
West University Charter H S	n/a	n/a	n/a	327.0000	181.8600	-	-	-	-	-	-	-	-
Winthrop Charter School	n/a	n/a	n/a	1,262.5000	1,081.0000	830.0000	-	-	-	-	-	-	-
Woodmont Charter School	n/a	n/a	n/a	644.0000	702.0000	504.6500	-	-	-	-	-	-	-
Wilbesan Academy	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	55.5000
Total Charter Schools				14,068.5835	11,826.1423	9,408.0393	6,239.5808	5,323.9338	4,476.8577	4,240.1717	3,460.3672	3,454.2255	3,164.8260
Other Programs													
Acts	n/a	n/a	n/a	10.2514	16.5000	10.7566	-	-	-	-	-	-	-
Alternative Sch Non-DJJ Prog	n/a	n/a	n/a	3.4000	-	1.4000	15.4750	22.2800	106.1164	95.0000	112.5000	97.4850	50.1875
AMI Kids - Tampa Marine Institute	n/a	n/a	n/a	36.0000	20.5000	54.0000	53.5000	52.0000	59.5000	54.0000	46.0000	56.0000	69.8584
AMI Kids Yes - Youth Services	n/a	n/a	n/a	31.0000	32.0000	33.0000	33.5000	31.0000	33.0000	32.0000	32.0000	34.0000	29.0000
Columbus Juvenile Residential	n/a	n/a	n/a	47.0000	48.5000	47.0000	50.0000	48.0000	48.5000	49.0000	50.0000	49.5000	47.0000
Detention Center, East	n/a	n/a	n/a	-	-	-	43.5000	41.5000	38.5000	59.5000	56.0000	69.2000	66.5000
Detention Center, West	n/a	n/a	n/a	81.5000	82.0000	84.0000	66.5000	55.5000	65.9990	94.0000	108.5000	116.5000	113.2000
Dorothoy Thomas	n/a	n/a	n/a	46.5000	67.4170	64.5000	69.7044	72.0000	80.3790	112.5000	92.0000	123.5000	143.0000
ESE Birth Through Age 5	n/a	n/a	n/a	16.4502	18.6500	20.4318	20.5800	19.7034	15.6535	16.9500	17.8118	16.1684	15.0350
ESE Hospital/Homebound Program	n/a	n/a	n/a	40.5130	40.4236	44.6490	44.3181	43.0050	46.9210	43.2430	40.0408	45.6674	-
Falkenburg Road Jail	n/a	n/a	n/a	11.5000	56.5000	52.0000	26.5000	44.5000	47.4670	39.5000	28.5084	66.0000	34.5000
Fl Virtual School Franchise	n/a	n/a	n/a	-	-	-	-	-	38.5299	0.8340	-	41.1018	57.6146
Haven Poe	n/a	n/a	n/a	-	-	-	-	11.0000	8.0000	7.5000	7.5000	3.5000	9.5000
Hillsborough ESE Contract Res	n/a	n/a	n/a	2.5000	3.5000	5.5000	3.8000	-	-	-	-	-	-
Hillsborough Girls Academy	n/a	n/a	n/a	11.5000	17.0000	14.5000	12.0000	22.0000	20.9340	16.0000	22.5000	23.5000	16.0000
Lake Academy	n/a	n/a	n/a	46.5000	-	-	-	-	-	-	-	-	-
Leslie Peters Halfway House	n/a	n/a	n/a	11.0000	21.5000	22.0000	22.0000	22.5000	26.0000	23.0000	27.5000	26.5000	23.0000
Mendez Exceptional Center	n/a	n/a	n/a	47.5000	41.9750	38.1668	29.5000	47.6668	44.9174	56.5504	60.9100	56.5000	68.5000
Pace	n/a	n/a	n/a	54.5000	51.5000	47.0000	43.0000	44.0000	46.0000	40.5850	50.0000	45.7000	43.0000
Parkhill Exception Center	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
Plant City Exceptionl Ed Center	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
Private School (Disabled)	n/a	n/a	n/a	1,459.1667	1,433.6667	1,253.8334	990.7934	650.4982	742.1268	907.0000	855.0000	836.5000	713.0000
Private School PPPS	n/a	n/a	n/a	8.3582	9.5000	7.4700	10.4000	-	-	-	-	-	-
Project Craft	n/a	n/a	n/a	-	-	-	-	-	-	-	-	16.5000	15.5000
Riverside Academy	n/a	n/a	n/a	130.5000	136.5000	120.0000	150.0000	156.0000	157.9375	156.4751	154.0000	147.0000	139.0000
Tampa Residentiocal Facility	n/a	n/a	n/a	29.5000	41.5000	44.0000	89.5000	96.0000	92.0000	81.0000	92.0000	89.0000	84.0000
Teen Parent East	n/a	n/a	n/a	25.5806	17.0000	19.2500	30.5000	41.8165	37.2093	30.3221	27.4747	33.6078	155.0096
Teen Parent North	n/a	n/a	n/a	-	8.0000	12.5683	18.5000	-	-	-	-	-	-
Teen Parent South	n/a	n/a	n/a	20.7600	16.4175	47.0026	29.5068	-	-	-	-	-	-
Teen Parent West	n/a	n/a	n/a	81.9931	105.6027	114.0307	123.1638	136.2796	67.8668	61.3376	27.8689	60.1250	-
Total Other Sites				2,253.4732	2,286.1525	2,157.0592	1,976.2415	1,657.2495	1,823.5576	1,976.2972	1,908.1146	2,053.5554	1,892.4051
Total District				201,431.1556	198,658.6833	195,198.17	192,499.01	190,798.66	189,760.59	190,580.31	190,699.22	190,595.77	185,511.40

1) Date contract was let to build.
2) Square footage is current, but does not include portables.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
NUMBER OF PERSONNEL
LAST TEN FISCAL YEARS

Fiscal Year	(A) Instructional	(B) Administrative	(C) Support Services	Total	Ratio of Students to Instructional Personnel	Ratio of Instructional Personnel to Administrators
2014	15,787	937	9,280	26,004	12.75	16.85
2013	15,638	915	9,223	25,776	12.70	17.09
2012	15,477	882	9,185	25,544	12.61	17.55
2011	15,217	890	9,119	25,226	12.65	17.10
2010	15,048	880	9,029	24,957	12.68	17.10
2009	15,376	840	9,056	25,272	12.34	18.30
2008	15,229	836	9,295	25,360	12.51	18.22
2007	15,118	828	9,175	25,121	12.61	18.26
2006	14,517	800	8,969	24,286	13.13	18.15
2005	13,959	799	8,843	23,601	13.29	17.47

Note: Full Time Employees Only

(A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists Other Professional Instructional Staff
(B) Principals, Assistant Principals, Superintendent, Assistant Superintendent/Chief Division Officer, General Directors Directors, General Managers, Managers, Supervisors/Customer Svc Managers, Coordinators/Asst Dept Managers
(C) Paraprofessional, Bus Drivers, Maintenance, Student Nutrition, Custodial, Clerical, Etc.

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS

Fiscal Year	Minimum Salary	Maximum Salary	Average Salary
2014 (1)	$ 37,785	$ 64,885	$ 51,158
2013	37,569	61,519	48,314
2012	37,014	61,594	47,601
2011	37,014	61,594	47,601
2010	37,014	61,594	47,601
2009	37,014	61,594	47,601
2008	37,014	61,594	47,601
2007	35,012	57,905	44,755
2006	32,005	53,619	37,370
2005	31,000	51,544	37,338

10 Month Teachers with Bachelors Degree
(1) Average of regular salary schedule and the new empowering effective teachers evaluation schedule

Source: District Records

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA
FOOD SERVICE OPERATING DATA
LAST TEN YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Days Meals Served:	181	181	181	180	181	182	182	184	184	184
Student Lunches Served:										
Paid Lunches (regular)	3,414,131	3,461,533	3,637,054	3,868,506	3,961,620	4,551,148	5,409,282	5,201,286	4,242,669	4,527,037
Reduced Lunches (regular)	1,696,283	1,930,977	1,987,547	2,149,221	2,423,399	2,822,078	2,767,948	2,677,766	2,253,652	1,763,595
Free Lunches (regular)	15,044,904	14,193,275	13,989,877	13,527,929	12,820,820	11,785,998	10,990,241	10,766,501	10,644,586	10,430,109
Total Student Lunches Served	20,155,318	19,585,785	19,614,478	19,545,656	19,205,839	19,159,224	19,167,471	18,645,553	17,140,907	16,720,741
Daily Average Student Lunches Served	111,355	108,209	108,367	108,587	106,110	105,270	105,316	101,335	93,157	90,874
Student Breakfasts Served:										
Paid Breakfasts (regular)	2,811,466	2,757,077	3,062,197	3,373,601	3,539,910	3,901,214	3,976,455	4,053,309	3,744,477	3,598,110
Reduced Breakfasts (regular)	934,465	999,640	1,037,880	1,153,426	1,320,463	1,527,314	1,440,498	1,413,870	1,264,644	1,120,542
Free Breakfasts (regular)	9,366,988	8,371,783	8,169,292	7,954,549	7,566,867	6,990,486	6,266,791	6,267,877	6,474,779	6,430,671
Total Student Breakfasts Served	13,112,919	12,128,500	12,269,369	12,481,576	12,427,240	12,419,014	11,683,744	11,735,056	11,483,900	11,149,323
Daily Average Student Breakfasts Served	72,447	67,008	67,787	69,342	68,659	68,236	64,196	63,777	62,413	60,594
LUNCH PRICES:										
Elementary	$2.25	$2.25	$2.25	$2.25	$2.25	$2.25	$1.75	$1.75	$1.75	$1.75
Secondary	$2.75	$2.75	$2.75	$2.75	$2.75	$2.75	$2.25	$2.25	$2.25	$2.25
BREAKFAST PRICES:										
Elementary	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE
Secondary	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE	FREE
Free and Reduced Percentages:										
Paid	18.7%	19.6%	21.0%	22.6%	23.7%	26.7%	30.4%	30.5%	27.9%	29.2%
Reduced	7.9%	9.2%	9.5%	10.3%	11.8%	13.8%	13.6%	13.5%	12.3%	10.3%
Free	73.4%	71.2%	69.5%	67.2%	64.6%	59.5%	55.9%	56.1%	59.8%	60.5%

Source: District Records

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APPENDIX C

DEFINITIONS APPLICABLE TO THE BASIC DOCUMENTS

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APPENDIX C

DEFINITIONS

"Accreted Value" of a Capital Appreciation Certificate means the original principal amount thereof payable from the Principal Component of Basic Rent Payments plus interest payable from the Interest Component of Basic Rent Payments accrued thereon on the basis of a 360-day year consisting of twelve 30-day months compounded semi-annually on each Payment Date commencing on the Payment Date next succeeding the dated date of such Capital Appreciation Certificates to the date of maturity or redemption prior to maturity of such Capital Appreciation Certificates on the date of determination. The Accreted Value with respect to any date other than a Payment Date is the Accreted Value on the next preceding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates plus the percentage of the Accreted Value on the next succeeding Payment Date derived by dividing the number of days from the next preceding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates to the date of determination by the total number of days from the next succeeding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates to the next succeeding Payment Date.

"Act" means Chapters 1001 et. seq., Florida Statutes, and other applicable provisions of law.

"Amortization Installment" means an annual amount designated as such by the Trust Agreement, such amount to be included in the Basic Rent Payments and to be deposited by the Trustee to the credit of the Principal Account for the purpose of paying Term Certificates.

"Architect" means, with respect to a Project involving the construction of a Building, the architect or firm of architects appointed to perform the duties of the Architect in accordance with Section 5.01 of the Lease Agreement. The Architect may be an employee of the Board, the Developer or the Contractor.

"Assignment of Lease Agreement" means the Assignment of Lease Agreement, dated as of April 1, 1994, by and between the Corporation and the Trustee, as now or hereafter amended.

"Authorized Officer," when used with respect to the Corporation, means the President, Vice President, Secretary or Treasurer of the Corporation or their deputies or

assistants or any other officer of the Corporation who is designated by the Board of Directors of the Corporation as an Authorized Officer for purposes of the Lease Agreement and the Trust Agreement in a written certificate signed by the Chairman of the Board of Directors of the Corporation and filed with the Trustee. The term "Authorized Officer," when used with respect to the Board, means the Chairman, the Superintendent or his designee or any other officer or employee of the Board designated by the Board as an Authorized Officer for purposes of the Lease Agreement and the Trust Agreement in a written certificate signed by the Chairman of the Board and filed with the Trustee.

"Available Revenues" means the moneys and revenues of the Board legally available under the Act to make the Lease Payments. "Available Revenues" shall include, to the extent permitted by the Act, but not be limited to, PECO Funds, FEFP and the Capital Outlay Millage.

"Basic Rent" or **"Basic Rent Payment"** means the Basic Rent payments set forth in the Lease Schedules, as the same may be adjusted pursuant to the terms of the Lease Agreement.

"Basic Rent Payment Date" means the dates on which Basic Rent becomes due as described in the Lease Schedules. Such Basic Rent Payment Dates shall occur on each January 1 and July 1 unless a Lease Schedule states otherwise; provided, payments of Basic Rent shall be made at the time indicated in Section 4.03 of the Lease Agreement.

"Board" means the School Board of Hillsborough County, Florida, and any successor thereto.

"Budget" means the annual budget of revenues and expenses and capital expenditures required to be adopted by the Board for each Fiscal Year pursuant to the laws of the State. "Budget" shall include the Board's continuation Budget, tentative Budget and its final Budget.

"Buildings" means, in regard to a Project, the structures to be financed or refinanced from a disbursement from the Project Account and leased to the Board as part of a Project pursuant to the terms of the Lease Agreement and Trust Agreement and which is more particularly described in the Lease Schedule relating to such Project, as the same may be modified or changed from time to time in accordance with the terms of the Lease Agreement and Trust Agreement.

"Business Day" means any day other than a Saturday or Sunday or a day on which the Trustee is authorized by law to be closed.

"Capital Appreciation Certificates" means the Certificates so designated by the Trust Agreement, which may be either Serial Certificates or Term Certificates and which shall bear interest payable at maturity or redemption.

"Capital Outlay Millage" means the revenues received by the Board from the levy of an ad valorem tax against non-exempt assessable property within the District and available to make Lease Payments pursuant to applicable law.

"Certificate" or **"Certificates"** means the certificates of participation prepared and delivered by the Trustee pursuant to the Trust Agreement.

"Certificate Register" means the books of the Trustee for registration of the ownership of the Certificates pursuant to Section 4.06 of the Trust Agreement.

"Closure Date" means, in regard to a Project, the date provided in the Lease Schedule relating thereto.

"Code" means the Internal Revenue Code of 1986, as amended, and all regulations and rules applicable thereto.

"Commencement Date" means, with respect to a Project, the date set forth in the Lease Schedule relating thereto.

"Completion Certificates" means Certificates issued for purposes of completing a Project pursuant to Section 4.12 of the Trust Agreement.

"Completion Date" shall have, in regard to a Project, the meaning ascribed thereto in Section 6.03(g) of the Trust Agreement.

"Construction Contract" means a contract entered into between the Board on behalf of the Corporation and the Contractor or Developer providing for the terms upon which the Contractor or Developer shall construct and install a Project, or portion thereof.

"Contractor" means, with respect to a Project, the Person or Persons appointed by the Board on behalf of the Corporation to act in such capacity.

"Corporation" means Hillsborough School Board Leasing Corporation, a single-purpose, not-for-profit corporation organized and existing under the laws of the State, and any successor thereto.

"Costs of Issuance" means, in regard to a Series of Certificates and Lease Schedule related thereto, all costs and expenses related to the execution, sale and delivery of such Series of Certificates and execution and delivery of such Lease Schedule, including, but not limited to, costs paid or incurred by the Board, the Corporation or the Trustee for filing costs, printing costs, reproduction and binding costs, initial fees and

charges of the Trustee, financing discounts, legal fees and charges and reimbursements, financial and other professional consultant fees and charges and reimbursements, auditors fees and charges and reimbursements, costs of rating agencies or credit ratings, fees for execution, registration, transportation and safekeeping of the Certificates, credit enhancement premiums and charges and fees in connection with the foregoing.

"Costs of Issuance Account" means the account by that name established under Section 6.02 of the Trust Agreement.

"Credit Bank" shall mean as to any particular Series of Certificates, the Person (other than an Insurer) providing a letter of credit, a line of credit or another credit or liquidity enhancement facility, as designated in the Lease Schedule relating to such Certificates.

"Credit Enhancer" means, with regard to a Series of Certificates, any Insurer or Credit Bank that provides a municipal bond insurance policy or Credit Facility, respectively, with regard to such Series of Certificates.

"Credit Facility" shall mean as to any particular Series of Certificates, a letter of credit, a line of credit or another credit or liquidity enhancement facility (other than a municipal bond insurance policy issued by an Insurer), as designated in the Lease Schedule relating to such Certificates.

"Current Interest Certificates" means Certificates so designated by the Trust Agreement and on which the interest on which is payable to the Owner thereof on the Payment Dates with respect thereto.

"Department" means the Department of Education of the State of Florida.

"Designated Equipment" means Equipment for which title is required by the Department to be in the name of the Board upon acquisition thereof and which is described as such in the Lease Schedule relating thereto. All Designated Equipment must be consented to by the Department or otherwise permitted by applicable law.

"Developer" means, with respect to a Project, the Person or Persons which shall enter into a Construction Contract with the Board to construct such Project, or portion thereof, on a "turn-key" basis.

"District" means the Hillsborough County School District, and any successor thereto.

"Engineer" means, with respect to a Project involving the construction of a Building, the professional engineer or firm of engineers appointed to perform the duties of the Engineer in accordance with Section 5.01 of the Lease Agreement. The Engineer may be an employee of the Board, the Contractor or the Developer.

"Equipment" means, in regard to a Project, the items of personal property to be financed or refinanced by disbursements from the Project Account and leased to the Board pursuant to the terms and provisions of the Lease Agreement and which are more particularly described in the Lease Schedule relating to such Project, or any substitutions therefor or additions thereto made in accordance with the provisions of the Lease Agreement. "Equipment" shall include Designated Equipment. All Equipment must be consented to by the Department or otherwise permitted by applicable law.

"Estimated Completion Date" means, with respect to a Project, the date provided in the Lease Schedule related thereto.

"Event of Default" or **"Default,"** when referenced to the Lease Agreement, means an event of default or default under the Lease Agreement as set forth in Section 7.02 of the Lease Agreement, and, when referenced to the Trust Agreement, shall mean an event of default or default as set forth in Section 8.01 of the Trust Agreement.

"Event of Non-Appropriation" shall have the meaning ascribed thereto in Section 7.01 of the Lease Agreement.

"FEFP" means moneys received by the Board from the Florida Education Finance Program pursuant to the Act, to the extent the Department permits such moneys to be used to make Lease Payments.

"Fiscal Year" means the period commencing on July 1 of each year and continuing through the next succeeding June 30, or such other period as may be prescribed by law.

"Fitch" means Fitch Ratings, or any successor thereto.

"Ground Leases" means, the Ground Lease Agreement, dated April 1, 1994, from the Board to the Corporation, as the same may be amended from time to time and any other Ground Lease Agreement or Supplement to the Ground Lease Agreement delivered in connection with a Lease Schedule.

"Group" means, in regard to a Project, the group or groups of leased property which shall constitute a portion of such Project as described in the Lease Schedule related thereto.

"Initial Lease Term" means, in regard to a Project, the initial term of the lease of such Project from the Corporation to the Board pursuant to the terms of the Lease Agreement, which Initial Lease Term shall commence on the Commencement Date and shall end on the next succeeding June 30.

Initial Lease Termination Date" means, in regard to a Project, the last day of the Initial Lease Term.

"Insurance Consultant" means a recognized, independent insurance company or broker, selected by the Board, that has actuarial personnel experienced in the area of insurance for which the Board is to be self insured.

"Insurer" means such Person which shall be in the business of insuring or guaranteeing the payment of the principal of and interest on municipal securities.

"Interest Account" means the account by that name established under Section 6.02 of the Trust Agreement.

"Interest Component" means the portion of each Basic Rent Payment constituting interest as set forth in the Lease Schedules.

"Land" means, in regard to a Project, (1) the real property to be financed or refinanced by a disbursement from the Project Account, which shall be selected by the Board in the manner required by law, and (2) the leasehold interest of the Corporation in the Premises, if any, acquired pursuant to a Ground Lease, which, in either case, shall be leased to the Board as part of such Project pursuant to the terms of the Lease Agreement and which is more particularly described in the Lease Schedule relating thereto, to the extent identified and acquired by the Corporation on the Commencement Date.

"Lease Agreement" means the Master Lease Purchase Agreement, dated as of April 1, 1994, by and between the Corporation, as lessor, and the Board, as lessee, including all Lease Schedules, as now or hereafter amended, modified or supplemented.

"Lease Payment Fund" means the fund by that name established under Section 6.02 of the Trust Agreement.

"Lease Payments" means, collectively, the Basic Rent, the Supplemental Rent and all other amounts owing under the Lease Agreement which are payable by the Board for the lease of the Projects pursuant to the Lease Agreement.

"Lease Schedule" means the Lease Schedule, the form of which is attached to the Lease Agreement as Exhibit C, which shall authorize the lease of a Project to the Board in accordance with the terms of the Lease Agreement.

"Lease Term" means, in regard to a Project, the term of the lease of such Project, pursuant to the provisions of the Lease Agreement and Lease Schedule relating thereto, which Lease Term shall commence on the first day of the Initial Lease Term and shall be equal to the Maximum Lease Term of such Project unless the Lease Agreement is earlier terminated in accordance therewith in which case the Lease Term shall end on such date of termination.

"Letter of Instructions" means the Letter of Instructions attached to each Supplemental Trust Agreement authorizing the issuance of a Series of Certificates as required by Section 6.12 of the Trust Agreement.

"Mandatory Prepayment" means the mandatory prepayment by the Board of all or a portion of the Lease Payments pursuant to Sections 3.07 and 5.08 of the Lease Agreement.

"Mandatory Prepayment Date" means, in regard to a Series of Certificates, the date on which such Certificates shall be redeemed pursuant to the Supplemental Trust Agreement authorizing the issuance thereof.

"Maximum Cost" means, in regard to a Project, the maximum cost of such Project which shall be stated in the Lease Schedule relating thereto.

"Maximum Interest Rate" means, with respect to any particular Series of Variable Rate Certificates, a numerical rate of interest, which shall be set forth in the Supplemental Trust Agreement authorizing the issuance of such Certificates, that shall be the maximum rate of interest such Certificates may at any time bear.

"Maximum Lease Term" means, in regard to a Project, the maximum term of the lease of such Project as provided in the Lease Schedule relating thereto.

"Moody's" or **"Moody's Investors Service"** means Moody's Investors Service, or any successor thereto.

"Net Proceeds," when used with respect to any insurance or condemnation award, means the amount of gross proceeds from such insurance or condemnation award remaining after payment of all expenses incurred in the collection of such gross proceeds.

"Optional Prepayment Date" means the date on which the moneys deposited by the Board pursuant to the exercise of a prepayment option under Section 4.06 of the Lease Agreement shall be applied to the redemption of a Series of Certificates in accordance with the Lease Schedule and Supplemental Trust Agreement relating thereto.

"Outstanding," when used with reference to Certificates means, as of a particular date, all Certificates theretofore issued under the Trust Agreement, except:

(1) Certificates theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Certificates which have been paid or provision for payment has been made in accordance with Section 12.01 of the Trust Agreement; and

(3) Certificates in exchange for or in lieu of which other Certificates have been issued.

"Overdue Rate" means a rate of interest equal to the highest rate of interest which any of the Outstanding Certificates shall bear.

"Owner" or **"Certificate Owner"** or **"Owner of Certificates"** or any similar term, when used with respect to the Certificates means any Person who shall be the registered owner of any Outstanding Certificate.

"Payment Dates" means, with respect to the interest due on the Current Interest Certificates (other than Variable Rate Certificates), January 1 and July 1 of each year and, with respect to the principal of the Current Interest Certificates, July 1 in each of the years set forth in the Supplemental Trust Agreements relating to such Series of Certificates. With respect to Capital Appreciation Certificates, the Payment Date shall be July 1 in the years of maturity set forth in the Supplemental Trust Agreements relating to such Series of Certificates. The Payment Dates for Variable Rate Certificates shall be established in the Supplemental Trust Agreement authorizing the issuance of such Certificates.

"PECO Funds" means moneys received by the Board from the Public Education Outlay and Debt Service Fund which are permitted by the Act to be used for payment of Lease Payments.

"Permitted Encumbrances" means, in regard to a Project:

(1) the Lease Agreement and any liens and encumbrances created or permitted thereby;

(2) the Assignment of Lease Agreement and any liens and encumbrances created or permitted thereby;

(3) the Trust Agreement and liens and encumbrances created or permitted thereby;

(4) any Ground Lease and Assignment of Ground Lease applicable thereto and any liens and encumbrances created or permitted thereby;

(5) subject to the provisions of Section 5.01(l) of the Lease Agreement, any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with the provisions of the Lease Agreement;

(6) (a) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law; (b) any

liens for taxes, assessments, levies, fees, water and sewer rents or charges and other government and similar charges, which are not due and payable or which are not delinquent or the amount or validity of which are being contested and execution thereon is stayed; (c) easements, rights-of-way, servitudes, restrictions, oil, gas or other mineral reservations and other minor defects, encumbrances and irregularities in the title to any property which do not materially and adversely impair the use of such property or materially and adversely affect the value thereof; (d) rights reserved to or vested in any municipality or public authority to control or regulate any property or to use such property in any manner; and (e) landlord's liens;

(7) any mortgage and security interest in a Project, or portion thereof, granted by the Corporation to the Trustee for the benefit of the Owners of the Series of Certificates, the proceeds of which financed or refinanced the acquisition and construction of such Project, pursuant to Section 7.07 of the Trust Agreement; and

(8) any other liens or encumbrances permitted by the Lease Schedule relating to such Project.

"Permitted Investments," except as otherwise provided in Supplemental Trust Agreements, means:

(1) Direct obligations of the United states of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America.

(2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

(i) Farmers Home Administration ("FmHA"): Certificates of beneficial ownership.

(ii) Federal Housing Administration ("FHA"): Debentures.

(iii) General Services Administration: Participation Certificates.

(iv) Government National Mortgage Association ("GNMA" or "Ginnie Mae"): GNMA - guaranteed mortgage backed bonds; GNMA - guaranteed pass-through obligations (participation certificates).

(v) U.S. Maritime Administration: Guaranteed Title XI financing.

(vi) U.S. Department of Housing and Urban Development ("HUD"): Local Authority Bonds; Project Notes.

(3) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following (non-full faith and credit) U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

(i) Federal Home Loan Bank System: Senior debt obligations.

(ii) Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"): Participation Certificates; Senior debt obligations.

(iii) Federal National Mortgage Association ("FNMA" or "Fannie Mae"): Mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities which are valued greater than par on the portion of unpaid principal).

(iv) Student Loan Marketing Association ("SLMA" or "Sallie Mae"): Senior debt obligations.

(v) Resolution Funding Corp. (REFCORP): Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

(vi) Farm Credit System: Consolidated systemwide bonds and notes.

(4) Money Market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor's Ratings Group ("S&P") of AAAm-G;

(5) Certificates of deposit secured at all times by collateral described in (1) and or (2) above. Certificates of deposit must have a one year or less maturity. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks whose short term obligations are rated "A-1+" or better by S&P. The collateral must be held by a third party and the Trustee must have a perfected first security interest in the collateral.

(6) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by the Federal Deposit Insurance Corporation, including the Bank Insurance Fund and the Savings Association Insurance Fund.

(7) Investment agreements, including guaranteed investment contracts ("GIC's"), acceptable to the Credit Facility Issuer.

(8) Commercial paper rated "Prime-1" by Moody's Investors Service Inc. ("Moody's") and "A-1+" or better by S&P.

(9) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest long-term rating categories assigned by such agencies.

(10) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1+" by S&P.

(11) Repurchase agreements ("Repos") providing for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the School Board or Trustee (buyer/lender), and the transfer of cash from the School board or Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the School Board or Trustee in exchange for the securities at a specified date.

Repos must satisfy the following criteria:

(a) Repos must be between the School Board or Trustee and a dealer bank or securities firm satisfying the following criteria: (a) Primary dealers on the Federal Reserve reporting dealer list which fall under the jurisdiction of the Securities Investor Protection Corporation ("SIPC") and which are rated "A" or better by S&P and Moody's, or (b) banks rated "A" or better by S&P and Moody's.

(b) The written Repo contract must include the following:

(i) Securities which are acceptable for transfer are:

(a) Obligations described in paragraph (i) above.

(b) Obligations described in paragraph (ii) above, and obligations issued or guaranteed by FNMA or FHLMC.

(ii) The term of the Repo may be up to 30 days.

(iii) The collateral must be delivered to the Trustee (if the Trustee is not supplying the collateral) or a third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(iv) The Trustee has perfected first priority security interest in the collateral.

(v) The collateral is free and clear of third party liens and in the case of SIPC brokers was not acquired pursuant to a Repo or reverse Repo.

(vi) Failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral.

(vii) Valuation of collateral.

(a) The securities must be valued by the dealer bank or securities firm, as applicable, weekly, marked-to-market at current market price plus accrued interest.

(b) The value of collateral must be equal to 104% of the amount of cash transferred by the School Board or Trustee to the dealer bank or security firm under the Repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the School Board or Trustee, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(c) A legal opinion which must be delivered to the School Board and Trustee stating that the Repo meets guidelines under state law for legal investment of public funds.

(12) Pre-funded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P. If, however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, Investment Securities referred to in paragraph (i) above, or AAA rated pre-refunded municipals to satisfy this condition.

(13) Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Section 218, Florida Statutes, or any similar common trust fund which is established pursuant to State law as a legal depository of public funds.

(14) Other forms of investments approved in writing by the Credit Enhancers, Standard & Poor's Corporation and Moody's Investors Service.

"Person" means an individual, corporation, partnership, association, joint stock company, trust, unincorporated organization, government or political subdivision.

"Plans and Specifications" means, in regard to a Project, the Board's plans and specifications for such Project, on file or to be on file with the Board, as the same may be amended from time to time in accordance with the Lease Agreement.

"Pledged Accounts" means, in regard to each Series of Certificates, the separate account, if any, established in the Prepayment Fund, and separate subaccounts, if any, established in the Project Account, Costs of Issuance Account, Capitalized Interest Account, the Reserve Account, the Principal Account and the Interest Account at the time such Series shall be issued.

"Premises" means, in regard to a Project, the parcels of real property leased by the Board to the Corporation pursuant to the Ground Lease, which real property shall be described in an exhibit to the Ground Lease.

"Prepayment Amount" means, in regard to a Project, the amount set forth in the Lease Schedule relating thereto.

"Prepayment Fund" means the fund by that name established under Section 6.02 of the Trust Agreement.

"Prepayment Premium" means the amount of prepayment premium, if any, due on any Optional Prepayment Date. The amount of such prepayment premium shall be calculated in accordance with the Trust Agreement.

"Prepayment Price" means, with respect to any Certificate or portion thereof, the principal amount or portion thereof, plus the applicable Prepayment Premium, if any, payable upon prepayment thereof pursuant to such Certificate or the Trust Agreement.

"Prerefunded Obligations" means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (1) which are rated, based on the escrow, in the highest rating category of S&P and Moody's; and (2)(a) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (1) of the definition of "Permitted Investments", which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the date or dates pursuant to such irrevocable instructions, as appropriate, and (b) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate.

"Principal Account" means the account by that name established under Section 6.02 of the Trust Agreement.

"Principal Component" means the portion of each Basic Rent Payment constituting principal as set forth in the Lease Schedules.

"Principal and Interest Requirements" means the respective amounts which are required in each Fiscal Year to provide for:

(1) the interest payable on all Certificates then Outstanding, which is payable on each interest Payment Date in such Fiscal Year,

(2) the principal on all Serial Certificates then Outstanding, which is payable upon the maturity of the Serial Certificates in such Fiscal Year, and

(3) the Amortization Installment for all Term Certificates then Outstanding, which is payable for such Fiscal Year.

In determining the amount of the Principal and Interest Requirements for any Fiscal Year, if interest on the Certificates is payable from the proceeds of such Certificates or from other amounts set aside irrevocably for such purpose at the time such Certificates are issued, interest on such Certificates shall be included in Principal and Interest Requirements only in proportion to the amount of interest payable in the then current Fiscal Year from amounts other than amounts so funded to pay such interest. For purposes of this definition, all amounts payable on a Capital Appreciation Certificate shall be considered a principal payment due in the year of its maturity or earlier mandatory redemption.

"Principal Office" means the designated corporate trust office of the Trustee which shall initially be in Jacksonville, Florida, or the designated corporate trust office of any successor Trustee.

"Project" shall mean the Land, the Buildings, and/or the Equipment, as described in the Lease Schedule relating thereto, as the same may be amended or modified from time to time in accordance with the terms of the Lease Agreement.

"Project Account" means the account by that name established under Section 6.02 of the Trust Agreement.

"Project Budget" means, in regard to a Project, the budget for expenditure of moneys in the subaccount in the Project Account established for such Project as set forth in the Lease Schedule relating thereto.

"Project Costs" or **"Costs of the Project"** means, in regard to a Project, all costs of payment of, or reimbursement for, acquisition, construction and installation of such Project, including but not limited to, architectural and engineering costs and costs of feasibility, environmental and other reports, inspection costs, permit fees, filing and recording costs and sales and use taxes and the cost of title insurance, and, in addition,

Costs of Issuance to the extent that the amounts on deposit in the Costs of Issuance Account are insufficient to pay all Costs of Issuance in full. Project Costs shall specifically include any portion of the total costs of such Project or any portion thereof paid by the Board from funds other than proceeds of the Certificates prior to the Closing Date for which the Board seeks reimbursement by filing a Requisition with the Trustee in the manner required by Section 6.03 of the Trust Agreement.

"Project Description" means, in regard to a Project, the description of such Project as set forth in the Lease Schedule relating thereto.

"Project Fund" means the fund by that name established under Section 6.02 of the Trust Agreement.

"Project Schedule" means, in regard to a Project, the timetable for disbursements from the subaccount of the Project Account established therefor for acquisition, construction, delivery and installation of the components of such Project as set forth in the Lease Schedule relating thereto.

"Purchasers" means the original purchasers of a Series of Certificates.

"Qualified Financial Institution" means (1) a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, or an insurance company or association chartered or organized under the laws of any state of the United States of America; or (2) the Government National Mortgage Foundation or any successor thereto or the Federal National Mortgage Foundation or any successor thereto; provided that, for each such entity delineated in clauses (1) and (2), its unsecured or uncollateralized long-term debt obligations, or obligations secured or supported by a letter of credit, contract, agreement or surety bond issued by any such entity, have been assigned a credit rating by Moody's of "Aa" or better or by S&P of "AA" or better.

"Real Estate Taxes" shall mean all real estate taxes, public and governmental charges and assessments, including all extraordinary or special assessments, or assessments against any of the personal property included in the Projects, all costs, expenses and attorneys' fees incurred by Lessor in contesting or negotiating with public authorities as to any of same and all sewer and other similar taxes and charges.

"Rebate Fund" means the fund by that name established under Section 6.02 of the Trust Agreement.

"Record Date" means the 15th day of the month preceding any Payment Date (whether or not a Business Day).

"Refunding Certificates" means Certificates issued for purposes of refunding Outstanding Certificates pursuant to Section 4.13 of the Trust Agreement.

"Refunding Securities," except as otherwise provided by Supplemental Trust Agreement, means the United States Obligations and the Prerefunded Obligations.

"Renewal Lease Term" means, in regard to a Project, the period commencing on the day after the last day of the Initial Lease Term and ending on the following June 30. Thereafter, "Renewal Lease Term" shall refer to each succeeding one (1) year term commencing on the day after the last day of the previous Renewal Lease Term and ending on the following June 30.

"Renewal Term Termination Date" means, in regard to a Project, the termination date for the then current Renewal Lease Term which shall be the last day of such Renewal Lease Term.

"Request and Authorization" means a request and authorization from the Corporation and the Board to the Trustee to authenticate and deliver Certificates in accordance with the terms thereof and of the related Supplemental Trust Agreement, and substantially in the form attached to the Trust Agreement as Exhibit C.

"Requisition" means a requisition of the Board to receive amounts from the Project Fund to pay Project Costs or Costs of Issuance in the form attached to the Lease Agreement as Exhibit B.

"Reserve Account" means the account by that name established under Section 6.02 of the Trust Agreement.

"Reserve Account Letter of Credit/Insurance Policy" means the irrevocable letter or line of credit, insurance policy, surety bond or guarantee agreement issued by a Qualified Financial Institution in favor of the Trustee which is to be deposited into a subaccount of the Reserve Account in order to fulfill the Reserve Requirement relating thereto.

"Reserve Requirement" means, in regard to a subaccount established in the Reserve Account to secure a Series of Certificates, such amounts, if any, as shall be provided in the Supplemental Trust Agreement authorizing the issuance of such Series and in the Lease Schedule relating thereto, provided such Requirement not exceed the lesser of (1) the maximum Principal and Interest Requirements on account of the Outstanding Certificates of the Series secured by such subaccount in the current or any subsequent Fiscal Year, (2) one hundred twenty-five percent (125%) of the average annual Principal and Interest Requirements on account of the Outstanding Certificates of

the Series secured by such subaccount in the current or any subsequent Fiscal Years, and (3) ten percent (10%) of the proceeds of such Series of Certificates.

"S&P" or **"Standard & Poor's Corporation"** means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., or any successor thereto.

"Serial Certificates" means the Certificates designated as Serial Certificates pursuant to the Trust Agreement.

"Series" means all the Certificates delivered on original issuance in a simultaneous transaction and identified pursuant to Section 4.01 of the Trust Agreement and the Supplemental Trust Agreement authorizing the issuance of such Certificates as a separate Series, regardless of variations in maturity, interest rate and other terms.

"Special Counsel" shall mean Nabors, Giblin & Nickerson, P.A., Tampa, Florida, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the exemption of the interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"State" means the State of Florida.

"Stipulated Loss Value" means an amount calculated in accordance with Section 5.08 of the Lease Agreement.

"Superintendent" means the Superintendent of the District, or such Person as shall be authorized to act on his or her behalf.

"Supplemental Rent" shall have the meaning set forth in Section 4.03(e) of the Lease Agreement.

"Supplemental Trust Agreement" means any supplement to or amendment to the Trust Agreement entered into in accordance with Article XI of the Trust Agreement.

"Taxable Certificates" means Certificates for which the Interest Component of the Basic Rent Payments relating thereto shall be includable in gross income for purposes of federal income taxation.

"Term Certificates" means those Certificates designated as Term Certificates pursuant to the Supplemental Trust Agreement authorizing the issuance thereof which are subject to mandatory redemption by Amortization Installments.

"Termination Date" means the date on which the Lease Agreement terminates pursuant to the terms thereof.

"Trust Agreement" means the Master Trust Agreement, dated as of April 1, 1994, between the Corporation and the Trustee, as now and hereafter amended, modified or supplemented by Supplemental Trust Agreements.

"Trust Estate" means all right, title and interest of the Trustee in and to the property and interests therein described in Section 3.03 of the Trust Agreement.

"Trustee" means The Bank of New York Mellon Trust Company, N.A. (successor to NationsBank of Florida, N.A.), New York, New York, or its successor in interest as the Trustee under the Trust Agreement.

"United States Obligations" means the obligations and securities described in paragraph (1) of the definition of "Permitted Investments."

"Variable Rate Certificates" means Certificates issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereto at the date of issue.

"Vendor" means, with respect to a Project, the Person or Persons appointed by the Board to sell Equipment relating to such Project.

APPENDIX D

MASTER TRUST AGREEMENT, AS AMENDED, AND FORM OF THE SERIES 2015A SUPPLEMENTAL TRUST AGREEMENT

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MASTER TRUST AGREEMENT

by and among

NATIONSBANK OF FLORIDA, N.A.,
as Trustee

and

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of April 1, 1994

Securing

Certificates of Participation
(School Board of Hillsborough County, Florida Master Lease Program)
Evidencing an Undivided Proportionate Interest of the Owners
thereof in Basic Rent Payments to be made under
a Master Lease-Purchase Agreement by the School Board of
Hillsborough County, Florida

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MASTER TRUST AGREEMENT

THIS MASTER TRUST AGREEMENT, is made and entered into as of April 1, 1994, by and among **NATIONSBANK OF FLORIDA, N.A.,** a national banking association with corporate trust powers qualified to accept trusts of the type herein set forth (the "Trustee"), **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a single-purpose, not-for-profit corporation duly organized and existing under Chapter 617, Florida Statutes (the "Corporation"), and the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,** a school board duly organized and existing under the laws of the State of Florida (the "Board"), acting as the governing body of the Hillsborough County School District (the "District").

W I T N E S S E T H:

WHEREAS, the Board deems it in the best intereets of the District to lease-purchase certain real and/or personal property from time to time by entering into a master lease-purchase agreement, dated as of April 1, 1994 (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, pursuant to the Lease Agreement, the Board may from time to time, by execution of a lease schedule to the Lease Agreement (a "Lease Schedule"), direct the Corporation to acquire and lease purchase to the Board the items of property described in such Lease Schedule (which items of property are collectively referred to herein as the "Projects"); and

WHEREAS, the relationship between the Corporation and the Board under the Lease Agreement is to be a continuing one and Projects may be added to the Lease Agreement from time to time in accordance with the terms thereof and of the Lease Schedules describing such Projects; and

WHEREAS, provision for the payment of the cost of acquiring, constructing and installing each Project will be made by the issuance and sale from time to time of Certificates of Participation issued hereunder and under the Supplemental Trust Agreement related to each Series of such Certificates of Participation (the "Certificates"), which shall be secured by and be payable from the right of the Corporation to receive Basic Rent Payments (as defined herein) to be made by the Board pursuant to the Lease Agreement and related Lease Schedule; and

WHEREAS, the Trustee has agreed to deliver a Series of Certificates pursuant to and upon receipt of a Request and Authorization from the Corporation and the Board; and

WHEREAS, as of the date hereof, the Corporation will assign to the Trustee, by outright assignment, all of its right, title and interest in and to the Lease Agreement and the Lease Payments (as defined herein), other than its rights of indemnification, its right to enter into Lease Schedules (as defined herein) from time to time and its obligations provided in Section 6.03 of the Lease Agreement, pursuant to an Assignment of Lease Agreement, dated as of April 1, 1994, between the Corporation and the Trustee; and

WHEREAS, the Board and the Corporation will enter into a Ground Lease, dated as of April 1, 1994 (the "Ground Lease"); whereby the Board has or will demise the Premises (as defined herein) to the Corporation in accordance with the terms thereof; and

WHEREAS, on the date hereof, the Corporation will assign to the Trustee all of its right, title and interest in and to the estate created and granted under the Ground Lease, pursuant to an Assignment of Ground Lease Agreement, dated as of April 1, 1994, between the Corporation and the Trustee; and

WHEREAS, the proceeds of the sale of each Series of Certificates will be deposited with the Trustee and such funds shall be held and disbursed pursuant to the terms of this Trust Agreement in order to, among other things, fund the acquisition, construction and installation of a Project or to refund other Certificates; and

WHEREAS, the Board may provide that a Credit Enhancer (as defined herein) may issue a letter of credit, insurance policy, guarantee or other instrument to secure the payment of the principal of and interest on a Series of Certificates; and

WHEREAS, each Series of Certificates shall be secured independently from each other Series of Certificates in accordance with the provisions hereof;

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.01. DEFINITIONS. The capitalized terms used herein shall have the meanings, for the purpose of this Trust Agreement, ascribed to them in Exhibit A attached hereto unless the context clearly requires some other meaning. The term "Agreement" or "Trust Agreement" as used herein shall mean this Trust Agreement unless the context clearly requires some other meaning.

SECTION 1.02. RULES OF CONSTRUCTION. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Trust Agreement, refer to this Trust Agreement.

ARTICLE II

RECITALS AND REPRESENTATIONS

SECTION 2.01. LEASE AGREEMENT. The Corporation and the Board have entered into the Lease Agreement, and intend to enter into Lease Schedules from time to time, whereby the Corporation has agreed to lease the Projects from time to time to the Board and the Board has agreed to lease the Projects from time to time from the Corporation and to make Lease Payments therefor in accordance with the terms thereof.

SECTION 2.02. ASSIGNMENT OF LEASE AGREEMENT AND LEASE SCHEDULES. The Corporation has assigned and transferred to the Trustee by outright and absolute assignment all its rights, title and interest under (A) the Lease Agreement, other than (i) its rights of indemnification thereunder, (ii) its right to enter into Lease Schedules from time to time, and (iii) its obligations under Section 6.03 of the Lease Agreement and (B) the Ground Lease(s) pursuant to the terms and provisions hereof and of the Assignment of Ground Lease Agreement, and, in consideration of such assignment and the execution of this Trust Agreement, the Trustee has agreed herein to authenticate and deliver Series of Certificates from time to time hereunder.

SECTION 2.03. REPRESENTATIONS. In the Lease Agreement, the Corporation has agreed to cause the acquisition, construction and installation of each Project pursuant to the Plans and Specifications relating thereto as provided in the corresponding Lease Schedule, and the Board, as the agent of the Corporation, will be responsible for the letting of contracts and agreements for the acquisition, construction and installation of each such Project and for supervising the acquisition, construction and installation of each such Project.

SECTION 2.04. DESCRIPTION AND ESTIMATED COST OF THE PROJECT. The description of each Project to be acquired, constructed and leased by the Board from the Corporation pursuant to the terms and provisions of the Lease Agreement and the estimated Cost of such Project shall be as set forth in the Lease Schedule relating thereto.

SECTION 2.05. CONDITIONS PRECEDENT SATISFIED. Each party hereto represents with respect to itself that all acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and delivery of this Trust Agreement have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto each represents as to itself that it is now duly empowered to execute and deliver this Trust Agreement.

ARTICLE III

APPOINTMENT OF TRUSTEE; DECLARATION OF TRUST

SECTION 3.01. APPOINTMENT OF TRUSTEE. In consideration of the recitals hereinabove set forth and for other valuable consideration, the Corporation and the Board hereby appoint the Trustee to receive, hold, invest and disburse the Trust Estate and to perform certain other functions, all as hereinafter provided and subject to the terms and conditions of this Trust Agreement.

SECTION 3.02. DECLARATIONS OF TRUST. (a) The Corporation, the Board and the Trustee hereby create this trust for the purpose of facilitating the lease purchase financing of the Projects and the Trustee agrees to (i) accept the assignment and transfer of the rights of the Corporation in and to the Lease Agreement (other than the right of the Corporation to be indemnified by the Board upon the occurrence of various events described therein, its right to enter into Lease Schedules from time to time and its obligations under Section 6.03 of the Lease Agreement) pursuant to the terms and provisions hereof and of the Assignment of Lease Agreement, (ii) accept the assignment and transfer of the rights of the Corporation pursuant to the terms and provisions of the Assignment(s) of Ground Lease Agreement, (iii) execute, authenticate and deliver the Certificates from time to time against receipt of the proceeds from the sale thereof, deposit such proceeds hereunder and disburse same, together with earnings thereon, in accordance with the terms and provisions hereof and of the Supplemental Trust Agreement(s) related thereto, and (iv) subject to the provisions of Article IX hereof, do all other things necessary or incidental to the terms hereof.

(b) The Trustee hereby declares that it holds and will hold the Trust Estate upon the trusts and apply the moneys held hereunder as hereinafter set forth for the use and benefit of the Owners of the Certificates as set forth herein.

SECTION 3.03. TRUST ESTATE. The Trust Estate, which shall be held for the benefit of the Owners of the Certificates from time to time Outstanding hereunder, consists of the following:

(a) All right, title and interest in the funds, accounts and subaccounts established under this Trust Agreement and the cash, securities and investments of which they are comprised (other than the Rebate Fund);

(b) All right, title and interest of the Corporation in, to and under the Ground Lease(s) and the Lease Agreement and the right to receive the Lease Payments under the Lease Agreement but excluding any rights of the Corporation to indemnification set forth therein, its right to enter into Lease Schedules from time to

time and its obligations provided in Section 6.03 of the Lease Agreement;

(c) All right, title and interest of the Trustee under the Assignment of Lease Agreement and Assignment of Ground Lease Agreement(s);

(d) Any moneys received by the Trustee which are derived from the exercise by the Trustee, as assignee of the Corporation, of any of the remedies under this Trust Agreement, the Lease Agreement, the Ground Lease(s) or any mortgage agreement entered into pursuant to the terms hereof; and

(e) All property which by the express provisions of this Trust Agreement, the Lease Agreement or the Ground Lease(s) is required to be subject to the lien hereof, and any additional property that may from time to time hereafter expressly be made subject to the lien hereof by the Trustee, the Corporation or the Board or anyone authorized to act on their behalf;

PROVIDED, HOWEVER, that in each case any portion of the Trust Estate which is derived from the sale, re-letting or other disposition of a Project, moneys and damages received in relation to such Project and any cash, securities and investments in any Pledged Accounts relating to such Project shall be utilized solely for the benefit of the Owners of Certificates which financed or refinanced such Project and for whose benefit such Pledged Accounts were established.

SECTION 3.04. TRUST ESTATE FOR BENEFIT OF CERTIFICATE OWNERS. (a) Subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Corporation and the Board hereby declare, and the Trustee acknowledges, that the Trust Estate shall secure the payment of the principal of, Prepayment Premium, if any, and interest on the Outstanding Certificates, which represent an undivided proportionate interest in the Basic Rent Payments under the Lease Agreement.

(b) The Trustee shall be entitled to and shall, subject to the provisions of Article IX hereof and after being provided with indemnity acceptable to it, take all steps, actions and proceedings reasonably necessary, in its judgment, to enforce all of the rights of the Corporation in and under the Lease Agreement and the Ground Lease(s) for the benefit of the Owners of the Certificates.

(c) If the Certificates shall be paid, or provision for payment shall be made, and all other payments due hereunder shall be made as provided in Article XII hereunder, the Trust Estate shall terminate and the Owners of the Certificates shall have no right thereto, except as otherwise provided herein.

ARTICLE IV

ISSUANCE OF CERTIFICATES

SECTION 4.01. AUTHORIZATION OF CERTIFICATES. (a) The number of Series of Certificates which may be created under this Trust Agreement is not limited. The aggregate principal amount of Certificates of each Series which may be issued, authenticated and delivered under this Trust Agreement is not limited except as set forth in the related Request and Authorization and Supplemental Trust Agreement and as restricted by the provisions of this Trust Agreement.

(b) The Certificates issuable under this Trust Agreement shall be issued in such Series as may from time to time be created in connection with a Lease Schedule. Each Series of Certificates shall be designated "Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series _____ Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida." The Certificates may, if and when authorized by this Trust Agreement, be designated with such further appropriate particular designations added to or incorporated in such title for the Certificates of any particular Series as the Board may determine and as may be necessary to distinguish such Certificates from the Certificates of any other Series.

(c) Each Series of Certificates shall be issued for the purposes of (a) funding the Costs of a Project, or completing a Project as provided in Section 4.12 hereof, (b) funding a subaccount established in the Reserve Account in an amount equal to the Reserve Requirement applicable thereto, (c) capitalizing interest on such Series of Certificates, and/or (d) paying the Costs of Issuance applicable thereto. Refunding Certificates may also be issued pursuant to Section 4.13 hereof.

(d) Each Series of Certificates, other than Variable Rate Certificates and Capital Appreciation Certificates, shall be substantially in the form set forth in Exhibit B hereto, with such appropriate variations, omissions and insertions as may be necessary or appropriate to conform to the provisions of this Trust Agreement, including any use of a book-entry only system as described in Section 4.11 hereof. The form of Variable Rate Certificates and Capital Appreciation Certificates shall be provided in the Supplemental Trust Agreement authorizing the issuance of such Certificates. All Certificates may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Certificates

may be listed or any usage or requirement of law with respect thereto.

(e) Each Series of Certificates shall be issued for such authorized purpose or purposes; shall bear such interest rate designations; and shall be payable in lawful money of the United States of America on such dates; all as determined pursuant to the Supplemental Trust Agreement authorizing the issuance thereof.

(f) Each Series of Certificates shall be issued in such denominations; shall be dated such date; shall bear such numbers; shall be payable at such place or places and at such time or times; shall contain such redemption provisions; shall consist of such amounts of Term Certificates, Serial Certificates, Capital Appreciation Certificates and Variable Rate Certificates; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined pursuant to the Supplemental Trust Agreement authorizing the issuance thereof. Each Series of Certificates may be secured by a Credit Facility or municipal bond insurance policy all as shall be determined pursuant to the Supplemental Trust Agreement authorizing the issuance thereof.

(g) The principal of the Certificates shall be payable from the Principal Component of the Basic Rent Payments on July 1 of each year, except as otherwise provided by Supplemental Trust Agreement. The interest on the Current Interest Certificates shall be payable semiannually from the Interest Component of Basic Rent Payments on the Payment Dates, except as otherwise provided by Supplemental Trust Agreement. The Interest Component of Capital Appreciation Certificates shall be paid at maturity or upon prior prepayment. Interest on the Certificates shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months, except as otherwise provided by Supplemental Trust Agreement. The Certificates shall be numbered in such manner as the Trustee deems appropriate.

(h) The principal of all Certificates and the Interest Component of any Capital Appreciation Certificates shall be payable at the Principal Office of the Trustee. Payment of the principal of all Certificates shall be made upon the presentation and surrender of such Certificates as the same shall become due and payable. Payment of interest on the Current Interest Certificates shall be by check or draft mailed to the Owner as of the close of business on the Record Date at his address as it appears on the Certificate Register maintained by the Trustee; except that, if and to the extent that there shall be a default in payment of interest due on such Payment Date, such defaulted interest payment shall be paid to the Owners in whose name any such Current Interest Certificates are registered at the close of business on the fifteenth day preceding the date of payment of such defaulted interest payment; provided, however, that at the request and expense of the Owner of $1,000,000 or more in aggregate principal

amount of Outstanding Current Interest Certificates, interest shall be paid by wire transfer on the interest Payment Date to a bank account located in the continental United States and designated in writing to the Trustee by said Owner at least five days prior to such Interest Payment Date.

(i) Subject to the foregoing provisions of this Section, each Certificate delivered under this Trust Agreement upon transfer of or in exchange for or in lieu of any other Certificate of the same Series shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Certificate and each such Certificate shall bear interest from such date, so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

(j) Variable Rate Certificates must have a Maximum Interest Rate relating thereto which shall be established at the time of issuance of such Certificates. Prior to the termination of the Lease Agreement, any accelerated principal payments due to a Credit Bank in regard to Variable Rate Certificates or any interest due on such Variable Rate Certificates in excess of the interest on such Certificates to said Credit Bank shall be subordinate to the payment of Basic Rent Payments represented by the Certificates. The issuance of any Variable Rate Certificates hereunder must be approved by all Credit Enhancers of any Outstanding Certificates. Prior to issuance of any Variable Rate Certificates notice thereof shall be delivered to S&P and Moody's.

SECTION 4.02. DELIVERY OF CERTIFICATES. (a) Each Series of Certificates, other than Completion Certificates and Refunding Certificates, shall be executed substantially in the form and in the manner set forth herein, but before such Series of Certificates shall be delivered by the Trustee, there shall be filed or deposited with the Trustee the following:

(i) A copy, certified by the Secretary of the Corporation, or his designee, of the resolution or resolutions of the Board of Directors of the Corporation approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, the Assignment of Lease Agreement, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates;

(ii) A copy, certified by the Secretary of the Board, or his designee, of the resolution or resolutions of the Board approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the

Supplemental Trust Agreement relating to such Series of Certificates;

(iii) An executed copy of the Request and Authorization relating to such Series of Certificates;

(iv) A fully executed counterpart of this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates;

(v) A fully executed counterpart of the Lease Agreement and the Lease Schedule relating to the Project to be financed from such Series of Certificates;

(vi) A fully executed counterpart of the Assignment of Lease Agreement;

(vii) A fully executed counterpart of each Ground Lease, if any, relating to the Project to be financed from such Series of Certificates and of the Assignment thereof;

(viii) An opinion of counsel for the Corporation to the effect that (A) the Corporation has been duly organized and is validly existing as a not-for-profit corporation in good standing under the laws of the State, and the Corporation has the power and authority to execute and deliver this Trust Agreement, the Supplemental Trust Agreement relating to such Series of Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates and the Assignment of Lease Agreement and Assignment of Ground Lease, (B) this Trust Agreement, the Supplemental Trust Agreement relating to such Series of Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates and the Assignment of Lease Agreement and the Assignment of Ground Lease Agreement have each been duly authorized, executed and delivered by the Corporation and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute valid and binding agreements of the Corporation enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by usual equity principles;

(ix) An opinion of counsel to the Board to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating

to such Series of Certificates, and (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles;

(x) An opinion of Special Counsel to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates, and (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles and (C) except for Taxable Certificates, the Interest Component of such Series of Certificatee is excluded from the gross income of the Owners thereof for purposes of federal income taxation;

(xi) An opinion of Counsel to the Trustee to the effect that such Series of Certificates have been duly executed, authenticated and delivered by the Trustee in accordance with the terms hereof; and

(xii) Either (A) written approval by the Department of Education or (B) an opinion of counsel to the Board or Special Counsel, to the effect that approval of the Department is not required by law.

(b) When the documents described in paragraphs (i) to (xi), inclusive, of Section 4.02(a) hereof shall have been filed with the Trustee and when the Certificates shall have been executed and authenticated as required by this Trust Agreement, the Trustee

shall deliver the Certificates at one time to, or upon the order of, the Purchasers of such Series, but only upon payment to the Trustee of the purchase price of such Certificates and the accrued interest thereon. The Trustee shall be entitled to rely upon the resolutions described in paragraphs (i) and (ii) of Section 4.02(a) hereof as to all matters stated therein. The Trustee and the Credit Enhancer shall be entitled to rely upon the opinions described in paragraphs (viii), (ix) and (x) of Section 4.02(a) hereof as to all matters stated therein.

SECTION 4.03. EXECUTION OF CERTIFICATES. The Certificates shall be executed with the manual or facsimile signature of an authorized officer of the Trustee. In case any officer whose signature or a facsimile of whose signature shall appear on any Certificates shall cease to be such officer before the delivery of such Certificates, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. Any Certificates may bear the facsimile signature of, or may be signed by, such officer as at the actual time of the execution of such Certificates shall be the proper officer to sign such Certificates although at the dated date of such Certificates such officer may not have been such officer.

SECTION 4.04. AUTHENTICATION OF CERTIFICATES. Only such Certificates as shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit B hereto, manually executed by the Trustee, shall be entitled to any benefit or security under this Trust Agreement. No Certificate shall be valid or obligatory for any purpose unless and until such certificate of authentication on the Certificate shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Certificate shall be conclusive evidence that such Certificate has been duly authenticated and delivered under this Trust Agreement. The Trustee's certificate of authentication on any Certificate shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificates that may be issued hereunder at any one time.

SECTION 4.05. EXCHANGE OF CERTIFICATES. Certificates, upon surrender thereof at the designated corporate trust office of the Trustee, together with an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of Certificates of the same maturity and Series, of any denomination or denominations authorized by this Trust Agreement, bearing interest at the same rate, and in the same form as the Certificates surrendered for exchange.

SECTION 4.06. NEGOTIABILITY, REGISTRATION AND TRANSFER OF CERTIFICATES. (a) The Trustee shall keep or cause to be kept a Certificate Register, which shall at all times be open to inspection by the Board and the Corporation; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register the transfer or cause to be registered the transfer, on the Certificate Register, of Certificates as provided herein.

(b) The transfer of any Certificate may be registered only upon the Certificate Register upon surrender thereof to the Trustee together with an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such registration of transfer the Trustee shall authenticate and deliver in exchange for such Certificate a new registered Certificate or Certificates, registered in the name of the transferee, of any denomination or denominations authorized by this Trust Agreement in the aggregate principal amount equal to the principal amount of such Certificate surrendered or exchanged, of the same maturity and Series and bearing interest at the same rate.

(c) In all cases in which Certificates shall be exchanged or the transfer of Certificates shall be registered hereunder, the Trustee shall authenticate and deliver at the earliest practicable time Certificates in accordance with the provisions of this Trust Agreement. All Certificates surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Trustee. Upon the cancellation of any Certificates by the Trustee, the Trustee shall execute a certificate of cancellation in duplicate by the signature of one of its authorized officers describing the Certificates so cancelled, and executed cancellation certificates shall be filed with the Board and the other executed cancellation certificate shall be retained by the Trustee. No service charge shall be made for any registration, transfer, or exchange of Certificates, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates as a condition precedent to such registration, transfer or exchange. The Trustee shall not be required to transfer or exchange Certificates (i) during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of prepayment and redemption of Certificates and ending at the close of business on the day of such mailing, (ii) so selected for prepayment and redemption in whole or in part, or (iii) during a period beginning at the opening of business on the Record Date next preceding a date set for payment of interest and ending on such interest Payment Date.

SECTION 4.07. OWNERSHIP OF CERTIFICATES. The Trustee shall deem and treat the Person in whose name any Outstanding Certificate shall be registered upon the Certificate Register as the absolute

Owner of such Certificate, whether such Certificate shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest payments with respect to such Certificate and for all other purposes, and all such payments so made to any such Owner or upon his order shall be valid and effective to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid, and neither the Corporation, the Board nor the Trustee shall be affected by any notice to the contrary.

SECTION 4.08. MUTILATED, DESTROYED, STOLEN OR LOST CERTIFICATES. (a) In case any Certificate secured hereby shall become mutilated or be destroyed, stolen or lost, the Trustee shall cause to be executed, shall authenticate and deliver, a new Certificate of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Certificate or in lieu of and in substitution for such Certificate destroyed, stolen or lost, and the Owner shall pay the reasonable expenses and charges of the Trustee in connection therewith and, in case of a Certificate destroyed, stolen or lost, the Owner shall file with the Trustee evidence satisfactory to it and that such Certificate was destroyed or lost, and of his ownership thereof, and as a condition precedent to delivery of such new Certificate the Trustee may require indemnity satisfactory to it.

(b) Every Certificate issued pursuant to the provisions of this Section in exchange or substitution for any Certificate which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation pursuant to the terms hereof, whether or not the destroyed, lost or stolen Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Certificates duly issued under this Trust Agreement. All Certificates shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Certificates, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 4.09. TEMPORARY CERTIFICATES. (a) Until definitive Certificates are ready for delivery, there may be executed, and upon request of the Board, the Trustee shall authenticate and deliver, in lieu of definitive Certificates and subject to the same limitations and conditions, typewritten, printed, engraved or lithographed temporary Certificates, in the form of fully registered Certificates in denominations of $5,000 or any whole multiple thereof, substantially of the tenor of the Certificates set forth in this Trust Agreement and with such appropriate omissions, insertions and variations as may be required.

(b) If temporary Certificates shall be issued, the Trustee, upon preparation of the definitive Certificates and presentation to it at its designated office of any temporary Certificate, shall cancel the same and authenticate and deliver to the Owner, without charge to such Owner, a definitive Certificate or Certificates of an equal aggregate principal amount, of the same maturity and Series and bearing interest at the same rate as the temporary Certificate surrendered. Until so exchanged, the temporary Certificates shall in all respects be entitled to the same benefit and security of this Trust Agreement as the definitive Certificates to be issued and authenticated hereunder.

SECTION 4.10. EVIDENCE OF SIGNATURES OF CERTIFICATE OWNERS AND OWNERSHIP OF CERTIFICATES. (a) Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Certificate Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(i) The fact and date of the execution by any Certificate Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions that the Persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(ii) The fact of the ownership of Certificates by any Certificate Owner and the amount, the principal Payment Date and the numbers of such Certificates and the date of his ownership of the same shall be proved by the Certificate Register held by the Trustee pursuant to this Trust Agreement.

(b) Nothing contained in this Article IV shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which may seem sufficient. Any request or consent of the Owner of any Certificate shall bind every future Owner of the same

Certificate in respect of anything done or suffered to be done by the Board or the Trustee in pursuance of such request or consent.

SECTION 4.11. DEPOSITORY TRUST COMPANY AND BOOK ENTRY OBLIGATIONS. The Trustee is hereby authorized if so requested by the Purchasers of a Series of Certificates to take such actions as may be necessary from time to time to qualify such Series for registration in the name of Cede & Co., as nominee for The Depository Trust Company. No such arrangements with The Depository Trust Company may adversely affect the interests of any of the Owners of the Certificates; provided, however, that the Trustee shall not be liable with respect to any such arrangements it may make pursuant to this Section. The Trustee is further authorized if so requested by the Board to take such actions as may be necessary to qualify a Series of Certificates as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry only obligations, provided it shall establish a system of registration therefor by Supplemental Trust Agreement. Any expenses incurred by the Trustee pursuant to this Section shall be paid by the Board.

SECTION 4.12. COMPLETION CERTIFICATES. (a) Completion Certificates may be issued to provide necessary funds to complete payment of the Costs of a Project previously financed hereunder or to finance additional property which shall be added to a Project or which shall be substituted for a portion of a Project. Except for the purposes of Section 6.03 of the Lease Agreement, such Completion Certificates, for purposes of this Trust Agreement, the Lease Agreement and any applicable Ground Lease shall constitute a part of the same Series of Certificates as the Certificates issued to pay the original Costs of the Project. Such Completion Certificate shall be executed substantially in the form and in the manner set forth herein, but before such Completion Certificates shall be delivered by the Trustee, there shall be filed or deposited with the Trustee the following:

(i) A copy, certified by the Secretary of the Corporation, or his designee, of the resolution or resolutions of the Board of Directors of the Corporation approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the original Project as amended to take into account the Completion Certificates, the Assignment of Lease Agreement, any applicable Assignment of Ground Lease, this Trust Agreement and the Supplemental Trust Agreement relating to such Completion Certificates;

(ii) A copy, certified by the Secretary of the Board, or his designee, of the resolution or resolutions of the Board approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the original Project as amended

to take into account the Completion Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Completion Certificates;

(iii) An executed copy of the Request and Authorization relating to such Completion Certificates;

(iv) A fully executed counterpart of this Trust Agreement and the Supplemental Trust Agreement relating to such Completion Certificates;

(v) A fully executed counterpart of the Lease Agreement and the Lease Schedule relating to the original Project as amended to take into account the Completion Certificates, the change, if any, to such Project and the additional Basic Rent Payments that would have to be made thereunder;

(vi) Fully executed counterparts of the Assignment of Lease Agreement and the Assignment of any applicable Ground Lease Agreement;

(vii) A fully executed counterpart of the Ground Lease;

(viii) An opinion of counsel for the Corporation to the effect that (A) the Corporation has been duly organized and is validly existing as a not-for-profit corporation in good standing under the laws of the State, and the Corporation has the power and authority to execute and deliver this Trust Agreement, the Supplemental Trust Agreement relating to such Completion Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the original Project as amended to take into account the Completion Certificates and the Assignment of Lease Agreement, (B) this Trust Agreement, the Supplemental Trust Agreement relating to such Completion Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the original Project as amended to take into account the Completion Certificates and the Assignment of Lease Agreement have each been duly authorized, executed and delivered by the Corporation and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute valid and binding agreements of the Corporation enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally or by usual equity principles;

(ix) An opinion of counsel to the Board to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the

original Project as amended to take into account the Completion Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Completion Certificates, and (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the original Project as amended to take into account the Completion Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Completion Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles;

(x) An opinion of Special Counsel to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Snhedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates, and (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule relating to the Project to be financed from such Series of Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Series of Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles, (C) except for Taxable Certificates, the Interest Component of such Series of Certificates is excluded from the gross income of the Owners thereof for purposes of federal income taxation and (D) the issuance of such Certificates will not, in and of itself, adversely affect the exclusion from grose income of the Interest Component of all other Outstanding Certificates, to the extent then excluded;

(xi) An opinion of Counsel to the Trustee to the effect that such Completion Certificates have been duly executed, authenticated and delivered by the Trustee in accordance with the terms hereof;

(xii) The written consent to the issuance of the Completion Certificates by the Credit Enhancer, if any, of the Series of Certificates relating to the original Project, or if there shall not be a Credit Enhancer, written evidence that the rating, if any, from Moody's and/or S&P on such Series of Certificates shall not be downgraded at the time of issuance of the Completion Certificates; and

(xiii) Either (A) written approval by the Department of Education, or (B) an opinion of counsel to the Board or Special Counsel, to the effect that approval of the Department is not required by law.

(b) When the documents described in paragraphs (i) to (xii), inclusive, of Section 4.12(a) hereof shall have been filed with the Trustee and when the Completion Certificates shall have been executed and authenticated as required by this Trust Agreement, the Trustee shall deliver the Completion Certificates at one time to, or upon the order of, the Purchasers of such Completion Certificates, but only upon payment to the Trustee of the purchase price of the Completion Certificates and the accrued interest thereon. The Trustee shall be entitled to rely upon the resolutions described in paragraphs (i) and (ii) of Section 4.12(a) hereof as to all matters stated therein. The Trustee and the Credit Enhancer shall be entitled to rely upon the opinions described in paragraphs (viii), (ix) and (x) of Section 4.12(a) hereof as to all matters stated therein.

(c) The proceeds of the Completion Certificates may also be used to fund a Reserve Requirement, capitalize interest on such Completion Certificates and/or pay Costs of Issuance, and shall be deposited in the Pledged Accounts established for the Series of Certificates which financed the original Project in such manner and in such amounts as determined by the Supplemental Trust Agreement relating to authorization of such Completion Certificates. The Completion Certificates shall be secured on parity with such Series of Certificates in accordance with the terms hereof.

SECTION 4.13. REFUNDING CERTIFICATES. (a) Refunding Certificates may be issued under and secured by this Trust Agreement, subject to the conditions hereinafter provided in this section, at any time or times, for the purposes of (i) providing funds for refunding part or all of the Certificates (and the Basic Rent Payments related thereto) at or prior to their maturity or maturities, including the payment of any Prepayment Premium thereon and interest which will accrue on such Certificates to their date of payment, (ii) making a deposit, if necessary, to the subaccount of the Reserve Account which shall secure such Refunding Certificates, and (iii) paying the Costs of Issuance relating to said Refunding Certificates.

(b) Such Refunding Certificates shall be executed substantially in the form and manner set forth herein, but before the Refunding Certificates shall be delivered by the Trustee, there shall be filed or deposited with the Trustee the following:

(i) A copy, certified by the Secretary of the Corporation, or his designee, of the resolution or resolutions of the Board of Directors of the Corporation approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, the Assignment of Lease Agreement, any applicable Assignment of Ground Lease, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates;

(ii) A copy, certified by the Secretary of the Board, or his designee, of the resolution or resolutions of the Board approving the form of and authorizing the execution and delivery of the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates;

(iii) An executed copy of the Request and Authorization relating to such Refunding Certificates;

(iv) A fully executed counterpart of this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates;

(v) A fully executed counterpart of the Lease Agreement and the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates;

(vi) Fully executed counterparts of the Assignment of Lease Agreement and the Assignment of any applicable Ground Lease Agreement;

(vii) A fully executed counterpart of each Ground Lease, if any, relating to the Project or Projects which were financed by the Certificates to be refunded;

(viii) An opinion of counsel for the Corporation to the effect that (A) the Corporation has been duly organized and is validly existing as a not-for-profit corporation in good standing under the laws of the State, and the Corporation has the power and authority to execute and deliver this Trust Agreement, the Supplemental Trust Agreement relating to such

Refunding Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, any applicable Assignment of Ground Lease Agreement and the Assignment of Lease Agreement and Ground Lease, (B) this Trust Agreement, the Supplemental Trust Agreement relating to such Refunding Certificates, the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, any applicable Assignment of Ground Lease Agreement and the Assignment of Lease Agreement and Ground Lease have each been duly authorized, executed and delivered by the Corporation and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute valid and binding agreements of the Corporation enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally or by usual equity principles;

(ix) An opinion of counsel to the Board to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates, and (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles;

(x) An opinion of Special Counsel to the effect that (A) the Board is the duly organized and validly existing governing body of the District and has all necessary power and authority to execute and deliver the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding

Certificates, (B) the Lease Agreement, any applicable Ground Lease, the Lease Schedule or Schedules relating to the Certificates to be refunded as amended to take into account the Refunding Certificates, this Trust Agreement and the Supplemental Trust Agreement relating to such Refunding Certificates have each been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery thereof by the other parties thereto and subject to the terms and conditions thereof, constitute the valid and binding agreements of the Board enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the usual equitable principles, (C) except in the case of Taxable Certificates, the Interest Component of the Refunding Certificates and the refunded Certificates is or will remain excluded from the gross income of the Owner thereof for purposes of federal income taxation and (D), in the case of an advance refunding, the refunded Certificates have been defeased in accordance with the terms hereof;

(xi) An opinion of Counsel to the Trustee to the effect that such Refunding Certificates have been duly executed, authenticated and delivered by the Trustee in accordance with the terms hereof; and

(xii) A report of a certified public accountant or firm of certified public accountants verifying the mathematical accuracy of calculations supplied by the Board, or its designee, that the proceeds of such Refunding Certificates plus any other moneys available for such purpose, including investment earnings, shall be not less than an amount sufficient to pay the principal of and the Prepayment Premium, if any, on the Certificates to be refunded and the Interest Component of Basic Rent represented by the Certificates which will accrue thereon to the prepayment and redemption date or maturity dates applicable thereto.

(c) When the documents described in paragraphs (i) through (xi), inclusive, of Section 4.13(b) hereof shall have been filed with the Trustee and when the Refunding Certificates shall have been executed and authenticated, the Trustee shall deliver such Refunding Certificates to or upon the order of the Purchasers thereof, but only upon payment to the Trustee of the purchase price of such Refunding Certificates, plus accrued interest, if any. The Trustee and the Credit Enhancer shall be entitled to rely upon the opinions described in paragraphs (viii), (ix), (x) and (xi) of Section 4.13(b) hereof as to all matters stated therein.

(d) Other than for amounts required to pay Costs of Issuance or to make deposits to the Reserve Account, the proceeds of such Refunding Certificates and any other moneys received by the Trustee

or other escrow agent acceptable to the Board for such purpose, shall be held by the Trustee or such other escrow agent in a special fund appropriately designated, to be held in trust for the sole and exclusive purpose of paying the principal of, Prepayment Premium, if any, and interest on the Certificates to be refunded, all as provided in Section 12.01 hereof.

(e) The Trustee is hereby authorized, at the direction of the Board, to remove moneys from the appropriate subaccount or subaccounts of the Principal Account, the Interest Account and the Reserve Account pledged to the payment of the Certificates to be refunded and apply the same in the manner required by the Supplemental Trust Agreement authorizing the issuance of the Refunding Certificates.

(f) The Refunding Certificates shall be secured in the same manner and from the same Pledged Accounts as were the Certificates to be refunded in accordance with the terms hereof.

SECTION 4.14. PAYMENTS FROM TRUST ESTATE ONLY; DISTRIBUTION OF TRUST ESTATE. (a) 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 this Trust Agreement shall rank pari passu and be equally and ratably secured under this Trust Agreement with each other Certificate of such Series, but <u>not</u> with any Certificate of any other Series issued pursuant to this Trust Agreement and Outstanding, without preference, priority or distinction of any such Certificate over any other such Certificate, except that to the extent that Basic Rent Payments available for payment to all Certificateholders 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 Certificateholders 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 this Trust Agreement.

(b) Except as otherwise expressly provided in Section 4.14(a) above, and elsewhere herein, all amounts payable by the Trustee with respect to a Series of Certificates or to any Credit Enhancer who shall have issued a Credit Facility or municipal bond insurance policy securing such Series pursuant to this Trust Agreement shall be paid only from the portion of the Trust Estate derived from Basic Rent Payments made pursuant to the Lease Schedule corresponding to such Series and only to the extent that the Trustee shall have actually received sufficient income or proceeds from such portion of the Trust Estate to make such payments. Each Certificateholder agrees, and each such Credit Enhancer, by its execution and delivery of a Credit Facility or municipal bond insurance policy shall be deemed to have agreed, except as otherwise expressly provided herein, to look solely to the income

of and the proceeds from such portion of the Trust Estate to the extent available for distribution to such holder and each such Credit Enhancer as herein provided and that the Trustee is not personally liable to any Certificateholder or any such Credit Enhancer for any amounts payable under this Trust Agreement or subject to any liability under this Trust Agreement except as a result of negligence or willful misconduct by the Trustee.

ARTICLE V

PREPAYMENT

SECTION 5.01. PREPAYMENT. The terms of this Article V shall apply to the prepayment of Certificates of a Series other than Capital Appreciation Certificates and Variable Rate Certificates. The terms and provisions relating to the prepayment of Capital Appreciation Certificates and Variable Rate Certificates shall be provided by the Supplemental Trust Agreement relating to the issuance thereof.

SECTION 5.02. SELECTION OF CERTIFICATES TO BE PREPAID. (a) When Certificates are prepaid by lot, selection of Certificates for prepayment shall be in such manner as the Trustee shall determine; provided, however, that the portion of any Certificate to be prepaid shall be in the principal amount of $5,000 or any whole multiple thereof, and that in selecting portions of Certificates for prepayment, the Trustee shall treat each such Certificate as representing that number of Certificates which is obtained by dividing the principal amount with respect to such Certificate by $5,000.

(b) Upon any prepayment pursuant to this Article V, the Trustee shall provide the Board with, or cause to be provided, a revised schedule of Basic Rent Payments which schedule shall take into account such prepayment and shall be and become for all purposes part of the Lease Agreement.

SECTION 5.03. NOTICE OF PREPAYMENT. (a) When prepayment of Certificates is authorized or required pursuant to the provisions hereof and of any Supplemental Trust Agreement relating to such Certificates, the Trustee shall give to the Owners of Certificates to be prepaid notice, at the expense of the Board, of the prepayment of the Certificates. Such notice shall state: (i) the CUSIP numbers of all Certificates being prepaid, (ii) the original issue date of such Certificates, (iii) the maturity date, Series and rate of interest borne by each Certificate being prepaid, (iv) the prepayment date, (v) the Prepayment Price, (vi) the date on which such notice is mailed, (vii) if less than all Outstanding Certificates are to be prepaid, the certificate number (and, in the case of a partial prepayment of any Certificate, the principal amount) of each Certificate to be prepaid, (viii) that on such prepayment date there shall become due and payable upon each Certificate to be prepaid the Prepayment Price thereof, or the Prepayment Price of the specified portions of the principal thereof in the case of Certificates to be prepaid in part only, together with interest accrued thereon to the prepayment date, and that from and after such date interest thereon shall cease to accrue and be payable, (ix) that the Certificates to be prepaid, whether as a whole or in part, are to be surrendered for payment of the

Prepayment Price at the designated corporate trust office of the Trustee at an address specified, and (x) the name and telephone number of a person designated by the Trustee to be responsible for such prepayment.

(b) Notice of such prepayment shall be given by mail, postage prepaid, not more than sixty (60) days or fewer than thirty (30) days prior to said date of prepayment, to the Owners of any Certificates to be prepaid. Such mailing shall not be a condition precedent to such prepayment, and failure to mail any such notice, or any defect in such notice as mailed, shall not affect the validity of the proceedings for the prepayment of the Certificates.

(c) In addition to the mailing of the notice described above, each notice of prepayment and payment of the Prepayment Price shall meet the following requirements; provided, however, that failure to provide such further notice of prepayment to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for prepayment if notice thereof is given as prescribed in Sections 5.03(a) and 5.03(b) hereof:

Each further notice of prepayment shall be sent at least two (2) days before the notice of such prepayment and redemption is given to the Owners of Certificates as provided above, by certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Certificates (such depositories now being The Depository Trust Company, New York, New York, Midwest Securities Trust Company, Chicago, Illinois and Philadelphia Depository Trust Company, Philadelphia, Pennsylvania) and one or more national information services which disseminate notices of prepayment of obligations such as the Certificates.

SECTION 5.04. DEPOSIT OF PREPAYMENT AMOUNT; EFFECT OF CALLING FOR PREPAYMENT. (a) On or before the date on which a notice of prepayment is mailed pursuant to Section 5.03 hereof, the Board shall deposit with the Trustee moneys or Refunding Securities or a combination thereof in an amount sufficient to pay the principal of and the Prepayment Premium, if any, and interest accruing thereon to the prepayment date of the Certificates called for prepayment.

(b) On the date fixed for prepayment, notice having been given in the manner and under the conditions hereinabove provided, the Certificates or portions thereof called for prepayment shall be due and payable at the Prepayment Price provided therefor, plus accrued interest to such date. If money or Refunding Securities, or a combination of both, sufficient to pay the Prepayment Price of the Certificates to be prepaid, plus accrued interest thereon to the date fixed for prepayment, are held by the Trustee in trust for the Owners of Certificates to be prepaid, interest on the Certificates called for redemption shall cease to accrue as of the date set for prepayment; such Certificates shall cease to be

entitled to any benefits or security under this Trust Agreement or to be deemed Outstanding; and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the Prepayment Price thereof, plus accrued interest to the date fixed for prepayment from the moneys and/or Refunding Securities held therefor. Certificates and portions of Certificates for which irrevocable instructions to pay on one or more specified dates or to call for prepayment at the earliest prepayment date have been given to the Trustee in form satisfactory to it shall not thereafter be deemed to be Outstanding under this Trust Agreement and shall cease to be entitled to the security of or any rights under this Trust Agreement, other than rights to receive payment of the Prepayment Price thereof and accrued interest thereon to the date fixed for prepayment, to be given notice of prepayment in the manner provided in Section 5.03 hereof, and, to the extent hereinafter provided, to receive Certificates for any unpaid portions of Certificates if money or Refunding Securities, or a combination of both, sufficient to pay the Prepayment Price of such Certificates or portions thereof, together with accrued interest thereon to the date upon which such Certificates are to be prepaid, are held in separate accounts by the Trustee in trust for the Owners of such Certificates.

SECTION 5.05. PREPAYMENT OF A PORTION OF CERTIFICATES. If a portion of an Outstanding Certificate shall be selected for prepayment, the Owner thereof or his attorney or legal representative shall present and surrender such Certificate to the Trustee for payment of the principal amount thereof so called for prepayment and the Prepayment Premium, if any, on such principal amount, and the Trustee shall authenticate and deliver to or upon the order of such Owner or his legal representative, without charge therefor, for the unpaid portion of the principal amount of the Certificate so surrendered, a Certificate of the same maturity and Series and bearing interest at the same rate; provided, however, that if the Owner is a securities depository nominee, the securities depository, in its discretion, (a) may surrender such Certificate to the Trustee and request that the Trustee authenticate and deliver a new Certificate for the portion of the principal amount of the Certificate so surrendered which was not prepaid, or (b) shall make an appropriate notation on the Certificate indicating the dates and amounts of such reduction in principal.

SECTION 5.06. CANCELLATION. Certificates so prepaid, presented and surrendered shall be cancelled upon the surrender thereof.

ARTICLE VI

ESTABLISHMENT AND ADMINISTRATION OF FUNDS AND ACCOUNTS

SECTION 6.01. APPLICATION OF CERTIFICATE PROCEEDS. On the date of delivery of each Series of Certificates, the Trustee agrees to deposit the proceeds of the Certificates as provided in the Request and Authorization relating to each such Series, which shall be in substantially the form provided in Exhibit C attached hereto.

SECTION 6.02. CREATION OF FUNDS AND ACCOUNTS. (a) There is hereby established with the Trustee the following funds and accounts:

(i) The "School Board of Hillsborough County, Florida Master Lease Project Fund." The Trustee shall maintain three separate accounts in the Project Fund: the "Project Account," the "Costs of Issuance Account" and the "Capitalized Interest Account."

(ii) The "School Board of Hillsborough County, Florida Master Lease Lease Payment Fund". The Trustee shall maintain three separate accounts in the Lease Payment Fund: the "Principal Account," the "Interest Account" and the "Reserve Account."

(iii) The "School Board of Hillsborough County, Florida Master Lease Prepayment Fund."

(iv) The "School Board of Hillsborough County, Florida Master Lease Rebate Fund."

Moneys in the aforementioned funds and accounts (other than the Rebate Fund), until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Owners of the Certificates and for the further security of such Owners in accordance with the terms hereof. The Trustee shall keep and hold moneys in the funds, accounts and subaccounts established pursuant to this Section separate and apart from all other funds and moneys held by it.

(b) Except as may otherwise be provided by Supplemental Trust Agreement, the Trustee shall establish, upon the issuance of any Series of Certificates, other than Completion Certificates, (i) a separate subaccount in the Project Account, the Capitalized Interest Account (if the proceeds of such Series shall be used to capitalize interest therefor), the Costs of Issuance Account, the Principal Account, the Interest Account and the Reserve Account (if proceeds of such Series shall be required to be deposited therein), and (ii) a separate account in the Prepayment Fund. Such separate account and subaccounts described above (the "Pledged Accounts")

shall be established for the sole benefit of the Owners of the Series of Certificates for which they shall be established. The Trustee shall also establish, at the request of the Board, a separate account in the Rebate Fund for a Series of Certificates. Each such account and subaccount shall be designated by the Trustee with the Series of the Certificates to which they shall secure.

SECTION 6.03. PROJECT ACCOUNT. (a) The Trustee shall deposit into each subaccount of the Project Account (i) the proceeds from the Series of Certificates for which it was established in accordance with the Request and Authorization relating to such Series, (ii) any additional amounts deposited with the Trustee by the Board for the purpose of paying additional Project Costs in accordance with Section 3.05 of the Lease Agreement, and (iii) any Net Proceeds deposited with the Trustee by the Board pursuant to Section 5.08(b) of the Lease Agreement. Amounts in each subaccount of the Project Account shall be disbursed for Costs of the Project for which it was established and for no other purpose. Disbursements from each subaccount of the Project Account shall be made by the Trustee upon receipt of a completed Requisition requesting disbursement, duly executed by an Authorized Officer of the Board.

(b) The Trustee shall make payment for each item or portion of a Project to the Board or the designee of the Board (which may include the Vendor, Developer or Contractor of any portion of such Project) in the amount therefor by transferring such amount from the appropriate subaccount of the Project Account by wire transfer into an account (including an account of the Vendor, Developer or Contractor) designated in writing in advance by the Board, by check to the designee of the Board or by crediting such amount to an account of the Board maintained with the banking department of the Trustee for such purpose within two Business Days of the receipt of a Requisition from the Board (provided the Requisition is in compliance with the terms hereof) and any materials or instruments required by the terms hereof and of the Lease Agreement. The parties acknowledge that the Trustee, pursuant to a certificate of an Authorized Officer of the Board, may waive any noncompliance with the requirements for the disbursement of Project Account moneys. The Board agrees to indemnify and hold harmless the Trustee for any cost or expenses suffered by the Trustee as a result of such waiver. The Trustee is also authorized to rely upon the Board's written approval of the Requisition without independently confirming compliance with or satisfaction of such requirements or the requirements set forth in this Trust Agreement. The Trustee may also rely upon the certification of the Board in the Requisition or in any documents, certificates or instruments submitted in connection therewith as to the factual conditions precedent to any disbursements hereunder and shall have no responsibility or duty to review the attachments to such Requisition (but must determine that all required attachments are present) or investigate the basis for such certifications or

representations. The Trustee has no responsibility or duty to review the attachments to any Requisition, provided the Trustee shall determine that all necessary attachments to such Requisition are, in fact, attached.

(c) The Trustee shall make payment for each item of Equipment or interest in Land constituting a portion of a Project in the amount of the purchase price therefor from the appropriate subaccount of the Project Account by transferring such amount in accordance with the procedures described in Section 6.03(b) hereof within two Business Days of the receipt of (i) a Requisition, and (ii) a detailed journal report listing Vendor, check number and invoice number, in the case of Equipment, or a fully executed purchase contract setting forth the purchase price and other pertinent information, in the case of interest in the Land. Any such invoice, bill of sale or purchase contract shall indicate that title to the Equipment, other than Designated Equipment, shall be in the name of the Corporation and that title to Designated Equipment referred to therein shall be in the name of the Board. Before the Trustee is authorized to make any disbursements for the acquisition of Land, or the Construction of a Building on Land which is leased to the Corporation pursuant to a Ground Lease, the Trustee shall have received an ALTA title insurance policy, or a commitment with respect thereto, with a reputable title insurance company, indicating the Trustee as an additional named insured or payee to the extent that its interest is insurable under Florida law, which shall insure the Corporation's title to its interest in such Land in the sum provided therefor in the Lease Schedule related to the Project of which such Land or Building is a part. Such Lease Schedule may with the consent of the Credit Enhancer with respect to such Lease Schedule also provide for a title opinion in lieu of title insurance. In the case of acquisition of Land, the Trustee shall, at the request of the Board, transfer, pursuant to a Requisition, moneys to an escrow account held by the attorney to the Board which moneys shall be used to purchase the Land within three Business Days of such transfer. The Trustee may rely upon all assertions made by the Board in the Requisition.

(d) (i) Before the Trustee is authorized to make any disbursements for the construction of a Building (except for the payment of Architect's or Engineer's progress payments as described below), the Trustee shall have received from the Board the following instruments and documents in form and substance acceptable to the Trustee:

(A) A copy certified as true of the Construction Contract or Contracts for such Building.

(B) A copy of all permits or government approvals obtained by the Corporation or the Board for the construction of such Building, if any, including, without limitation,

building permits and water management district permits or approvals.

(C) One copy of a recent survey plat of the portion of the Land upon which such Building is to be constructed prepared and sealed by a licensed Florida surveyor. The survey plat must (i) include a legal description of such portion of the Land and certify the number of acres included in such portion of the Land; (ii) include the boundaries of such Land; (iii) indicate the size and location of all existing improvements, roads, paths, culverts, drainage ditches, easements, utility lines and encroachments on such portion of the Land; (iv) indicate the size and location of all easements affecting such portion of the Land; (v) indicate the location of the nearest public streets and access of such portion of the Land to those streets; and (vi) indicate the flood hazard designation (if any).

(D) A payment and performance bond, or appropriate substitute therefor, meeting the requirements of Section 255.05, Florida Statutes, in the full amount of the Construction Contracts to be entered into pursuant thereto naming the Trustee as co-obligee.

(E) A copy of the Plans and Specifications for such Building.

(F) A Phase I environmental audit relating to the portion of the Premises upon which the Project is to be constructed prepared by an independent engineer or other qualified consultant and concluding that such portion of the Land is "environmentally acceptable" and not recommending the performance of more intensive procedures.

Nothing hereinabove shall be interpreted to require that the items mentioned in clauses (A) to (F), inclusive, be filed with each Requisition so long as such items are on file with the Trustee.

(ii) Each Requisition submitted by the Board for payment of Project Costs constituting construction costs (except for the payment of Architect's or Engineer's progress payments as described below) must be approved in writing by an Authorized Officer of the Board and must include certificates and/or affidavits from the Architect, Engineer, Contractor or Developer (as is appropriate under the circumstances), certifying with respect to the portion of such Project to which such Requisition relates:

(A) The estimated percentage of the construction completed at that time based upon the Plans and Specifications of such Project;

(B) That all claims for labor and materials have been paid;

(C) That there are no liens other than Permitted Encumbrances outstanding against such portion of the Project;

(D) That all construction completed to date has been done in accordance with the Plans and Specifications relating thereto;

(E) That all required surety bonds are in full force and effect; and

(F) That the Building can be completed in accordance with the Plans and Specifications and the Project Budget relating thereto on or before the Estimated Completion Date.

(iii) Each Requisition submitted by the Board for payment of Project Costs constituting Architect's or Engineer's progress payments must be accompanied by the bill for the amount of such progress payment and be approved in writing by an Authorized Officer of the Board.

(e) Execution by the Board of a Requisition shall constitute approval and acceptance of the items or portions of the Project identified therein for purposes of disbursements hereunder and under the Lease Agreement.

(f) Upon the receipt by the Trustee of a completed Requisition therefor, the Trustee shall disburse moneys from the appropriate subaccount of the Project Account in the manner required in this Section to reimburse the Board for Project Costs paid by the Board prior to the Commencement Date relating to such Project in anticipation of the issuance of the Series of Certificates which shall finance such Project.

(g) Upon the earlier of (i) receipt of a certificate executed by an Authorized Officer of the Board stating that all the Costs of a Project have been paid and the acquisition, construction and installation of such Project has been completed in accordance with the Plans and Specifications relating thereto and such Project has been approved and accepted by the Board or (ii) on the Closure Date provided in the Lease Schedule relating to such Project for the closure of the related subaccount of the Project Account (the "Completion Date"), the subaccount of the Project Account established in relation to such Project shall be closed and if amounts remaining in such subaccount of the Project Account equal or exceed the Prepayment Amount provided in the Lease Schedule relating to such Project, such amount shall be deposited into the account of the Prepayment Fund established for the Series of Certificates which financed such Project and shall be applied by the Trustee to effect an extraordinary mandatory prepayment of the

Series of Certificates which financed such Project in accordance with the provisions hereof; provided, if the excess amount then remaining in such subaccount of the Project Account is less than such Prepayment Amount, such excess amount shall be deposited first, into the subaccount of the Interest Account established in relation to such Project to the extent necessary to fund such Account for the next two Payment Dates, and second, to the Principal Account established in relation to such Project. If a subaccount of the Project Account has not been earlier closed and if, on or before the Closure Date provided in the Lease Schedule for closure of such subaccount, the Board provides a certificate of an Authorized Officer that all or a portion of moneys then on deposit in such subaccount of the Project Account are required to pay Project Costs for items which have been or will be ordered or contracted, or Project Costs constituting sales or use taxes of items installed if such sales or use taxes are or will be payable but have not yet been paid, then such remaining amounts or portions thereof shall not be deemed excess amounts within the meaning of this Section 6.03(g) and shall be retained in such subaccount of the Project Account for the purpose of payment of said Project Costs described in said certificate. Said certificate may direct the deposit of Project Costs constituting said sales and use taxes in a separate subaccount to be used for payment of said sales and use taxes at the time and in the manner as an Authorized Officer of the Board shall direct, but in no event shall the Trustee be responsible or liable for payment of said sales and use taxes except as may be so directed by an Authorized Officer of the Board.

SECTION 6.04. COSTS OF ISSUANCE ACCOUNT. (a) Amounts in each subaccount of the Costs of Issuance Account shall be disbursed for Costs of Issuance relating to the Series of Certificates for which it was established within six months from the date of delivery of such Certificates. Disbursements from the Costs of Issuance Account shall be made by the Trustee upon receipt of a Requisition executed by an Authorized Officer of the Board.

(b) Upon receipt of a certificate executed by an Authorized Officer of the Board stating that all Costs of Issuance relating to the Series of Certificates for which it was established have been paid or provision for payment thereof has been made, the Trustee shall transfer any amounts remaining in such subaccount of the Costs of Issuance Account to the subaccount of the Project Account relating to such Series of Certificates and such subaccount of the Costs of Issuance Account shall be closed.

SECTION 6.05. CAPITALIZED INTEREST ACCOUNT. Funds in each subaccount of the Capitalized Interest Account relating to a Series of Certificates shall be transferred to the subaccount of the Interest Account relating to such Series of Certificates in an amount necessary to pay the interest coming due on the Series of Certificates for which such subaccount was established. Such

transfer shall be made on each Payment Date for such Series until the amounts in such subaccount have been fully expended.

SECTION 6.06. DISPOSITION OF LEASE PAYMENTS. (a) Basic Rent Payments paid in accordance with each Lease Schedule to the Trustee, as assignee of the Corporation pursuant to the Lease Agreement and to the Assignment of Lease Agreement, shall be deposited as received by the Trustee in the Lease Payment Fund in the following manner and in the following order of priority:

(i) There shall be deposited to the subaccount of the Interest Account established for the payment of a Series of Certificates from the Interest Component of Basic Rent made in relation to such Series of Certificates an amount which shall be sufficient to pay the interest becoming due on such Series of Certificates on the next succeeding Payment Date. Moneys in each subaccount of the Interest Account shall be used to pay the interest on the Series of Certificates for which it was established as and when the same become due, whether by redemption or otherwise, and for no other purpose. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on all Outstanding Certificates on the next succeeding Payment Date.

(ii) There shall be deposited to the subaccount of the Principal Account established for the payment of a Series of Certificates from the Principal Component of Basic Rent made in relation to such Series of Certificates an amount which shall be sufficient to pay the principal and the Amortization Installment becoming due on such Series of Certificates on the next succeeding principal Payment Date. Moneys in each subaccount of the Principal Account shall be used to pay the principal and the Amortization Installment of the Series of Certificates for which it was established as and when the same shall mature or are redeemed, and for no other purpose. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal and the Amortization Installment coming due on all Outstanding Certificates on the next succeeding principal Payment Date.

(b) Supplemental Rent payments made by the Board pursuant to Section 4.03(f) of the Lease Agreement shall be deposited as received by the Trustee to the appropriate subaccount of the Reserve Account. Supplemental Rent payments made by the Board pursuant to Section 4.03(g) of the Lease Agreement shall be deposited as received by the Trustee to the Rebate Fund. Any other Supplemental Rent payments received by the Trustee shall be applied to the payment of Persons entitled to such Supplemental Rent, or, if the Trustee determines such Supplemental Rent payment is surplus, it shall be utilized in such manner as shall be directed by the Board.

(c) Whenever there has been a prepayment of Basic Rent Payments, for any reason, the Trustee shall prepare, or cause to be prepared, and transmit to the Board a revised Basic Rent Payment schedule for each affected Lease Schedule reflecting such prepayment.

(d) In the event a Series of Certificates is secured by a Credit Facility, the Trustee, at the request of the Board, may deposit moneys in the subaccounts established in the Interest Account and the Principal Account at such other times and in such other amounts from those provided in this Section as shall be necessary to pay the principal of and interest on such Certificates as the same shall become due, all as provided by the Supplemental Trust Agreement authorizing such Certificates. In the case of Certificates secured by a Credit Facility, amounts on deposit in any subaccounts established for such Certificates shall be applied as provided in the applicable Supplemental Trust Agreement to reimburse the Credit Bank for amounts drawn under such Credit Facility to pay the principal of or Prepayment Price, if applicable, and interest on such Certificates or to pay the purchase price of any such Certificates which are tendered by the Owners thereof for payment.

(e) At the time of issuing any Variable Rate Certificates there shall be established the Maximum Interest Rate with respect thereto and a maximum interest rate with respect to amounts owed to the Credit Bank which provides liquidity for such Certificates.

SECTION 6.07. RESERVE ACCOUNT. (a) If on any Payment Date, the amounts in any subaccount of the Interest Account or the Principal Account are less than the interest, principal and Amortization Installment then due in relation to a Series of Certificates for which it was established, the Trustee shall transfer, from the subaccount of the Reserve Account, if any, established in relation to such Series of Certificates, to such subaccount or subaccounts, an amount sufficient to make up any deficiency therein. In the event of any such transfer, the Trustee, except subsequent to an Event of Non-Appropriation, shall, within five (5) days after making such transfer, provide written notice to the Board of the amount and date of such transfer and the Board shall, within thirty (30) days of receipt of such written notice, pay from moneys budgeted and appropriated as Basic Rent during the current Fiscal Year as Supplemental Rent to the Trustee for deposit into the appropriate subaccount of the Reserve Account an amount necessary to cause the moneys in each such subaccount of the Reserve Account to be equal to the Reserve Requirement applicable thereto.

(b) The Trustee is hereby authorized to accept a Reserve Account Letter of Credit/Insurance Policy and any subsequent Reserve Account Letter of Credit/Insurance Policy provided by the Board in satisfaction of the Reserve Requirement for a subaccount

of the Reserve Account pursuant to Section 4.03(f) of the Lease Agreement. To the extent necessary to comply with this Section, the Trustee is hereby directed to take any and all actions required to draw on the Reserve Account Letter of Credit/Insurance Policy and any subsequent Reserve Account Letter of Credit/Insurance Policy deposited in the Reserve Account.

(c) Moneys in each subaccount of the Reserve Account shall only be used for the purpose of making up for deficiencies in the subaccount of the Interest Account or Principal Account relating thereto in the event that moneys therein are less than the Interest Component and Principal Component of Basic Rent Payments relating thereto then due on any Payment Date.

(d) If on any Payment Date, the amount of all payments due and payable on a Series of Certificates exceeds the amount on hand in the subaccount of the Interest Account and the Principal Account relating to such Series, taking into account any transfers made from the related subaccount of the Reserve Account which was established for the benefit of such Series pursuant to Sections 6.07(a) and 6.07(b) hereof, the Trustee shall apply the moneys on hand therein first to the payment of all past due interest with respect to such Series of Certificates, and, second, to the payment of that portion of the unpaid principal or Amortization Installment of such Series of Certificate which is then past due, pro rata if necessary.

(e) Whenever the moneys in the Lease Payment Fund for an applicable Series of Certificates, including the corresponding Subaccount of the Reserve Account, if any, shall be sufficient to pay the principal of, Amortization Installments and interest coming due on such Series of Certificates, moneys in the Reserve Account shall be deposited to the appropriate subaccounts of the Interest Account and Principal Account as required to pay such Series of Certificates, and no further Basic Rent Payments shall be required under the Lease Agreement.

(f) If, after the date Certificates are prepaid pursuant to the provisions of Article V and Section 6.08 hereof, the amounts in a subaccount of the Reserve Account established for a Series of Certificates exceed the Reserve Requirement applicable thereto then in effect, adjusted to reflect such redemption, or the Reserve Requirement is decreased for any other reason, the Trustee shall deposit such excess to the subaccount of the Interest Account relating to such Series of Certificates.

SECTION 6.08. PREPAYMENT FUND. The Trustee shall deposit to each account of the Prepayment Fund for prepayment of Certificates secured by each such account in accordance with Article V hereof (a) any amounts deposited by the Board for the purpose of paying the Prepayment Price of all or a portion of such Series of Certificates on an Optional Prepayment Date in accordance with the

Supplemental Trust Agreement pursuant to which such Series of Certificates is authorized to be issued, (b) any amounts remaining in the Project Account and required to be transferred to such account of the Prepayment Fund pursuant to Section 6.03(g) hereof, and (c) any Net Proceeds required to be transferred to such account of the Prepayment Fund pursuant to Section 5.08(d) of the Lease Agreement. Said moneys shall be set aside in such account of the Prepayment Fund solely for the purpose of prepaying the Certificates secured by such account in advance of their maturity and shall be applied to the prepayment at the applicable Prepayment Price of such Certificates being redeemed on such prepayment date. Interest on such prepaid Certificates shall be paid from the subaccount of the Interest Account established for payment of such Certificates, except to the extent moneys for payment of interest were deposited to such account of the Prepayment Fund, in which case it shall be paid from such account of the Prepayment Fund.

SECTION 6.09. NO UNAUTHORIZED TRANSFERS. No amount shall be withdrawn or transferred from or paid out of any fund or account except as expressly provided in this Trust Agreement.

SECTION 6.10. DEPOSIT AND INVESTMENT OF MONEYS IN ACCOUNTS. (a) All moneys held by the Trustee in any of the funds, accounts or subaccounts established pursuant to this Trust Agreement shall be deposited or invested in Permitted Investments, provided, however, that all moneys in each subaccount of the Reserve Account shall be invested only in Permitted Investments with maturities of not longer than seven (7) years. Prior to termination of the Lease Agreement, the Board, through an Authorized Officer, shall provide the Trustee written instructions with respect to investment of the moneys held hereunder in Permitted Investments and the Trustee shall make investments in accordance with said instructions. In the event the Board does not provide the Trustee with written instructions with respect to investments, the Trustee shall invest such funds in United States Treasury Obligations or in a money market fund qualifying under clauses (4) or (6) of the definition of Permitted Investments and the Trustee shall notify the Board thereof. Permitted Investments of moneys in Pledged Accounts may be modified as they relate to such Pledged Accounts pursuant to the Supplemental Trust Agreement authorizing the establishment of such Pledged Accounts.

(b) All interest and other income received by the Trustee from investment of funds on deposit in each subaccount of the Reserve Account and the Capitalized Interest Account established for the benefit of a Series of Certificates shall, prior to the Completion Date, be deposited in the subaccount of the Project Account which was funded by such Series of Certificates and, after said Date, be deposited in the subaccount of the Interest Account established for such Series of Certificates and be applied as set forth in Section 6.06 hereof; provided, however, that all interest and other income received by the Trustee on investment of a

subaccount of the Reserve Account shall be retained in such subaccount in the event that amounts on deposit in such subaccount are less than the Reserve Requirement applicable thereto. Transfers to the Interest Account of interest and income from investments shall be made by the Trustee prior to each Payment Date, and shall be applied as set forth herein. At the time of deposit of said moneys in the Interest Account, the Trustee shall report the amount of said credit to the Board. All interest and other income derived from investments of each subaccount of the Project Account and each subaccount of the Interest Account shall be retained in such respective subaccounts. All interest or other income derived from investments of each subaccount of the Costs of Issuance Account established for the benefit of a Series of Certificates shall be deposited in the subaccount of the Project Account which was funded by such Series of Certificates. All interest and other income derived from investments of each subaccount of the Principal Account and each account of the Prepayment Fund established for a Series of Certificates shall be deposited in the subaccount of the Interest Account established for such Series of Certificates.

(c) For the purpose of determining the amount on deposit in any fund, account or subaccount, Permitted Investments in which money in such fund, account or subaccount is invested shall be valued at one hundred per centum (100%) of the principal or face amount thereof.

SECTION 6.11. CREDIT AGAINST LEASE PAYMENTS. Not earlier than thirty (30) days and not later than fifteen (15) days prior to each Payment Date, the Trustee shall report to the Board the amount of the credit against Basic Rent Payments available to the Board under the Lease Agreement. Such credit shall be an amount equal to the sum of (a) the amount of interest and other income deposited in each subaccount of the Interest Account pursuant to Section 6.10 hereof since the date of the previous report made by the Trustee pursuant to this Section, (b) the amount of moneys, if any, transferred to the Interest Account and Prepayment Fund pursuant to Section 6.03(g) hereof since the date of the previous report made by the Trustee pursuant to this Section, (c) the amount of moneys, if any, transferred to each subaccount of the Interest Account pursuant to Section 6.07(f) hereof since the date of the previous report made by the Trustee pursuant to this Section, plus (d) the amount, if any, on deposit in each subaccount of the Principal Account and the Interest Account on the date of the report made by the Trustee pursuant to this Section which is not derived from the sources described in clauses (a), (b) and (c) above. In addition to the credit referenced in the preceding sentence, the Trustee and the Corporation acknowledge that, there shall be applied as a credit against Basic Rent Payments payable on a Payment Date an amount equal to the amount then on deposit in each subaccount of the Interest Account representing accrued interest and that the amount in the Reserve Account shall be applied as a credit against

the last Basic Rent Payments as provided in Section 6.07(e) hereof. In the event that the total amount of the credit exceeds the Basic Rent Payment due on the Payment Date following said report, the amount of said excess shall be applied as a credit against the next subsequent Basic Rent Payments.

SECTION 6.12. APPLICATION OF MONEY IN THE REBATE FUND. (a) The Trustee shall be deemed conclusively to have complied with the provisions of this Section and each Letter of Instructions if it follows the directions of the Board and the Corporation, and the Trustee shall have no liability or responsibility to enforce compliance by the Board and the Corporation with the terms of this Section and each such Letter of Instructions. The Trustee shall have no responsibility for calculating the amount required to be rebated to the United States Treasury Department pursuant to the Code, nor shall the Trustee have any responsibility for determining the accuracy of any such amount calculated by any Person.

(b) Any funds remaining in the Rebate Fund, after redemption and payment of all of the Certificates and any amounts required to be paid to the United States, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees to the Trustee and satisfaction of the rebate requirement described in the Letter of Instructions, shall be withdrawn by the Trustee and remitted to the Board.

(c) Upon the Board's written direction, the Trustee shall pay to the United States, out of amounts in the Rebate Fund, the rebate requirement, in the amounts and at the times described in each Letter of Instructions.

(d) In the event that, prior to the time of any required payment out of the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the Board shall deposit with the Trustee for application to the Rebate Fund an amount equal to such deficiency in the Rebate Fund prior to the time such payment is due. Each payment required to be made pursuant to this subsection shall be made in the manner described in the Letters of Instructions.

(e) Any Letter of Instructions shall be amended from time to time as, in the opinion of Special Counsel, shall be necessary to reflect the current status of the Code in regard to the rebate requirement.

(f) Each Supplemental Trust Agreement authorizing the issuance of a Series of Certificates shall have attached thereto a Letter of Instructions relating to the rebate requirement described herein, unless Special Counsel determines such Letter of Instructions is unnecessary.

ARTICLE VII

GENERAL COVENANTS AND REPRESENTATIONS

SECTION 7.01. BOARD TO PERFORM AGREEMENTS. The Board covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease Agreement and the Ground Lease(s) to the extent so imposed.

SECTION 7.02. CORPORATION TO PERFORM AGREEMENTS. The Corporation covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease Agreement, the Ground Lease(s), the Assignment(s) of Ground Lease and the Assignment of Lease Agreement to the extent so imposed.

SECTION 7.03. NO OBLIGATION WITH RESPECT TO PERFORMANCE BY TRUSTEE. The Corporation and the Board shall not have any obligation or liability to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

SECTION 7.04. NO LIABILITY TO OWNERS FOR PAYMENT. Except as provided in this Trust Agreement, neither the Corporation nor the Trustee shall have any obligation or liability to the Owners of the Certificates with respect to the payment of the Lease Payments by the Board when due, or with respect to the performance by the Board of any other covenants made by it in the Lease Agreement.

SECTION 7.05. COVENANT NOT TO IMPAIR TAX STATUS OF CERTIFICATES. Neither the Corporation nor the Board shall take nor permit nor suffer to be taken nor fail to take any action within its control, or direct the Trustee to take or fail to take any action, which action or failure to act would impair the exclusion, if applicable, from gross income for federal income tax purposes of the Interest Component of the Basic Rent Payment, including the calculation and payment of any rebate necessary to preserve the exclusion, if applicable, from gross income for federal income tax purposes of the Interest Component of the Basic Rent Payment received by the Owners. Neither the Corporation nor the Board shall permit or direct the investment of any proceeds of the Certificates or the Lease Payments by the Trustee in such a manner that would result in the Certificates (other than Taxable Certificates) or the Lease Agreement being characterized as "arbitrage bonds" under Section 148 of the Code. The Trustee, the Corporation and the Board will comply with the provisions of the arbitrage certificate and the exhibits thereto executed by the Board which relates to the issuance of a Series of Certificates. This Agreement shall not be construed to constrain in any manner the ability of the Trustee to sublease, sell or dispose of the Project in the Event of a Default or Event of Non-appropriation

under the Lease Agreement. With respect to the obligations of the Trustee pursuant to this Section, the Trustee shall use its best efforts and shall be liable only as a result of gross negligence or willful misconduct.

SECTION 7.06. DIRECTORS, MEMBERS, OFFICERS AND EMPLOYEES OF TRUSTEE, CORPORATION AND BOARD EXEMPT FROM PERSONAL LIABILITY. No recourse shall be had for the obligations specified hereunder, under the Certificates or under the Lease Agreement or for any claim based hereon or thereon or upon any representation, obligation, covenant or agreement in this Trust Agreement or the Certificates or the Lease Agreement against any past, present or future officer, vendor, employee, director or agent of the Trustee, the Corporation or the Board as such, either directly or through the Trustee, the Corporation or the Board, or any successor thereto under any statute or rule of law or equity, statute or constitution or by the enforcement or any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Trust Agreement, the Lease Agreement and the issuance of the Certificates.

SECTION 7.07. CORPORATION OBLIGATIONS FOR PROJECTS. (a) Pursuant to the terms of the Lease Agreement and except as provided in Section 4.07(b) thereof, the Corporation shall have title to the Projects, other than Designated Equipment, subject to the rights of the Board under the Lease Agreement. In consideration of the issuance of the Certificates, the Corporation agrees that if an Event of Default described in Section 8.01(e) hereof occurs and the Lease Agreement shall be terminated, it shall, at the request of the Trustee, take all actions necessary in order to fully transfer title of and to all or a portion of the Projects to the Trustee, except as otherwise provided in Section 4.07(b) of the Lease Agreement with respect to Designated Equipment. The Corporation shall be required to transfer title only to the Projects or portions thereof to which it has title at the time of such request. The Corporation shall provide the Trustee with all instruments necessary to evidence such transfer of title. In accordance with the terms of Section 8.03 hereof and except as provided in Sections 4.07(b) and 7.03(b) of the Lease Agreement, the Trustee may sell, re-let or otherwise dispose of the Projects if an Event of Default described in Section 8.01(e) hereof occurs and the Lease Agreement shall be terminated as provided in Section 8.03 hereof. The proceeds from the exercise of any such remedies shall be used as provided in Section 8.04 hereof. If the Board relinquishes possession of the Projects pursuant to the Lease Agreement subsequent to an Event of Default described in Section 8.01(e) hereof, the Corporation hereby agrees that the Trustee shall take possession of the Projects and shall have complete authority over the disposition of the Projects in accordance with the terms hereof, of the Lease Agreement, of the Assignment of Ground

Lease(s) and of the Ground Lease(s). The Corporation will promptly comply with all directions of the Trustee in regard to such disposition. As a condition to the acceptance by the Trustee of possession of the Project the Trustee shall have the right to receive from the Board such assurances, reports and opinions as to the absence of hazardous substances and such other environmental matters with respect to the Projects as the Trustee may reasonably request.

(b) The Board and Corporation agree that they shall not place any lien or encumbrance on the Projects, except Permitted Encumbrances. In addition, the Corporation shall not join in or consent to the sale or re-letting of the Projects, or any portion thereof, except as may be directed by the Trustee or as shall be required by the terms of the Lease Agreement, the Assignment(s) of Ground Lease(s) or Ground Lease(s).

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.01. EVENTS OF DEFAULT. Each of the following events is hereby declared an Event of Default under the Trust Agreement:

(a) Payment of any installment of interest on any Certificate shall not be made by the Board when the same shall become due and payable; or

(b) Payment of the principal, Amortization Installment or the redemption premium, if any, of any Certificate shall not be made by the Board when the same shall become due and payable, whether at maturity or by proceedings for mandatory redemption or otherwise; or

(c) Default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in this Trust Agreement or any Supplemental Trust Agreement and such default shall continue for thirty (30) days (or such further time as may be granted in writing by the Trustee with the consent of the Credit Enhancer) after receipt by the Board and the Corporation of a written notice from the Trustee or the Credit Enhancer specifying such default and requiring the same to be remedied; or

(d) Payment of any amounts owing a Credit Bank in regard to a reimbursement agreement relating to its Credit Facility shall not be made when the same shall become due and payable; or

(e) An "Event of Default" or "Event of Non-Appropriation" shall have occurred under the Lease Agreement, and, in the case of such "Event of Default," it shall not have been remedied or waived.

In determining whether a default described in Section 8.01(a) or 8.01(b) has occurred, no effect shall be given to payments made by an Insurer under its municipal bond insurance policy.

SECTION 8.02. ACCELERATION OF MATURITIES. Upon the happening and continuance of any Event of Default specified in Section 8.01 hereof and only subsequent to the termination of the Lease Agreement, the Trustee, in regard to each Series of Certificates, may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of a Series of Certificates then Outstanding, by notice in writing to the Board and the Corporation, shall declare the principal of all Certificates of such Series then Outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained

in the Certificates or in this Trust Agreement to the contrary notwithstanding; provided, however, that any Series of Certificates which are insured as to payment by an Insurer may be accelerated only with the written consent or at the direction of such Insurer (if such Insurer is not in payment default under its municipal bond insurance policy); provided, further, that if at any time after the principal of a Series of Certificates shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Trust Agreement, moneys shall have accumulated in or shall have been paid into the Lease Payment Fund sufficient to pay the principal of all matured Certificates and all arrears of interest, if any, upon all Certificates then Outstanding (except the principal of any Certificate not then due and payable by its terms and the interest accrued on such since the last interest Payment Date), and the charges, compensations, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board under the Lease Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Certificates or in this Trust Agreement (other than a default in the payment of the principal of such Certificates then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of Certificates not then due and payable by their terms (Certificates then due and payable only because of a declaration under this Section shall not be deemed to be due and payable by their terms) and then Outstanding shall, by written notice to the Board and the Corporation, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent Event of Default hereunder or impair any right consequent thereon.

SECTION 8.03. ENFORCEMENT OF REMEDIES. (a) Upon the happening and continuance of any Event of Default specified in Section 8.01 hereof, then and in every such case the Trustee may proceed, and upon the written request of (i) the Insurer of such Certificates (if such Insurer is not in payment default under its municipal bond insurance policy) or (ii) the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding and the Insurer of such Certificates (if such Insurer is not in payment default under its municipal bond insurance policy), shall proceed, subject to the provisions of Sections 9.02 and 8.14 of this Trust Agreement, to protect and enforce its rights and the rights of the Owners under the laws of the State, under this Trust Agreement, the Lease Agreement or the Ground Lease(s) by such suits, actions or special proceedings in equity or at law, or

by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel chosen by the Trustee, shall deem most effectual to protect and enforce such rights. The Trustee may also exercise all remedies it or the Corporation may have under law and under the Trust Agreement, the Lease Agreement, and any Ground Lease(s) and any mortgage or security interest relating to a Project.

(b) In the enforcement of any remedy under this Trust Agreement, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any Event of Default hereunder becoming and remaining due from the Board for principal, interest or otherwise under any of the provisions of this Trust Agreement or of the Certificates, together with interest on overdue payments of principal at the Overdue Rate and all reasonable costs and expenses of collection and of all proceedings hereunder, without prejudice to any other right or remedy of the Trustee or of the Owners and to recover and enforce any judgment or decree against the Corporation, but solely as provided herein, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from money available for such purposes), in any manner provided by law, the money adjudged or decreed to be payable.

(c) As provided in Section 7.07 hereof and subject to the limitations thereof relating to Designated Equipment, the Trustee, upon an Event of Default described in Section 8.01(e) hereof and the termination of the Lease Agreement, may take possession of and title to the Projects, or any portion thereof, and it shall, if the Board relinquishes possession of the Projects pursuant to the Lease Agreement subsequent to an Event of Default described in Section 8.01(e) hereof, take possession of the Projects, in accordance with the provisions of Section 7.07 hereof and of the Ground Lease(s). Upon taking possession of the Projects the Trustee is authorized to sell, re-let or otherwise dispose of each Project, or any portion thereof, for the benefit of the Owners of the Series of Certificates which financed or refinanced each such Project.

SECTION 8.04. PRO-RATA APPLICATION OF FUNDS. (a) Anything in this Trust Agreement to the contrary notwithstanding, if at any time the money in the Lease Payment Fund shall not be sufficient to pay the interest on or the principal of the Certificates as the same shall become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 8.02 hereof), the Trustee, subsequent to payment of all costs and expenses relating to collection of such moneys and fees and expenses of the Trustee, including reasonable fees and expenses of Trustee's Counsel, shall deposit all moneys derived from the sale, re-letting or other disposition of each Project, including moneys

and damages collected in connection therewith, and all moneys in the Pledged Accounts relating thereto (amounts in a subaccount of the Project Account for such Project may, at the discretion of the Trustee, be retained in such subaccount to continue payment of the acquisition and construction of such Project) into a special account established for the sole benefit of the Owners of the Series of Certificates which financed or refinanced such Project and shall apply moneys in such special account as follows:

(i) If the principal of such Series of Certificates shall not have become or shall not have been declared due and payable, all such money in the special account established for such Series shall be applied:

First: to the payment to the Persons entitled thereto of all installments of interest on such Series of Certificates then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Series of Certificates;

Second: to the payment to the Persons entitled thereto of the unpaid principal of any Certificates of such Series that shall have become due and payable, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Certificates of such Series due and payable on any particular date, then to the payment ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference;

Third: to the payment of the interest on and the principal of such Series of Certificates, to the purchase and retirement of such Series of Certificates, and to the redemption of such Series of Certificates, all in accordance with the provisions hereof;

Fourth: to the payment of any amounts owed and unpaid the Credit Bank for such Series or under the reimbursement agreement relating to the Credit Facility for such Series;

Fifth: to the payment of any amounts owing in regard to Ground Leases relating to such Series; and

Sixth: to the payment of any surplus moneys to the Board.

(ii) If the principal of such Series of Certificates shall have become or shall have been declared due and payable, all such money in the special account established for such Series shall be applied to the payment of principal and interest then due upon such Series of Certificates (or, in the case of Capital Appreciation Certificates, the Accredited Value thereof) without preference or priority of principal over interest or interest over principal, or of any installment of interest over any other installment of interest or any such Certificate over any other such Certificate ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or preference and then to the payment of any amounts owed and unpaid the Credit Bank for such Series or under the reimbursement agreement relating to the Credit Facility for such Series, and then to the payment of any amounts owing in regard to Ground Leases relating to such Series. Any surplus moneys shall be paid to the Board.

(iii) If the principal of such Series of Certificates shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 8.02 hereof, then, subject to the provisions of paragraph (a)(ii) of this Section in the event that the principal of such Series of Certificates shall later become due and payable or be declared due and payable, the money then remaining in and thereafter accruing to the special account established for such Series shall be applied in accordance with the provisions of paragraph (a)(i) of this Section.

(b) Whenever money is to be applied by the Trustee pursuant to the provisions of this Section and, subject to any direction given by a Credit Enhancer pursuant to Section 8.14 hereof, such money shall be applied by the Trustee at such times and from time to time, as the Trustee in its sole discretion shall determine, having due regard for the amount of such money available for such application and the likelihood of additional money becoming available for such application in the future; the setting aside of such money, in trust for the proper purpose, shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Corporation, the Board, to any Owner or to any other Person for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be a Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue.

The Trustee shall give notice by first class mail, postage prepaid, to all Owners of the fixing of any such date, and shall not be required to make payment to the Owner of any Certificates until such Certificates shall be surrendered to the Trustee for cancellation if fully paid.

SECTION 8.05. EFFECT OF DISCONTINUANCE OF PROCEEDINGS. If any proceeding taken by the Trustee or Owners on account of any Event of Default hereunder shall have been discontinued or abandoned for any reason, then and in every such case, the Corporation, the Board, each Credit Enhancer, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

SECTION 8.06. CONTROL OF PROCEEDINGS BY OWNERS. The Owners of a majority in aggregate principal amount of each Series of Certificates then Outstanding shall have the right, subject to the provisions of Sections 8.14 and 9.02 of this Trust Agreement, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder in regard to such Series, provided that such direction shall be in accordance with law and the provisions of this Trust Agreement and the Lease Agreement.

SECTION 8.07. RESTRICTIONS UPON ACTIONS BY INDIVIDUAL OWNERS. Except as provided in Section 8.13 of this Trust Agreement, no Owner shall have any right to institute any suit, action or proceeding in equity or at law on any Certificate or for the execution of any trust hereunder or for any other remedy hereunder unless such Owner previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding of the Series of which such Owner belongs shall have made a written request of the Trustee after the right to exercise such powers or right of action as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceedings in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Trust Agreement or to any other remedy hereunder. It is understood and intended that, except as otherwise above provided, no one or more

Owners shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security of this Trust Agreement, or to enforce any right hereunder except in the manner provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners and that any individual rights of action or other right given to one or more of such Owners by law are restricted by this Trust Agreement to the rights and remedies herein provided.

SECTION 8.08. APPOINTMENT OF A RECEIVER. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Trust Agreement, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers for the Projects with such powers as the court making such appointments shall confer.

SECTION 8.09. ENFORCEMENT OF RIGHTS OF ACTION. All rights of action (including the right to file proof of claim) under this Trust Agreement or under any Certificates may be enforced by the Trustee without the possession of any Certificates or the production thereof in any proceedings relating thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners hereby secured, and any recovery of judgment shall be for the equal benefit of the Owners.

SECTION 8.10. NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved to the Trustee, a Credit Enhancer or to the Owners is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

SECTION 8.11. WAIVERS. No delay or omission by the Trustee or of any Owner in the exercise of any right or power occurring upon any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver of any such Event of Default hereunder or any acquiescence therein; and every power or remedy given by this Trust Agreement to the Trustee and to the Owners may be exercised from time to time and as often as may be deemed expedient. The Trustee may, and upon written request of the Owners of not less than a majority in principal amount of the Certificates then Outstanding, shall waive any Event of Default which shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Trust Agreement or before the completion of the enforcement of any rights of the Trustee hereunder, but such waiver shall not waive any subsequent Event of Default hereunder or impair any rights or remedies consequent thereon. Anything in this Section 8.11 to the contrary notwithstanding, no waiver of any

Event of Default shall be granted without obtaining the prior written consent of each Credit Enhancer so affected thereby.

SECTION 8.12. NOTICE OF DEFAULT. (a) The Trustee shall mail to all Owners at their addresses as they appear on the Certificate Register written notice of the occurrence of any Event of Default set forth in Section 8.01 hereof within thirty (30) days after the Trustee shall have notice of the same; provided that, except upon the happening of an Event of Default specified in clauses (a) and (b) of Section 8.01 of this Trust Agreement, the Trustee may withhold such notice to the Owners if in its opinion such withholding is in the interest of the Owners; and provided, further, that the Trustee shall not be subject to any liability to any Owner by reason of its failure to mail any such notice.

(b) The Trustee shall mail to each Credit Enhancer written notice of the occurrence of any Event of Default set forth in Section 8.01 hereof within five (5) Business Days after the Trustee shall have notice of the same.

(c) Upon the occurrence and continuance of an Event of Default or Event of Non-Appropriation, the Trustee shall provide each Credit Enhancer with access to the Certificate Register for the Series of Certificates for which it provides credit enhancement for purposes of inspection and copying the same.

SECTION 8.13. RIGHT TO ENFORCE PAYMENT OF CERTIFICATES UNIMPAIRED. If the Trustee shall fail to take actions required of it pursuant to this Section, nothing in this Article shall affect or impair the right of any Owner to enforce the payment of the principal of and interest on his Certificate or the obligation to pay the principal of and interest on each Certificate to the Owner thereof at the time and place in said Certificate expressed.

SECTION 8.14. CONTROL BY INSURER OR CREDIT BANK. Any provision hereunder or under the Lease Agreement or Ground Lease to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, the Credit Enhancer for a Series of Certificates, if such Credit Enhancer, shall not be in payment default under its municipal bond insurance policy or Credit Facility, as the case may be, shall be deemed to be the sole owner of such Certificates for purposes of (a) directing and controlling the enforcement of all rights and remedies with respect to such Series of Certificates, including any waiver of an Event of Default and removal of the Trustee, and (b) exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of such Certificates are entitled to take pursuant to Articles VIII or IX hereof. No provision expressly recognizing or granting rights in or to a Credit Enhancer shall be modified without the consent of such Credit Enhancer. A Credit Enhancer's rights under this Section 8.14 shall be suspended during any period in which such Credit Enhancer is in default in its

payment obligations under its municipal bond insurance policy or Credit Facility, as applicable (except to the extent of amounts previously paid by such Credit Enhancer and due and owing to such Credit Enhancer) and shall be of no force or effect if its municipal bond insurance policy or other Credit Facility is no longer in effect or if the Credit Enhancer asserts that its municipal bond insurance policy or Credit Facility is not in effect or if the Credit Enhancer waives such rights in writing. The rights granted to a Credit Enhancer under this Section 8.14 are granted in consideration of the Credit Enhancer issuing its municipal bond insurance policy or Credit Facility. Any exercise of such contractual rights by a Credit Enhancer shall be deemed to be taken for the benefit of any Certificate Owners and shall not evidence such Credit Enhancer's position as to whether any Certificate Owner's consent is required.

ARTICLE IX

CONCERNING THE TRUSTEE

SECTION 9.01. ACCEPTANCE OF DUTIES. (a) The Trustee by execution hereof accepts and agrees to fulfill the trusts imposed upon it by this Trust Agreement, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Trust Agreement. Prior to the occurrence of any Event of Default hereunder and after the curing of all such Events of Default that may have occurred, the Trustee shall perform such duties and only such duties of the Trustee as are specifically set forth in this Trust Agreement. During the existence of any such Event of Default that has not been cured the Trustee shall exercise any of the rights and powers vested in it by this Trust Agreement. At all times the Trustee shall use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) No provision of this Trust Agreement, any Certificate, the Lease Agreement or the Assignment of Lease Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) Unless an Event of Default shall have occurred and be continuing:

(A) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Trust Agreement, the Lease Agreement and the Assignment of Lease Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Trust Agreement, the Lease Agreement and the Assignment of Lease Agreement, and no implied covenants or obligations shall be read into this Trust Agreement, the Lease Agreement or the Assignment of Lease Agreement against the Trustee, and

(B) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the accuracy of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to it by the Board and the Corporation conforming to the requirements of this Trust Agreement, the Lease Agreement or the Assignment of Lease Agreement, but in the case of any such certificate or opinion by which any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the

same to determine whether or not it conforms to the requirements of this Trust Agreement, the Lease Agreement or the Assignment of Lease Agreement, and

(ii) At all times, regardless of whether or not any such Event of Default shall exist:

(A) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(B) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners as provided in Article VIII hereof, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any power conferred upon the Trustee under this Trust Agreement and the Lease Agreement; and

(C) the Trustee may consult with counsel and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder and in good faith and reliance thereon.

(c) None of the provisions contained in this Trust Agreement, the Lease Agreement or the Assignment of Lease Agreement shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

(d) Notwithstanding any other provision of this Trust Agreement, in determining whether the rights of the Owners of the Certificates will be adversely affected by any action taken pursuant to the terms and provisions of this Trust Agreement, the Trustee shall consider the effect on the Owners of the Certificates as if there were no municipal bond insurance policy or Credit Facility.

SECTION 9.02. INDEMNIFICATION OF TRUSTEE AS CONDITION FOR REMEDIAL ACTION. The Trustee shall be under no obligation to institute any suit or to take any remedial proceeding in the Event of a Default under this Trust Agreement or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, including, without limitation, its acceptance or possession of a Project or any component thereof, until it shall be indemnified to its satisfaction against any and all reasonable costs, expenses,

outlays and reasonable counsel fees and other reasonable disbursements, and against all liability. The Trustee nevertheless may, in its sole discretion, but is not required to, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Trustee shall be entitled to reimbursement from any money in its possession under the provisions of this Trust Agreement and shall be entitled to a preference therefor over any Certificates Outstanding hereunder.

SECTION 9.03. LIMITATIONS ON OBLIGATIONS AND RESPONSIBILITIES OF TRUSTEE. The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Board or the Corporation, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. Except as to the acceptance of the trusts by its due execution of this Trust Agreement, the Trustee shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Trust Agreement by the other parties hereto, or in respect of the validity of Certificates (other than the due execution and delivery thereof in accordance with the terms hereof). The Trustee shall be under no obligation to see that any duties herein imposed upon the Corporation, the Board, any depositary other than a Trustee as depositary, or any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

SECTION 9.04. TRUSTEE NOT LIABLE FOR FAILURE OF CORPORATION OR BOARD TO ACT. The Trustee shall not be liable or responsible because of the failure of the Corporation or the Board or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Corporation or the Board or because of the loss of any money arising through the insolvency or the act or default or omission of any depositary other than a Trustee depositary in which such money shall have been deposited under the provisions of this Trust Agreement. The Trustee shall not be responsible for the application of any of the proceeds of Certificates or any other money deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Truet Agreement. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

SECTION 9.05. COMPENSATION AND INDEMNIFICATION OF TRUSTEE. Subject to the provisions of any contract between the Corporation,

the Board and the Trustee relating to the compensation of the Trustee, the Corporation shall pay or cause the Board to pay to the Trustee reasonable compensation for all services performed by it hereunder and also all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and the performance of its powers and duties hereunder and shall, to the extent permitted by applicable law, indemnify and save the Trustee harmless against any liabilities that it may incur in the proper exercise and performance of its powers and duties hereunder and under the Lease Agreement.

SECTION 9.06. MONTHLY STATEMENTS FROM TRUSTEE. (a) It shall be the duty of the Trustee, by the 25th day of each month, to file with the Board a statement setting forth in respect of the preceding one-month period:

(i) the amount withdrawn or transferred by it and the amount deposited with it on account of each fund, account or subaccount held by it under the provisions of this Trust Agreement,

(ii) the amount on deposit with it at the end of such period in each such fund, account or subaccount,

(iii) a brief description of all obligations held by it as an investment of money in each such fund, account or subaccount,

(iv) the amount applied to the purchase or redemption of Certificates under the provisions of Article V of this Trust Agreement and a description of the Certificates or portions thereof so purchased or redeemed, and

(v) any other information that the Board may reasonably request.

(b) In addition, on each anniversary date of the issuance of the Certificates the Trustee shall file with the Board any information requested by the Board as necessary to determine the Rebatable Arbitrage as set forth in Letters of Instructions.

(c) All records and files pertaining to Certificates, the Corporation and the Board in the custody of the Trustee shall be open at all reasonable times to the inspection of the Board, the Corporation and their agents and representatives.

SECTION 9.07. TRUSTEE MAY RELY ON CERTIFICATES. If at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Trust Agreement provides for

permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Trust Agreement, and any such certificate shall be evidence of such fact or protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Trust Agreement, any request, notice, certificate or other instrument from the Corporation or the Board to the Trustee shall be deemed to have been signed by the proper party or parties if signed by any Authorized Officer of the Corporation or the Board, as the case may be, and the Trustee may accept and rely upon a certificate signed by any such representative as to any action taken by the Corporation or the Board.

SECTION 9.08. TRUSTEE MAY PAY TAXES AND ASSESSMENTS. In case the Corporation or the Board shall fail to pay or cause to be paid any tax, assessment or governmental or other charge payable on the part of the Board or the Corporation relating to the Lease Agreement to the extent, if any, that the Board or the Corporation may be deemed by the Trustee liable for same, the Trustee, subject to Section 9.01(c) hereof, may pay such tax, assessment or governmental charge, without prejudice, however, to any rights of the Trustee or the Owners hereunder arising in consequence of such failure; and any amount at any time so paid under this Section shall be repaid upon demand by the Trustee by the Corporation from funds made available by the Board, but the Trustee shall be under no obligation to make any such payment from sources provided in the Trust Agreement unless it shall have available or be provided with adequate funds for the purpose of such payment.

SECTION 9.09. CERTAIN RIGHTS OF THE TRUSTEE. Subject to the provisions of Section 9.01 hereof, the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys.

SECTION 9.10. RESIGNATION AND REMOVAL OF TRUSTEE SUBJECT TO APPOINTMENT OF SUCCESSOR. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 9.14.

SECTION 9.11. RESIGNATION OF TRUSTEE. Subject to the provisions of Section 9.10, the Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Board and the Corporation, and mailed, postage prepaid, at the Trustee's expense, to each Owner, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof. No resignation shall take effect until a successor

Trustee has been appointed pursuant to the terms hereof. Each Credit Enhancer shall receive notice of such resignation.

SECTION 9.12. REMOVAL OF TRUSTEE. (a) The Trustee may be removed at any time by the Board for cause (provided an Event of Default described in Section 8.01(e) hereof has not occurred and has not been cured), or by an instrument or concurrent instruments in writing, executed by the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding and filed with the Board, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photostatic copy of any instrument or instruments filed with the Board under the provisions of this paragraph, duly certified by the Superintendent of the Board as having been received by the Board, shall be delivered promptly to the Trustee.

(b) The Trustee may also be removed at any time for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Certificates then Outstanding.

(c) The removal of a Trustee shall not become effective until a successor Trustee has been appointed pursuant to the terms hereof.

(d) The Trustee may be removed at any time, at the request of a Credit Enhancer of a majority of the Outstanding Certificates hereunder, with the consent of the Board, provided, that the Credit Enhancer is not in default of its payment obligations under its municipal bond insurance policy or Credit Facility.

(e) Upon the occurrence of an Event of Default as described in Section 8.01 hereof, and such Event of Default is continuing and has not been waived, the Credit Enhancer may remove the Trustee at any time, provided the Credit Enhancer is not in default of its payment obligations under its municipal bond insurance policy or other Credit Facility.

SECTION 9.13. APPOINTMENT OF SUCCESSOR TRUSTEE. (a) If at any time hereafter the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any reason, the Board shall appoint a Trustee to fill such vacancy. A successor Trustee shall not be required if the Trustee shall sell or assign substantially all of its trust business and the vendee or assignee shall continue in the trust business, or if a transfer of the trust department of the

Trustee is required by operation of law, provided that such vendee, assignee or transferee is (i) a bank or trust company within the State which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing, and (iii) having, or its parent having, a combined capital, surplus and undivided profits aggregating not less than Fifty Million Dollars ($50,000,000) or if otherwise approved by the Board. The Board shall mail notice of any such appointment made by it, postage prepaid, to all Owners and each Credit Enhancer.

(b) At any time within one (1) year after any such vacancy shall have occurred, the Owners of not less than twenty-five percent (25%) in principal amount of Certificates then Outstanding, by an instrument or concurrent instruments in writing, executed by such Owners and filed with the Board, may nominate a successor Trustee, which the Board shall appoint and which shall supersede any Trustee theretofore appointed by the Board. Photostatic copies, duly certified by the Superintendent of the Board as having been received by the Board, of each such instrument shall be delivered promptly by the Board to the predecessor Trustee and to the Trustee so appointed by the Owners.

(c) If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, any Owner hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(d) Any successor Trustee hereafter appointed shall be (i) a bank or trust company within the State which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing, and (iii) having, or its parent having, a combined capital, surplus and undivided profits aggregating not less than Fifty Million Dollars ($50,000,000) or if otherwise approved by the Board.

SECTION 9.14. VESTING OF DUTIES IN SUCCESSOR TRUSTEE. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Board, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor; but such predecessor shall nevertheless, on the written request of its successor or of the Board and upon payment of the expenses, charges and other disbursements of such predecessor that are payable pursuant to the provisions of Section 9.05 hereof, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities and powers of such predecessor hereunder; and every predecessor Trustee shall deliver all property and money held by it hereunder to its successor. Should any instrument in

writing from the Board be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Board.

ARTICLE X

EXECUTION OF INSTRUMENTS BY OWNERS, PROOF OF OWNERSHIP OF CERTIFICATES, AND DETERMINATION OF CONCURRENCE OF OWNERS

SECTION 10.01. EXECUTION OF INSTRUMENTS BY OWNERS. (a) Any request, direction, consent or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by any Owner may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners or their attorneys or legal representatives. Proof of the execution of any such instrument and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement and shall be conclusive in favor of the Trustee, the Board and the Corporation with regard to any action taken by either under such instrument if made in the following manner:

(i) The fact and date of the execution by any Person of any such instrument may be proved by the verification of any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution. Where such execution is on behalf of a Person other than an individual, such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

(ii) The ownership of Certificates shall be proved by the registration books kept under the provisions of this Trust Agreement.

(b) Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of any Owner shall bind every future Owner of the same Certificate in respect of anything done by the Trustee in pursuance of such request or consent.

(c) Notwithstanding any of the foregoing provisions of this Section, the Trustee shall not be required to recognize any Person as an Owner or to take any action at his request unless such Certificates shall be deposited with it.

ARTICLE XI

SUPPLEMENTAL TRUST AGREEMENTS

SECTION 11.01. SUPPLEMENTAL TRUST AGREEMENTS WITHOUT CONSENT OF OWNERS AND CREDIT ENHANCERS. The Corporation, the Board and the Trustee, from time to time and at any time, may enter into Supplemental Trust Agreements, without the consent of the Owners of the Certificates or any Credit Enhancers, for the following purposes:

(a) To cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Trust Agreement, or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Trust Agreement; provided, that any such modification, alteration, amendment, addition or replacement does not materially adversely affect the interests of the Owners, or

(b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Trustee, including provisions relating to a mortgage and security interest on a Project pursuant to Section 7.07 hereof, or

(c) To add to the provisions of this Trust Agreement other conditions, limitations and restrictions thereafter to be observed, or

(d) To add to the covenants and agreements of the Corporation or the Board in this Trust Agreement other covenants and agreements thereafter to be observed by the Corporation or the Board or to surrender any right or power herein reserved to or conferred upon the Corporation or the Board, or

(e) To permit the qualification of this Trust Agreement under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the Corporation and the Board so determine, to add to this Trust Agreement or any supplemental trust agreement such other terms, conditions and provisions as may be permitted or required by such federal statute or Blue Sky law, or

(f) To provide for the issuance of Taxable Certificates in bearer form, or

(g) To provide for the issuance of Certificates under a book-entry system, or

(h) To provide for the issuance of Certificates, including Completion Certificates and Refunding Certificates, or

(i) To provide, in regard to a Series of Certificates, for the addition, modification or deletion of any of the provisions in Section 6.03 relating to conditions which shall be necessary in order to draw moneys from a subaccount of the Project Account, or

(j) To make any other modifications hereto which in the opinion of the Trustee, who may rely upon a written opinion of Special Counsel, shall not materially adversely affect the Owners.

(k) To determine how, when and what information concerning the Board, the Corporation, the Credit Enhancer and the Certificates should be disclosed by the Trustee to the Owners and the investment community in accordance with published guidelines.

SECTION 11.02. MODIFICATION OF TRUST AGREEMENT WITH CONSENT OF OWNERS AND CREDIT ENHANCERS. (a) Subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority of the aggregate principal amount of Certificates then Outstanding shall have the right, from time to time, anything contained in this Trust Agreement to the contrary notwithstanding, to consent to and approve the execution by the Corporation, the Board and the Trustee of such Supplemental Trust Agreement or Supplemental Trust Agreements as shall be deemed necessary or desirable by the Corporation and the Board for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Trust Agreement; provided, however, that nothing herein contained shall permit, or be construed as permitting (i) an extension of the maturity of the principal of or the interest on any Certificates issued hereunder, or (ii) a reduction in the principal amount of any Certificates or the prepayment premium or the rate of interest thereon, or (iii) a preference or priority of any Certificate over any other Certificate, except as provided herein, or (iv) a reduction in the aggregate principal amount of Certificates required for consent to such Supplemental Trust Agreement. For purposes of making amendments made pursuant to this Section 11.02, Owners of Certificates which will no longer be Outstanding at the time the Supplemental Trust Agreement takes effect or which are not adversely affected by such Supplemental Trust Agreement shall not have any rights of consent hereunder. Each Supplemental Trust Agreement entered into pursuant to this Section must be consented to by each Credit Enhancer which is affected thereby. Nothing contained in this Section 11.02, however, shall be construed as making necessary the approval by the Owners of the adoption and acceptance of any Supplemental Trust Agreement as authorized in Sections 11.01 and 11.03 hereof.

(b) If at any time the Corporation and the Board shall request the Trustee to enter into any Supplemental Trust Agreement

for any of the purposes of this Section, the Trustee shall, at the expense of the Board, cause notice of the proposed execution of such Supplemental Trust Agreement to be mailed, postage prepaid, to all affected Owners, to each affected Credit Enhancer and to each rating agency which shall rate the Certificates. Such notice shall briefly set forth the nature of the proposed Supplemental Trust Agreement and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Owners. The Trustee shall not, however, be subject to any liability to any Owner by reason of its failure to mail the notice required by this Section, and any such failure shall not affect the validity of such Supplemental Trust Agreement when approved and consented to as provided in this Section.

(c) Whenever, at any time within three years after the date of the mailing of such notice, the Corporation or the Board shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority of the aggregate principal amount of Certificates then Outstanding as required hereunder and each affected Credit Enhancer, which instrument or instruments shall refer to the proposed Supplemental Trust Agreement described in such notice and shall, specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Trustee may execute such Supplemental Trust Agreement in substantially such form, without liability or responsibility to any Owner, whether or not such Owner shall have consented thereto.

(d) If the Owners of not less than a majority in aggregate principal amount of Certificates Outstanding as required hereunder and each affected Credit Enhancer at the time of the execution of such Supplemental Trust Agreement shall have consented to and approved the execution thereof as herein provided, no Owner shall have any right to object to the adoption of such Supplemental Trust Agreement, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Corporation, the Board and the Trustee from executing the same or from taking any action pursuant to the provisions thereof.

(e) Upon the execution of any Supplemental Trust Agreement pursuant to the provisions of this Section, this Trust Agreement shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Trust Agreement of the Corporation, the Board the Trustee and all Owners shall thereafter be determined, exercised and enforced in all respects pursuant to the provisions of this Trust Agreement as so modified and amended.

SECTION 11.03. MODIFICATION OF TRUST AGREEMENT WITH CONSENT OF CREDIT ENHANCERS ONLY. If each Series of Certificates adversely affected by an amendment or amendments in a Supplemental Trust Agreement is insured or guaranteed by a Credit Enhancer, and such Credit Enhancer has honored all its obligations under its municipal bond insurance policy or Credit Facility, as the case may be, the Board, the Trustee and the Corporation may enter into one or more Supplemental Trust Agreements which amends all or any part of Articles I, II, III, IV, V, VI, VII, VIII, IX, X or XIII hereof with the written consent of such Credit Enhancers. The consent of the Owners shall not be necessary. Notice of all amendments shall be delivered to S&P and Moody's prior to the effective date of any such amendment. The foregoing right of amendment does not apply to any amendments to Section 7.05 hereof nor may such amendment permit modifications prohibited in Section 11.02(a) hereof. Upon filing with the parties hereto of the consent of the Credit Enhancers as aforesaid, a Supplemental Trust Agreement may be entered into. Subsequent to execution of such Supplemental Trust Agreement notice thereof shall be mailed to the Owners in the same manner as notice of amendment under Section 11.02 hereof.

SECTION 11.04. RESPONSIBILITIES OF TRUSTEE, BOARD AND CORPORATION UNDER THIS ARTICLE. The Trustee, the Board and the Corporation shall be entitled to exercise their discretion in determining whether or not any proposed Supplemental Trust Agreement or any term or provision therein contained is desirable, after considering the purposes of such instrument, the needs of the Corporation and the Board, the rights and interests of the Owners, and the rights, obligations and interests of the Trustee, and the Trustee shall not be under any responsibility or liability to the Corporation, the Board or to any Owner or to anyone whomsoever for its refusal in good faith to execute any such Supplemental Trust Agreement if such trust agreement is deemed by it to be contrary to the provisions of this Article. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for the Corporation or the Board or Special Counsel, as conclusive evidence that any such proposed Supplemental Trust Agreement does or does not comply with the provisions of this Trust Agreement, and that it is or is not proper for it, under the provisions of this Article, to accept such Supplemental Trust Agreement.

SECTION 11.05. CONSENT OF BOARD NOT REQUIRED. Anything herein to the contrary notwithstanding, no such Supplemental Trust Agreement need be consented to or executed by the Board if the Board is in default under the Lease Agreement or an Event of Non-Appropriation has occurred.

SECTION 11.06. NOTICE OF SUPPLEMENTAL TRUST AGREEMENT. Copies of any Supplemental Trust Agreement executed pursuant to the provisions of this Article XI shall be sent to Standard & Poor's

Corporation and Moody's Investors Service at least 5 days prior to the effective date of such Supplemental Trust Agreement.

ARTICLE XII

DEFEASANCE

SECTION 12.01. DEFEASANCE. (a) If the principal, Prepayment Premium, if any, and interest due or to become due on the Certificates shall be paid at the times and in the manner stipulated therein, and if all other sums of money due or to become due according to the provisions hereof shall be paid or provision for payment shall be made, including any amounts owing to any Credit Enhancer or the issuer of a Reserve Account Letter of Credit/Insurance Policy, then these presents and the Trust Estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of this Trust Agreement and execute and deliver to the Corporation and the Board such instruments in writing as shall be requisite to cancel and discharge the lien hereof and all surplus in, and balances remaining in, all funds and accounts, other than moneys held for the redemption or payment of Certificates and money held for the United States Treasury in the Rebate Fund, shall be delivered to the Board.

(b) If the principal, Prepayment Premium, if any, and interest due or to become due on a Series of Certificates shall be paid at the times and in the manner stipulated therein, and if all other sums of money due or to become due according to the provisions hereof shall be paid or provision for payment shall be made, then the balance in the Pledged Accounts relating to such Series shall be delivered to the Board.

(c) Any Certificates shall be deemed to be paid within the meaning of this Article when payment of the principal of and Prepayment Premium, if any, on such Certificates, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Trust Agreement, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (A) moneys sufficient to make such payment and/or (B) Refunding Securities verified by an independent certified public accountant as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees and expenses of the Trustee pertaining to the Certificates with respect to which such deposit is made. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with the Trustee nor any moneys received by the Trustee on account of principal of or Prepayment Price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when

due, of the principal of or Prepayment Price, if applicable, of the Certificates for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption; provided, however, new Refunding Securities and moneys may be substituted for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of or Prepayment Price, if applicable, and interest on the refunded Certificates as verified by an independent certified public accounting firm. At such time as a Certificate shall be deemed to be paid hereunder as aforesaid such Certificate shall no longer be deemed to be Outstanding hereunder and shall no longer be secured by or entitled to the benefits of this Trust Agreement, except for the purposes of any such payment from such moneys or Refunding Securities. Notwithstanding the foregoing, the provisions of this Trust Agreement relating to the maturity of the Certificates, interest payments and interest Payment Dates, redemption provisions, exchange, transfer and registration of Certificates, replacement of mutilated, destroyed, lost or stolen Certificates, the safekeeping and cancellation of Certificates, non-presentment of Certificates, the holding of moneys in trust, and the duties of the Trustee in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Owners notwithstanding the release and discharge of the lien of the Trust Agreement. Prepayments received pursuant to Section 4.06(c) of the Lease Agreement shall be applied in accordance with Section 4.06 of the Lease Agreement and shall be held for the benefit of the Certificates described in the notice given by the Board pursuant to such Section.

(d) If Certificates for which Refunding Securities have been set aside are to be called for redemption, irrevocable instructions to call the Certificates for redemption shall be given by the Board to the Trustee.

(e) The Trustee, within thirty (30) days after any Refunding Securities shall have been deposited with it, shall cause a notice, signed by the Trustee, to be mailed, postage prepaid, to all Owners for which Refunding Securities have been set aside, setting forth (i) the date or dates, if any, designated for the redemption of the Certificates, (ii) a description of the Refunding Securities so held by it, and (iii) that such Certificates have been defeased as provided in this Trust Agreement.

(f) For purposes of determining whether Variable Rate Certificates shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section, the interest to come due on such Variable Rate Certificates on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Certificates having borne

interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Certificates is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Certificates in order to satisfy this Section, such excess shall be paid to the Board free and clear of any trust, lien, pledge or assignment securing the Certificates or otherwise existing under this Trust Agreement.

(g) Notwithstanding anything to the contrary set forth in this Article XII, the obligations of the Board under Section 6.03 of the Lease Agreement with respect to any Certificates (other than Taxable Certificates) defeased pursuant to this Article XII shall survive any such defeasance.

(h) Amounts paid by a Credit Enhancer under a Credit Facility or municipal bond insurance policy shall not be deemed paid for purposes of this Section 12.01 and shall remain Outstanding and continue o be due and owing until paid in accordance with this Trust Agreement. This Trust Agreement shall not be discharged unless all amounts due or to become due to the Credit Enhancer have been paid in full.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

SECTION 13.01. EFFECT OF DISSOLUTION OF CORPORATION. In the event the Corporation for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Trust Agreement by or on behalf of or for the benefit of the Corporation shall bind or inure to the benefit of the successor or successors of the Corporation from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term "Corporation" as used in this Trust Agreement shall include such successor or successors.

SECTION 13.02. NOTICES. (a) All written notices, certificates, reports or statements to be given under this Trust Agreement shall be given by mail or personal delivery to the party entitled thereto, with a copy to each of the other parties to this Trust Agreement, at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States mail, postage prepaid or, in the case of personal delivery, upon delivery, to the address set forth below.

If to the Board:	School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Corporation:	Hillsborough School Board Leasing Corporation c/o School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Trustee:	NationsBank of Florida, N.A. 400 North Ashley Drive, 6th Floor Tampa, Florida 33602 Attention: Corporate Trust Department

(b) Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by telegram, telecopy or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such

transmission of notice shall be confirmed in writing and sent as specified above.

(c) Any of such addresses may be changed at any time upon written notice of such change sent by United States registered mail, postage prepaid, to the other parties by the party effecting the change.

(d) All documents received by the Trustee under the provisions of this Trust Agreement, or photostatic copies thereof, shall be retained in its possession until this Trust Agreement shall be released under the provisions of Section 12.01 of this Trust Agreement, subject at all reasonable times to the inspection of the Corporation, the Board and any Owner and the agents and representatives thereof.

SECTION 13.03. CAPITAL APPRECIATION CERTIFICATES. For the purposes of (A) receiving payment of the Prepayment Price if a Capital Appreciation Certificate is prepaid prior to maturity, or (B) receiving payment of a Capital Appreciation Certificate if the principal of all Certificates becomes due and payable under the provisions of this Trust Agreement, or (C) computing the amount of Certificates held by the Owner of a Capital Appreciation Certificate in giving to the Trustee any notice, consent, request or demand pursuant to this Trust Agreement for any purpose whatsoever, the principal amount of a Capital Appreciation Certificate shall be deemed to be its Accredited Value.

SECTION 13.04. SUBSTITUTE MAILING. If, because of the temporary or permanent suspension of postal service, the Corporation, the Board or the Trustee shall be unable to mail any notice required to be given by the provisions of this Trust Agreement, the Corporation, the Board or the Trustee shall give notice in such other manner as in the judgment of the Corporation, the Board or the Trustee shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Trust Agreement be deemed to be in compliance with the requirement for the mailing thereof.

SECTION 13.05. PARTIES AND OWNERS ALONE HAVE RIGHTS UNDER TRUST AGREEMENT. Except as herein otherwise expressly provided, nothing in this Trust Agreement, express or implied, is intended or shall be construed to confer upon any Person, other than the Trustee, the Corporation, the Board, the Credit Enhancers and the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Trust Agreement or any provision being intended to be and being for the sole and exclusive benefit of the Trustee, the Corporation, the Board, the Credit Enhancers and the Owners.

SECTION 13.06. EFFECT OF PARTIAL INVALIDITY. In case any one or more of the provisions of this Trust Agreement or the Certificates shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions

of this Trust Agreement or the Certificates, but this Trust Agreement and the Certificates shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Certificates or this Trust Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Board or the Corporation to the full extent permitted by law.

SECTION 13.07. NO RECOURSE AGAINST MEMBERS, OFFICERS OR EMPLOYEES OF CORPORATION OR THE BOARD. No recourse under, or upon, any statement, obligation, covenant, or agreement contained in this Trust Agreement, or in any Certificate hereby secured, or in any document or certification whatsoever, or under any judgment obtained against the Corporation or the Board or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member, officer or employee, as such, of the Corporation or the Board, either directly or through the Corporation or the Board, respectively, or otherwise, for the payment for or to, the Corporation or the Board or any receiver of either of them, or for, or to, any Owner or otherwise, of any sum that may be due and unpaid upon any such Certificate. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Corporation or the Board or any receiver of either of them, or for, or to, any Owner or otherwise, of any sum that may remain due and unpaid upon the Certificates hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the execution of this Trust Agreement and the issuance of the Certificates.

SECTION 13.08. EXPENSES PAYABLE UNDER TRUST AGREEMENT. All expenses incurred in carrying out this Trust Agreement, except those expenses incurred by the Trustee in mailing resignation notices, shall be payable solely from funds derived from the Board as Supplemental Rent.

SECTION 13.09. DEALING IN CERTIFICATES. The Trustee, its directors, officers, employees or agents, and any officer, employee or agent of the Corporation or the Board, may in good faith, buy, sell, own, hold and deal in any Certificates issued under the provisions of this Trust Agreement and may join in any action which any Owner may be entitled to take with like effects as if such Trustee were not a Trustee under this Trust Agreement or as if such officer, employee or agent of the Corporation or the Board did not serve in such capacity.

SECTION 13.10. MULTIPLE COUNTERPARTS. This Trust Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

SECTION 13.11. HEADINGS. Any heading preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 13.12. LAWS. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the parties have executed this Trust Agreement by their officers thereunto duly authorized as of the date and year first written above.

NATIONSBANK OF FLORIDA, N.A., as Trustee

(SEAL)

By: _____
Vice President

ATTEST:

_____
Trust Officer

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: _____
President

ATTEST:

_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By: _____
Chairman

ATTEST:

_____
Superintendent/Secretary

EXHIBIT B

(FORM OF CERTIFICATE OF PARTICIPATION)

Certificate of Participation
(School Board of Hillsborough County, Florida Master Lease Program)
Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida

Interest Rate	Dated Date	Maturity Date	CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

This is to certify that the Registered Owner stated above is the registered owner of this Certificate and is entitled to receive on the Maturity Date stated above, the Principal Amount stated above. This Certificate and the "Certificate Principal Amount" and "Certificate Interest Payments" hereunder (as each is defined below) represent a proportionate undivided interest in the right to receive the Principal Component and Interest Component of Basic Rent Payments payable under the Master Lease-Purchase Agreement, dated as of April 1, 1994 (the "Lease Agreement"), between the Hillsborough School Board Leasing Corporation, a single-purpose Florida not-for profit corporation, as lessor (the "Corporation") and the School Board of Hillsborough County, Florida, a school board of the State of Florida and the governing body of the School District of Hillsborough County, Florida, as lessee (the "Board"). Pursuant to a Ground Lease dated as of April 1, 1994 (the "Ground Lease") the Board has or will demise to the Corporation the Premises and the portions of the Projects on or a part thereof to the extent set forth therein (as each such terms are defined in the Lease Agreement). The Corporation's rights under the Lease Agreement (other than certain rights specified in the Lease Agreement) and the Ground Lease have been assigned by absolute and outright assignment, without recourse, to NationsBank of Florida, N.A., Tampa, Florida, as trustee (the "Trustee") under the Master Trust Agreement, dated as of April 1, 1994 (the "Trust Agreement") among the Trustee, the Corporation and the Board and under the Assignment of Lease Agreement and Assignment of Ground Lease Agreement, each dated as of April 1, 1994, between the Corporation and the Trustee.

The aforesaid Principal Amount represents a proportionate undivided interest in the Principal Component of the Basic Rent Payment (the "Certificate Principal Amount") under the Lease Agreement coming due on the Maturity Date. The Owner is also entitled to receive, on _____, and semiannually thereafter on each _____ and _____ (each such date being referred to herein as a "Payment Date") to and including the Maturity Date or the date of redemption, whichever is earlier, the Owner's proportionate undivided interest in the Interest Component of the Basic Rent Payment (the "Certificate Interest Payments") coming due with respect to such Payment Dates. Interest on the Principal Amount represented by this Certificate shall accrue from the Dated Date at the Interest Rate set forth above. Said amounts are payable in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. The Principal Amount is payable at the Principal Office of the Trustee (which as of the Dated Date hereof is located in Tampa, Florida) and interest is payable by check or draft of the Trustee mailed on each Payment Date to the Registered Owner of record on the fifteenth (15th) day of the month preceding the Payment Date (the "Record Date"); provided, however, that at the request and expense of the Registered Owner of $1,000,000 or more in aggregate principal amount of Certificates, interest shall be paid by wire transfer on the Payment Date to a bank account designated in writing to the Trustee by the Registered Owner at least five days prior to said Payment Date.

The Basic Rent Payments under the Lease Agreement are payable solely from moneys specifically appropriated from the Board's Available Revenues (as defined in the Trust Agreement) and the moneys on deposit with the Trustee under the Trust Agreement. The Lease Agreement is subject to renewal at the end of each fiscal year of the Board which renewal will only occur if the Board approves a budget for such ensuing fiscal year which specifically appropriates funds for such purpose.

This Certificate is one of a series of certificates of participation in the aggregate principal amount of $_____ (the "Certificates") issued to finance _____ (the "Series _____ Project") for lease to the Board pursuant to the Lease Agreement. The Board may, from time to time, lease other Projects (as defined in the Trust Agreement) from the Corporation pursuant to the Lease Agreement. The acquisition, construction and installation of each such Project shall be financed by the issuance of a series of certificates of participation pursuant to the Trust Agreement. Each series of certificates of participation issued to finance a Project shall be secured independently of other series of certificates of participation. The Board has agreed in the Lease Agreement to budget and appropriate in each fiscal year from Available Revenues sufficient moneys to make the Lease Payments (as defined in the Trust Agreement) for all Projects, including the Series _____ Project, leased under the Lease Agreement or for none

of them. The Board may issue Completion Certificates (as defined in the Trust Agreement) which shall be on parity with the Certificates upon satisfying the conditions described therefor in the Trust Agreement.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS CERTIFICATE SET FORTH ON THE REVERSE HEREOF WHICH FURTHER PROVISIONS SHALL, FOR ALL PURPOSES, HAVE THE SAME EFFECT AS IF SET FORTH IN THIS PLACE.

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Trust Agreement.

THE BASIC RENT PAYMENTS AND, CONSEQUENTLY, THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST ARE PAYABLE SOLELY FROM THE BOARD'S AVAILABLE REVENUES. THE BASIC RENT PAYMENTS ARE SUBJECT TO ANNUAL APPROPRIATION BY THE BOARD. THE CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST AND THE PAYMENTS DUE FROM THE BOARD UNDER THE LEASE AGREEMENT AND THE CONTRACTUAL OBLIGATIONS OF THE BOARD UNDER THE LEASE AGREEMENT DO NOT CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OF THE BOARD, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Trustee has no obligation or liability to the Registered Owner to make payments of the Certificate Principal Amount or Certificate Interest Payments with respect to this Certificate, other than from the Trust Estate. The Trustee's sole obligations are to administer, for the benefit of the Certificate Owners, the various funds and accounts established under the Trust Agreement and to exercise various responsibilities under the Trust Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be executed by facsimile signature of an authorized officer as of the date stated above.

NATIONSBANK OF FLORIDA, N.A., not in its individual capacity but solely as Trustee, under the Master Trust Agreement, dated as of April 1, 1994.

(SEAL)

By: _____
Authorized Signatory

CERTIFICATE OF AUTHENTICATION

This Certificate is one of the Certificates designated as Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series _____ Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida described in the within-mentioned Trust Agreement.

Date of Authentication:

NATIONSBANK OF FLORIDA, N.A., not in its individual capacity but solely as Trustee, under the Master Trust Agreement, dated as of April 1, 1994.

(SEAL)

By: _____
Authorized Signatory

(Reverse Side of Form of Certificate of Participation)

This Certificate has been executed by the Trustee pursuant to the terms of the Trust Agreement. Copies of the Lease Agreement, the Ground Lease, the Assignment of Lease Agreement, the Assignment of Ground Lease Agreement and the Trust Agreement are on file at the Principal Office of the Trustee, and reference to the Lease Agreement, the Ground Lease, the Assignment of Lease Agreement, the Assignment of Ground Lease Agreement and the Trust Agreement and any and all amendments to said agreements is made for a description of the covenants of the Board, the nature, extent and manner of enforcement of such covenants, the rights and remedies of the Owners of the Certificates with respect thereto and the terms and conditions upon which the Certificates are delivered thereunder. To the extent and in the manner permitted by the terms thereof, the provisions of the Lease Agreement and the Trust Agreement may be amended by the parties thereto.

This Certificate may be transferred only by recording the transfer on the Certificate Register, which shall be kept for that purpose by the Trustee at the Principal Office of the Trustee. A transfer of this Certificate shall be registered and a new Certificate prepared, authenticated and delivered upon surrender of this Certificate for cancellation accompanied by a written instrument of transfer in a form approved by the Trustee and duly executed by the Registered Owner hereof or his or her duly authorized attorney or legal representative. Upon the registration of the transfer and the surrender of this Certificate, the Trustee shall provide in the name of the transferee, a new fully registered Certificate or Certificates of the same aggregate principal amount, maturity and tenor as the surrendered Certificate. No exchange or transfer of any Certificates shall be required of the Trustee (1) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Certificates and ending at the close of business on the day of such mailing, (2) for Certificates called for redemption, or (3) during a period beginning at the opening of business on the Record Date next preceding a date set for payment of interest and ending on such date set for payment of interest. Interest on the Certificates shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

The Certificates are delivered in the form of fully registered Certificates in denominations of $5,000 each or any whole multiple thereof, and upon surrender thereof at the Principal Office of the Trustee with a written request of exchange satisfactory to the Trustee duly executed by the Registered Owner or his duly authorized attorney or legal representative in writing, may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate Principal Amount of Certificates of any other authorized denominations and of the same Interest Rate and Maturity Date.

[INSERT OPTIONAL AND MANDATORY PREPAYMENT PROVISIONS.]

When Certificates are redeemed by lot, selection of Certificates for prepayment and redemption shall be in such manner as the Trustee shall determine; provided, however, that the portion of any Certificate to be redeemed shall be in the principal amount of $5,000 or any whole multiple thereof, and that in selecting portions of Certificates for redemption, the Trustee shall treat each such Certificate as representing that number of Certificates which is obtained by dividing the principal amount of such Certificates by $5,000.

When redemption is authorized or required, the Trustee shall give to the Registered Owner notice, at the expense of the Board, of the redemption of this Certificate. Such notice shall specify, among other things: (1) that the whole or a designated portion of this Certificate is to be redeemed, (2) the date of redemption, and (3) the place or places where the redemption will be made.

Notice of such redemption shall be mailed, postage prepaid, not more that 60 days or fewer than 30 days prior to said date of redemption, to the Registered Owner of any Certificate to be redeemed. Such mailing shall not be a condition precedent to such redemption, and failure to so mail any such notice, or any defect in such notice as mailed, shall not affect the validity of the proceedings for the redemption of the Certificates.

The following abbreviations, when used in the inscription on the face of the within Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

For value received _____, the undersigned do(es) hereby sell, assign and transfer unto _____, whose Social Security or other identifying number is _____, the within registered Certificate and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the Certificate Register of the Trustee with full power of substitution in the premises.

Dated: _____

_____
NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

_____
NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

EXHIBIT C

(FORM OF REQUEST AND AUTHORIZATION)

1. The undersigned, being the duly qualified and acting _____ of Hillsborough School Board Leasing Corporation, a single-purpose Florida not-for-profit corporation (the "Corporation"), hereby authorizes and requests NationsBank of Florida, N.A., as Trustee under that certain Trust Agreement, dated as of April 1, 1994 (the "Trust Agreement"), among it, the Corporation and the School Board of Hillsborough County, Florida to deliver the _____ aggregate principal amount of Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series _____ Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida (the "Series _____ Certificates"), dated as of April 1, 1994, in the respective maturities and at the respective interest rates set forth in Schedule A hereto, as authorized by the Irust Agreement, in fully registered form, to _____ (the "Underwriters"), on the date hereof, upon receipt from the Underwriters of the purchase price for the Series _____ Certificates, which is computed as follows:

Principal Amount	$_____
Less: Underwriters' Discount	$_____
Less: Original Issue Discount	$_____
Plus: Accrued interest from _____, _____ to the date hereof	$_____
Purchase Price	$_____
Amount received on date hereof	$_____

2. Said sum shall be immediately deposited by you in the Pledged Accounts relating to such Series _____ Certificates as follows in accordance with the provisions of the Trust Agreement.

TO THE CREDIT OF THE "SERIES _____ SUBACCOUNT OF THE PROJECT ACCOUNT"	$_____
TO THE CREDIT OF THE "SERIES _____ SUBACCOUNT OF THE COSTS OF ISSUANCE ACCOUNT"	$_____
TO THE CREDIT OF THE "SERIES _____ SUBACCOUNT OF THE CAPITALIZED INTEREST ACCOUNT"	$_____

TO THE CREDIT OF THE "SERIES _____ SUBACCOUNT OF THE RESERVE ACCOUNT"	$_____
TO THE CREDIT OF THE "SERIES _____ SUBACCOUNT OF THE INTEREST ACCOUNT"	$_____
TOTAL DEPOSITS	$_____

3. The following terms shall have the following meanings with respect to the Series _____ Certificates:

(a) "Reserve Requirement" shall mean _____ _____.

(b) "Credit Enhancer" shall mean _____ _____.

(c) "Commencement Date" shall mean _____ _____.

4. The redemption provisions relating to the Series _____ Certificates shall be as provided in Schedule A attached hereto.

DATED: _____.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By: _____
Title:

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By: _____
Title:

ACCEPTED:

NATIONSBANK OF FLORIDA, N.A., as Trustee

By: _____
Title:

SCHEDULE A

TERMS OF SERIES _____ CERTIFICATES

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FIRST AMENDMENT TO MASTER TRUST AGREEMENT

by and among

THE BANK OF NEW YORK
(successor to NationsBank of Florida, N.A.),
as Trustee

and

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of February 19, 2003

Relating to
Certificates of Participation
(School Board of Hillsborough County, Florida Master Lease Program)
Evidencing An Undivided Proportionate Interest of Owners
thereof in Basic Rent Payments to be made under a Master Lease-Purchase
Agreement by the School Board of Hillsborough County, Florida

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FIRST AMENDMENT TO MASTER TRUST AGREEMENT

THIS FIRST AMENDMENT TO MASTER TRUST AGREEMENT, dated as of February 19, 2003 (the "First Amendment to Master Trust Agreement"), amending the Master Trust Agreement, dated as of April 1, 1994, as heretofore amended and supplemented (the "Trust Agreement"), by and among **THE BANK OF NEW YORK** (successor to NationsBank of Florida, N.A.), a New York banking corporation with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement (the "Trustee"), the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION**, a not-for-profit educational corporation duly organized and existing under the laws of the State of Florida (the "Corporation"), and the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**, acting as the governing body of the Hillsborough County School District (the "Board").

WITNESSETH:

WHEREAS, the Board has heretofore deemed it in its best interests to lease-purchase certain real and/or personal property from time to time and has heretofore entered into a Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, the Board desires to provide for the delivery from time to time of Hedge Agreements (defined herein); and

WHEREAS, in order to provide for the delivery of Hedge Agreements related to Outstanding Certificates it is necessary to amend certain provisions of the Trust Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and covenants in the Trust Agreement and Lease Agreement contained and for other valuable consideration, the parties hereto agree as follows:

SECTION 1. AUTHORIZATION. This First Amendment to Master Trust Agreement is being entered into in accordance with (i) the provisions of the Act, (ii) a resolution of the Board adopted on February 18, 2003 and (iii) Section 11.03 of the Trust Agreement.

SECTION 2. DEFINITIONS. The words and terms which are defined in the Trust Agreement (as amended hereby), shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent.

SECTION 3. AMENDMENTS TO EXHIBIT A (DEFINITIONS) TO THE TRUST AGREEMENT. (a) Exhibit A to the Trust Agreement is hereby amended by adding the following definitions of "Counterparty," "Hedge Agreement," "Hedge Obligations," "Hedge Receipts" and "Termination Fees":

"Counterparty" shall mean the Person entering into a Hedge Agreement with the Board.

"Hedge Agreement" shall mean an interest rate exchange agreement, an interest rate swap agreement, a forward purchase contract, a put option contract, a call option contract or any other financial product which is used by the Board as a hedging device with respect to its obligation to pay the interest portion of Basic Lease Payments represented by any of the Outstanding Certificates, entered into between the Board and a Counterparty and designated by the Board as a "Hedge Agreement" for the purposes of the Trust Agreement and Lease Agreement.

"Hedge Obligations" shall mean the periodic amounts required to be paid by the Board on the related notional amount under a Hedge Agreement determined in accordance with a formula set forth in the Hedge Agreement (similar to payment of interest on the related notional amount), but excluding Termination Fees which are not payable by a Credit Enhancer pursuant to the terms of any bond insurance policy or Credit Facility securing the obligation of the Board to make certain payments under a Hedge Agreement.

"Hedge Receipts" shall mean amounts received by the Board on the related notional amount from a Counterparty under a Hedge Agreement which may be net of any Hedge Obligations.

"Termination Fees" means any payments due by the Board under a Hedge Agreement, other than Hedge Obligations.

(b) Exhibit A to the Trust Agreement is hereby amended by amending and restating the definition of "Basic Rent" or "Basic Rent Payment" in its entirety with the following:

"Basic Rent" or **"Basic Rent Payment"** means (i) the Basic Rent Payments set forth in the Lease Schedules, as the same may be adjusted pursuant to the terms of the Lease Agreement and (ii) Hedge Obligations.

SECTION 4. AMENDMENTS TO SECTION 4.14 OF THE TRUST AGREEMENT. Section 4.14 of the Trust Agreement is hereby amended in its entirety to read as follows:

"SECTION 4.14. PAYMENTS FROM TRUST ESTATE ONLY; DISTRIBUTION OF TRUST ESTATE. (a) 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 this Trust Agreement and each Hedge Obligation related thereto shall rank pari passu and be equally and ratably secured under this Trust Agreement with each other Certificate of such Series and each Hedge Obligation related thereto, but not with any Certificate of any other Series issued pursuant to this Trust Agreement and Outstanding or any Hedge Obligation related thereto, without preference, priority or distinction of any such Certificate, Hedge Obligation over any other such Certificate, Hedge Obligation, except that to the extent that Basic Rent Payments available for payment to all Certificateholders, each Hedge Obligation related thereto, are less than all amounts owed with respect to all Series of Certificates, all Hedge Obligations on any Payment Date, such amounts available shall be applied on a pro-rata basis to Certificateholders of all Series and all related Counterparties in accordance with the ratio that the principal balance of each Series of Certificates Outstanding bears to the total amount of Certificates Outstanding under this Trust Agreement.

Termination Fees shall be secured by the Trust Estate subordinated to the security provided for each Series of Certificates and Hedge Obligations and payable only if and to the extent Supplemental Rent for such amounts has been received for distribution pursuant to Section 6.06(b) hereof.

(b) Except as otherwise expressly provided in Section 4.14(a) above, and elsewhere herein, all amounts payable by the Trustee with respect to a Series of Certificates, Hedge Obligations or to any Credit Enhancer who shall have issued a Credit Facility or municipal bond insurance policy securing such Series pursuant to this Trust Agreement shall be paid only from the portion of the Trust Estate derived from Basic Rent Payments made pursuant to the Lease Schedule corresponding to such Series and any related Hedge Agreement and only to the extent that the Trustee shall have actually received sufficient income or proceeds from such portion of the Trust Estate to make such payments. Each Certificateholder agrees, and each such Credit Enhancer, by its execution and delivery of a Credit Facility or municipal bond insurance policy shall be deemed to have agreed, and each Counterparty by its

execution and delivery of a Hedge Agreement shall be deemed to have agreed, except as otherwise expressly provided herein, to look solely to the income of and the proceeds from such portion of the Trust Estate to the extent available for distribution to such holder, each such Credit Enhancer and each Counterparty as herein provided and that the Trustee is not personally liable to any Certificatcholder, Counterparty or any such Credit Enhancer for any amounts payable under this Trust Agreement or subject to any liability under this Trust Agreement except as a result of negligence or willful misconduct by the Trustee."

SECTION 5. AMENDMENTS TO SECTION 6.06 OF THE TRUST AGREEMENT. Subsections (a) and (b) of Section 6.06 of the Trust Agreement are hereby amended in their entirety to read as follows:

"**SECTION 6.06. DISPOSITION OF LEASE PAYMENTS.** (a) Basic Rent Payments paid in accordance with each Lease Schedule to the Trustee, as assignee of the Corporation pursuant to the Lease Agreement and to the Assignment of Lease Agreement, and in accordance with each Hedge Agreement shall be deposited as received by the Trustee in the Lease Payment Fund in the following manner and in the following order of priority:

(i) There shall be deposited to the subaccount of the Interest Account established for the payment of a Series of Certificates from the Interest Component of Basic Rent and (including Hedge Receipts) made in relation to such Series of Certificates an amount which shall be sufficient to pay the interest becoming due on such Series of Certificates on the next succeeding Payment Date and any Hedge Obligations, when due. Moneys in each subaccount of the Interest Account shall be used to pay the interest on the Series of Certificates (or the Hedge Obligations related thereto) for which it was established as and when the same become due, whether by redemption or otherwise, and for no other purpose. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on all Outstanding Certificates on the next succeeding Payment Date.

(ii) There shall be deposited to the subaccount of the Principal Account established for the payment of a Series of Certificates from the Principal Component of Basic Rent made in relation to such Series of Certificates an amount which shall be sufficient to pay the principal and the Amortization Installment becoming due on such Series of Certificates on the next succeeding principal Payment Date. Moneys in each subaccount of the Principal Account shall be used to pay the principal and the Amortization

Installment of the Series of Certificates for which it was established as and when the same shall mature or are redeemed, and for no other purpose. No further deposit need be made to the principal and the Amortization Installment coming due on all Outstanding Certificates on the next succeeding principal Payment Date.

(b) Supplemental Rent payments made by the Board pursuant to Section 4.03(f) of the Lease Agreement shall be deposited as received by the Trustee to the appropriate subaccount of the Reserve Account. Supplemental Rent payments made by the Board pursuant to Section 4.03(g) of the Lease Agreement shall be deposited as received by the Trustee to the Rebate Fund. Any Supplemental Rent payments made by the Board representing Termination Fees pursuant to Section 4.03(e) of the Lease Agreement shall be paid as received by the Trustee to the appropriate Counterparty. Any other Supplemental Rent payments received by the Trustee shall be applied to the payment of Persons entitled to such Supplemental Rent, or, if the Trustee determines such Supplemental Rent payment is surplus, it shall be utilized in such manner as shall be directed by the Board."

SECTION 6. AMENDMENTS TO SECTION 8.04 OF THE TRUST AGREEMENT. Subsection (a) of Section 8.04 of the Trust Agreement is hereby amended in its entirety to read as follows:

"**SECTION 8.04. PRO-RATA APPLICATION OF FUNDS.** (a) Anything in this Trust Agreement to the contrary notwithstanding, if at any time the money in the Lease Payment Fund shall not be sufficient to pay the interest on or the principal of the Certificates as the same shall become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 8.02 hereof) and the Hedge Obligations related thereto, the Trustee, subsequent to payment of all costs and expenses relating to collection of such moneys and fees and expenses of the Trustee, including reasonable fees and expenses of Trustee's Counsel, shall deposit all moneys derived from the sale, re-letting or other disposition of each Project, including moneys and damages collected in connection therewith, and all moneys in the Pledged Accounts relating thereto (amounts in a subaccount of the Project Account for such Project may, at the discretion of the Trustee, be retained in such subaccount to continue payment of the acquisition and construction of such Project) into a special account established for the sole benefit of the Owners of the Series of Certificates or the Counterparty or Counterparties to any Hedge Agreements related thereto which financed or refinanced such Project and shall apply moneys in such special account as follows:

(i) If the principal of such Series of Certificates shall not have become or shall not have been declared due and payable, all

such money in the special account established for such Series shall be applied:

First: to the payment to the Persons entitled thereto of (a) all installments of interest on such Series of Certificates and (b) the Hedge Obligations related thereto; in each case, then due and payable in the order in which such installments or amounts became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment or amount, then to the payment, ratably according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates specified in such Series of Certificates and the Hedge Obligations, related thereto;

Second: to the payment to the Persons entitled thereto of the unpaid principal of any Certificates of such Series that shall have become due and payable, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Certificates of such Series due and payable on any particular date, then to the payment ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference;

Third: to the payment of the interest on and the principal of such Series of Certificates, to the purchase and retirement of such Series of Certificates, and to the redemption of such Series of Certificates, all in accordance with the provisions hereof;

Fourth: to the payment of any amounts owed and unpaid the Credit Bank for such Series or under the reimbursement agreement relating to the Credit Facility for such Series;

Fifth: to the payment of any Termination Fees related to such Series of Certificates.

Sixth: to the payment of any amounts owing in regard to Ground Leases relating to such Series; and

Seventh: to the payment of any surplus moneys to the Board.

(ii) If the principal of such Series of Certificates shall have become or shall have been declared due and payable, all such money in the special account established for such Series shall be applied to

the payment of principal and interest then due upon such Series of Certificates (or, in the case of Capital Appreciation Certificates, the Accredited Value thereof) and all Hedge Obligations related thereto without preference or priority of principal over interest or interest over principal, or of any installment of interest over any other installment of interest or any such Certificate over any other such Certificate ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or preference and then to the payment of any amounts owed and unpaid the Credit Bank for such Series or under the reimbursement agreement relating to the Credit Facility for such Series, then to the payment of any Termination Fees related thereto and then to the payment of any amounts owing in regard to Ground Leases relating to such Series. Any surplus moneys shall be paid to the Board.

(iii) If the principal of such Series of Certificates shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 8.02 hereof, then, subject to the provisions of paragraph (a)(ii) of this Section in the event that the principal of such Series of Certificates shall later become due and payable or be declared due and payable, the money then remaining in and thereafter accruing to the special account established for such Series shall be applied in accordance with the provisions of paragraph (a)(i) of this Section."

SECTION 7. PROVISIONS OF TRUST AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Trust Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Trust Agreement and this First Amendment to Master Trust Agreement, the terms hereof shall control.

SECTION 8. THIRD PARTY BENEFICIARIES. Nothing in this First Amendment to Master Trust Agreement, express or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Credit Enhancers, Counterparties and the Board any rights, remedies or claims under or by reason of this First Amendment to Master Trust Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this First Amendment to Master Trust Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Credit Enhancers, Counterparties and the Board.

SECTION 9. COUNTERPARTS. This First Amendment to Master Trust Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 10. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this First Amendment to Master Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 11. LAWS. This First Amendment to Master Trust Agreement shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Master Trust Agreement by their officers thereunto duly authorized as of the date and year first written above.

THE BANK OF NEW YORK, as Trustee

By: The Bank of New York Trust Company of Florida, N.A., as agent for The Bank of New York (successor to NationsBank of Florida, N.A.)

(SEAL)

Barbara B. Buck
Authorized Signatory

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: Carol W. Kurdell
President

ATTEST:
Earl J. Lennard
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By: Carol W. Kurdell
Chairman

ATTEST:
Earl J. Lennard
Superintendent/Secretary

CONSENT:

MBIA INSURANCE CORPORATION

By: Amy R. Gonch
Title: Amy R. Gonch
Assistant Secretary

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SERIES 2015A SUPPLEMENTAL TRUST AGREEMENT

by and among

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(successor to NationsBank of Florida, N.A.),
as Trustee

and

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of August 1, 2015

Relating to
Refunding Certificates of Participation
(School Board of Hillsborough County, Florida Master Lease Program),
Series 2015A
Evidencing an Undivided Proportionate Interest of Owners
thereof in Basic Rent Payments to be made under a Master Lease-Purchase
Agreement by The School Board of Hillsborough County, Florida

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SERIES 2015A SUPPLEMENTAL TRUST AGREEMENT

THIS SERIES 2015A SUPPLEMENTAL TRUST AGREEMENT, dated as of August 1, 2015 (the "Series 2015A Supplemental Trust Agreement"), amending and supplementing the Master Trust Agreement, dated as of April 1, 1994, as amended and supplemented (the "Trust Agreement"), by and among **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (successor to NationsBank of Florida, N.A.), a national banking association with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement (the "Trustee"), the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a not-for-profit corporation duly organized and existing under the laws of the State of Florida (the "Corporation"), and **THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,** acting as the governing body of the public schools within the School District of Hillsborough County, Florida (the "Board").

W I T N E S S E T H:

WHEREAS, the Board has heretofore deemed it in its best interests to lease-purchase certain real and/or personal property from time to time and has heretofore entered into a Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, pursuant to the Lease Agreement, the Board may from time to time, by execution of a Lease Schedule to the Lease Agreement (a "Lease Schedule"), direct the Corporation to acquire, construct and lease-purchase to the Board the items of property described in such Lease Schedule (which items of property are collectively referred to herein as the "Projects"); and

WHEREAS, provision for the payment of the cost of acquiring, constructing and installing each Project will be made by the issuance and sale from time to time of a Series (as defined in the Trust Agreement) of Certificates of Participation issued under the Trust Agreement (the "Certificates"), which shall be secured by and be payable from the right of the Corporation to receive Basic Rent Payments (as defined in the Trust Agreement) to be made by the Board pursuant to the Lease Agreement and related Lease Schedule; and

WHEREAS, at the request of the Board and the Corporation, the Trustee has agreed to deliver a Series of Refunding Certificates pursuant to and upon receipt of a Request and Authorization (as defined in the Trust Agreement) from the Corporation and the Board and the terms of this Series 2015A Supplemental Trust Agreement (the "Series 2015A Certificates"); and

WHEREAS, the Corporation has assigned by absolute outright assignment to the Trustee all of its right, title and interest in and to the Lease Agreement and the Lease Payments (as defined in the Trust Agreement), other than its rights of indemnification, its obligations pursuant to Section 6.03 of the Lease Agreement and its right to enter into Lease Schedules from time to time, pursuant to the Assignment of Lease Agreement, dated as of April 1, 1994, as amended and supplemented (the "Assignment of Lease Agreement"), between the Corporation and the Trustee; and

WHEREAS, each Series of Certificates (other than partial Refunding Certificates or Completion Certification) shall be secured independently from each other Series of Certificates; and

WHEREAS, the Board has heretofore caused the Trustee to execute, authenticate and deliver, under the Trust Agreement, $48,915,000 Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2005A (the "Series 2005A Certificates") Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida, which Series 2005A Certificates, prior to giving effect to the refunding, are currently outstanding in the aggregate amount of $43,495,000; and

WHEREAS, the proceeds of the Series 2005A Certificates were principally used to refinance a portion of the costs of acquisition, construction and installation of various educational facilities (the "Series 2000 Project") as more particularly described in the Fourth Amended and First Restated Lease Schedule No. 2000, dated as of February 15, 2005 (as heretofore amended and supplemented, the "Current Lease Schedule No. 2000"); and

WHEREAS, the Board has heretofore caused the Trustee to execute, authenticate and deliver, under the Trust Agreement, $86,435,000 Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2006A (the "Series 2006A Certificates") Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida, which Series 2006A Certificates, prior to giving effect to the refunding, are currently outstanding in the aggregate amount of $68,675,000; and

WHEREAS, the proceeds of the Series 2006A Certificates were principally used to finance a portion of the costs of acquisition, construction and installation of various educational facilities (the "Series 2006A Project") as more particularly described in Lease Schedule No. 2006A, dated as of January 1, 2006 (as heretofore amended and supplemented, the "Current Lease Schedule No. 2006A"); and

WHEREAS, the Board and the Corporation agree that the proceeds of the Series 2015A Certificates should be used to (a) refund, on a current basis, all of the outstanding Series 2005A Certificates (the "Refunded Series 2005A Certificates") and (ii) refund, on an advanced basis, all of the outstanding Series 2006A Certificates maturing on July 1 in the years 2018 through 2031, inclusive (the "Refunded Series 2006A Certificates," and together with the Refunded Series 2005A Certificates, the "Refunded Certificates") pursuant to the terms of the Trust Agreement and the Escrow Deposit Agreement (as defined below) in order to achieve certain debt service savings; and

WHEREAS, a portion of the proceeds of the Series 2015A Certificates, together with other available funds of the Board, shall be deposited into an escrow deposit trust fund established pursuant to the Escrow Deposit Agreement, between the Board and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Deposit Agreement") and shall constitute the deposit of prepaid Basic Rent Payments by the Board; and

WHEREAS, the deposit of the prepaid Basic Rent Payments in the escrow deposit trust fund shall be in an amount sufficient to pay the principal of, prepayment premium, if any, and interest on the Refunded Certificates as the same becomes due or are redeemed prior to maturity; and

WHEREAS, the Lease Agreement will continue to secure the payment of Supplemental Rent and any deficiency in the prepaid Basic Rent Payments on deposit in the escrow deposit trust fund established under the Escrow Deposit Agreement and securing the Refunded Certificates; and

WHEREAS, in consideration for the deposit of such prepaid Basic Rent Payments to refund the Refunded Series 2005A Certificates, the Board has agreed to enter into a Fourth Amended and Second Restated Lease Schedule No. 2000 (the "Amended and Restated Lease Schedule No. 2000"), with the Corporation, whereby the Board will amend and restate the Current Lease Schedule No. 2000 in its entirety thereby continuing to lease the Series 2000 Project and agree to make Basic Rent Payments sufficient to pay the principal of and interest on the portion of the Series 2015A Certificates relating to the Series 2000 Project; and

WHEREAS, in consideration for the deposit of such prepaid Basic Rent Payments to refund the Refunded Series 2006A Certificates, the Board has agreed to enter into a Third Amended and Restated Lease Schedule No. 2006A (the "Amended and Restated Lease Schedule No. 2006A"), with the Corporation, whereby the Board will amend and restate Lease Schedule No. 2006A in its entirety thereby continuing to lease the Series 2006A Project and agree to make Basic Rent Payments sufficient to pay the principal of and interest on the portion of the Series 2015A Certificates relating to the Series 2006A Project and the Series 2006A Certificates maturing on July 1, 2016 not being refunded

with the proceeds of the Series 2015A Certificates (herein referred to as the "Outstanding Series 2006A Certificates"); and

WHEREAS, the Series 2015A Certificates shall be secured in the manner provided in the Trust Agreement and shall have the terms and provisions contained in this Series 2015A Supplemental Trust Agreement; and

WHEREAS, all things necessary to make the Series 2015A Certificates, when authenticated by the Trustee and issued as provided herein and in the Trust Agreement, the valid, binding and legal obligations according to the terms thereof, have been done and performed, and the creation, execution and delivery of this Series 2015A Supplemental Trust Agreement, and the creation, execution and issuance of the Series 2015A Certificates subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SERIES 2015A SUPPLEMENTAL TRUST AGREEMENT WITNESSETH:

ARTICLE I

DEFINITIONS

SECTION 101. DEFINITIONS. Capitalized words and terms which are defined in the Trust Agreement, shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent. In addition to the capitalized words and terms elsewhere defined in this Series 2015A Supplemental Trust Agreement, the following capitalized words and terms as used in this Series 2015A Supplemental Trust Agreement shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Amended and Restated Lease Schedule No. 2000" means the Fourth Amended and Second Restated Lease Schedule No. 2000, dated as of August 1, 2015, relating to the Series 2000 Project, [the Outstanding Series 2005A Certificates] and a portion of the Series 2015A Certificates, which shall be part of the Lease Agreement.

"Amended and Restated Lease Schedule No. 2006A" means the Third Amended and Restated Lease Schedule No. 2006A, dated as of August 1, 2015, relating to the Series 2006A Project, the Outstanding 2006A Certificates and a portion of the Series 2015A Certificates, which shall be part of the Lease Agreement.

"Escrow Agent" means The Bank of New York Mellon Trust Company, N.A.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement dated August 20, 2015, between the Board and the Escrow Agent.

"Refinanced Projects" means, collectively, the Series 2000 Project and the Series 2006A Project.

"Refunded Certificates" means, collectively, the Refunded Series 2005A Certificates and the Refunded Series 2006A Certificates.

"Refunded Series 2005A Certificates" means all of the outstanding Series 2005A Certificates that are refunded in connection with the issuance of the Series 2015A Certificates, as described in the Escrow Deposit Agreement.

"Refunded Series 2006A Certificates" means the Series 2006A Certificates maturing on July 1 in the years 2018 through 2031, inclusive that are refunded in connection with the issuance of the Series 2015A Certificates, as described in the Escrow Deposit Agreement.

"Related Documents" means the Trust Agreement, the Lease Agreement, the Assignment of Lease Agreement, the Ground Lease Agreement, dated as of November 1, 2000, the Ground Lease Agreement, dated as of January 1, 2006, the Assignment of

Ground Lease Agreement, dated as of November 1, 2000, and the Assignment of Ground Lease Agreement, dated as of January 1, 2006, as all such documents are amended and supplemented.

"Reserve Requirement" means, with respect to the Series 2015A Certificates, zero dollars ($0.00).

"Series 2015A Account of the Prepayment Fund" means the account established in the Prepayment Fund established pursuant to Section 6.02 of the Trust Agreement and Section 401 hereof.

"Series 2005A Certificates" means the Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2005A, Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida, dated March 22, 2005, executed, authenticated and delivered by the Trustee under the Trust Agreement.

"Series 2006A Certificates" means the Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2006A, Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida, dated January 31, 2006, executed, authenticated and delivered by the Trustee under the Trust Agreement.

"Series 2015A Certificates" means the $100,625,000 Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interests of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida authorized to be issued under Section 4.01 of the Trust Agreement and Section 201 hereof.

"Series 2000 Project" means the Series 2000 Project as described in Amended and Restated Lease Schedule No. 2000.

"Series 2006A Project" means the Series 2006A Project as described in Amended and Restated Lease Schedule No. 2006A.

"Series 2015A Pledged Accounts" means with respect to the Series 2015A Certificates, the Series 2015A Subaccount of the Costs of Issuance Account, the Series 2015A Subaccount of the Interest Account, the Series 2015A Subaccount of the Principal Account, and the Series 2015A Account of the Prepayment Fund, each established hereby.

"Series 2015A Subaccount of the Costs of Issuance Account" means the subaccount established in the Costs of Issuance Account pursuant to Section 6.02 of the Trust Agreement and Section 401 hereof.

"Series 2015A Subaccount of the Interest Account" means the subaccount established in the Interest Account pursuant to Section 6.02 of the Trust Agreement and Section 401 hereof.

"Series 2015A Subaccount of the Principal Account" means the subaccount established in the Interest Account pursuant to Sections 6.02 and 6.06 of the Trust Agreement and Section 401 hereof.

"Series 2015A Supplemental Trust Agreement" means this instrument, as may be amended and supplemented.

"Trustee" means The Bank of New York Mellon Trust Company, N.A. (as successor to NationsBank of Florida, N.A.) and any successor or assignee thereto.

"Trust Agreement" means the Master Trust Agreement, dated as of April 1, 1994, among the Trustee, the Corporation and the Board, as amended and supplemented, particularly as amended and supplemented by this Series 2015A Supplemental Trust Agreement, among the Trustee, the Corporation and the Board.

"Underwriters" means, collectively, the underwriters named in the Certificate Purchase Contract between such underwriters, the Corporation and the Board executed in connection with the sale of the Series 2015A Certificates.

ARTICLE II

THE SERIES 2015A CERTIFICATES

SECTION 201. AUTHORIZATION OF SERIES 2015A CERTIFICATES. (a) There is hereby created a Series of Certificates to be issued under the Trust Agreement to be known as "Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida." The aggregate principal amount of Series 2015A Certificates which may be issued is hereby expressly limited to $100,625,000. The Series 2015A Certificates shall be issued for the principal purposes of (i) effecting the refunding, on a current basis, of the Refunded Series 2005A Certificates, (ii) effecting the refunding, on an advanced basis, of the Refunded Series 2006A Certificates and (iii) paying Costs of Issuance of the Series 2015A Certificates. The Series 2015A Certificates shall bear interest from their dated date and shall be issuable as fully registered Certificates without coupons in denominations of $5,000 and integral multiples thereof. The Series 2015A Certificates shall be lettered and numbered R-1 and upward.

(b) Except as otherwise provided in the Trust Agreement, the Series 2015A Certificates shall be dated as of their date of delivery. Interest on the Series 2015A Certificates shall be payable on each Payment Date, commencing January 1, 2016. The Series 2015A Certificates shall be payable in the manner provided in the Trust Agreement.

[Remainder of page intentionally left blank]

(c) The Series 2015A Certificates shall bear interest at the respective rates and shall mature on July 1 of each of the years in the respective principal amounts set opposite each year in the following schedule:

Year (July 1)	Principal Amount	Interest Rate
2016	$415,000	2.000%
2017	2,730,000	4.000
2018	2,825,000	5.000
2019	2,965,000	5.000
2020	3,125,000	5.000
2021	3,285,000	5.000
2022	3,600,000	5.000
2023	3,765,000	5.000
2024	3,965,000	5.000
2025	4,175,000	5.000
2026	37,135,000	5.000
2027	3,905,000	3.000
2028	4,015,000	3.125
2029	4,160,000	5.000
2030	4,350,000	5.000
2031	12,065,000	3.500
2031	4,145,000	5.000

(d) All of the Series 2015A Certificates shall be Serial Certificates. The Series 2015A Certificates shall be substantially in the form set forth in Exhibit B to the Trust Agreement.

SECTION 202. ISSUANCE OF SERIES 2015A CERTIFICATES. The Series 2015A Certificates shall be issued upon delivery to the Trustee of the documents referred to in Section 4.13(b) of the Trust Agreement and the payment of the purchase price therefor.

SECTION 203. REFUNDING OF REFUNDED CERTIFICATES. Upon the delivery of the Series 2015A Certificates, the Refunded Certificates shall be refunded as provided in the Trust Agreement and the Escrow Deposit Agreement.

SECTION 204. LETTER OF INSTRUCTIONS. Attached hereto as Schedule 1 is the Letter of Instructions relating to the Series 2015A Certificates as required by Section 6.12 of the Trust Agreement. The Trustee, the Corporation and the Board agree to abide by the provisions of such Letter of Instructions in accordance with and to the extent of the terms of the Trust Agreement.

SECTION 205. FULL BOOK-ENTRY. Notwithstanding the provisions set forth in Section 201 hereof or Section 4.06 of the Trust Agreement, the Series 2015A Certificates shall be initially issued in the form of a separate single certificated fully registered Series 2015A Certificate for each of the maturities of the Series 2015A Certificates. Upon initial issuance, the ownership of each such Series 2015A Certificate shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Except as provided in this Section, all of the outstanding Series 2015A Certificates shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC. As long as the Series 2015A Certificates shall be registered in the name of Cede & Co., all payments of interest on the Series 2015A Certificates shall be made by the Trustee by check or draft or by wire transfer to Cede & Co., as Holder of the Series 2015A Certificates.

With respect to Series 2015A Certificates registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, the Board, the Corporation and the Trustee shall have no responsibility or obligation to any participant in the DTC book-entry program or to any indirect participant (collectively, a "Participant"). Without limiting the immediately preceding sentence, the Board, the Corporation and the Trustee shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2015A Certificates, (B) the delivery to any Participant or any other Person other than a Certificate Owner, as shown in the registration books kept by the Trustee, of any notice with respect to the Series 2015A Certificates, including any notice of prepayment, or (C) the payment to any Participant or any other Person, other than a Certificate Owner, as shown in the registration books kept by the Trustee, of any amount with respect to principal of, premium, if any, or interest on the Series 2015A Certificates. The Board, the Corporation and the Trustee may treat and consider the Person in whose name each Series 2015A Certificate is registered in the registration books kept by the Trustee as the Holder and absolute owner of such Series 2015A Certificate for the purpose of payment of principal of, premium, if any, and interest with respect to such Series 2015A Certificate, for providing notices with respect to such Series 2015A Certificate, for the purpose of registering transfers with respect to such Series 2015A Certificate, for the purpose of providing notices of prepayment, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest on the Series 2015A Certificates only to or upon the order of the respective holders, as shown in the registration books kept by the Trustee, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2015A Certificates to the extent of the sum or sums so paid. No Person other than a holder, as shown in the registration books kept by the Trustee, shall receive a certificated Series 2015A Certificate evidencing the obligation of the Board to make payments of principal of, premium, if

any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the Board of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in the Trust Agreement with respect to transfers during certain time periods, the words "Cede & Co." herein shall refer to such new nominee of DTC; and upon receipt of such notice, the Board shall promptly deliver a copy of the same to the Trustee.

Upon (A) receipt by the Board of written notice from DTC (i) to the effect that a continuation of the requirement that all of the outstanding Series 2015A Certificates be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2015A Certificates or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Board, in its sole discretion upon compliance with applicable DTC policies and procedures, that such book-entry only system is burdensome to the Board, the Series 2015A Certificates shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders shall designate, in accordance with the provisions hereof. In such event, the Board shall issue and the Trustee shall authenticate, transfer and exchange Series 2015A Certificates of like principal amount and maturity, in denominations of $5,000 or any integral multiple thereof to the holders thereof in accordance with the provisions of the Trust Agreement. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Issuer Letter of Representations to be executed by the Board and delivered to DTC shall apply to the payment of principal of and interest on the Series 2015A Certificates.

ARTICLE III

APPLICATION OF SERIES 2015A CERTIFICATE PROCEEDS

SECTION 301. APPLICATION OF SERIES 2015A CERTIFICATE PROCEEDS. The proceeds of the Series 2015A Certificates (net of the Underwriters' discount of $322,707.46) shall be applied by the Trustee as follows:

(a) Deposit to the credit of a Series 2015A Subaccount of the Costs of Issuance Account an amount equal to the Costs of Issuance of the Series 2015A Certificates, $439,002.17.

(b) Deposit irrevocably in trust to the credit of the escrow deposit trust fund established under the Escrow Deposit Agreement an amount equal to $112,382,115.77 which, together with other available funds deposited therein by the Board, shall be sufficient to purchase Refunding Securities in the manner set forth in the Escrow Deposit Agreement, which investments, together with a cash deposit, shall mature at such times and in such amounts as shall be sufficient to pay the Refunded Certificates as the same mature or are earlier called for prepayment;

All moneys on deposit in the Subaccounts described in this Section shall be applied in accordance with Section 401 hereof and shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement.

ARTICLE IV

ESTABLISHMENT OF SERIES 2015A PLEDGED ACCOUNTS

SECTION 401. ESTABLISHMENT OF SERIES 2015A PLEDGED ACCOUNTS. In accordance with Section 6.02(b) of the Trust Agreement, there is hereby established with the Trustee, solely for the benefit of the Owners of the Series 2015A Certificates, the following accounts and subaccounts:

(a) The "School Board of Hillsborough County, Florida Master Lease Series 2015A Subaccount of the Costs of Issuance Account."

(b) The "School Board of Hillsborough County, Florida Master Lease Series 2015A Subaccount of the Interest Account."

(c) The "School Board of Hillsborough County, Florida Master Lease Series 2015A Subaccount of the Principal Account."

(d) The "School Board of Hillsborough County, Florida Master Lease Series 2015A Account of the Prepayment Fund."

The moneys on deposit in the Accounts and Subaccounts described in this Section shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement. The moneys in the Series 2015A Pledged Accounts shall be invested solely in Permitted Investments.

SECTION 402. SECURITY FOR SERIES 2015A CERTIFICATES. The Series 2015A Certificates shall be secured in the manner provided in the Trust Agreement and shall receive all the benefits of the Trust Estate created thereunder; provided, such portion of the Trust Estate (i) which is derived from the sale, re-letting or other disposition of the Series 2000 Project shall be utilized solely for the benefit of the Owners of the Series 2015A Certificates allocable to the Series 2000 Project, (ii) which is derived from the sale, re-letting or other disposition of the Series 2006A Project shall be utilized solely for the benefit of the Owners of the Series 2015A Certificates allocable to the Series 2006A Project on a pro rata basis with the Outstanding Series 2006A Certificates, and (iii) any cash, securities and investments in the Series 2015A Pledged Accounts shall be utilized solely for the benefit of the Owners of the Series 2015A Certificates. The Owners of the Series 2015A Certificates shall have no claim against, nor receive any benefits from, any portion of the Trust Estate derived from the sale, re-letting or other disposition of Projects, other than the applicable Refinanced Projects (on a pro rata basis, as described above), or any cash, securities and investments in the Pledged Accounts, other than the Series 2015A Pledged Accounts.

ARTICLE V

PREPAYMENT OF SERIES 2015A CERTIFICATES

SECTION 501. PREPAYMENT DATES AND PRICES OF SERIES 2015A CERTIFICATES. The Series 2015A Certificates are subject to prepayment only as provided in this Section. The Series 2015A Certificates are not subject to extraordinary mandatory prepayment prior to maturity pursuant to Section 6.03(g) of the Trust Agreement or Section 5.08(c) of the Lease Agreement.

(a) The Series 2015A Certificates maturing on and after July 1, 2026 may be prepaid at the option of the Board from prepayments of Basic Rent made by the Board pursuant to the Lease Agreement, in whole or in part on July 1, 2025 or any date thereafter, and if in part, by lot within a maturity in such manner as may be designated by the Trustee, at a Prepayment Price equal to the principal amount of the Series 2015A Certificates or portion thereof to be prepaid, plus accrued and unpaid interest thereon to the optional prepayment date, without premium.

(c) Notwithstanding any provisions of the Trust Agreement to the contrary, the Board shall not be required to deposit funds with the Trustee prior to the mailing by the Trustee of any notice of prepayment thereunder, provided that in such case any notice of any prepayment of Series 2015A Certificates shall explicitly state that the proposed prepayment is conditioned on there being on deposit in the applicable account or subaccount on the prepayment date sufficient funds to pay the full Prepayment Price of the Series 2015A Certificates to be prepaid or any other conditions as may be set forth in such notice of prepayment. In the event the conditions stated in the notice of prepayment are not satisfied on the proposed prepayment date, such prepayment shall not occur and such notice of prepayment shall be of no further force or effect. Except as provided herein, the Series 2015A Certificates shall be called for prepayment upon the notice and in the manner provided in Article V of the Trust Agreement.

ARTICLE VI

MISCELLANEOUS

SECTION 601. PROVISIONS OF TRUST AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Trust Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Trust Agreement and this Series 2015A Supplemental Trust Agreement, the terms hereof shall control.

SECTION 602. THIRD PARTY BENEFICIARIES. Nothing in this Series 2015A Supplemental Trust Agreement, express or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee and the Board any rights, remedies or claims under or by reason of this Series 2015A Supplemental Trust Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Series 2015A Supplemental Trust Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, and the Board.

SECTION 603. COUNTERPARTS. This Series 2015A Supplemental Trust Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 604. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series 2015A Supplemental Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 605. LAWS. This Series 2015A Supplemental Trust Agreement shall be construed and governed in accordance with the laws of the State.

SECTION 606. BROKER CONFIRMATION STATEMENTS NOT REQUIRED. Although the Corporation and the Board each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Corporation and the Board each hereby agree that broker confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered by the Trustee.

SECTION 607. ELECTRONIC DIRECTIONS TO TRUSTEE. The Trustee shall have the right to accept and act upon directions given pursuant to this Trust Agreement, the Lease Agreement or any other document reasonably relating to the Certificates and delivered using Electronic Means (defined below); provided, however, that the Corporation or the Board, as the case may be, shall provide to the Trustee an

incumbency certificate listing authorized officers with the authority to provide such directions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Corporation or the Board elects to give the Trustee directions using Electronic Means and the Trustee in its discretion elects to act upon such directions, the Trustee's understanding of such directions shall be deemed controlling. The Corporation and the Board each understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Corporation and the Board, as the case may be, shall each be responsible for ensuring that only Authorized Officers transmit such directions to the Trustee and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions notwithstanding such directions conflict or are inconsistent with a subsequent written direction. Each of the Corporation and the Board agree: (i) to assume all risks arising out of the use of Electronic Means to submit directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the Trustee and that there may be more secure methods of transmitting directions and (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances. "Electronic Means" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Series 2015A Supplemental Trust Agreement by their officers thereunto duly authorized as of the date and year first written above.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

(SEAL)

By:_____
Vice President

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By:_____
President

ATTEST:

By:_____
Secretary

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By:_____
Chairman

ATTEST:

By:_____
Superintendent/Secretary

SCHEDULE 1

LETTER OF INSTRUCTIONS

The School Board of Hillsborough County, Florida
Tampa, Florida

The Bank of New York Mellon Trust Company, N.A.
Jacksonville, Florida

Hillsborough School Board Leasing Corporation
Tampa, Florida

Re: $100,625,000 Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida

Ladies and Gentlemen:

This letter of instructions is intended to set forth certain duties and requirements regarding the payment of rebatable arbitrage to the United States Treasury in compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code") to the extent necessary to preserve the tax-exempt treatment of interest on the above-referenced Refunding Certificates of Participation (the "Series 2015A Certificates"). The instructions contained in this letter are based upon said Section 148(f) of the Code and, by analogy, to the Regulations. However, it is not intended to be exhaustive.

The Series 2015A Certificates have been issued pursuant to a Master Trust Agreement, dated as of April 1, 1994, as amended and supplemented, including, in particular, by the Series 2015A Supplemental Trust Agreement, dated as of August 1, 2015 (collectively, the "Trust Agreement"), among The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), the Hillsborough School Board Leasing Corporation, a Florida not-for-profit corporation, as lessor (the "Corporation"), and The School Board of Hillsborough County, Florida, a school board of the State of Florida, as lessee (the "Board"). The Series 2015A Certificates represent undivided proportionate interests of the Owners of the Series 2015A Certificates in a portion of the Basic Rent

Payments to be made under a Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented, in particular as amended and supplemented by a Fourth Amended and Second Restated Lease Schedule No. 2000, dated as of August 1, 2015 and a Third Amended and Restated Lease Schedule No. 2006A, dated as of August 1, 2015 (collectively, the "Lease Agreement"), each between the Corporation and the Board. Pursuant to an Assignment of Lease Agreement, dated as of April 1, 1994, as amended, between the Corporation and the Trustee, the Corporation has assigned all of its rights, title and interest in and to the Fourth Amended and Second Restated Lease Schedule No. 2000 and the Third Amended and Restated Lease Schedule No. 2006A (other than certain rights and obligations specifically excepted therein), including, without limitation, the right to receive the Basic Rent Payments, when due, to the Trustee for the benefit of the Owners of the Series 2015A Certificates and the Outstanding Series 2006A Certificates.

Since the requirements of said Section 148(f) are subject to amplification and clarification, it may be necessary to supplement or modify the instructions contained in this letter from time to time to reflect any additional or different requirements of said Section and the Regulations or to specify that actions set forth in this letter are no longer required or that some further or different action is required to maintain or assure the exemption from federal income tax of the interest on the Series 2015A Certificates.

For purposes of this letter, any instructions relating to a fund, account or subaccount established under the Trust Agreement shall be deemed to apply only to that portion of such fund, account or subaccount allocable to the Series 2015A Certificates.

1. Tax Covenants. Pursuant to the Trust Agreement, the Corporation and the Board have made certain covenants designed to assure that the Interest Component of the Basic Rent Payments is and shall remain excludable from gross income for purposes of federal income taxation. In order to preserve this exemption neither the Corporation nor the Board should, directly or indirectly, use or permit the use of any proceeds of the Series 2015A Certificates or the Lease Payments or any other funds or take or omit to take any action that would cause the Series 2015A Certificates to be "arbitrage bonds" within the meaning of Section 148 of the Code or that would cause the Interest Component of the Basic Rent Payments to be subject to be included in gross income for federal income tax purposes under the provisions of the Code. The Board must comply with all other requirements as shall be determined by Special Counsel to be necessary or appropriate to assure that the Interest Component of the Basic Rent Payments will be excludable from gross income for purposes of federal income taxation. To that end, the Corporation and the Board shall comply with all requirements of Section 148 of the Code to the extent applicable to the Series 2015A Certificates.

2. Definitions. Capitalized terms used in this letter, but not otherwise defined herein, shall have the same meanings set forth in Exhibit A to the Trust Agreement and in

the Board's Certificate as to Arbitrage and Certain Other Tax Matters relating to the Series 2015A Certificates.

"Certificate Year" means any one-year period (or shorter period from the Issue Date) ending on the close of business on the day preceding the anniversary of the Issue Date; provided, however, that the Board may select any other day as the end of a Certificate Year if such selection is made prior to the earlier of the final maturity date of the Series 2015A Certificates or the fifth anniversary of the Issue Date.

"Computation Date" means (i) any date selected by the Board which is not more than 5 years later than the latter of (x) the date of issue or (y) the most recent Computation Date and (ii) the date all Series 2015A Certificates are finally paid or discharged; provided, however, that for purposes of paying any penalty due as a result of an election of the Board pursuant to Section 3(e) hereof, the Computation Date shall be the last day of each six-month period described in said Section 3(e).

"Code" means the Internal Revenue Code of 1986, as amended.

"Computation Date" means each date selected by the Board as a computation date pursuant to Section 1.148-3(e) of the Regulations and the Final Computation Date.

"Fair Market Value" means, when applied to a Nonpurpose Investment, the Fair Market Value of such Investment as determined in accordance with Section 4 hereof.

"Final Computation Date" means the date the Series 2015A Certificates are discharged.

"Gross Proceeds" means, with respect to the Series 2015A Certificates:

(1) Amounts constituting Sale Proceeds of the Series 2015A Certificates.

(2) Amounts constituting Investment Proceeds of the Series 2015A Certificates.

(3) Amounts constituting Transferred Proceeds of the Series 2015A Certificates.

(4) Other amounts constituting Replacement Proceeds of the Series 2015A Certificates.

(5) Amounts that constitute Pledged Moneys (as defined below) and that are derived directly or indirectly from the Board (or a governmental unit of which the Board is a part) or any other person who substantially benefits from the issuance of the Series 2015A Certificates.

"Investment Proceeds" means any amounts actually or constructively received from investing proceeds of the Series 2015A Certificates.

"Investment Property" means any security, obligation or other property held principally as a passive vehicle for the production of income, within the meaning of Section 1.148-1(b) of the Regulations.

"Issue Date" means August 20, 2015.

"Net Proceeds" means Sale Proceeds, less the portion of such Proceeds invested in a reasonably required reserve or replacement fund under the Code.

"Nonpurpose Investment" shall have the meaning ascribed to such term in Section 148 of the Code and shall include any Investment Property in which Gross Proceeds are invested which is not acquired to carry out the governmental purpose of the Series 2015A Certificates, e.g., obligations acquired with Gross Proceeds that are invested temporarily until needed for the governmental purpose of the Series 2015A Certificates, that are used to discharge a prior issue, or that are invested in a reasonably required reserve or replacement fund.

"Nonpurpose Payments" shall include the payments with respect to Nonpurpose Investments specified in Section 1.148-3(d)(1)(i)-(v) of the Regulations.

"Nonpurpose Receipts" shall include the receipts with respect to Nonpurpose Investments specified in Section 1.148-3(d)(2)(i)-(iii) of the Regulations.

"Pledged Moneys" means moneys that are reasonably expected to be used directly or indirectly to pay debt service on the Series 2015A Certificates (or to reimburse a municipal bond insurer) or as to which there is a reasonable assurance that such moneys or the earnings thereon will be available directly or indirectly to pay debt service on the Series 2015A Certificates (or to reimburse a municipal bond insurer) if the Board encounters financial difficulties.

"Pre-Issuance Accrued Interest" means amounts representing interest that has accrued on an obligation for a period of not greater than one year before its issue date but only if those amounts are paid within one year after the Issue Date.

"Proceeds" means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Certificates.

"Qualified Administrative Costs" means reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage and selling commissions that are comparable to those charged nongovernmental entities in transactions not involving tax-exempt bond proceeds, but not legal and accounting fees, recordkeeping, custody or similar costs. In addition, with respect to a guaranteed investment contract or

investments purchased for a yield restricted defeasance escrow, such costs will be considered reasonable if (1) the amount of the fee the Board treats as a Qualified Administrative Cost does not exceed the lesser of (a) $39,000 (for calendar year 2015), or (b) the greater of (x) .2% of the "computational base," or (y) $4,000; and (2) the Board does not treat as Qualified Administrative Costs more than $110,000 (for calendar year 2015) in brokers' commissions or similar fees with respect to all guaranteed investment contracts and investments for yield restricted defeasance escrows purchased with Gross Proceeds of the issue. For purposes of this definition only, "computational base" shall mean, with respect to guaranteed investment contracts, the amount of Gross Proceeds the Board reasonably expects, as of the date the contract is acquired, to be deposited in the guaranteed investment contract over the term of the contract and for investments other than guaranteed investment contracts, "computational base" shall mean the amount of Gross Proceeds initially invested in such investments. The above-described safe harbor dollar amounts shall be increased each calendar year for cost-of-living adjustments pursuant to Section 1.148-5(e) of the Regulations.

"Rebatable Arbitrage" means, as of any Computation Date, the excess of the future value of all Nonpurpose Receipts over the future value of all Nonpurpose Payments.

"Rebate Fund" means the Rebate Fund established pursuant to the Trust Agreement and described in Section 3 hereof.

"Regulations" means Treasury Regulations Sections 1.148-0 through 1.148-11, 1.149(b)-1 and (d)-1, and 1.150-0 through 1.150-2, as amended, and any regulations amendatory, supplementary or additional thereto.

"Replacement Proceeds" means amounts that have a sufficiently direct nexus to the Series 2015A Certificates or to the governmental purpose of the Series 2015A Certificates to conclude that the amounts would have been used for that governmental purpose if the Proceeds of the Series 2015A Certificates were not used or to be used for that governmental purpose. For this purpose, governmental purposes include the expected use of amounts for the payment of debt service on a particular date. The mere availability or preliminary earmarking of amounts for a governmental purpose, however, does not in itself establish a sufficient nexus to cause those amounts to be Replacement Proceeds. Replacement Proceeds include, but are not limited to, amounts held in a sinking fund or a pledged fund. For these purposes, an amount is pledged to pay principal of or interest on the Series 2015A Certificates if there is reasonable assurance that the amount will be available for such purposes in the event that the issuer encounters financial difficulties.

"Sale Proceeds" means any amounts actually or constructively received by the Board from the sale of the Series 2015A Certificates, including amounts used to pay underwriters' discount or compensation and interest other than Pre-Issuance Accrued

Interest. Sale Proceeds shall also include, but are not limited to, amounts derived from the sale of a right that is associated with a Series 2015A Certificate and that is described in Section 1.148-4(b)(4) of the Regulations.

"Special Counsel" means Nabors, Giblin & Nickerson, P.A., Tampa, Florida or such other firm of nationally recognized bond counsel as may be selected by the Board.

"Tax-Exempt Investment" means (i) an obligation the interest on which is excluded from gross income pursuant to Section 103 of the Code, (ii) United States Treasury-State and Local Government Series, Demand Deposit Securities, and (iii) stock in a tax-exempt mutual fund as described in Section 1.150-1(b) of the Regulations. Tax-Exempt Investment shall not include a specified private activity bond as defined in Section 57(a)(5)(C) of the Code. For purposes of these Rebate Instructions, a tax-exempt mutual fund includes any regulated investment company within the meaning of Section 851(a) of the Code meeting the requirements of Section 852(a) of the Code for the applicable taxable year; having only one class of stock authorized and outstanding; investing all of its assets in tax-exempt obligations to the extent practicable; and having at least 98 percent of (1) its gross income derived from interest on, or gain from the sale of or other disposition of, tax-exempt obligations or (2) the weighted average value of its assets represented by investments in tax-exempt obligations.

"Transferred Proceeds" shall have the meaning provided therefor in Section 1.148-9 of the Regulations.

"Universal Cap" means the value of all then outstanding Series 2015A Certificates.

"Value" (of a Series 2015A Certificate) means with respect to a Series 2015A Certificate issued with not more than two percent original issue discount or original issue premium, the outstanding principal amount, plus accrued unpaid interest; for any other Series 2015A Certificate, its present value.

"Value" (of an Investment) shall have the following meaning in the following circumstances:

(1) General Rules. Subject to the special rules in the following paragraph, an issuer may determine the value of an investment on a date using one of the following valuation methods consistently applied for all purposes relating to arbitrage and rebate with respect to that investment on that date:

(a) an investment with not more than two percent original issue discount or original issue premium may be valued at its outstanding stated principal amount, plus accrued unpaid interest on such date;

(b) a fixed rate investment may be valued at its present value on such date; and

(c) an investment may be valued at its Fair Market Value on such date.

(2) Special Rules. Yield restricted investments are to be valued at present value provided that (except for purposes of allocating Transferred Proceeds to an issue, for purposes of the Universal Cap and for investments in a commingled fund other than a bona fide debt service fund unless it is a certain commingled fund):

(a) an investment must be valued at its Fair Market Value when it is first allocated to an issue, when it is disposed of and when it is deemed acquired or deemed disposed of, and provided further that;

(b) in the case of Transferred Proceeds, the Value of a Nonpurpose Investment that is allocated to Transferred Proceeds of a refunding issue on a transfer date may not exceed the Value of that investment on the transfer date used for purposes of applying the arbitrage restrictions to the refunded issue.

"Yield on the Series 2015A Certificates" means, for all Computation Dates, the Yield expected as of the date hereof on the Series 2015A Certificates over the term of such Series 2015A Certificates computed by:

(1) using as the purchase price of the Series 2015A Certificates, the amount at which such Series 2015A Certificates were sold to the public within the meaning of Sections 1273 and 1274 of the Code; and

(2) assuming that all of the Series 2015A Certificates will be paid at their scheduled maturity dates or in accordance with any mandatory redemption requirements.

"Yield" means, generally, the discount rate which, when used in computing the present value of all the unconditionally payable payments of principal and interest on an obligation and all the payments for qualified guarantees paid and to be paid with respect to such obligation, produces an amount equal to the present value of the issue price of such obligation. Present value is computed as of the date of issue of the obligation. There are, however, many additional specific rules contained in the Regulations which apply to the calculation and recalculation of yield for particular obligations and such rules should be consulted prior to calculating the yield for the Series 2015A Certificates on any Computation Date. Yield shall be calculated on a 360-day year basis with interest compounded semi-annually. For this purpose the purchase price of a Nonpurpose Investment or Tax-Exempt Investment is its Fair Market Value, as determined pursuant to Section 4 of this letter, as of the date that it becomes allocated to Gross Proceeds of the Series 2015A Certificates.

3. Payment of Rebatable Arbitrage.

(a) In order to maintain the exemption from federal income tax of the Interest Component of the Basic Rent Payments, the Trustee, upon the written direction of the Board in accordance with Section 6.12 of the Trust Agreement, shall pay the Rebatable Arbitrage to the United States Government at the times and in the amounts determined herein from amounts on deposit in the Rebate Fund. For purposes of determining the Rebatable Arbitrage, the Board should cause the calculations to be made by competent tax counsel or other financial or accounting advisors or persons to ensure correct application of the rules contained in the Code and the Regulations relating to arbitrage rebate and, if the Board fails to retain such advisors for such purpose, the Trustee should retain such advisors for such purpose, but only at the expense of the Board.

(b) Within 30 days after any Computation Date, the Board must calculate or cause to be calculated the Rebatable Arbitrage or any penalty due pursuant to Section 3(d) below. The Board agrees to pay the Trustee the amount of the Rebatable Arbitrage for deposit to the Rebate Fund on or before the same must be remitted by the Trustee. Upon receipt of such Rebatable Arbitrage from the Board, but in no event later than 60 days following the Computation Date, the Trustee must remit (but only from amounts received from the Board) an amount which when added to the future value of previous rebate payments is not less than 90 percent (100 percent with respect to the Computation Date on the final repayment or retirement of the Series 2015A Certificates plus the income, if any, from the investment of the Rebatable Arbitrage due the United States Government after the final Computation Date) of the Rebatable Arbitrage.

Each payment must be accompanied by Internal Revenue Service Form 8038-T.

(c) The obligation to pay Rebatable Arbitrage to the United States, as described in this letter, shall be treated as satisfied with respect to the Series 2015A Certificates if (i) Gross Proceeds are expended for the governmental purpose of the Series 2015A Certificates by no later than the date which is six months after the Issue Date and if it is not anticipated that any other Gross Proceeds will arise during the remainder of the term of the Series 2015A Certificates and (ii) the requirement to pay Rebatable Arbitrage, if any, to the United States with respect to the portion of the Reserve Account allocable to the Series 2015A Certificates, if any, is met. For purposes described above, Gross Proceeds do not include (i) amounts deposited in a bona fide debt service fund, so long as the funds therein constitute bona fide debt service funds, or a reasonably required reserve or replacement fund (as defined in Section 1.148-1 of the Regulations and meeting the requirements of Section 1.148-2(f) of the Regulations), (ii) amounts that, as of the Issue Date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the date which is six months after the Issue Date, (iii) amounts representing Sale or Investment Proceeds derived from any Purpose Investment (as defined in Section 1.148-1 of the Regulations) and earnings on those payments, and (iv) amounts representing any repayments of grants (as defined in Section 1.148-6(d)(4) of the Regulations). If Gross

Proceeds are in fact expended by such date, then, except as to amounts, if any, on deposit in the Reserve Account, Rebatable Arbitrage with respect to such Gross Proceeds need not be calculated and no payment thereof to the United States Department of Treasury need be made. Use of Gross Proceeds to redeem Series 2015A Certificates shall not be treated as an expenditure of such Gross Proceeds.

Notwithstanding the foregoing, if Gross Proceeds which were reasonably expected to be Gross Proceeds on the Issue Date actually become available after the date which is six months after the Issue Date, as determined by the Board, then the requirements described herein relating to the calculation of Rebatable Arbitrage and the payment thereof to the United States must be satisfied, except that no such calculation or payment need be made with respect to the initial six-month period. Any other amounts not described in this Section which constitute Gross Proceeds, other than a bona fide debt service fund, will be subject to rebate.

(d) The Board and the Trustee should keep or cause to be kept proper books of records and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Series 2015A Certificates, including moneys derived from, pledged to, or to be used to make payments on the Series 2015A Certificates. Such records shall, at a minimum, be sufficient to enable the Board to calculate the Rebatable Arbitrage and, if necessary, shall specify the account or fund to which each investment (or portion thereof) is to be allocated and shall set forth, in the case of each investment security, (i) its purchase price, (ii) identifying information, including par amount, coupon rate, and payment dates, (iii) the amount received at maturity or its sale price, as the case may be, including accrued interest, (iv) the amounts and dates of any payments made with respect thereto, and (v) the dates of acquisition and disposition or maturity.

4. Market Price Rules. Except as provided below, the Board agrees to comply with the requirements relating to the "Fair Market Value" of acquired Nonpurpose Investments, as defined in Section 1.148-5(d) of the Regulations ("Fair Market Value"). All investments required to be made pursuant to this letter shall be made to the extent permitted by law. In this regard, the Board agrees, among other things, that it will not acquire or cause to be acquired a Nonpurpose Investment (or any other investment acquired with Gross Proceeds or on deposit in the Rebate Fund), for a price in excess of its Fair Market Value or sell any such investment at a price (determined without any reduction for transaction costs) less than its Fair Market Value, except as provided below. For this purpose, the following rules shall apply:

(a) Established securities markets. Except as otherwise provided below, any market especially established to provide a security or obligation to an issuer of municipal obligations shall not be treated as an established market and shall be rebuttably presumed to be acquired or disposed of for a price that is not its Fair Market Value.

(b) Arm's-length price. Any transaction in which a Nonpurpose Investment is directly purchased with Gross Proceeds, or in which a Nonpurpose Investment allocable to Gross Proceeds is disposed of, shall be undertaken in a bona fide arm's-length manner, and no amount shall be paid to reduce the yield on the Nonpurpose Investment.

(c) Safe harbor for establishing Fair Market Value for guaranteed investment contracts and Nonpurpose Investments purchased for a yield restricted defeasance escrow. In the case of a guaranteed investment contract or Nonpurpose Investments purchased for a yield restricted defeasance escrow, the purchase price shall not be considered to be an arm's-length price unless all the following conditions are met:

(i) The Board makes a bona fide solicitation ("Bona Fide Solicitation") for the purchase of the investment that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers;

(2) The bid specifications include all terms of the bid that may directly or indirectly affect the yield or the cost of the investment;

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Board or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the Board or any other person for purposes of satisfying these requirements;

(4) The terms of the bid specifications are such that there is a legitimate business purpose for each term other than to increase the purchase price or reduce the yield of the investment (e.g., for solicitations of Nonpurpose Investments for a yield restricted defeasance escrow, the hold firm period must be no longer than the Board reasonably requires);

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Board's reasonably expected deposit and draw down schedule for the amounts to be invested;

(6) All potential providers have an equal opportunity to bid (e.g., no potential provider is given the opportunity to review other bids before providing a bid); and

(7) At least three providers are solicited for bids that have an established industry reputation as a competitive provider of the type of investments being purchased.

(ii) The bids received by the Board must meet all of the following requirements:

(1) The Board receives at least three bids from providers that the Board solicited under a Bona Fide Solicitation and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (c) (ii)(1) above is from a provider that has an established industry reputation as a competitive provider of the type of investments being purchased; and

(3) If the Board uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(iii) The winning bid must meet the following requirements:

(1) *Guaranteed investment contracts*. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) *Other Nonpurpose Investments*. If the investment is not a guaranteed investment contract, the following requirements are met:

(A) The winning bid is the lowest cost bona fide bid (including any broker's fees). The lowest bid is either the lowest cost bid for the portfolio or, if the Board compares the bids on an investment-by-investment basis, the aggregate cost of a portfolio comprised of the lowest cost bid for each investment. Any payment received by the Board from a provider at the time a guaranteed investment contract is purchased (e.g., an escrow float contract) for a yield restricted defeasance escrow under a bidding procedure meeting these requirements is taken into account in determining the lowest cost bid.

(B) The lowest cost bona fide bid (including any broker's fees) is not greater than the cost of the most efficient portfolio comprised exclusively of State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt. The cost of the most efficient portfolio of State and Local Government Series Securities is to be determined at the time that bids are required to be submitted pursuant to the terms of the bid specifications. If such State and Local Government Series Securities are not available for purchase on the day that bids are required to be submitted because sales of those securities have been suspended, the cost comparison described in this paragraph is not required.

(iv) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay) to third parties in connection with supplying the investment.

(d) The Board shall retain certificates and records documenting compliance with the above requirements until three years after the last outstanding Series 2015A Certificate is redeemed including, but not limited to, the following:

(i) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of Nonpurpose Investments other than guaranteed investment contracts, the purchase agreement or confirmation;

(ii) The receipt or other record of the amount actually paid by the Board for the investments, including a record of any administrative costs paid by the Board and the certification required in paragraph (c)(iv) above;

(iii) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results;

(iv) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation; and

(v) For purchase of Nonpurpose Investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted.

Certificates in substantially the forms of subparagraphs (v) and (vi) above must be obtained to evidence the foregoing.

5. Records. The Board and the Trustee should retain all records with respect to the calculations required by this letter for at least six years after the date on which the last of the principal of and interest on the Series 2015A Certificates has been paid, whether upon maturity, redemption, or acceleration thereof.

6. Modification Upon Receipt of Special Counsel Opinion. Notwithstanding any provision of this letter, if the Board and the Trustee shall receive an opinion of Special Counsel that any specified instructions set forth in this letter are no longer required or that some further or different action is required to maintain or assure the exclusion from federal gross income of the Interest Component of the Basic Rent Payments, the Board and the Trustee may conclusively rely on such opinion in complying with the requirements of this letter and the instructions contained in this letter shall be deemed to be modified to that extent. The provisions of this and the instructions contained in this letter may be amended or modified in any manner which is necessary to comply with such regulations as may be promulgated by the United States Treasury Department from time to time.

7. Accounting for Gross Proceeds. In order to perform the calculations required by the Code and the Regulations, it is necessary to track the investment and expenditure of all Gross Proceeds. To that end, the Board must adopt reasonable and consistently applied methods of accounting for all Gross Proceeds. Appendix I hereto sets forth a description of the required allocation and accounting rules with which the Board agrees to comply.

8. Administrative Costs of Investments. Except as otherwise provided in this Section 8, an allocation of Gross Proceeds to a payment or receipt on a Nonpurpose Investment is not adjusted to take into account any costs or expenses paid, directly or indirectly, to purchase, carry, sell or retire the Nonpurpose Investment (administrative costs). Thus, administrative costs generally do not increase the payments for, or reduce the receipts from, Nonpurpose Investments.

In determining payments and receipts on Nonpurpose Investments, Qualified Administrative Costs are taken into account by increasing payments for, or reducing the receipts from, the Nonpurpose Investments. Qualified Administrative Costs are reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the Board such as employee salaries and office expenses and costs associated with computing Rebatable Arbitrage are not Qualified Administrative Costs.

Allocation and accounting rules are provided in Appendix I attached hereto.

9. Board Obligations. Except for any Rebatable Arbitrage which accrues prior to the date of termination of the Lease, the Board shall have no further obligations hereunder subsequent to the termination of the Lease Agreement.

10. Trustee Obligations. Except for matters set forth in Sections 3(a), (b) and (f) hereof and Section 6.12 of the Trust Agreement, the parties hereto agree that the Trustee shall have no further obligations hereunder or under the Trust Agreement relating to the matters set forth in this letter.

Respectfully submitted,

NABORS, GIBLIN & NICKERSON, P.A.

Acknowledged:

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By: _____
Chairman

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Vice President

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By: _____
President

APPENDIX I

ALLOCATION AND ACCOUNTING RULES

(a) General Rule. Any issuer may use any reasonable, consistently applied accounting method to account for Gross Proceeds, investments and expenditures of an issue. An accounting method is "consistently applied" if it is applied uniformly within a Fiscal Period (as hereinafter defined) and between Fiscal Periods to account for Gross Proceeds of an issue and any amounts that are in a commingled fund.

(b) Allocation of Gross Proceeds to an Issue. Amounts are allocable to only one issue at a time as Gross Proceeds. Amounts cease to be allocated to an issue as Proceeds only when those amounts (i) are allocated to an expenditure for a governmental purpose; (ii) are allocated to Transferred Proceeds of another issue of obligations; or (iii) cease to be allocated to that issue at retirement of the issue or under the Universal Cap.

(c) Allocation of Gross Proceeds to Investments. Upon the purchase or sale of a Nonpurpose Investment, Gross Proceeds of an issue are not allocated to a payment for that Nonpurpose Investment in an amount greater than, or to a receipt from that Nonpurpose Investment in an amount less than, the Fair Market Value of the Nonpurpose Investment as of the purchase or sale date. The Fair Market Value of a Nonpurpose Investment is adjusted to take into account Qualified Administrative Costs allocable to the investment. Thus, Qualified Administrative Costs increase the payments for, or decrease the receipts from, a Nonpurpose Investment.

(d) Allocation of Gross Proceeds to Expenditures. Reasonable accounting methods for allocating funds from different sources to expenditures for the same governmental purpose include a "specific tracing" method, a "gross-proceeds-spent-first" method, a "first-in-first-out" method or a ratable allocation method, so long as the method used is consistently applied. An allocation of Gross Proceeds of an issue to an expenditure must involve a current outlay of cash for a governmental purpose of the issue. A current outlay of cash means an outlay reasonably expected to occur not later than five banking days after the date as of which the allocation of Gross Proceeds to the expenditure is made.

(e) Commingled Funds. Any fund or account that contains both Gross Proceeds of an issue and amounts in excess of $25,000 that are not Gross Proceeds of that issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of the funds deposited therein, constitutes a "commingled fund." All payments and receipts (including deemed payments and receipts) on investments held by a commingled fund must be allocated (but not necessarily distributed) among each different source of funds invested in the commingled fund in

accordance with a consistently applied, reasonable ratable allocation method. Reasonable ratable allocation methods include, without limitation, methods that allocate payments and receipts in proportion to either (i) the average daily balances of the amounts in the commingled fund from each different source of funds during any consistent time period within its fiscal year, but at least quarterly (the "Fiscal Period"); or (ii) the average of the beginning and ending balances of the amounts in the commingled fund from each different source of funds for a Fiscal Period that does not exceed one month.

Funds invested in the commingled fund may be allocated directly to expenditures for governmental purposes pursuant to a reasonable consistently applied accounting method. If a ratable allocation method is used to allocate expenditures from the commingled fund, the same ratable allocation method must be used to allocate payments and receipts on investments in the commingled fund.

Generally a commingled fund must treat all its investments as if sold at Fair Market Value either on the last day of the fiscal year or on the last day of each Fiscal Period. The net gains or losses from these deemed sales of investments must be allocated to each different source of funds invested in the commingled fund during the period since the last allocation. This mark-to-market requirement does not apply if (i) the remaining weighted average maturity of all investments held by a commingled fund during a particular fiscal year does not exceed 18 months, and the investments held by the commingled fund during that fiscal year consist exclusively of obligations; or (ii) the commingled fund operated exclusively as a reserve fund, sinking fund or replacement fund for two or more issues of the same issuer. Subject to the Universal Cap limitation, and the principle that amounts are allocable to only one issue at a time as Gross Proceeds, investments held by a commingled fund must be allocated ratably among the issues served by the commingled fund in proportion to either (i) the relative values of the bonds of those issues; (ii) the relative amounts of the remaining maximum annual debt service requirements on the outstanding principal amounts of those issues; or (iii) the relative original stated principal amounts of the outstanding issues.

(f) Universal Cap. Amounts that would otherwise be Gross Proceeds allocable to an issue are allocated (and remain allocated) to the issue only to the extent that the Value of the Nonpurpose Investments allocable to those Gross Proceeds does not exceed the Value of all outstanding bonds of the issue. Nonpurpose Investments allocated to Gross Proceeds in a bona fide debt service fund for an issue are not taken into account in determining the Value of the Nonpurpose Investments, and those Nonpurpose Investments remain allocated to the issue. To the extent that the Value of the Nonpurpose Investments allocable to the Gross Proceeds of an issue exceed the Value of all outstanding bonds of that issue, an issuer should seek the advice of Bond Counsel for the procedures necessary to comply with the Universal Cap.

(g) Expenditure for Working Capital Purposes. Subject to certain exceptions, the Proceeds of an issue may only be allocated to "working capital expenditures" as of

any date to the extent that those expenditures exceed "available amounts" as of that date (i.e., "proceeds-spent-last").

For purposes of this section, "working capital expenditures" include all expenditures other than "capital expenditures." "Capital expenditures" are costs of a type properly chargeable (or chargeable upon proper election) to a capital account under general federal income tax principles. Such costs include, for example, costs incurred to acquire, construct or improve land, buildings and equipment having a reasonably expected useful life in excess of one year. Thus, working capital expenditures include, among other things, expenditures for current operating expenses and debt service.

For purposes of this section, "available amount" means any amount that is available to an issuer for working capital expenditure purposes of the type financed by the issue. Available amount excludes Proceeds of the issue but includes cash, investments and other amounts held in accounts or otherwise by an issuer for working capital expenditures of the type being financed by the issue without legislative or judicial action and without a legislative, judicial or contractual requirement that those amounts be reimbursed. Notwithstanding the preceding sentence, a "reasonable working capital reserve" is treated as unavailable. A working capital reserve is reasonable if it does not exceed five percent of the actual working capital expenditures of an issuer in the fiscal year before the year in which the determination of available amounts is made. For purpose of the preceding sentence only, in determining the working capital expenditures of an issuer for a prior fiscal year, any expenditures (whether capital or working capital expenditures) that are paid out of current revenues may be treated as working capital expenditures.

The proceeds-spent-last requirement does not apply to expenditures to pay (i) any Qualified Administrative Costs; (ii) fees for qualified guarantees of the issue or payments for a qualified hedge for the issue; (iii) interest on the issue for a period commencing on the Issue Date and ending on the date that is the later of three years from the Issue Date or one year after the date on which the financed project is placed in service; (iv) the United States for yield reduction payments (including rebate payments) or penalties for the failure to meet the spend down requirements associated with certain spending exceptions to the rebate requirement; (v) costs, other than those described in (i) through (iv) above, that do not exceed five percent of the Sale Proceeds of an issue and that are directly related to capital expenditures financed by the issue (e.g., initial operating expenses for a new capital project); (vi) principal or interest on an issue paid from unexpected excess sale or Investment Proceeds; (vii) principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a bona fide debt service fund; and (viii) principal, interest or redemption premium on a prior issue and, for a crossover refunding issue, interest on that issue. Notwithstanding the preceding paragraph, the exceptions described above do not apply if the allocation merely substitutes Gross Proceeds for other amounts that would have been used to make those expenditures in a manner that gives rise to Replacement Proceeds.

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APPENDIX E

MASTER LEASE, AS AMENDED, AND FORMS OF THE REFINANCED LEASE AGREEMENTS

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MASTER LEASE-PURCHASE AGREEMENT

by and between

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of April 1, 1994

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MASTER LEASE-PURCHASE AGREEMENT

THIS MASTER LEASE-PURCHASE AGREEMENT, is made and entered into as of April 1, 1994 (the "Lease Agreement"), by and between **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION**, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida (the "Corporation"), and the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**, a school board duly organized and existing under the laws of the State of Florida (the "Board"), acting as the governing body of the Hillsborough County School District;

WITNESSETH:

In consideration of the mutual covenants hereinafter contained and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS AND GENERAL PROVISIONS

SECTION 1.01. DEFINITIONS. The capitalized words and terms used herein shall have the meanings assigned to such words and terms in Exhibit A attached hereto, unless the context clearly requires some other meaning.

SECTION 1.02. RULES OF CONSTRUCTION. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Lease Agreement, refer to this Lease Agreement.

ARTICLE II

RECITALS

SECTION 2.01. STATUS AND POWERS OF CORPORATION. The Corporation is a not-for-profit corporation duly organized and existing pursuant to Chapter 617, Florida Statutes, and is authorized to purchase and to sell or lease or otherwise dispose of property. Pursuant to such authority, the Corporation is authorized to undertake and perform the actions and duties more particularly described herein.

SECTION 2.02. STATUS AND POWERS OF BOARD. The Board is a school board of the State of Florida and is authorized by the laws and Constitution of the State of Florida, particularly the Act, to lease-purchase and acquire real and personal property for the common benefit and in furtherance of its public purposes.

SECTION 2.03. PURPOSE OF AGREEMENT. In order to provide for its governmental and proprietary needs and in furtherance of its public purposes, the Board desires from time to time to lease Projects from the Corporation. The Corporation is able and willing, for adequate consideration, to lease such Projects to the Board.

SECTION 2.04. RELATED AGREEMENTS. The parties hereto acknowledge, approve of, and consent to the terms of the following documents:

(a) the Assignment of Lease Agreement, pursuant to which the Corporation assigns by outright assignment all of its right, title and interest in this Lease Agreement to the Trustee, other than its rights of indemnification, its right to enter into Lease Schedules from time to time and its obligations provided in Section 6.03 of the Lease Agreement;

(b) the Ground Lease(s), pursuant to which the Board has or will demise the Premises (as defined in Exhibit A attached hereto) to the Corporation and granted a leasehold estate in the portions of the Projects on or being part of the Premises and not otherwise excluded thereunder;

(c) the Assignment(s) of Ground Lease Agreement, pursuant to which the Corporation by outright assignment assigns all of its right, title and interest in the Ground Lease(s) to the Trustee; and

(d) the Trust Agreement pursuant to which the Trustee, the Board and the Corporation agree to implement this Lease Agreement by providing from time to time for the delivery of Series of Certificates to fund the Projects, for the administration of

certain funds, accounts and subaccounts for the benefit of the Owners and, under the circumstances contemplated in such Trust Agreement and in this Lease Agreement, the exercise by the Trustee of certain remedies for the benefit of the Owners.

SECTION 2.05. CONSTRUCTION OF THIS LEASE AGREEMENT. For all purposes of this Lease Agreement, reference to the "assignee" of the Corporation means the Trustee acting on behalf of the Owners of the Certificates issued pursuant to the Trust Agreement.

ARTICLE III

ACQUISITION OF PROJECTS; BOARD TO BE AGENT OF CORPORATION

SECTION 3.01. DEPOSIT OF MONEYS; LEASE SCHEDULES. (a) In order to induce the Board to lease a Project from the Corporation and to assure the Board that the moneys needed to pay the Costs of such Project and Costs of Issuance relating to such Project will be available without delay, the Corporation and the Board, simultaneous with the delivery of a Lease Schedule relating to such Project by the Board, shall cause to be deposited with the Trustee, the proceeds of the Series of Certificates which shall finance the acquisition, construction and installation of such Project. Such proceeds shall be deposited in such funds, accounts and subaccounts established pursuant to the Trust Agreement as shall be described in the Lease Schedule relating to such Project and the Supplemental Trust Agreement pursuant to which such Series of Certificates are authorized to be issued.

(b) Whenever the Board, in its discretion, determines to lease a Project hereunder, it shall prepare and submit to the Corporation a Lease Schedule relating to such Project. Such Lease Schedule shall be in substantially the form set forth as Exhibit C hereto. The Corporation shall have no obligation to acquire, construct or install, or cause to be acquired, constructed or installed pursuant to Section 3.03 hereof, any portion of a Project until the Corporation has been furnished with a Lease Schedule describing such Project and complying with the provisions of the following paragraph.

(c) Each Lease Schedule submitted by the Board to the Corporation shall be accompanied by the following items:

(i) A certified copy of a resolution duly adopted by the Board authorizing the lease-purchase of the Project described in the Lease Schedule, the Lease Schedule and the Supplemental Trust Agreement relating to the Series of Certificates for which such Lease Schedule was established;

(ii) A certificate of the Chairman of the Board reaffirming the Board's covenants, representations and warranties made hereunder, except as modified by the Lease Schedule, and stating no default has occurred and is continuing under this Lease Agreement;

(iii) An executed copy of the applicable Ground Lease relating to the Project described in the Lease Schedule;

(iv) An executed copy of the Supplemental Trust Agreement relating to the issuance of the Series of Certificates which shall fund the Project described in the Lease Schedule;

(v) An executed copy of a Memorandum of Lease with respect to the Project described in the Lease Schedule; and

(vi) An executed copy of a Memorandum of Ground Lease with respect to the Project described in the Lease Schedule.

SECTION 3.02. RIGHT OF ENTRY. In order to enable the Corporation to carry out the terms of this Lease Agreement, to provide for the acquisition, construction and installation of the Projects and to facilitate the exercise of remedies upon an Event of Default or Event of Non-Appropriation hereunder, the Board hereby grants a right of entry to the Corporation, its agents and assignees, including, without limitation, the Trustee, and, subject to the provisions of Section 7.03 hereof, at reasonable times and upon reasonable notice, to each of the Projects. The Board represents that it is empowered to grant such right of entry to the Trustee and the Corporation.

SECTION 3.03. ACQUISITION AND CONSTRUCTION OF THE PROJECTS. (a) The Corporation shall provide for the acquisition, construction and installation of each Project by the Board, as agent of the Corporation, pursuant to applicable State law and Section 3.08 hereof. Title to each Project shall be in the name of the Corporation, except as otherwise provided in Section 4.07 hereof or in Section 7.07 of the Trust Agreement. The Trustee shall establish a separate subaccount in the Project Account for each Project leased hereunder in accordance with Section 6.02 of the Trust Agreement. Amounts on deposit in each subaccount of the Project Account held by the Trustee pursuant to the Trust Agreement shall be disbursed by the Trustee to the Board or the Person designated by the Board to pay Costs of the Project for which such subaccount was established. Such disbursements shall be made pursuant to Requisitions submitted by the Board to the Trustee in accordance with the procedures set forth in the Trust Agreement. Such Requisitions shall be in the form set forth as Exhibit B hereto and shall be accompanied by such further documentation as set forth herein and in Section 6.03 of the Trust Agreement. The Corporation hereby agrees that the Board may be reimbursed for expenditures of moneys made by the Board for Project Costs in anticipation of the issuance of Certificates to fund such Project Costs by filing Requisitions, with the documentation required by Section 6.03 of the Trust Agreement. The Board hereby agrees that, upon its receipt of such reimbursement, the title to any portion of a Project previously acquired will be transferred to the Corporation other than Designated Equipment.

(b) The Corporation and the Board agree that they will assure that each Project will be acquired, constructed and installed in

accordance with the Plans and Specifications. The Corporation and the Board further agree that each Project will be acquired, constructed and installed in accordance with the Project Budget and the Project Schedule relating thereto, which shall be provided in the Lease Schedule for such Project. The Board may, at any time prior to the Completion Date for a Project, make modifications to such Project and substitute items or components constituting a portion of such Project, subject to the provisions of this Section 3.03(b), if (i) the Board files with the Trustee, as assignee of the Corporation, a certificate of an Authorized Officer of the Board notifying the Trustee of such modification, addition or substitution, identifying the portion of such Project which is modified, added or substituted, and certifying that after such modification, addition or substitution, amounts on deposit in the subaccount of the Project Account relating to such Project, together with interest earnings thereon and any additional legally available sums of the Board deposited therein, will be sufficient to pay all remaining Costs of such Project, including Project Costs incurred in connection with such modification, addition or substitution and any Project Costs which shall have accrued but remain unpaid as of such date, (ii) if the modification, addition or substitution involves Equipment, either the items of substituted Equipment have a useful life equal to or greater than the useful life of the items of Equipment for which it has been substituted or the Credit Enhancer, if any, of the Certificates which shall finance the acquisition of such Equipment approves of a shorter useful life for such substituted Equipment, (iii) the Plans and Specifications, the Project Description, the Project Budget, the Project Schedule and, if necessary, the Estimated Completion Date for such amended or modified Project are each amended, as necessary, to take into account the portion of such Project which is modified, added or substituted, (iv) except as otherwise provided in Section 4.07 hereof, title to the substituted, added or modified portion of the Project shall be in the name of the Corporation, (v) if the modification or substitution involves Equipment, the substituted, added or modified Equipment shall be placed in the same Group as the Equipment for which there has been a substitution or the Credit Enhancer, if any, of the Certificates which shall finance the acquisition of such Equipment approves of the substituted or modified Equipment being placed in a different Group, and (vi) no change shall be made in the schedule of Basic Rent Payments. If the total Costs of such Project exceed the amount estimated therefor, the Board shall take the actions set forth in Section 3.05 hereof as a condition precedent to such modification, addition or substitution. The Board agrees not to lease-purchase any Equipment hereunder except to the extent consented to by the Department or otherwise permitted by applicable law.

(c) For purposes of this Lease Agreement, all materials and services in respect of which amounts are paid by the Trustee for the acquisition, construction and installation of a Project

(including moneys disbursed pursuant to Section 6.04 of the Trust Agreement for Costs of Issuance) shall be deemed accepted by the Board hereunder upon execution of the corresponding Lease Schedule and the Board shall thereby be deemed to have agreed that it has received valuable consideration for the portion of the Basic Rent representing Costs of Issuance and will, subject to the provisions of Section 7.01 hereof, pay the Lease Payments in respect of same. The provisions of this Section 3.03(c) shall not in any way limit or affect the Corporation's or the Board's rights to pursue warranty or other claims arising therefrom against any contractor, vendor or supplier of labor or materials of a Project, or any portion thereof. Each Requisition executed by the Board and submitted to the Trustee shall certify that the Board has inspected and accepted the portion of the Project which is the subject of such Requisition. Execution by the Board of a Requisition shall constitute full approval and acceptance of the items or portions of the Project identified therein for all purposes hereunder.

(d) The Corporation and the Board further agree to assure that, where applicable, the Contractors and Developers of a Project involving construction of a Building carry appropriate performance bonds, agree to liquidated damages on a daily basis for construction and delivery delays and comply with workers' compensation laws and affirmative action standards of the Board; provided, however, that (i) this provision shall not apply to any contract the total payments on which do not exceed $100,000 and (ii) this provision shall not prohibit or limit the Board to provide for actual damages with respect to design or construction defects. Proceeds of liquidated damages received by the Corporation or the Board shall be deposited, before the Completion Date, into the subaccount of the Project Account relating to such Project and, after the Completion Date, into the subaccount of the Interest Account relating to such Project to be held for Basic Rent Payments; provided, however, that if liquidated damages are to be imposed through withholding payment from the Contractors, then the Board shall direct the Trustee to withdraw from the subaccount of the Project Account relating to such Project an amount equal to said liquidated damages and to deposit such amount in the subaccount of the Interest Account relating to such Project.

(e) The Estimated Completion Date of a Project may be extended if the Trustee shall receive an amended Lease Schedule but in no event shall such date extend beyond the third anniversary of the date of issuance of the Certificates financing said Project (unless the Estimated Completion Date has, pursuant to certification complying with the provisions of the Code, been initially established beyond the third anniversary, in which case such date shall not be extended past the date initially established) unless the Trustee shall receive an opinion of Special Counsel that such extension will not cause the Interest Component on the Basic Rent Payments to become includible in gross income of the recipients thereof for the purpose of federal income taxation.

The Board shall take possession of each Project, or portion thereof, upon delivery and acceptance and, where applicable, substantial completion of installation thereof. No delay in the completion of a Project, or any portion thereof, nor any extension of the Estimated Completion Date as permitted herein shall relieve the Board of its obligation to pay the Lease Payments to the extent provided herein.

(f) The Corporation and the Board shall at all times keep title to each Project and their respective interests hereunder and under the Ground Lease(s) free and clear of all liens and encumbrances of every kind whatsoever, except Permitted Encumbrances.

SECTION 3.04. PAYMENT OF COSTS OF ISSUANCE. Payment of Costs of Issuance for each Series of Certificates shall be made pursuant to Requisitions from moneys deposited with the Trustee in the subaccount of the Costs of Issuance Account established for such Series. Costs of Issuance shall be disbursed in accordance with and upon compliance with Section 6.04 of the Trust Agreement.

SECTION 3.05. LIMITATIONS ON ACQUISITION AND CONSTRUCTION. The amount of moneys available under the Trust Agreement to pay for Project Costs and Costs of Issuance for each Project is limited to an aggregate dollar amount of not more than the Maximum Cost provided in the Lease Schedule for such Project. If the Board agrees to an increase in the cost with respect to any portion of a Project or there ie a cost overrun as a result of a substitution or modification in a Project as described in Section 3.03(b) hereof, and in either case, the amount in the subaccount of the Project Account relating thereto, together with interest earnings thereon, is not sufficient to pay such Project Costs and complete the acquisition, construction and installation of such Project, then the Board either (a) shall deposit to the credit of such subaccount of the Project Account the additional funds necessary to reduce such deficiency to zero (as certified to the Trustee in writing by an Authorized Officer of the Board), or (b) shall provide to the Corporation an amended Project Budget showing changes to such Project the result of which is no cost deficiency and certified to the Trustee as accurate in writing by an Authorized Officer of the Board.

SECTION 3.06. WARRANTIES; DISCLAIMERS. The Board, upon execution of a Requisition for any portion of a Project, thereby shall represent, without further act, that it has (a) thoroughly inspected such portion of such Project described therein, and (b) satisfied itself that such portion of such Project is suitable for its purposes. THE CORPORATION, NOT BEING THE VENDOR, THE DEVELOPER OR THE CONTRACTOR OF ANY PROJECT OR THE VENDOR'S AGENT, DEVELOPER'S AGENT OR CONTRACTOR'S AGENT, MAKES NO WARRANTY OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, AS TO THE TITLE TO, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDITION OF, OR AS TO

THE QUALITY, CAPACITY OF THE MATERIAL OR WORKMANSHIP IN ANY PROJECT OR ANY WARRANTY THAT ANY PROJECT WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATIONS OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY, OPERATORS OR SPECIAL METHODS. It is agreed that all such risks, as among the Corporation and the Board, are to be borne by the Board at its sole risk and expense, and the Board hereby agrees to look solely to the Vendors, Contractors or Developers of the Projects for all such matters. THE Corporation MAKES NO PATENT WARRANTIES OR REPRESENTATIONS WHATSOEVER. THE Corporation SHALL NOT BE LIABLE FOR ANY ACTUAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES.

SECTION 3.07. UNEXPENDED MONEYS. The Corporation and the Board agree that unexpended moneys remaining in a subaccount of the Costs of Issuance Account funded from a Series of Certificates, shall, upon payment in full of Costs of Issuance relating to such Series, be deposited in the subaccount of the Project Account relating to such Series and that excess moneys, if any, remaining in a subaccount of the Project Account funded from a Series of Certificates shall, on the Completion Date, be applied as a prepayment of Basic Rent Payments for such Series in accordance with Section 6.03(g) of the Trust Agreement.

SECTION 3.08. APPOINTMENT OF AGENCY. (a) The Corporation hereby appoints the Board as its agent to carry out all phases of the acquisition, construction and installation of the Projects, and the Board, as agent of the Corporation, assumes all rights, duties, responsibilities and liabilities of the Corporation regarding acquisition, construction and installation of the Projects, except as limited herein.

(b) The Board, as agent of the Corporation, may enter into any purchase order, agreement or contract required for acquisition, construction and installation of a Project, or any portion thereof, including a turn-key Construction Contract with a Developer, upon being assured that moneys sufficient for the payment thereof are then on deposit in the subaccount of the Project Account related thereto. Each such purchase order, agreement and contract shall be executed by the Board, as agent for the Corporation, in accordance with Section 6A-2, Florida Administrative Code. The benefits of all bids received by the Board for the components of a Project shall be deemed to be assigned by the Board to Corporation. The Board shall comply with all applicable laws in letting contracts or purchase orders in regard to the acquisition, construction and installation of a Project.

(c) Prior to the Completion Date for such Project, the Board, as agent of the Corporation, shall have the right to make any changes in the description of a Project or modify or substitute components thereof, or of any component or portion thereof, whenever the Board deems such changes to be necessary and

appropriate; provided, however, that the Board must comply with the provisions of Section 3.03(b) hereof.

(d) The Board, as agent of the Corporation, shall have sole responsibility for, and shall supervise, acquisition, construction and installation of each Project. The Board shall monitor the performance by each Vendor, Developer or Contractor to the extent the Board deems appropriate. The Board shall permit the Corporation, or its assignee, to inspect each Project at any and all reasonable times upon giving the Board prior notice of the inspection. The Corporation or its assignee shall comply with all rules and regulations established by the Board with respect to personal safety and security during such inspections.

(e) The Corporation hereby assigns to the Board all rights and powers to enforce and execute in its own name or the name of the Corporation such purchase orders, agreements or contracts as are required for each Project which enforcement may be at law or in equity; provided, however, that the assignment made by the Corporation herein shall not prevent the Corporation, or its assignee, from asserting said rights and powers in its own behalf following written notice to the Board.

(f) Except with respect to Completion Certificates, the Corporation shall not be responsible for payment of, nor shall it pay nor permit to be paid by Trustee pursuant to the Trust Agreement, any amount for a Project in excess of the amount available therefor in the subaccount of the Project Account related thereto held by Trustee pursuant to the Trust Agreement. The Board shall pay said excess amount as provided in Section 3.05 hereof.

(g) The Corporation, or its assignee, shall have the right to inspect periodically the books and records of the Board relating to each Project, and the Board shall permit the Corporation, or its assignee, to make such inspections thereof at all reasonable times and upon reasonable notice as the Board shall deem appropriate.

(h) The Board agrees that it will be the sole responsibility of the Board that each Project will be acquired, constructed and installed in accordance with the Plans and Specifications, as the same may be amended from time to time as permitted herein. The Board shall be obligated, subject to the conditions stated herein, to pay in full the Lease Payments regardless of whether such Project is acquired, constructed or installed in accordance with the Plans and Specifications.

(i) The Board shall use its best efforts to acquire, construct and install each Project by the dates set forth in the Project Schedule relating thereto. The Board hereby agrees to use its best efforts to obtain, in each Construction Contract, provisions such that if the acquisition, construction or installation of any portion of such Project has not been completed

by the Contractor or Developer through the fault of such Contractor or Developer by such dates, the Board may assess liquidated damages against the Contractor or Developer for each day completion is delayed in an amount equal to the part of the Lease Payments associated with such portion of such Project not completed, prorated to obtain a daily rate.

(j) To the extent that a Project consists of the acquisition of Land (rather than improvements to real property), nothing in this Lease Agreement shall be construed to prohibit the acquisition of such Land by the exercise of the power of eminent domain so long as the title to such real property will ultimately vest in the Corporation and so long as such acquisition shall be permitted by applicable law. The Corporation hereby agrees to take all action reasonably requested by the Board to enable the Board to institute and prosecute successfully any eminent domain proceedings instituted by the Board.

ARTICLE IV

LEASE OF PROJECTS; LEASE PAYMENTS

SECTION 4.01. LEASE OF PROJECTS. In consideration of the payment of the Board to the Corporation, or its assignee, of the Lease Payments and for other valuable consideration, the Corporation hereby leases from time to time each Project to the Board upon the terms and conditions contained herein, as modified by the Lease Schedule relating to such Project. The Board may modify each Project or may substitute or dispose components or portions of a Project as provided in Sections 3.03(b), 5.13 and 5.14 hereof.

SECTION 4.02. TERM OF AGREEMENT. Effective as of the Commencement Date described in the Lease Schedule relating to each Project, the Corporation agrees to rent and lease to the Board and the Board agrees to rent and lease from the Corporation each such Project for the Initial Lease Term. The Initial Lease Term of each Project shall commence on the Commencement Date relating thereto and terminate on the Initial Lease Termination Date relating thereto. Unless this Lease Agreement is terminated pursuant to Sections 4.06, 7.01 or 7.03 hereof, this Lease Agreement will automatically be renewed on the Initial Lease Termination Date for each Project and each succeeding Renewal Term Termination Date relating thereto for the next succeeding Renewal Lease Term until all Lease Payments in regard to all the Projects shall be made and the Certificates are no longer Outstanding. Each Renewal Lease Term shall be for a period of one (1) year. The number of Renewal Lease Terms plus the Initial Lease Term for a Project shall not exceed the Maximum Lease Term described in the Lease Schedule for such Project.

SECTION 4.03. LEASE PAYMENTS. (a) For the right to use and possession of each of the Projects, the Board shall, subject to the provisions of Sections 4.06 and 7.01 hereof, pay to the Trustee, as assignee of the Corporation, the Basic Rent and the Supplemental Rent as hereinafter described.

(b) The Board agrees to pay as lease rental hereunder for each Project, the Basic Rent on or prior to the Basic Rent Payment Dates as set forth in the Lease Schedule relating thereto, as the same may be modified or amended from time to time following any prepayment of Basic Rent for the lease of such Project. Basic Rent Payments consist of a Principal Component and an Interest Component which shall be stated in each Lease Schedule. The portion of Basic Rent attributable to the Interest Component shall not exceed the maximum rate permitted by Section 215.84, Florida Statutes. Each Project may be divided into Groups of leased property as described in the Lease Schedule relating thereto. The Principal Component and Interest Component attributed to each Group of leased property

shall be provided in the Lease Schedule relating thereto. The Board hereby agrees that it shall make all Basic Rent Payments coming due on each Basic Rent Payment Date on or prior to each such Basic Rent Payment Date in accordance with the applicable Lease Schedule, subject to the provisions of Sections 4.06 and 7.01 hereof. THE BOARD SHALL NOT BUDGET AND APPROPRIATE AVAILABLE REVENUES FOR A PORTION OF THE PROJECTS LEASED PURSUANT TO THIS LEASE AGREEMENT; IT MUST BUDGET AND APPROPRIATE LEASE PAYMENTS FOR ALL OF THE PROJECTS DESCRIBED ON ALL LEASE SCHEDULES ENTERED INTO PURSUANT TO THIS LEASE AGREEMENT OR NONE OF THEM. All Basic Rent Payments shall be paid in arrears. The Board shall pay the Basic Rent due hereunder to the Trustee at its Principal Office and the Trustee shall apply same as provided in the Trust Agreement. The Board shall specify which subaccount of the Interest Account and Principal Account the Basic Rent Payments shall be deposited in. To the extent that moneys have been deposited and are available with the Trustee from the proceeds of a Series of Certificates for the purpose of paying Basic Rent relating to a Project pursuant to Section 6.01 of the Trust Agreement, the amount to be appropriated shall not be reduced but the Board shall not be required to transfer funds to the Trustee for payments of such Basic Rent, and the Board shall receive a credit against its obligation to pay such Basic Rent for such amounts on deposit with the Trustee.

(c) Each annual aggregate payment of Basic Rent due hereunder shall be for the right to possess the Projects for each Fiscal Year in which moneys have been appropriated by the Board to pay the Basic Rent coming due in such Fiscal Year, provided that the Basic Rent for the period for which a portion of the proceeds of a Series of the Certificates have been deposited with the Trustee shall be paid from such proceeds, it being hereby acknowledged that said moneys constitute special funds held by the Trustee pursuant to this Lease Agreement and the Trust Agreement to be applied for such purpose.

(d) Commencing with the first Basic Rent Payment Date for the initial Project and on each Basic Rent Payment Date thereafter during which any Projects are leased hereunder, there shall be applied as a credit (provided there are no delinquent Basic Rent Payments) against the aggregate amount of Basic Rent payable on such date for the corresponding Lease Schedule an amount which shall be stated in a report of the Trustee given to the Board pursuant to Section 6.11 of the Trust Agreement, which amount shall be equal to the sum of (i) the amount of interest and other income deposited in each subaccount of the Interest Account pursuant to Sections 6.05 and 6.10 of the Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Trust Agreement, (ii) the amount of moneys, if any, transferred to subaccounts of the Interest Account and Prepayment Fund pursuant to Section 6.03(g) of the Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Trust Agreement, (iii) the amount of moneys, if any, transferred to

each subaccount of the Interest Account pursuant to Section 6.07(f) of the Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Trust Agreement, plus (iv) the amount, if any, on deposit in each subaccount of the Principal Account and Interest Account on the date of the report made by the Trustee pursuant to Section 6.11 of the Trust Agreement which is not derived from the sources described in clauses (i), (ii) and (iii) above. In the event that the total amount of credit exceeds the Basic Rent due on the Basic Rent Payment Date for the corresponding Lease Schedule, the amount of said excess shall be applied as a credit against subsequent Basic Rent Payments for such Lease Schedule. In addition, the Basic Rent may be reduced if the Board chooses to prepay any or all of the Basic Rent. Whenever moneys in the Lease Payment Fund, including all subaccounts of the Reserve Account, shall be sufficient to pay the principal of, Amortization Installments, and interest coming due on the Certificates, moneys in the Reserve Account shall be deposited in the corresponding subaccount of the Interest Account and the Principal Account as required to pay the Certificates of such Series, and no further Basic Rent Payments shall be required hereunder. Should any Basic Rent be paid later than the Basic Rent Payment Date to which such Basic Rent pertains, such Basic Rent shall bear interest at the Overdue Rate from such Basic Rent Payment Date to and inclusive of the date of actual payment.

(e) In addition to the Basic Rent, the Board hereby agrees to pay and discharge from time to time as provided herein, as Supplemental Rent, all other amounts, liabilities and obligations which the Board assumes or agrees to pay to the Corporation, the Trustee, any Credit Enhancers or the issuer of any Reserve Account Insurance Policy or Reserve Account Letter of Credit pursuant to the terms and provisions of any agreements between the Board and such parties, or to others with respect to this Lease Agreement, the Trust Agreement or the Projects, together with interest on any overdue amount, at the Overdue Rate to the date of actual payment. Supplemental Rent shall include, but not be limited to, any redemption premium attributable to the Certificates, the fees and expenses (including reasonable counsel fees and expenses) incurred by the Trustee pursuant to the Trust Agreement or hereunder, all fees and expenses of the Corporation relating to the lease of the Projects or to its corporate existence, and all ongoing expenses relating to the financing of the Projects. The Supplemental Rent shall be paid to Trustee for application in accordance with the terms hereof and of the Trust Agreement.

(f) The Board hereby authorizes the Trustee, as assignee of the Corporation, (i) to create a Reserve Account to be held by the Trustee under the Trust Agreement and to create a separate subaccount within the Reserve Account for each Series of Certificates unless otherwise provided by the Lease Schedule relating thereto, (ii) to deposit in each subaccount of the Reserve Account either a portion of the proceeds from the sale of the

Series of Certificates relating thereto or a Reserve Account Letter of Credit/Insurance Policy equal to the Reserve Requirement relating to such Series or combination thereof, and (iii) to use such amounts or amounts drawn on the Reserve Account Letter of Credit/Insurance Policy deposited in each subaccount of the Reserve Account as set forth in Section 6.07 of the Trust Agreement. In the event the aggregate amount of any cash, the value of any Permitted Investments and the stated amount of any Reserve Account Letter of Credit/Insurance Policy in a subaccount of the Reserve Account shall be less than the Reserve Requirement provided therefor, the Board shall pay to the Trustee (x) in the event such deficiency is due to a transfer from the Reserve Account, from moneys budgeted and appropriated as Basic Rent during the current Fiscal Year and (y) in the event such deficiency is due to a reduction in value of amounts on deposit in the Reserve Account, the Board shall pay to the Trustee, in each case as Supplemental Rent, an amount equal to such deficiency within thirty (30) days of receipt of notice of the deficiency from the Trustee. In the event the Trustee makes a draw on a Reserve Account Letter of Credit/Insurance Policy to pay debt service on a Series of Certificates, the Board shall cause the amount which the Trustee can draw upon such Reserve Account Letter of Credit/Insurance Policy to be reinstated to equal the Reserve Requirement for such Series (or its original stated amount, if the Board shall have deposited into the related subaccount of the Reserve Account a combination of cash and a Reserve Account Letter of Credit/Insurance Policy pursuant to this Section). In the event a Reserve Account Letter of Credit/Insurance Policy on deposit in a subaccount of the Reserve Account expires or is terminated, the Board shall, simultaneously with such expiration or termination, either replace such Letter of Credit/Insurance Policy with a subsequent Reserve Account Letter of Credit/Insurance Policy with a stated amount equal to that of the expired or terminated Letter of Credit/Insurance Policy or transfer to the Trustee, for deposit in such subaccount of the Reserve Account in which such Policy had been deposited, an amount of cash equal to the stated amount of such expired or terminated Letter of Credit/Insurance Policy.

(g) The Board hereby agrees to deposit with the Trustee from Available Revenues as required from time to time, any amounts required to be deposited in the Rebate Fund pursuant to Section 6.12 of the Trust Agreement. Such amounts shall be deemed Supplemental Rent hereunder. The obligation of the Board to pay such rebate requirement shall survive a Default or Event of Non-Appropriation, termination of this Lease Agreement and payment of all Outstanding Certificates; provided, however, the Board shall be liable only for such rebate requirement which would be owing to the United States Treasury if the same became due at the time of the termination of the Lease Agreement.

(h) The Corporation and the Trustee are entitled to accept, receive and cash or deposit any payment made by the Board for any

reason or purpose in any amount whatsoever. No endorsement or statement on any check or letter of the Board shall be deemed as accord and satisfaction or otherwise recognized for any purpose whatsoever. The acceptance of any such payment shall be without prejudice to the Corporation's and Trustee's right to recover any and all amounts owed by the Board hereunder and the Corporation's and Trustee's right to pursue any other available remedy but in all events payable only from Available Revenues lawfully appropriated to the payment of amounts coming due under this Lease Agreement.

SECTION 4.04. PAYMENT IN LAWFUL MONEY; NO SET-OFF. Each Lease Payment shall be paid by the Board in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, to or upon the order of the Corporation at the Principal Office of Trustee or at such other place as the Corporation, or its assignee, shall designate. Notwithstanding any dispute between the Board and the Corporation, but in all events subject to Sections 4.06 and 7.01 hereof, the Board shall make or cause to be made each and all Lease Payments when due and shall not withhold or permit to be withheld any Lease Payments pending the final resolution of such dispute nor shall the Board assert or permit to be asserted any right of setoff, abatement or counter-claim against the obligation to make Lease Payments as set forth herein.

SECTION 4.05. SOURCE OF LEASE PAYMENTS. (a) The Board represents and warrants that for each Initial Lease Term and upon the renewal hereof for any Renewal Lease Term for the Projects the obligation of the Board to make Lease Payments hereunder, for such Fiscal Year of the Board, shall constitute a current expense of the Board and shall not in any way be construed to be a debt of the Board in contravention of any applicable constitutional, statutory or charter limitations or requirements concerning the creation of indebtedness by the Board. THE PAYMENTS DUE HEREUNDER ARE TO BE MADE ONLY FROM THE BOARD'S AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE AND NEITHER THE BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE TO THE CORPORATION OR THE TRUSTEE HEREUNDER FROM SOURCES OTHER THAN APPROPRIATED AVAILABLE REVENUES AND THE FAITH AND CREDIT OF NEITHER THE BOARD, THE DISTRICT, NOR THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED FOR PAYMENT OF SUCH SUMS DUE HEREUNDER AND THE OBLIGATIONS ARISING HEREUNDER DO NOT CONSTITUTE AN INDEBTEDNESS OF THE BOARD, THE DISTRICT, OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION.

(b) All payments of Basic Rent required to be made by the Board under this Lease Agreement shall be made when due without notice or demand, and, subject to Section 7.01 hereof, shall be absolute and unconditional and without any set-off, counterclaim, abatement, deduction or defense (other than payment) whatsoever.

The Board shall not make partial payment of the Basic Rent coming due on any Basic Rent Payment Date.

(c) Subject to the Board's right of Non-Appropriation pursuant to Section 7.01 hereof, the Board hereby covenants to direct its Superintendent to provide for the Lease Payments in each annual tentative Budget which shall be submitted to the Board. Except as otherwise provided in Section 7.01 hereof, the Board agrees to take such action as may be necessary to include all Lease Payments (other than Lease Payments to the extent paid from Certificate proceeds then on deposit in the Lease Payment Fund) due hereunder as a separately stated line item in its Budget and to appropriate in each Fiscal Year from Available Revenues an amount necessary to make the Lease Payments due in such Fiscal Year. During the term of this Lease Agreement, the Board will furnish to the Trustee, as assignee of the Corporation, and each Credit Enhancer a copy of the portion of each official tentative and final Budget of the Board relating to such line item within twenty (20) days after it is printed. Anything in this Lease Agreement or the Trust Agreement notwithstanding, the Board and the Corporation agree that this Lease Agreement, the Trust Agreement and all of the Board's obligations to make the Lease Payments are subject to, and can be terminated by the Board upon the happening of, an Event of Non-Appropriation as described in Section 7.01 hereof; provided, however, that the Board shall not be released from or subject to relief with respect to any obligations on its part arising or accruing prior to such termination including, without limitation, any obligation to deposit rebatable arbitrage in the Rebate Fund which may accrue prior to such termination.

(d) The Board hereby agrees that within three Business Days after the adoption or approval of either the tentative or the final Budget which does not include the full amount of the Lease Payments, it will give notice of that fact to the Trustee and each Credit Enhancer.

(e) In the event the Interest Component of a Basic Rent Payment for the lease of a Project shall be calculated on a variable rate basis, the Board agrees that, subject to Section 7.01 hereof, it shall budget for the payment of such Interest Component for each Fiscal Year an amount equal to such Interest Component which would be payable if it were calculated at the lesser of (i) one hundred twenty percent (120%) of the average interest rate on the Variable Rate Certificates during the immediately preceding six month period (or such lesser period as such Variable Rate Certificates shall have been Outstanding), or (ii) the Maximum Interest Rate relating to such Variable Rate Certificates.

SECTION 4.06. OPTIONAL PREPAYMENT; DEFEASANCE. (a) The Board shall have the option, so long as no Event of Default hereunder has occurred and is continuing, from any moneys then available for such purpose, on any Optional Prepayment Date for the Series of

Certificates relating to a Project, to prepay all or a portion of the Basic Rent relating to such Project or Group within such Project upon not less than forty-five (45) days written notice given prior to such Optional Prepayment Date to the Trustee accompanied by the deposit of the amount of such prepaid Basic Rent with the Trustee not less than thirty-five (35) days prior to the applicable Optional Prepayment Date. Optional prepayments made pursuant to this Section 4.06 may be allocated to a particular Project, or any Group of leased property within a Project. Any prepayment notice delivered pursuant to this Section 4.06(a) shall state (i) that the Board is exercising its right of prepayment pursuant to Section 4.06(a) of the Lease Agreement, (ii) the amount of such prepayment and the Lease Schedule or Lease Schedules to which it pertains, (iii) the Optional Prepayment Date to which such prepayment applies, (iv) the amount of prepayment applicable to a Project or Group within a Project and, therefore, to the Series of Certificates and maturities of such Series relating thereto, and (v) that the deposit with the Trustee of such prepaid amount constitutes an irrevocable option of the Board to prepay Basic Rent in the amount of such prepayment. Each prepayment shall be in an amount equal to a principal amount of Certificates (in denominations of $5,000 or any whole multiple thereof in the case of Current Interest Certificates and in denominations of $5,000 maturity value and any whole multiples thereof in the case of Capital Appreciation Certificates) to be redeemed on such Optional Prepayment Date, plus the Prepayment Premium, if any, applicable to a redemption of Certificates on the Optional Prepayment Date designated by the Board in such notice of prepayment, all as provided in the Trust Agreement. Interest on Certificates to be redeemed pursuant to an optional prepayment under this Section accrued to the Optional Prepayment Date set forth in the notice of prepayment above shall be paid by the Trustee from moneys on deposit in the account of the Prepayment Fund and the subaccount of the Interest Account which are pledged to the payment of such Certificates.

(b) In the event of a prepayment, in part, of Basic Rent Payments for a Project or Group within a Project, such Basic Rent Payments provided in the Lease Schedule relating thereto shall be adjusted downward by the Trustee to reflect the reduction in the Principal Component and Interest Component of the remaining Basic Rent resulting from such prepayment. Such adjustment shall be done in such manner as to match remaining payments of Basic Rent provided in such Lease Schedule with principal and interest coming due on Certificates which remain Outstanding related thereto.

(c) So long as no Event of Default has occurred and is continuing, the Board may secure the payment of Basic Rent for a Project or Group within a Project by a deposit with the Trustee, as provided in Section 12.01 of the Trust Agreement, of either (i) an amount of moneys which is sufficient to pay such Basic Rent, including the Principal Component, Interest Component and

Prepayment Premium, if any, on the Basic Rent Payment Dates or Optional Prepayment Dates, if applicable, and any Supplemental Rent which may be due, or (ii) Refunding Securities, together with cash, if required, in such amount as will, together with interest to accrue thereon, be fully sufficient to pay such Basic Rent including the Principal Component, Interest Component and Prepayment Premium, if any, on their Basic Rent Payment Dates or Optional Prepayment Dates, if applicable, and any Supplemental Rent which may be due. Upon the Board meeting the requirement of this Section 4.06(c), the Corporation shall be entitled to payment of such Basic Rent Payments solely from such cash and/or Refunding Securities.

(d) In the event Refunding Certificates are issued which refund only a portion of an Outstanding Series of Certificates, the schedule of Basic Rent Payments for the corresponding Project and Group within such Project affected by such Refunding Certificates will remain the same but a credit will be given to the Board by the Trustee to take into account that payment of a portion of the Principal Component and the Interest Component which has been provided for by such refunding or defeasance of such portion of such Certificates from the issuance of said Refunding Certificates.

(e) In the event of a deposit with the Trustee of moneys and/or Refunding Securities for the purpose of paying or providing for payment of Certificates in accordance with Article XII of the Trust Agreement, all covenants, agreements and other obligations of the Board under this Lease Agreement, with respect to such Certificates shall be deemed performed except (i) those provisions hereof which by their express terms survive any such payment and defeasance and (ii) the obligation of the Board to make or cause to be made, Basic Rent Payments and Supplemental Rent payments on or for such Certificates from the moneys and/or Refunding Securities deposited pursuant to said Article XII of the Trust Agreement.

(f) In the event the Board prepays Basic Rent for a Group within a Project pursuant to Sections 4.06(a) or 4.06(c) hereof, such Prepayment shall be allocated, to the extent practicable, to maturities of Certificates relating to such Group.

SECTION 4.07. TITLE. (a) Until the date on which payment, or provision for payment as provided in Section 4.06(c) hereof, of the Lease Payments relating to a Project or Group within a Project, other than Designated Equipment, has been made, title to such Project or Group within a Project (including all substitutions thereto) upon acquisition, construction and installation thereof shall remain vested in the Corporation, subject to Permitted Encumbrances and subject to the terms of the Trust Agreement. At such time as payment, or provision for payment as provided in Section 4.06(c) hereof, of all Lease Payments relating to a Project or Group within a Project, other than Designated Equipment, has been made in full, the Board shall be considered to have exercised

an option to purchase such Project or Group within a Project, as the case may be, and fee simple title to such Project or Group within a Project free and clear of all encumbrances, except Permitted Encumbrances, shall vest automatically in the Board. Title to a portion of the Project which has been substituted for pursuant to Section 5.14 hereof and a portion of a Project disposed by the Board pursuant to Section 5.13 hereof shall vest automatically in the Board. The Corporation shall deliver any and all documents required to assure vesting of title. The Corporation hereby appoints the Board as its agent to prepare and file or record in appropriate offices such documents as may be necessary to cause record title to such Project or Group within a Project to be in the Board.

(b) Title to all Designated Equipment shall, upon acquisition thereof, vest free and clear in the Board. Even if this Lease Agreement is terminated pursuant to Sections 7.01 or 7.03 hereof prior to the time Basic Rent Payments for Designated Equipment have been made in full by the Board, the Certificate Owners shall have no rights to or remedies against the Designated Equipment.

ARTICLE V

COVENANTS; REPRESENTATIONS AND WARRANTIES

SECTION 5.01. THE BOARD'S GENERAL COVENANTS. The Board agrees that this Lease Agreement shall continue in full force and effect, subject to the provisions relating to termination hereof, regardless of the inability or unwillingness of the Board to use any Project because of any reason whatsoever, including, but not limited to, wear, act of God, war, strike, condemnation, loss or damage, defect, obsolescence or breach of warranty. The Board covenants and represents that this Lease Agreement and the performance of the Board's obligations hereunder have been duly approved, authorized, executed and delivered with all proper procedures fully complied with, and that this Lease Agreement is a valid, legal and binding obligation of the Board enforceable in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles. The Board further covenants and represents as follows:

(a) The Board is a duly created school board existing under the laws of the State of Florida and is the governing body of the District.

(b) There are no pending or threatened lawsuits or administrative or other proceedings contesting the authority for, authorization or performance of, or expenditure of funds pursuant to, this Lease Agreement.

(c) The Board shall only lease Projects for which it has an immediate need and for which it expects to make immediate use, which need shall not be temporary or be expected to diminish during the Maximum Lease Term related thereto, except for the Designated Equipment.

(d) Prior to leasing any Project hereunder the Board shall certify to the Trustee if there are any circumstances presently known to the Board affecting the Board that could reasonably be expected to alter its foreseeable need for such Project or adversely affect its ability or willingness to budget Available Revenues for the payment of sums due hereunder.

(e) Prior to leasing any Project hereunder the Board shall review its projected revenues, expenses and anticipated Available Revenues for the Maximum Lease Term and shall not lease such Project unless it reasonably expects that it shall have on hand Available Revenues sufficient to timely make all payments as they become due under this Lease Agreement during the term this Lease Agreement is anticipated to be outstanding.

(f) Subject to the provisions of Section 7.01 of this Lease Agreement, the Board intends to make appropriations for payments for each Fiscal Year only from Available Revenues.

(g) All procedures required by applicable law regarding the award or negotiation of contracts relating to the acquisition, construction and installation of a Project will be complied with by the Board.

(h) At the Corporation's or the Trustee's request, the Board shall execute and deliver to the Corporation or the Trustee all instruments and do all other acts reasonably necessary to effectuate the intent of this Lease Agreement.

(i) The Board shall permit the Corporation and the Trustee, and their representatives and agents, at all reasonable times, to inspect the Projects; provided, however, that the Trustee and the Corporation are not obliged to make any inspections of the Projects.

(j) The Board shall promptly correct (or cause the Vendor, Contractor or Developer to correct) any defect in the acquisition, construction and installation of a Project or departure from the Plans and Specifications related thereto, except to the extent said Plans and Specifications are modified pursuant to the provisions hereof.

(k) The Board shall give the Trustee prompt written notice of any material litigation or proceedings concerning the Board or any Project and of any dispute concerning the Board or any Project if the dispute may substantially interfere with the timely acquisition, construction and installation of such Project or with the Board's ability to meet its obligations under this Lease Agreement.

(l) The Board shall commence (or cause the Contractor or Developer to commence) construction of a Project involving construction of a Building and diligently pursue construction to completion of such Project on or before the Estimated Completion Date without permitting any lien, claim, or assessment (actual or contingent) to be asserted or filed against such Project for any material, labor, or other item furnished in connection with the construction, which claim, lien, or assessment is not satisfied or transferred to bond within twenty (20) days after it is asserted or filed. At all times during the acquisition and construction of such Project, and to the extent required by applicable law, the Board shall, or shall cause the Contractor or Developer to, comply with the Florida Mechanics' Lien Law, Chapter 713, Florida Statutes, and with all requirements imposed by all governmental authorities having jurisdiction over the acquisition and construction and by all insurance underwriters providing insurance for such Project. Except for Construction Contracts which do not

exceed $500,000, the Board shall cause each Contractor or Developer to obtain and deliver to the Board performance and payment bonds covering one hundred percent (100%) of the value or costs under each Construction Contract for the construction of such Project.

(m) In the case of a Project involving construction of a Building, the Board shall provide the Corporation, Credit Enhancer for the Certificates the proceeds of which shall be used to finance the acquisition and construction of such Project and the Trustee the following additional assurances:

(i) If requested and applicable, but only as and when available, all certificates of occupancy, footing or Corporation surveys, "as built" surveys, certificates, appraisals, reports, endorsements, and agreements, the names of all Persons with whom the Board has contracted or intends to contract with in connection with the acquisition, construction and installation of such Project, schedules of all statements for labor and materials for the acquisition, construction and installation of such Project together with copies of all statements, copies of all budget revisions concerning the acquisition, construction and installation of such Project indicating the funds required at any given time to complete such acquisition, construction and installation, and any other documents reasonably required to be furnished.

(ii) If requested, during the acquisition, construction and installation of such Project and upon completion of such acquisition, construction and installation, furnish an Architect's or Engineer's written opinion to the effect that such Project, as constructed, complies with all restrictions recorded and with all applicable governmental laws, regulations, rules, ordinances, orders and codes relating to the construction thereof.

(iii) Furnish when available, a certificate of occupancy and all other similar certificates required to be issued by any governmental agency in connection with the acquisition, construction, installation or occupancy of such Project.

(n) In the case of a Project involving construction of a Building, the Board shall continuously employ or cause to be employed a licensed Architect to supervise the acquisition, construction and installation of such Project.

(o) In the case of a Project involving construction of a Building, the Board shall continuously employ or cause to be employed a licensed Engineer to supervise the acquisition, construction and installation of such Project.

(p) Simultaneously with the acquisition of any component of a Project constituting Land, the Corporation and the Board shall

amend the Lease Schedule relating thereto and the applicable Ground Lease to include a metes and bounds description of the Land so acquired.

(q) If an Event of Default or an Event of Non-Appropriation hereunder has occurred, at the Trustee's option with the consent of the applicable Credit Enhancer, the Trustee, as assignee of the Corporation, may make, but is not required to make, any or all subsequent disbursements from a subaccount of the Project Account directly to the Vendors, Contractors or Developers of the Project related to such subaccount. The Board's execution of this Lease Agreement and the related Lease Schedules constitutes an irrevocable authorization for the Trustee to make disbursements directly to such Vendors, Contractors or Developers. In the absence of negligence or misconduct on the part of the Trustee, the Board agrees that all disbursements made to the Vendors, Contractors or Developers shall constitute full performance of the Trustee's obligations to the Board under this Lease Agreement. The Trustee's decision to make a disbursement shall not constitute a waiver of any of the provisions of this Lease Agreement and the related Lease Schedules. If the Board is in default under this Lease Agreement and the Board is unable to cure its default, the Trustee's decision to make a disbursement shall not preclude the Trustee, as assignee of the Corporation, from declaring the Board in default under this Lease Agreement.

SECTION 5.02. ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES. (a) The Board represents and warrants that execution of each Requisition by the Board shall constitute an affirmation of the completeness and accuracy of the following representations and warranties as of the date of such execution:

(i) The Board has delivered to the Trustee a complete, fully executed copy of the Construction Contracts, purchase orders and agreements for the acquisition, construction and installation of the Project described in such Requisition, and such contracts, purchase orders and agreements are presently in full force and effect according to their respective terms; the Board is not in default under such contracts, purchase orders and agreements; and the Board has no knowledge of any violation of such contracts, purchase orders and agreements.

(ii) There are no governmental actions or proceedings (except actions or proceedings that are fully covered by insurance) pending or, to the Board's knowledge, threatened affecting the Board or the Project described in such Requisition, which, if adversely determined, would materially adversely impair the Board's ability to perform its obligations under this Lease Agreement.

(iii) The Board knows of no violation and has no notice of a violation of any court order or of any law, regulation,

ordinance, rule, order, code or requirement of any governmental authority having jurisdiction over all or any portion of the Project described in such Requisition that may materially detrimentally affect the development and operation of such Project as planned.

(iv) In the case of a Project involving construction of a Building, all governmental permits and approvals required for the construction and installation of such Project have been obtained, except for permits which may be obtained in the normal course without undue delay or unusual expense and which the Board hereby covenants to obtain.

(v) All utility services necessary for the construction of the Project and the operation of the Project have been extended to the Project, including, but not limited to, water, storm and sanitary sewer facilities, electricity and telephone service or sufficient amounts have been deposited in the corresponding account of the Project Fund for such purpose.

(vi) Except for drives located on the Project, the rights of way for all roads necessary for the proposed utilization of the Project have either been acquired by the appropriate governmental authority or dedicated to and accepted by the appropriate governmental authority or sufficient amounts have been deposited in the corresponding account of the Project Fund for such purpose. All such roads are improved or, if not improved, all necessary steps have been taken by the Board and the responsible governmental authority to assure their completion before the date when access to the Project via such roads will be necessary. All curb cuts and traffic signals required in connection with the operation of the Project are complete or are approved for construction by all necessary governmental authorities.

(vii) All representations, warranties, covenants and agreements made by the Board in connection with this Lease Agreement may be relied upon by the Corporation and the Trustee notwithstanding any independent investigation made on behalf of the Corporation or the Trustee.

(b) The inability of the Board to affirm the completeness and accuracy of the representations and warranties in Section 5.02(a) hereof in regard to a Requisition shall not cause the Trustee to not honor the request to pay the amounts described in such Requisition unless the Board is in default under this Lease Agreement.

SECTION 5.03. QUIET ENJOYMENT. The parties hereto mutually covenant that the Board, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Lease Agreement peaceably and quietly have, hold and enjoy

each Project without suit, trouble or hindrance from the Corporation and free from any claims against the Corporation and the Trustee and all persons claiming thereunder, by or through the Trustee or the Corporation.

SECTION 5.04. PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE. The Board shall maintain or cause to be maintained, throughout the Lease Term, subject to the requirements of State law and if reasonably available from a commercial carrier, a standard comprehensive general liability insurance policy or policies in protection of the Board and the Corporation (and the Corporation's assigns hereunder), their members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by the acquisition, installment or operation of the Projects. Said policy or policies shall provide coverage equal to the liability limits set forth in Section 768.28, Florida Statutes, as the same may be amended from time to time, and in a minimum amount of $100,000 for damage to property (subject, in each case, to a deductible clause of not to exceed $25,000). Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the Board, and may be maintained in whole or in part in the form of self-insurance by the Board, provided such self-insurance complies with the provisions of Section 5.07 hereof. The Net Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the Net Proceeds of such insurance shall have been paid.

SECTION 5.05. FIRE AND EXTENDED COVERAGE INSURANCE AND FLOOD INSURANCE. (a) The Board shall procure and maintain, or cause to be procured and maintained, throughout the Lease Term, subject to the requirements of State law, insurance against loss or damage to any part of the Projects by fire or lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, also cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to one hundred percent (100%) of the replacement cost of the Projects, or the aggregate coverage of all such policies on the Projects shall at least equal the Principal Component of the Basic Rent Payments then remaining unpaid, whichever is greater (except that such insurance may be subject to deductible clauses not to exceed $100,000 in the aggregate for any one loss). Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried or required to be carried by the Board, and may be maintained in whole or in part in the form of self-insurance by the Board, provided such self-insurance complies with the provisions of Section 5.07 hereof. The Net

Proceeds of such insurance shall be applied as provided in Section 5.06 hereof.

(b) Flood insurance shall be separately maintained by the Board for any property included in a Project which is located in a federally designated flood plain, in such amounts per occurrence as are available at commercially reasonable costs and in minimum amounts necessary to qualify for federal disaster relief programs. In the event the Board considers flood insurance to be unavailable at commercially reasonable rates, it shall so notify the Trustee and the Credit Enhancer(s), if any, for the Project(s) to which such flood insurance relates. If such Credit Enhancer(s) identify insurance for such coverage at commercially reasonable rates, the Board shall be obligated to obtain such insurance. In the event that such Credit Enhancer(s) and the Board determine that flood insurance is unavailable at commercially reasonable rates, such flood insurance shall be maintained in whole in the form of self-insurance by the Board in compliance with the provisions of Section 5.07 hereof.

(c) The insurance required to be maintained by the Board pursuant to this Section 5.05 shall be provided by carriers rated at least "A" by Standard & Poor's Corporation (a "Qualified Insurer") unless the Credit Enhancer(s), if any, for the Project(s) to which such insurance relates shall approve an insurer with a lower rating. If an insurer's rating falls below "A" (or, with respect to an insurer approved as aforesaid with a rating lower than "A", falls below the rating such insurer had when approved), such insurer shall be replaced with a Qualified Insurer unless the Credit Enhancer(s), if any, for the Project(s) to which such insurance relates shall approve an insurer with a lower rating.

SECTION 5.06. NET PROCEEDS OF INSURANCE; FORM OF POLICIES. Each policy of insurance obtained pursuant to or required by Section 5.05 hereof which relates to the Projects shall provide that all proceeds thereunder shall be payable to the Trustee for the benefit of the Owners of the Certificates. Proceeds of self-insurance maintained pursuant to Sections 5.05 and 5.07 hereof shall be paid by the Board to the Trustee for the benefit of the Owners of the Certificates. Copies of all policies of insurance required by this Lease Agreement shall be delivered to the Trustee. The Board shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease Agreement, and shall promptly furnish or cause to be furnished to the Trustee evidence of such payments. All such policies shall provide that the Trustee shall be given not less than thirty (30) days notice of each expiration, any intended cancellation and any intended reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee.

SECTION 5.07. SELF-INSURANCE. Any self-insurance maintained by the Board pursuant to the foregoing provisions, shall comply with the following terms:

(a) The self-insurance program shall be approved by the Insurance Consultant;

(b) The self-insurance program shall include a sound claims reserve fund out of which each self-insured claim shall be paid; the adequacy of such fund shall be evaluated on an annual basis by the Insurance Consultant; and any deficiencies in the fund shall be remedied in accordance with the recommendations of the Insurance Consultant;

(c) The self-insurance claims reserve fund shall be held in a bank account credited for the purpose of maintaining such self-insurance funds, which bank account may be under the control of the Board and may be commingled with other Board moneys; and

(d) In the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund shall be maintained; and

(e) The Board may obtain the required insurance coverages through a self-insured governmental pool which meets the criteria described above.

(f) Amounts deposited into the self-insurance claims reserve fund shall not be subject to appropriation by the Board in order to apply such funds to pay claims.

SECTION 5.08. RISK OF LOSS; STIPULATED LOSS VALUES; USE OF PROCEEDS. (a) As between the Corporation and the Board, the Board hereby assumes the entire risk of loss, from any and every cause whatsoever to the Projects.

(b) Except as provided in Section 5.08(c) hereof, the Board shall cause the Net Proceeds relating to a Project of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election received pursuant to Sections 5.05 and 5.07 hereof and of any title insurance award in excess of the Replacement Amount for such Project to be applied to the prompt repair, restoration or replacement of such destroyed, damaged, lost or condemned Project (which repair, restoration or replacement property shall become part of such Project). The title to all replacement portions to such Project, other than Designated Equipment, shall be in the name of the Corporation. Except as otherwise provided herein, any such Net Proceeds shall be deposited with the Trustee in the subaccount of the Project Account from which the acquisition and construction of such Project was financed and shall be disbursed by the Trustee in accordance with the Trust Agreement; provided, however, that any amounts remaining after

completion of such repair, restoration or replacement shall be paid to the Board. If such Net Proceeds are insufficient to pay for such repair, restoration or replacement, the Board shall (from the Board's Available Revenues) simultaneously deposit the amount of such deficiency with the Trustee, which deficiency shall constitute Supplemental Rent. Any Net Proceeds of insurance or condemnation award or of any appropriation made in connection with self-insurance election which is equal to or less than the Replacement Amount for such Project may, at the option of the Board, be deposited to the subaccount of the Interest Account relating to Certificates which financed or refinanced such Project.

(c) The Board may elect not to repair, restore or replace a Project which has been destroyed, damaged, lost or condemned, or any portion thereof, with the Net Proceeds of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election, by filing a certificate with the Trustee stating that (i) it has made such election, (ii) it is not in the best interests of the Board to repair, restore or replace such Project, or portion thereof, and (iii) the Board intends to abandon and cease to operate such Project, or portion thereof, damaged, destroyed, lost or condemned; provided, further, there shall be a Mandatory Prepayment in the amount of the Stipulated Loss Value (as hereinafter described) of the Project, or portion thereof, which is not repaired, restored or replaced, and if the Net Proceeds are insufficient therefor, the deficiency shall constitute Supplemental Rent hereunder and shall be immediately due and payable from the Board's Available Revenues.

(d) The Stipulated Loss Value attributable to a loss of all of a Project shall be computed as the amount necessary to pay the Principal Component of and Interest Component on the Series of Certificates, the proceeds of which financed or refinanced the acquisition and construction of such Project, on the next succeeding Mandatory Prepayment Date. In the event that less than all of a Project then subject to this Lease Agreement suffers such a loss, damage or destruction, the Stipulated Loss Value shall be the product of (i) the result computed by the foregoing sentence multiplied by (ii) a fraction, the numerator of which is the original Cost of the portion of such Project suffering such loss, damage or destruction and the denominator of which is the aggregate Project Cost for the entire Project then subject to this Lease Agreement, including those items suffering such loss, damage or destruction. In each case, the Stipulated Loss Value shall also include any Supplemental Rent then due hereunder. Upon payment of such Stipulated Loss Value by Board, such Stipulated Loss Value shall be deposited to the credit of the account established in the Prepayment Fund for the sole benefit of the Owners of the Series of Certificates, the proceeds of which were used to finance or refinance the acquisition and construction of such Project. In the event of payment of the Stipulated Loss Value of a portion of the Project, the schedule of Basic Rent Payments in the Lease Schedule

for such Project shall be adjusted downward by the Trustee to reflect the reduction in the Principal Component and Interest Component and the remaining Basic Rent resulting from such mandatory prepayment. Such adjustment shall be done in such manner as to match remaining aggregate payments of Basic Rent relating to the destroyed, damaged or condemned Project with principal of and interest coming due on the Series of Certificates which remain Outstanding, the proceeds of which were used to finance or refinance the acquisition and construction of such Project.

SECTION 5.09. PAYMENT OF TAXES. The Board will pay or cause to be paid all taxes, assessments and other governmental charges, if any, that may be levied, assessed or charged upon any Project, or any part thereof, promptly as and when the same shall become due and payable; provided, however, that the Board shall not be required to pay any such tax, assessment or charge, if the validity thereof shall concurrently be contested in good faith by appropriate proceedings, the interests of the Corporation and the Trustee shall not be in jeopardy and if the Board shall set aside, or cause to be set aside, reserves deemed by it to be adequate with respect thereto; and, provided, further, that the Board, upon the commencement of any proceedings to foreclose the lien of any such tax, assessment, or charge, will forthwith pay, or cause to be paid, any such tax, assessment or charge, unless contested in good faith as aforesaid. The Board will not suffer any Project or any part thereof, to be sold for any taxes, assessments or other charges whatsoever, or to be forfeited therefor. The Board will also pay or cause to be paid all taxes, assessments and other governmental charges which may be imposed on the Corporation or its operations as a result of the transactions, including the formation and organization of the Corporation, contemplated by this Lease Agreement.

SECTION 5.10. CARE AND USE OF PROJECTS. (a) The Board, at its expense, shall maintain each Project in good operating condition, repair and appearance, and protect same from deterioration other than normal wear and tear; shall cause each Project to be used in compliance with the requirements of applicable laws, ordinances and regulations and the requirements of any policy of insurance required under Sections 5.04 and 5.05 hereof; shall cause each Project to be operated by competent persons only and shall obtain, at the Board's expense, all permits and licenses, if any, required by law for the operation of each Project. The Board agrees that neither the Corporation nor the Trustee shall be responsible for latent defects, wear and tear or gradual deterioration or loss of service or use of any Project or any part thereof. The Board shall have the benefit of all warranties, contracts and rights against any Vendor, Contractor, Developer, materialmen or supplier. Neither the Corporation nor the Trustee shall be liable to the Board or anyone else for any liability, injury, claim, loss, damage or expense of any kind or nature caused directly or indirectly by the inadequacy of any

Project or any item supplied by any Vendor, Contractor, Developer, materialmen or supplier or any other party, any interruption of use or loss of service or use or performance of any Project, any loss of business or other consequence or damage, whether or not resulting directly or indirectly from any of the foregoing.

(b) All obligations of the Board under this Section shall be at the Board's sole cost and expense. All costs of operation of each Project and all costs of repair and replacement of each Project resulting from ordinary wear and tear or want of care on the part of the Board shall be the sole responsibility of the Board.

SECTION 5.11. [RESERVED].

SECTION 5.12. OTHER LIENS. (a) The Board shall keep each Project and all parts thereof free from judgments and, except as to Permitted Encumbrances, free from all liens, claims, demands and encumbrances of whatsoever nature or character, to the end that each Project may at all times be maintained and preserved, and the Board shall keep each Project free from any claim or liability which might impair or impede the operation of such Project or the security granted in the Trust Estate to Certificate Owners by the Trust Agreement; provided, however, that the Board shall not be required to pay any such liens, claims or demand if the validity thereof shall concurrently be contested in good faith by appropriate proceedings, if interests of the Corporation and the Trustee shall not be in jeopardy and if the Board shall set aside or cause to be set aside reserves deemed by it to be adequate with respect thereto; and, provided, further, that the Board upon the commencement of any proceedings to foreclose the lien of any such charge or claim, will forthwith pay or cause to be paid any such charge or claim unless contested in good faith as aforesaid. The Board agrees not to lease-purchase any Equipment hereunder except to the extent consented to by the Department or otherwise permitted by applicable law.

(b) The Board shall never, under any circumstances, have the power to subject the interest of the Corporation or its assignee in the Project to any mechanic's or materialman's lien or liens of any kind.

(c) The Board covenants and agrees with the Corporation that the Board will not permit or suffer to be filed or claimed against the interests of the Corporation and its assignee in the Project during the Lease Term any lien or claim of any kind and, if such lien be claimed or filed, it shall be the duty of the Board, within thirty (30) days after the Board shall have been given written notice of such claim being filed in the Public Records of Hillsborough County, Florida to cause the Project to be released from such claim, either by payment or by posting of a bond or by the payment into a court of competent jurisdiction the amount

necessary to relieve and release the Project from such claim or in any other manner which, as a matter of law, will result within such period of thirty (30) days in releasing the Corporation and its assignee and Corporation's and its assignee's interest or interests from such claim.

SECTION 5.13. ENCUMBRANCES OR SALES. (a) Except as permitted in this Lease Agreement and except for Permitted Encumbrances, the Board will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon any Project or any portion thereof, or upon any real or personal property (which is not a portion of the Project) essential to the operation of such Project. The Board will not sell or otherwise dispose of any portion of a Project or any such property essential to the proper operation of a Project, except as provided below and in Section 5.14 hereof.

(b) In the manner and subject to the conditions for disposal of property of the Board by law, the Board may sell portions of a Project, other than Equipment, for fair market value upon the following conditions:

(i) The Board shall give notice to the Trustee and the applicable Credit Enhancer, if any, of each such sale not less than thirty (30) days prior to such sale;

(ii) The Board determines pursuant to a certificate of an Authorized Officer that such portion of a Project is no longer needed for the purposes of such Project or such portion should be replaced with property having greater usefulness or value;

(iii) Such disposition shall not, in the opinion of Special Counsel, cause the Interest Component of the Basic Rent Payments received by the Owners of the Certificates to become includible in gross income of such Owners for purposes of federal income taxation; and

(iv) The Board shall use the proceeds of such sales either (A) to provide property (which shall become a part of the Project) of equal usefulness and value to the Board or (B) apply the Stipulated Loss Value (calculated in accordance with Section 5.08(d) hereof) thereof (but only if such value exceeds the corresponding Prepayment Amount) as a prepayment of Basic Rent.

The Corporation and the Trustee (subject to the provisions of the Trust Agreement) agree to take all action within their powers required to enable the Board to sell or otherwise dispose of any such property.

SECTION 5.14. SUBSTITUTION OF EQUIPMENT. Subsequent to the Completion Date of a Project, the Board may substitute for an item of Equipment which constitutes a part of such Project other

equipment by filing with the Trustee, as assignee of the Corporation, a certificate of an Authorized Officer of the Board stating that such substitute equipment (a) has the same or a greater remaining useful life than the Equipment to be substituted (determined at the time of substitution), (b) has a fair market value equal to or greater than the fair market value of the item of Equipment for which it is substituted (determined at the time substitution), (c) is free and clear of all liens and encumbrances, except the Permitted Encumbrances, (d) has been titled in the name of the Corporation, except in the case of Designated Equipment which shall be titled in the name of the Board, (e) constitutes "Equipment" under this Lease Agreement, and (f) is essential to the operation of the school system. The Board may substitute Equipment which does not meet any of the foregoing provisions if it receives the written consent of Credit Enhancer for the Certificates, the proceeds of which were used to finance the acquisition of such Equipment, to do so.

SECTION 5.15. PROSECUTION AND DEFENSE OF SUITS. (a) The Board shall promptly, upon request of the Corporation, or its assignee, from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to any Project, or any portion thereof, and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall, to the extent permitted and limited by applicable law and only from Available Revenues, indemnify or cause to be indemnified the Corporation, and its assigns, for all loss, cost, damage and expense, including reasonable attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceedings.

(b) The Board shall defend, or cause to be defended against every suit, action or proceeding at any time brought against the Corporation, or its assignee, or its or their directors, officers and employees upon any claim arising out of the receipt, application or disbursement of any moneys held by the Trustee or arising out of the construction of any Project involving the rights of the Corporation, or its assignee, or its or their directors, officers and employees under this Lease Agreement or any act or omission of the directors, officers and employees done or omitted to be done within the scope of their respective office or employment, other than an act or omission which is the result of misconduct or negligence by such parties; provided, that the Corporation, and its assignee, at their election, may appear in and defend any such suit, action or proceeding. To the extent permitted and limited by applicable law and only from Available Revenues, the Board shall indemnify or cause to be indemnified the Corporation, and its assignee, against any and all claims, demands, costs or liability claimed or asserted by any person, arising out of such receipt, application or disbursement.

SECTION 5.16. FURTHER ASSURANCES. Whenever and so often as requested so to do by the Corporation, or its assignee, the Board will promptly execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully to vest in the Corporation, or its assignee, all rights, interest, powers, benefits, privilege and advantages conferred or intended to be conferred upon the Corporation by this Lease Agreement.

SECTION 5.17. REPORTING REQUIREMENTS. Upon request, the Board will furnish, or cause to be furnished, to the Corporation, or its assignee, and each Credit Enhancer detailed certified reports of audit covering the operations of the Board for said Fiscal Year showing the general funds, revenues and expenses for such period.

SECTION 5.18. CORPORATION NOT LIABLE. Neither the Corporation nor its members, officers, agents, employees, nor its assignee, shall be liable to the Board or to any other party whomsoever for any death, injury or damage that may result to any Person or property by or from any cause whatsoever in, on or about any Project. To the extent permitted and limited by applicable law and solely from Available Revenues, the Board shall indemnify or cause to be indemnified and hold the Corporation, its members, officers, agents, employees, and its assignee, harmless from, and defend or cause to be defended each of them against, any and all claims, liens and judgments for death of or injury to any Person or damage to property whatsoever occurring in, on or about any Project.

SECTION 5.19. INDEMNIFICATION DUE TO TRUSTEE AND CORPORATION. The Board shall pay, or cause to be paid, to the Trustee, as assignee of the Corporation, fees, compensation and expenses due under the Truet Agreement upon billing therefor by the Irustee, as assignee of the Corporation, provided the payment of such fees, compensation and expenses shall be agreed to in writing by the Board. In addition, to the extent permitted and limited by applicable law and solely from Available Revenues, the Board shall and hereby agrees to indemnify, or cause indemnification of, and hold, or cause to be held, the Corporation and the Trustee, as assignee of the Corporation, harmless from and against all claims, losses and damages, including reasonable legal fees and expenses, arising out of (a) the use, maintenance, condition or management of the Projects by the Board, (b) any breach or default on the part of the Board in the performance of any of its obligations under this Lease Agreement, (c) any act of negligence of the Board, or of any of its agents, contractors, servants, employees or licensees with respect to the Projects, (d) the authorization of payment of Project Costs by the Board, (e) the defense against actions or proceedings in which the validity of this Lease Agreement is or

might be questioned and the payment or compromise of claims or demands asserted in any such actions or proceedings, or (f) the issuance of the Certificates. No indemnification will be made under this Section or elsewhere in this Lease Agreement for willful misconduct, gross negligence, negligence of breach of duty by the Trustee, its officers, agents, employees, successors or assigns.

SECTION 5.20. NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Lease Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of Lease Payments pursuant to Section 4.03 hereof or for any claim based thereon under this Lease Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 5.21. RESTRICTION AGAINST PLEDGE. The Corporation shall not pledge Lease Payments or other amounts derived from the Projects or from rights of the Corporation under this Lease Agreement nor shall the Corporation encumber or place any lien upon the Projects, except as otherwise provided in this Lease Agreement, the Trust Agreement and the Assignment Agreement.

SECTION 5.22. ASSIGNMENT BY CORPORATION. Except pursuant to the Assignment Agreement and except as set forth herein, the Corporation shall not assign this Lease Agreement, its rights to receive Lease Payments or its duties and obligations hereunder.

SECTION 5.23. NO VIOLATION OF OTHER AGREEMENTS. (a) The Board hereby represents that neither the execution and delivery of this Lease Agreement and the Trust Agreement, nor the fulfillment of and compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of terms or violation of any other agreement to which the Board is a party or by which the Board is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Board, or upon the Projects, except Permitted Encumbrances.

(b) The Corporation hereby represents that neither the execution and delivery of this Lease Agreement, the Assignment Agreement and the Trust Agreement, nor the fulfillment of and compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of terms or violation of any other agreement to which the Corporation is a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or

imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Projects, except Permitted Encumbrances.

SECTION 5.24. DEBT NOT ASSUMED BY CORPORATION. The parties hereto expressly acknowledge and agree that the Corporation (and its assigns hereunder), by the entering into of this Lease Agreement and the other Financing Documents, does not assume or guarantee, or otherwise obligate itself for, or become liable for, the payment of, or contingently agree to purchase, any debt of any Person.

SECTION 5.25. CONSENT TO DISMISS. The Board acknowledges that the Corporation is a third party lease purchase financing source for the Projects and the Board hereby agrees to consent to, and to refrain from objection to, a motion made by the Corporation to be dismissed from any lawsuit brought by a third party arising out or in any way relating to this Lease Agreement with respect to any Project or the ownership, rental, possession, operation, condition, sale or return of any Project. This covenant by the Board to consent to and refrain from objection to such a motion to dismiss shall include the Corporation's assigns and their respective agents, employees, officers and directors. It is understood by and between the Corporation and the Board that this covenant is not intended to be and is not an indemnity.

SECTION 5.26. WAIVER OF LAWS. The Board shall not at any time insist upon or plead in any manner whatsoever, or claim or suffer or take the benefit or advantage of any stay or extension law now or at any time hereafter in force which may adversely affect the covenants and agreements contained in this Lease Agreement and the benefit and advantage of any such law or laws is hereby expressly waived by the Board to the extent that the Board may legally make such waiver.

SECTION 5.27. LIMITATION OR INDEMNIFICATION. The amount of indemnification provided by the Board to the Corporation in Sections 5.15, 5.18 and 5.19 shall not exceed the liability limits set forth in Section 768.28, Florida Statutes.

SECTION 5.28. VEHICLES. The Board and the Corporation agree not to lease-purchase any vehicles or rolling stock under the terms of this Lease Agreement.

SECTION 5.29. WAIVER OF DAMAGES. Neither the Corporation or the Trustee, nor their respective agents and employees, shall be liable for, and the Board waives, for each of their benefit, all claims for, damages, including but not limited to consequential damages, to person, property or otherwise, sustained by the Board or any person claiming through the Board resulting from any accident or occurrence in or upon any part of the Projects including, but not limited to, claims for damage resulting from:

(a) any equipment or appurtenances becoming out of repair; (b) the Board's failure to keep any part of the Projects in repair; (c) injury done or caused by wind, water or other natural element; (d) any defect in or failure of plumbing, heating or air conditioning equipment, electric wiring or installation thereof, gas, water and steam pipes, stairs, porches, railings or walks; (e) broken glass; (f) the backing up of any sewer pipe or downspout; (g) the bursting, leaking or running of any tank, tub, washstand, water closet, waste pipe, drain or any other pipe or tank upon or about the Projects; (h) the escape of steam or hot water; (i) water, snow or ice upon the Projects; (j) the failing of any fixture, plaster or stucco; (k) damage to or loss by theft or otherwise of property of the Board or others; (l) acts or omissions of persons in the Projects, other tenants in the Projects, occupants of nearby properties, or any other persons; and (m) any act or omission of owners of adjacent or contiguous property, or of the Corporation and the Trustee, and their respective agents or employees. All property of the Board kept in the Projects shall be so kept at the Board's risk only and the Board shall save the Corporation and the Trustee, and their respective agents and employees harmless from claims arising out of damage to the same, including subrogation claims by the Board's insurance carrier.

SECTION 5.30. OFFSET STATEMENT. Within ten (10) days after written request by either the Corporation or the Board the other party shall deliver, executed in recordable form, a declaration to any Person designated by the requesting party (a) ratifying this Lease Agreement and all Lease Schedules; (b) stating the commencement and termination dates; and (c) certifying (i) that this Lease Agreement and all Lease Schedules are in full force and effect and have not been assigned, modified, supplemented or amended (except by such writings as shall be stated); (ii) that all conditions under this Lease Agreement and all Lease Schedules to be performed by the other parties have been satisfied (stating exceptions, if any), to the extent known; (iii) that no defenses or offsets against the enforcement of this Lease Agreement and all Lease Schedules by the requesting party exist (or stating those claimed); (iv) as to advance Lease Payments, if any, paid by the Board; and (v) the date to which Supplemental Rent has been paid, and such other information as the requesting party reasonably requires. Persons receiving such statements shall be entitled to rely upon them.

SECTION 5.31. NON-MERGER OF LEASEHOLD. There shall be no merger of this Lease Agreement or of the leasehold estate hereby created with the fee estate in the Premises and the Project or any part thereof by reason of the fact that the same Person may acquire or hold, directly or indirectly, this Lease Agreement or leasehold estate hereby created or any interest in this Lease Agreement or in such leasehold estate and the fee estate in the Premises and the Project or any interest in such fee estate.

SECTION 5.32. ENVIRONMENTAL MATTERS.

(a) Definitions. When used in this Section 5.32, the following terms shall have the following meanings in addition to the meanings specified elsewhere herein.

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crociodolite (ricbeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

"Environmental Regulations" shall mean all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. Section 9601, et. seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conversation and Recovery Act, as amended (42 U.S.C. Section 6901, et. seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et. seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, et. seq.) (together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et. seq.) (together with the regulations promulgated thereunder, "CAA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et. seq.) (together with the regulations promulgated thereunder, "TSCA"), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

"Hazardous Materials" shall have the meaning given in Section 5.32(b).

"Laws and Regulations" shall have the meaning given in Section 5.32(b).

"Release" shall have the meaning given in Section 5.32(b).

(b) The Board has, after due inquiry, no knowledge and has not given or received any written notice indicating that a Project or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to such Project (collectively, "Laws and Regulations").

Without limiting the generality of the foregoing, neither the Board nor to the best of its knowledge, after due inquiry, any prior or present owner, tenant or subtenant of any Project has, other than as set forth in subsections (b) and (c) of this Section 5.32 or as may have been remediated in accordance with Laws and Regulations, (i) used, treated, stored, transported or disposed of any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TSCA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the Board, of any Project or the business operations conducted by the Board thereon (collectively, "Hazardous Materials") on, from or beneath a Project, (ii) pumped, spilled, leaked, disposed of, emptied, discharged or released (hereinafter collectively referred to as "Release") any material amount of Hazardous Materials on, from or beneath a Project, or (iii) stored any material amount of petroleum products at a Project in underground storage tanks, except as may be set forth as an exhibit to the Lease Schedule relating to such Project.

(c) Excluded from the representations and warranties in subsection (b) hereof with respect to Hazardous Materials are those Hazardous Materials in those amounts ordinarily found in or used in the maintenance of a Project, the use, treatment, storage, transportation and disposal of which has been and shall be in compliance with all Laws and Regulations.

(d) No Project located in an area of high potential incidence of radon has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the Corporation or support of such Project.

(e) The Board has not received any notice from any insurance company which has issued a policy with respect to a Project or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at such Project. The Board has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement agreement or other easement affecting a Project which is to be performed or complied with by it.

(f) The Board shall not use or permit a Project or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary

to maintain such Project and then, only in compliance with all Environmental Regulations, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the Release or threat of Release of Hazardous Materials on, from or beneath a Project excluding, however, those Hazardous Materials in those amounts ordinarily found in or used in the maintenance of such Project, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release of Hazardous Materials, the Board shall promptly commence and perform, or cause to be commenced and performed promptly, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath a Project, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (i) hereof and only to the extent necessary to maintain the improvements on a Project.

(g) The Board shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep each Project free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The Board shall cause each tenant under any lease, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the Project; provided, however, that notwithstanding that a portion of this covenant is limited to the Board's use of its best efforts, the Board shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the Board's obligations contained in subsection (h) hereof as provided in said subsection (h). Upon receipt of any notice from any Person with regard to the Release of Hazardous Materials on, from or beneath a Project, the Board shall give prompt written notice thereof to the Trustee and the Credit Enhancer, if any, for such Project, (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

(h) Irrespective of whether any representation or warranty contained in this Section 5.32 is not true or correct, the Board shall, to the extent permitted by law and solely from Available Revenues, defend, indemnify and hold harmless the Trustee, the Certificateholders and the Credit Enhancers and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties,

fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce this indemnification), consultants' fees, investigation and laboratory fees, liabilities, settlements (five (5) Business Days' prior notice of which the Trustee and the Credit Enhancers, as appropriate, shall have delivered to the Board), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (1) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath a Project, (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (3) any lawsuit brought or threatened, settlement reached (five (5) Business Days' prior notice of which the Trustee and the Credit Enhancers, as appropriate, shall have delivered to the Board), or governmental order relating to Hazardous Materials on, from or beneath any of the Property, (4) any violation of Environmental Regulations or subsection (f) or (g) hereof by it or any of its agents, tenants, employees, contractors, licensee, guests, subtenants or invitees, and (5) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the Board is strictly liable under any Environmental Regulation, its obligation to the Trustee and the Credit Enhancers and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this subsection (h) shall survive any action by the Trustee or the Certificateholders or Credit Enhancers pursuant to the terms hereof or of the Trust Agreement or the Ground Lease(s) relating to the sale, rental or other disposal of a Project or the defeasance and the satisfaction of all Certificates.

(i) The Board shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair and replace such tanks in accordance with Laws and Regulations, including but not limited to Environmental Regulations. Any underground tanks shall be on a Project in good condition and repair and comply with all Laws and Regulations, including Environmental Regulations, except as set forth in this Section 5.32 and the Board shall take all actions to correct any violations of Laws and Regulations relating to any such tanks as set forth in this Section 5.32.

ARTICLE VI

ASSIGNMENT; SUBLEASING; NET LEASE; AMENDMENT

SECTION 6.01. ASSIGNMENT AND SUBLEASING BY THE BOARD. (a) Except as provided herein, this Lease Agreement may not be assigned by the Board without the written consent of the Corporation, or its assignee and each Credit Enhancer.

(b) Notwithstanding any other provision of this Lease Agreement any Project, or portion thereof, may be subleased by the Board, subject to Permitted Encumbrances and the rights and interests of the Trustee and each Credit Enhancer, in whole or in part, without the consent of the Corporation, subject, however, to each of the following conditions:

(i) no such sublease shall in any way adversely affect or release the Board from any of its duties, obligations and covenants under this Lease Agreement including, without limitation, the obligation of the Board to make Lease Payments hereunder; and

(ii) no such sublease shall, in the opinion of Special Counsel, cause the Interest Component of the Basic Rent Payments received by the Owners of the Certificates (other than Taxable Certificates) to become includible within gross income of the Owners for purposes of federal income taxation.

(c) Nothing herein shall prohibit the Board from permitting temporary use of any Project, or portion thereof, by third parties.

(d) If an Event of Default occurs under this Lease Agreement, all proceeds of any sublease entered into by the Board pursuant to this Section shall be remitted to the Trustee and shall be credited against Basic Rent Payments to be made by the Board. Any sublease agreement must be made terminable by the Trustee in the event this Lease Agreement is terminated for any reason.

SECTION 6.02. TRANSFER OF TAX BENEFITS. Nothing herein shall be deemed to prevent the Board from entering into any agreement or making any disposition for the sole purpose of transferring to one or more corporations, partnerships or individuals federal or state income tax benefits which would be available for any Project, or portion thereof, if owned by a private person, subject, however, to each of the following conditions:

(a) no such sublease shall in any way adversely affect or release the Board from any of its duties, obligations and covenants under this Lease Agreement including, without limitation, the obligation of the Board to make Lease Payments hereunder; and

(b) no such agreement or disposition shall, in the opinion of Special Counsel, cause the Interest Component of the Basic Rent Payments received by the Owners of the Certificates (other than Taxable Certificates) to become includible in gross income of such Owners for purposes of federal income taxation.

SECTION 6.03. TAX COVENANTS. (a) The Board and the Corporation hereby covenant that, notwithstanding any other provision of this Lease Agreement, neither of them will make any use nor permit or direct the Trustee to make any use of the proceeds of the Certificates which will cause any of the Certificates or the Lease Agreement to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) The Board and the Corporation hereby agree that they will make no use nor permit any use to be made of the proceeds of the Certificates, Lease Payments or any Project, or portion thereof, which would cause any of the Certificates or the Lease Agreement to be "private activity bonds" within the meaning of Section 141(a) of the Code.

(c) Except for the exercise by the Board of its right to Non-Appropriate as set forth in Section 7.01 hereof, the Board and the Corporation hereby covenant that they will comply with all provisions of the Code necessary to maintain the exclusion of the Interest Component of the Basic Rent Payments from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(d) Notwithstanding the foregoing provisions contained in this Section, the Board and the Corporation may agree to entering into a Lease Schedule pursuant to which the Interest Component on the Basic Rent Payments shall not be excluded from gross income for purposes of federal income taxation; provided, however, that fact must be clearly stated on the Certificates. Provisions herein relating to the requirement to maintaining the exclusion of such Interest Component from gross income for federal income taxation purposes shall not apply to such Basic Rent Payments.

SECTION 6.04. NET LEASE. The Board intends the Lease Payments hereunder to be net to the Corporation. The Board shall comply with all liabilities and pay from Available Revenues all required local, state and federal taxes, including without limitation, income, franchise, gross receipts, sales, use, documentary stamp, excise, and personal property taxes, Real Estate Taxes, assessments, licenses, registration fees, freight and transportation charges and any other chargee imposed or liabilities incurred with respect to the ownership, possession or use of the Projects, payment of Lease Payments or any other payments by the Board hereunder, and any penalties, fines or interest imposed on the Board hereunder, and any penalties, fines or interest imposed

on any of the foregoing, during the term of this Lease Agreement; and the Board will pay all reasonable expenses incurred by the Corporation or the Trustee in connection with all filings or recordings of any documents relating to this Lease Agreement or the Corporation's or the Trustee's rights hereunder. The Corporation and the Trustee shall have the right, after reasonable written notice to the Board, to make any of the payments required of the Board under this Section with respect to the Projects, but shall not be obligated to pay the same, and may charge such payment with interest at the Overdue Rate from the date of payment, as Supplemental Rent to be paid by the Board on the next Basic Rent Payment Date.

SECTION 6.05. AMENDMENT. (a) This Lease Agreement may be amended in writing by the parties hereto or by their assignees on their behalf or in their name, without the consent of the Owners of the Certificates (but with the consent of each Credit Enhancer which is not in payment default under its municipal bond insurance policy or credit facility) thereof, for the purpose of (i) curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or (ii) resolving any questions arising under this Lease Agreement which the Board may deem necessary or desirable and not inconsistent with the provisions of this Lease Agreement, (iii) providing for additional security, (iv) providing for Lease Schedules, including adding to or deleting the covenants, representations and agreements contained herein as the same shall effect a particular Project, and (v) any other amendment, which in the judgment of the Board does not materially, adversely affect the interests of the Owners of the Certificates; provided, however, that no such amendment shall, in the opinion of Special Counsel, cause the Interest Component of Basic Rent Payments to become includible in gross income of the recipients thereof for purposes of federal income taxation; and provided, further, that the parties hereto or their assignees may rely in entering into any such amendment pursuant to this Section upon the opinion of Special Counsel stating that the requirements of this sentence have been met with respect to such amendment.

(b) In addition to the amendments authorized to be made pursuant to Section 6.05(a) hereof, this Lease Agreement may also be amended upon approval of a majority of aggregate principal amount of the Owners of Certificates then Outstanding or, if all Outstanding Certificates are secured by Credit Facilities and/or municipal bond insurance policies, upon the approval of the Credit Enhancers of all Certificates then Outstanding; provided that no such amendment shall impair the right of any Owners to receive his proportionate share of any Basic Rent Payment in accordance with his Certificate unless approved by the Owners of all Certificates then Outstanding.

ARTICLE VII

EVENT OF NON-APPROPRIATION; EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01. EVENT OF NON-APPROPRIATION. (a) As provided herein, this Lease Agreement shall initially terminate at the end of the Initial Lease Term relating to a Project, but shall automatically be renewed for all Renewal Lease Terms relating thereto; provided, that such automatic renewal shall not occur and this Lease Agreement shall terminate as of the end of the current Initial or Renewal Lease Term if the Board does not approve a tentative Budget and a final Budget in accordance with State law which appropriates sufficient funds from Available Revenues for such purpose to continue making Lease Payments in full for the next succeeding Renewal Lease Term for all Projects leased hereunder beyond the end of the Initial Lease Term or the last Renewal Lease Term for which Lease Payments had been budgeted and appropriated (an "Event of Non-Appropriation"); provided, further, that in the event the Board's tentative or final Budget for such ensuing Renewal Lease Term is not enacted prior to the expiration of the then current Initial Lease Term or Renewal Lease Term relating to a Project, the Lease Term relating thereto shall be deemed renewed pending the enactment of such tentative Budget and final Budget and the Board shall be liable for any Lease Payments coming due during such period but only if the tentative Budget and final Budget makes available to the Board moneys which may legally be used to make the Lease Payments coming due during such period. Upon the occurrence of an Event of Non-Appropriation, the Board will not be obligated to pay Lease Payments beyond the then current Fiscal Year but will not be relieved of any obligations arising or accruing prior to such Event of Non-Appropriation including, without limitation, any obligation to deposit rebatable arbitrage in the Rebate Fund which may accrue prior to such Event of Non-Appropriation. The Board must deliver notice of the Event of Non-Appropriation to the Corporation, each Credit Enhancer and the Trustee within at least three Business Days thereof.

(b) If an Event of Non-Appropriation shall occur, the Board shall peaceably return possession of each Project to the Corporation, or its assignee or designee, within thirty (30) Business Days after the date on which such Event of Non-Appropriation occurs. The obligation to return the Projects shall survive the termination of this Lease Agreement. Under no circumstances shall the failure of the Board to appropriate sufficient moneys to pay Lease Payments constitute a Default or Event of Default hereunder or require payment of a penalty, or in any way limit the right of the Board to purchase or utilize, buildings, facilities or equipment similar in function to the property leased hereunder.

SECTION 7.02. EVENTS OF DEFAULT. The following shall be "Events of Default" under this Lease Agreement and the terms "Events of Default" and "Default" shall mean, whenever they are used in this Lease Agreement any one or more of the following events:

(a) Failure by the Board to pay any Basic Rent Payment required to be paid hereunder on the Basic Rent Payment Date to which such Basic Rent Payment pertains, other than as a result of an Event of Non-Appropriation; or

(b) Failure by the Board to pay any Supplemental Rent required to be paid hereunder at the time specified herein and the continuation of said failure to the next occurring Basic Rent Payment Date, other than as a result of an Event of Non-Appropriation; or

(c) The Board fails to (i) return possession of all the Projects, other than Designated Equipment, to the Corporation, or its designee or assignee, subsequent to an Event of Non-Appropriation as required by Section 7.01 hereof, or (ii) transfer title to and possession of the Designated Equipment for which Basic Rent Payments have not been paid in full to the Corporation, or its designee or assignee, subsequent to termination of the Lease Agreement as required by Section 4.07(b) hereof; or

(d) Failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 7.02(a) hereof, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Board and each Credit Enhancer by the Corporation, or its assignee, unless the Corporation, or its assignee, or each Credit Enhancer have agreed in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Corporation, or its assignee, or the Credit Enhancers will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Board within the applicable period and diligently pursued until the default is corrected; or

(e) Any representation of the Board hereunder or in a Lease Schedule shall prove to have been false in any materially adverse respect at the time same was made, subject to the right of the Board to cure such misrepresentation in the manner set forth in Section 7.02(d) hereof; or

(f) A court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Board in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator,

(or similar official) of the Board or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) days; or

(g) The Board shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Board or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing.

SECTION 7.03. REMEDIES ON DEFAULT. Upon the happening of an Event of Default as described in Section 7.02 hereof, the Corporation, or its assignee, may exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement, including, without limitation:

(i) Except in the case of an Event of Default under Section 7.02(c) hereof, without terminating this Lease Agreement, to re-enter and take possession of the Projects, or any portion thereof, other than Designated Equipment, and exclude the Board from using the same until the Default is cured; or

(ii) Except in the case of an Event of Default under Section 7.02(c) hereof, without terminating this Lease Agreement, to re-enter and take possession of the Projects, or any portion thereof, other than Designated Equipment, and sell, lease or sublease such Projects, or any portion thereof, in accordance with applicable law, for the account of the Board, holding the Board liable for the difference between (i) the purchase price, rent and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease, and (ii) the Lease Payments and other amounts currently payable by the Board under and pursuant to this Lease Agreement; provided, however, that prior to termination of this Lease Agreement, the Projects, or any portion thereof, may be sold, re-let or otherwise disposed of only to such Person or Persons as shall not adversely affect the exclusion of the Interest Component on the Basic Rent Payments from gross income for purposes of federal income taxation; or

(iii) Except in the case of an Event of Default under Section 7.02(c) hereof, to take whatever action at law or in equity that may appear necessary or desirable to collect the Lease Payments then due and thereafter to become due during

the term of this Lease Agreement, or enforce performance and observance of any obligation, agreement or covenant of the Board under this Lease Agreement; or

(iv) To terminate this Lease Agreement, if it has not been previously terminated pursuant to Section 7.01 hereof, and require the Board to surrender and transfer possession of all the Projects to the Corporation or its assignee, in which event the Board shall take all actions necessary to authorize, execute and deliver to the Corporation or its assignee all documents necessary to vest in the Corporation or its assignee all of the Board's interest in and to the Projects, and to discharge any lien created by or pursuant to this Lease Agreement in order that the Corporation or its assignee may sell or re-lease the Projects in accordance with applicable law; and shall upon request by the Corporation or its assignee, remove any Equipment from the Board's property to such location within the State of Florida as is specified by the Corporation or its assignee; or

(v) To terminate this Lease Agreement, if it has not been previously terminated pursuant to Section 7.01 hereof, and, without notice or demand, enter into and upon the property of the Board, or any part thereof, and repossess and retake the Projects and thereby restore the Corporation or its assignee, or its assignee, to its former possessory estate as owner and expel the Board and remove its effects forcefully, if necessary, without being taken or deemed to be guilty of any manner of trespass in order that the Corporation or its assignee may sell or re-lease the Projects in accordance with applicable law, and thereupon this Lease Agreement shall terminate and upon such termination the Board shall have no further possessory right whatsoever in the Projects; and the Board shall be responsible for the payment of damages in an amount equal to the Lease Payments which would have accrued hereunder, calculated on a daily basis, for any period during which the Board fails to surrender the Projects or for any other loss suffered by the Corporation or its assignee as a result of the Board's failure to surrender the Projects, all without prejudice to any remedy which might otherwise be available to the Corporation or its assignee for arrears of Lease Payments or for any breach of the Board's covenants herein contained.

SECTION 7.04. PROCEEDS OF SALE OR RE-LETTING. Moneys received by the Corporation, or its assignee, from the sale or re-letting of the Projects, or any portion thereof, as a result of an Event of Non-Appropriation or an Event of Default shall be the absolute property of the Corporation, or its assignee, and the Board shall have no right thereto. In the event that moneys received by the Corporation, or its assignee, from the sale or other disposition of a Project, including moneys or damages

received pursuant to Section 7.03(b) hereof, exceed the amount necessary to pay the principal of and interest due on the Certificates which financed the acquisition and construction thereof to the date of payment thereof, together with all other amounts owing in regard to such Project, including Trustee fees and expenses (including, without limitation, the reasonable fees and expenses of Trustee's counsel), amounts owing in regard to any Ground Lease relating to such Project and any outstanding fees, expenses and other amounts due the Credit Enhancers, the Corporation, or its assignee, shall pay such surplus to the Board. Neither notice of sale or notice to pay rent or to deliver up possession of the Projects given pursuant to law nor any proceeding in unlawful detainer taken by the Corporation, or its assignee, shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of an Event of Default by the Board shall be or become effective by operation of law, or otherwise, unless and until the Corporation, or its assignee, shall have given written notice to the Board of the election on the part of the Corporation, or its assignee, to terminate this Lease Agreement as a result of such Event of Default.

SECTION 7.05. APPOINTMENT OF CORPORATION AS AGENT. The Board hereby irrevocably appoints the Corporation, and its assignee, as the agent and attorney-in-fact of the Board to enter upon and sell or re-let the Projects in accordance with the terms hereof upon the happening of an Event of Default or an Event of Non-Appropriation. To the greatest extent permitted by applicable law and only from Available Revenues, the Board hereby exempts and agrees to save harmless, the Corporation, and its assignee, from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and the sale or letting of the Projects. The Board hereby waives any and all claims for damages caused, or which may be caused, by the Corporation, or its assignee, in taking possession of the Projects, for all claims for damages that may result from the destruction of or injury to the Projects, and all claims for damages to or loss of any property belonging to the Board that may be in or upon the Projects. The Board agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Corporation, or its assignee, to enter and sell or re-let the Projects in accordance with the terms hereof. Notwithstanding the foregoing, the Board shall not be responsible for any costs incurred by the Corporation, or its assignee, to make the Projects suitable for reletting.

SECTION 7.06. NON-WAIVER. Nothing in this Article VII or in any other provision of this Lease Agreement shall affect or impair the obligation of the Board to pay the Lease Payments, to the extent herein provided. No delay or omission of the Corporation, or its assignee, to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of

Default or any acquiescence therein, and every power and remedy given by this Article VII to the Corporation, and its assignee, may be exercised from time to time and as often as shall be deemed expedient by the Corporation, or its assignee.

SECTION 7.07. REMEDIES NOT EXCLUSIVE. No remedy herein or by law conferred upon or reserved to the Corporation, and its assignee, is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy, and every remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise may be exercised without exhausting and without regard to any other remedy conferred or by any law.

SECTION 7.08. STATUS QUO ANTE. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, then, and in every such case, the Corporation, and its assignee, and the Board shall be restored to its and their former position and rights and remedies as if no such suit, action or proceedings had been brought or taken.

ARTICLE VIII

ADMINISTRATIVE PROVISIONS

SECTION 8.01. PRESERVATION AND INSPECTION OF DOCUMENTS. All documents received by the Corporation, or its assignee, or the Board under the provisions of this Lease Agreement shall be retained in their respective possessions and shall be subject at all reasonable times to the inspection of the other party hereto and its assigns, agents and representatives, any of whom may make copies thereof.

SECTION 8.02. PARTIES OF INTEREST. Nothing in this Lease Agreement, expressed or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Credit Enhancers, the Trustee and the Board any rights, remedies or claims under or by reason of this Lease Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Lease Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Board, the Credit Enhancers and the Trustee.

SECTION 8.03. NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Lease Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of the Lease Payments or for any claim based thereon under this Lease Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 8.04. NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail with postage fully prepaid

If to the Corporation: Hillsborough School Board Leasing Corporation
c/o School Board of Hillsborough County, Florida
901 East Kennedy Blvd.
Tampa, Florida 33602
Attention: Superintendent and General Director of Finance

If to the Board: School Board of Hillsborough County, Florida
901 East Kennedy Blvd.
Tampa, Florida 33602
Attention: Superintendent and General Director of Finance

If to the Trustee: NationsBank of Florida, N.A.
400 North Ashley Drive, 6th Floor
Tampa, Florida 33602
Attention: Corporate Trust Department

The parties hereto, by notice given hereunder, may, respectively, designate different addresses to which subsequent notices, certificates or other communications will be sent. A copy of all notices to one party to this Lease Agreement shall be transmitted to the other party to this Lease Agreement, and to the Trustee.

SECTION 8.05. BINDING EFFECT. This Lease Agreement shall inure to the benefit of and shall be binding upon the Corporation and the Board and their respective successors and assigns.

SECTION 8.06. SEVERABILITY. If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this Lease Agreement on the part of the Corporation or the Board to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant, stipulation, promise, agreement or obligation shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this Lease Agreement.

SECTION 8.07. HEADINGS. Any headings preceding the text of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Lease Agreement, nor shall they affect its meaning, construction or effect.

SECTION 8.08. APPLICABLE LAW. This Lease Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 8.09. CORPORATION AND BOARD REPRESENTATIVES. Whenever under the provisions of this Lease Agreement the approval of the Corporation or the Board is required or the Corporation or the Board are required to take some action at the request of the other, such approval of such request may be given for the Corporation by an Authorized Officer of the Corporation and for the Board by an Authorized Officer of the Board, and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 8.10. FURTHER ASSURANCES. The Corporation and the Board agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of any Project hereby leased or for carrying out the expressed intention of this Lease Agreement.

SECTION 8.11. CERTIFICATE OF OFFICERS. Every certificate with respect to compliance with a condition or covenant provided for in this Lease Agreement may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless the Person providing the certificate knows that the certificate or representations with respect to the matters upon which the certificate may be based are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

SECTION 8.12. BUSINESS DAYS. Any act or thing required to be done or exist on any date set forth herein which does not constitute a Business Day in any year shall be deemed to be done or to exist on such date if such act or thing is done or exists on the next date which constitutes a Business Day.

SECTION 8.13. EFFECT OF DISSOLUTION OF CORPORATION. In the event the Corporation for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Lease Agreement by or on behalf of or for the benefit of the Corporation shall bind or inure to the benefit of the successor or successors of the Corporation from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term "Corporation" as used in this Lease Agreement shall include such successor or successors.

SECTION 8.14. MEMORANDUM. Simultaneously with the execution of this Lease Agreement, the Corporation and the Board shall each execute, acknowledge and deliver a Memorandum of Lease Agreement with respect to this Lease Agreement for recording in the Public Records of Hillsborough County, Florida. Said Memorandum of Lease shall be substantially in the form of Exhibit D hereto and shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Lease Agreement.

SECTION 8.15. RADON GAS. Section 404.056, Florida Statutes, requires that the following notification be given: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in

buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

SECTION 8.16. COUNTERPARTS. This Lease Agreement may be executed in several counterparts, each of which together with a counterpart executed by each of the other parties hereto shall constitute a single original and shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be executed in their respective names by their duly Authorized Officers as of the date first above written.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: _____
President

Attest:

_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By: _____
Chairman

Attest:

_____
Superintendent/Secretary

EXHIBIT B

FORM OF REQUISITION FOR PAYMENT OF PROJECT COSTS

Date: _____

Requisition Number: _____

Total Disbursement Requested: $_____

Certificates: [State Series of Certificates] (the "Certificates")

Lease Schedule No. _____ (the "Lease Schedule")

Account or Subaccount of Project Account: _____

To: _____, as Trustee (the "Trustee")

The School Board of Hillsborough County, Florida (the "Board"), consistent with the terms of the Trust Agreement, dated as of April 1, 1994 (the "Trust Agreement"), among the Board, the Trustee and the Hillsborough School Board Leasing Corporation (the "Corporation"), requests a disbursement from the above-described account or subaccount of the Project Account in the aggregate amount set forth above, for payment or reimbursement of Project Costs incurred for the acquisition, construction and installation of a portion of the Project described in the Lease Schedule.

Capitalized terms used in this Requisition shall have the same meaning ascribed to them in the Trust Agreement.

The Board does hereby direct and instruct the Trustee to pay such Project Costs to the Vendor, Contractor or Developer pursuant to the attached invoices, bills and statements (or if indicated below, to reimburse the Board for payment of the attached invoices, bills and statements or to transfer moneys to the Board in order for it to pay such invoices, bills and statements) from moneys in the above-described account or subaccount of the Project Account, as follows:

Amount	Payee	Description of Project Cost	Payment Instructions

To induce the Trustee to approve this Requisition and disburse such moneys from the above-described account or subaccount of the Project Account, the undersigned certifies as follows:

1. The portions of the Project described in the Lease Schedule which are described in this Requisition have been thoroughly inspected and accepted by the Board in accordance with the terms of the Lease Agreement. The Board has satisfied itself that such portion of such Project is suitable for its purposes.

2. Attached hereto is an invoice and bill of sale for each item of Equipment specified on Schedule I attached hereto which constitutes a portion of the Project described in the Lease Schedule to be reimbursed hereby. Each item which constitutes Designated Equipment shall be so identified in Schedule II attached hereto. Each bill of sale indicates that title to such purchased items of Equipment, other than Designated Equipment, shall be in the name of the Corporation and title to items of Designated Equipment shall be in the name of the Board. Also attached hereto is a fully-executed purchase contract and title insurance policy for each item of Land identified in Schedule IV attached hereto which constitutes a portion of such Project to be reimbursed hereby.

3. The Board has previously provided the Trustee with all documents required by Section 6.03(d)(i) of the Trust Agreement prior to submitting any Requisition relating to construction of a Building which is part of the Project described in the Lease Schedule. Attached hereto is a copy of a certificate of the _____ as required by Section 6.03(d)(ii) of the Trust Agreement relating to the construction of a Building which is part of the Project described in the Lease Schedule and identified on Schedule III attached hereto.

4. Attached hereto is a certification required by Section 6.03(d)(iii) of the Trust Agreement for any Architects' or Engineer's progress payments which are the subject of this Requisition, which payments are hereby approved by the Board.

5. There are no liens against any such portion of the Project to be reimbursed hereby, other than Permitted Encumbrances.

6. To date, the Board has timely complied with all its obligations under the Lease Agreement.

7. All funds previously disbursed by the Trustee for Project Costs from the above-described account or subaccount of the Project Account have been applied in accordance with the Requisitions requesting same and the amounts requested herein are to be used to pay for Project Costs which have not been previously paid for with disbursements from the above-described account or subaccount of the

Project Account or included in previous Requisitions submitted by the Board to the Trustee.

8. The following constitutes an itemized list of the attachments to this certificate:

(insert itemized list)

9. The amount remaining in the above-described account or subaccount of the Project Account will, after payment of the amount set forth in this Requisition, be sufficient to pay all remaining applicable Project Costs relating to the Lease Schedule as currently estimated.

10. According to our records, the aggregate dollar amount disbursed for Project Costs relating to the Lease Schedule (including the amount requested in this Requisition) is $_____.

11. Execution of this Requisition shall constitute an affirmation of the completeness and accuracy of the representations and warranties contained in Section 5.02 of the Lease Agreement as of the date of execution hereof.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By: _____
Title: _____

SCHEDULE I

DESCRIPTION OF EQUIPMENT

B-4

SCHEDULE II

DESCRIPTION OF DESIGNATED EQUIPMENT

B-5

SCHEDULE III

DESCRIPTION OF BUILDINGS

B-6

SCHEDULE IV

DESCRIPTION OF LAND

B-7

FORM OF REQUISITION
FOR PAYMENT OF COSTS OF ISSUANCE

Date: _____

Requisition Number: _____

Total Disbursement Requested: $_____

Certificates: [State Series of Certificates] (the "Certificates")

Lease Schedule No. _____

Account or Subaccount of Costs of Issuance Account: _____

To: _____, as Trustee (the "Trustee")

The School Board of Hillsborough County, Florida (the "Board"), consistent with the terms of the Trust Agreement, dated as of April 1, 1994 (the "Trust Agreement"), among the Board, the Trustee and the Hillsborough School Board Leasing Corporation (the "Corporation"), requests a disbursement from the above-described account or subaccount of the Costs of Issuance Account in the aggregate amount set forth above, for payment or reimbursement of Costs of Issuance relating to the Certificates.

Capitalized terms used in this Requisition shall have the same meaning ascribed to them in the Trust Agreement.

The Board does hereby direct and instruct the Trustee to pay the Costs of Issuance to the Person indicated below pursuant to the attached invoices (or if indicated below, to reimburse the Board for payment of the attached invoices or to transfer moneys to the Board in order for it to pay such invoices) from moneys in the above-described account or subaccount of the Costs of Issuance Account, as follows:

Amount	Payee	Description of Costs of Issuance	Payment Instructions

To induce the Trustee to approve this Requisition and disburse such moneys from the above-described account or subaccount of the Costs of Issuance Account, the undersigned certifies as follows:

1. The Costs of Issuance which are described in the attached invoices have been approved by the Board.

2. Attached hereto is an invoice for such Costs of Issuance.

3. To date, the Board has timely complied with all its obligations under the Lease Agreement.

4. All funds previously disbursed by the Trustee for Costs of Issuance relating to the Certificates from the above-described account or subaccount of the Costs of Issuance Account have been applied in accordance with the Requisitions requesting same and the amounts requested herein are to be used to pay for Costs of Issuance relating to the Certificates which have not been previously paid for with disbursements from such account or subaccount of the Costs of Issuance Account or included in previous Requisitions submitted by the Board to the Trustee.

5. The following constitutes an itemized list of the attachments to this certificate:

(insert itemized list)

6. The amount remaining in the above-described account or subaccount of the Costs of Issuance Account, will, after payment of the amount set forth in this Requisition, be sufficient to pay all remaining applicable Costs of Issuance as currently estimated.

7. According to our records, the aggregate dollar amount disbursed for Costs of Issuance relating to the Certificates (including the amount requested in this Requisition) is $_____.

8. Execution of this Requisition shall constitute an affirmation of the completeness and accuracy of the representations and warranties contained in Section 5.02 of the Lease Agreement as of the date of execution hereof.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By: _____
Title: _____

EXHIBIT C

FORM OF LEASE SCHEDULE

Schedule No. ____
to the
Master Lease-Purchase Agreement,
dated as of April 1, 1994,
between
Hillsborough School Board Leasing Corporation
(the "Corporation")
and
School Board of Hillsborough County, Florida (the "Board")

THIS LEASE SCHEDULE NO. ____ (the "Lease Schedule") is hereby entered into under and pursuant to that certain Master Lease-Purchase Agreement, dated as of April 1, 1994 (the "Lease Agreement"), pursuant to which the Corporation has agreed to lease-purchase to the Board and the Board has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Lease Agreement, the Series ____ Project as herein described. All defined terms not otherwise defined herein shall have the respective meanings therefor set forth in the Lease Agreement. Reference to "Lease Agreement" herein shall include the terms of this Lease Schedule.

1. Series _____ Project. The leased property, which is described in Section 6 of this Lease Schedule (the "Series _____ Project"), and has a Maximum Cost of $_____, shall be acquired, constructed and installed, and lease-purchased, by the Board from the Corporation pursuant to the terms of the Lease Agreement.

2. Commencement Date; Lease Term; Other Definitions. For purposes of this Lease Schedule and the Lease Agreement:

(a) The Commencement Date for the Series _____ Project is _____.

(b) The Initial Lease Termination Date of the lease of the Series _____ Project shall be _____. The Maximum Lease Term shall commence on the Commencement Date hereof and terminate on _____.

(c) The Estimated Completion Date is _____.

3. Certificates of Participation.

(a) The Certificates of Participation issued under the Trust Agreement and related to this Lease Schedule are

identified as "Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program, Series ____) Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida" (the "Series _____ Certificates").

(b) The Credit Enhancer for the Series ___ Certificates shall be _____.

(c) The Reserve Requirement for the Series _____ Subaccount established in the Reserve Account under the Trust Agreement shall be _____.

(d) The Optional Prepayment Date shall be _____.

(e) The Closure Date of the Series _____ Subaccount of the Project Account established for the Series _____ Certificates, for purposes of Section 6.03(g) of the Trust Agreement, shall be _____.

(f) The Prepayment Amount relating to the Series _____ Subaccount of the Project Account established for the Series _____ Certificates, for purposes of Section 6.03(g) of the Trust Agreement, shall be _____.

4. Basic Rent. The Basic Rent payable by the Board to the Corporation with respect to the Series _____ Project under the Lease Agreement is described in Schedule A attached hereto.

5. Use of Certificate Proceeds. The proceeds of the Series ____ Certificates shall be disbursed as follows:

Deposit to Series _____
Subaccount of Project
Account established for
Series _____ Certificates

Deposit to Series _____
Subaccount of Costs of
Issuance Account established
for Series _____ Certificates

Deposit to Series _____
Subaccount of Capitalized
Interest Account established
for Series _____ Certificates

Deposit to Series _____ Subaccount
of the Interest Account established
for Series _____ Certificates

Deposit to Series _____
Subaccount of Reserve
Account established for
Series _____
Certificates

6. The Series _____ Project. The Project Description, Project Budget and Project Schedule for the Series _____ Project are attached hereto as Schedule B.

7. Designated Equipment. The Designated Equipment for the Series _____ Project is attached hereto as part of Schedule B.

8. The Land. A description of the Land, including any Ground Leases, is attached as Schedule C attached hereto.

9. Other Documents. The documents required by Section 3.01(c) of the Lease Agreement to be submitted with this Lease Schedule are attached hereto as Schedule D.

10. Assignment of Lease Agreement. The Corporation hereby acknowledges that all Lease Payments and its rights, title and interest in this Lease Schedule and, with certain exceptions, the Lease Agreement have been simultaneously assigned to the Trustee pursuant to the Assignment of Lease Agreement.

11. Other Permitted Encumbrances.

12. Special Terms and Conditions for Lease Schedule.

IN WITNESS WHEREOF, each of the parties hereto have caused this Lease Schedule No. _____ to be executed by their proper corporate officers, all as of the ____ day of _____.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By: _____

Title: _____

(SEAL) Date: _____

Attest: _____

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By: _____

Title: _____

(SEAL) Date: _____

Attest: _____

SCHEDULE A

BASIC RENT SCHEDULE

Remaining Basic Rent Payment Date	Interest Component	Principal Component	Total Basic Rent Payment	Principal Component

[Provide Basic Rent Schedule for each Group within Project]

SCHEDULE B

PROJECT DESCRIPTION, PROJECT BUDGET, PROJECT SCHEDULE AND DESIGNATED EQUIPMENT

SCHEDULE C

DESCRIPTION OF THE LAND

C-7

SCHEDULE D

DOCUMENTS REQUIRED BY SECTION 3.01(C) OF THE LEASE AGREEMENT

C-8

EXHIBIT D

MEMORANDUM OF LEASE AND NOTICE OF OPTION

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FIRST AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT

by and between

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of February 19, 2003

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FIRST AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT, dated as of February 19, 2003 (the "First Amendment to Master Lease-Purchase Agreement"), amending the Master Lease-Purchase Agreement, dated as of April 1, 1994, as heretofore amended and supplemented (the "Lease Agreement"), by and between the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a not-for-profit educational corporation duly organized and existing under the laws of the State of Florida (the "Corporation"), and the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,** acting as the governing body of the Hillsborough County School District (the "Board").

W I T N E S S E T H:

WHEREAS, the Board has heretofore deemed it in its best interests to lease-purchase certain real and/or personal property from time to time and has heretofore entered into a Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, the Board desires to provide for the delivery from time to time of Hedge Agreements (defined herein); and

WHEREAS, in order to provide for the delivery of Hedge Agreements related to Outstanding Certificates it is necessary to amend certain provisions of the Lease Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and covenants in the Trust Agreement (defined in the Lease Agreement) and Lease Agreement contained and for other valuable consideration, the parties hereto agree as follows:

SECTION 1. AUTHORIZATION. This First Amendment to Master Lease-Purchase Agreement is being entered into in accordance with (i) the provisions of the Act, (ii) a resolution of the Board adopted on February 18, 2003 and (iii) Section 6.05(b) of the Lease Agreement.

SECTION 2. DEFINITIONS. The words and terms which are defined in the Lease Agreement (as amended hereby), shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent.

SECTION 3. AMENDMENTS TO EXHIBIT A (DEFINITIONS) TO THE LEASE AGREEMENT. (a) Exhibit A to the Lease Agreement is hereby amended by adding the following definitions of "Counterparty," "Hedge Agreement," "Hedge Obligations," "Hedge Receipts" and "Termination Fees":

"Counterparty" shall mean the Person entering into a Hedge Agreement with the Board.

"Hedge Agreement" shall mean an interest rate exchange agreement, an interest rate swap agreement, a forward purchase contract, a put option contract, a call option contract or any other financial product which is used by the Board as a hedging device with respect to its obligation to pay the interest portion of Basic Lease Payments represented by any of the Outstanding Certificates, entered into between the Board and a Counterparty and designated by the Board as a "Hedge Agreement" for the purposes of the Trust Agreement and Lease Agreement.

"Hedge Obligations" shall mean the periodic amounts required to be paid by the Board on the related notional amount under a Hedge Agreement determined in accordance with a formula set forth in the Hedge Agreement (similar to payment of interest on the related notional amount), but excluding Termination Fees which are not payable by a Credit Enhancer pursuant to the terms of any bond insurance policy or Credit Facility securing the obligation of the Board to make certain payments under a Hedge Agreement.

"Hedge Receipts" shall mean amounts received by the Board on the related notional amount from a Counterparty under a Hedge Agreement which may be net of any Hedge Obligations.

"Termination Fees" means any payments due by the Board under a Hedge Agreement, other than Hedge Obligations.

(b) Exhibit A to the Lease Agreement is hereby amended by amending and restating the definition of "Basic Rent" or "Basic Rent Payment" in its entirety with the following:

"Basic Rent" or **"Basic Rent Payment"** means (i) the Basic Rent Payments set forth in the Lease Schedules, as the same may be adjusted pursuant to the terms of the Lease Agreement and (ii) Hedge Obligations.

SECTION 4. AMENDMENTS TO SECTION 4.03 OF THE LEASE AGREEMENT. Subsections (b) and (e) of Section 4.03 of the Lease Agreement are hereby amended in their entirety to read as follows:

"(b) The Board agrees to pay as lease rental hereunder for each Project, the Basic Rent on or prior to the Basic Rent Payment Dates as set forth in the Lease Schedule and/or Hedge Agreement relating thereto, as the same may be modified or amended from time to time following any prepayment of Basic Rent for the lease of such Project. Basic Rent Payments consist of a Principal Component and an Interest Component which shall be stated in each Lease Schedule; provided that Hedge Obligations shall always constitute an Interest Component. The portion of the Basic Rent attributable to the Interest Component shall not exceed the maximum rate permitted by Section 215.84, Florida Statutes. Each Project may be divided into Groups of leased property as described in the Lease Schedule relating thereto. The Principal Component and Interest Component attributed to each Group of leased property shall be provided in the Lease Schedule relating thereto. The Board hereby agrees that it shall make all Basic Rent Payments coming due on each Basic Rent Payment Date on or prior to each such Basic Rent Payment Date in accordance with the applicable Lease Schedule and/or Hedge Agreement, subject to the provisions of Sections 4.06 and 7.01 hereof. THE BOARD SHALL NOT BUDGET AND APPROPRIATE AVAILABLE REVENUES FOR A PORTION OF THE PROJECTS LEASED PURSUANT TO THIS LEASE AGREEMENT; IT MUST BUDGET AND APPROPRIATE LEASE PAYMENTS FOR ALL OF THE PROJECTS DESCRIBED ON ALL LEASE SCHEDULES ENTERED INTO PURSUANT TO THIS LEASE AGREEMENT OR NONE OF THEM. All Basic Rent Payments shall be paid in arrears. The Board shall pay the Basic Rent due hereunder to the Trustee at its Principal Office and the Trustee shall apply same as provided in the Trust Agreement. The Board shall specify which subaccount of the Interest Account and Principal Account the Basic Rent Payments shall be deposited in, provided that all Hedge Receipts shall be deposited in a subaccount of the Interest Account. To the extent that moneys have been deposited and are available with the Trustee from the proceeds of a Series of Certificates for the purpose of paying Basic Rent relating to a Project pursuant to Section 6.01 of the Trust Agreement, the amount to be appropriated shall not be reduced but the Board shall not be required to transfer funds to the Trustee for payments of such Basic Rent, and the Board shall receive a credit against its obligation to pay such Basic Rent for such amounts on deposit with the Trustee."

"(c) In addition to the Basic Rent, the Board hereby agrees to pay and discharge from time to time as provided herein, as Supplemental Rent, all other amounts, liabilities and obligations which the Board assumes or agrees to pay to the Corporation, the Trustee, any Credit Enhancers, Termination Fees due any Counterparties, and any amounts due to the issuer of any Reserve Account Insurance Policy or Reserve Account Letter of Credit pursuant to the terms and provisions of any agreements between the Board and such parties, or to others with respect to this Lease Agreement, the Trust Agreement, any Hedge Agreement or the Projects. Supplemental Rent shall include, but not be limited to, any redemption premium attributable to the Certificates, the fees and expenses (including reasonable counsel fees and expenses) incurred by the Trustee pursuant to the Trust Agreement or hereunder, all fees and expenses of the Corporation relating to the lease of the Projects or to its corporate existence, all ongoing expenses relating to the financing of the Projects. The Supplemental Rent shall be paid to Trustee for application in accordance with the terms hereof and of the Trust Agreement or, in the case of a Termination Fee, directly to the Counterparty."

SECTION 5. PROVISIONS OF LEASE AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Lease Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Lease Agreement and this First Amendment to Master Lease-Purchase Agreement, the terms hereof shall control.

SECTION 6. THIRD PARTY BENEFICIARIES. Nothing in this First Amendment to Master Lease-Purchase Agreement, express or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Credit Enhancers, Counterparties and the Board any rights, remedies or claims under or by reason of this First Amendment to Master Lease-Purchase Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this First Amendment to Master Lease Purchase Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Credit Enhancers, Counterparties and the Board.

SECTION 7. COUNTERPARTS. This First Amendment to Master Lease-Purchase Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this First Amendment to Master Lease-Purchase Agreement, nor shall they affect its meaning, construction or effect.

SECTION 9. LAWS. This First Amendment to Master Lease-Purchase Agreement shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Master Lease-Purchase Agreement by their officers thereunto duly authorized as of the date and year first written above.

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

By: Carol W. Kurdell
President

ATTEST:

Earl J. Leonard
Secretary

(SEAL)

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

By: Carol W. Kurdell
Chairman

ATTEST:

Earl J. Leonard
Superintendent/Secretary

CONSENT:

MBIA INSURANCE CORPORATION

By
Title:

IN WITNESS WHEREOF, the parties have executed this First Amendment to Master Lease-Purchase Agreement by their officers thereunto duly authorized as of the date and year first written above.

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

By:
President

ATTEST:

Secretary

(SEAL)

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

By:
Chairman

ATTEST:

Superintendent/Secretary

CONSENT:

MBIA INSURANCE CORPORATION

By Amy R. Porch
Title: Amy R. Porch
Assistant Secretary

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SECOND AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT

by and between

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessee

Dated as of January 1, 2007

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SECOND AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT

THIS SECOND AMENDMENT TO MASTER LEASE-PURCHASE AGREEMENT, dated as of January 1, 2007 (the "Second Amendment to Master Lease-Purchase Agreement"), amending the Master Lease-Purchase Agreement, dated as of April 1, 1994, as heretofore amended and supplemented (the "Lease Agreement"), by and between the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a not-for-profit educational corporation duly organized and existing under the laws of the State of Florida (the "Corporation"), and the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,** acting as the governing body of the Hillsborough County School District (the "Board").

WITNESSETH:

WHEREAS, the Board has heretofore deemed it in its best interests to lease-purchase certain real and/or personal property from time to time and has heretofore entered into a Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, as a result of the Board's inability to obtain windstorm damage insurance coverage in the amounts specified in Section 5.05 of the Lease Agreement, the Board desires to amend said Section 5.05 to reflect the charges in the insurance market since April 1, 1994;

NOW, THEREFORE, in consideration of the mutual agreements and covenants in the Trust Agreement (defined in the Lease Agreement) and Lease Agreement contained and for other valuable consideration, the parties hereto agree as follows:

SECTION 1. AUTHORIZATION. This Second Amendment to Master Lease-Purchase Agreement is being entered into in accordance with (i) the provisions of the Act, and (ii) Section 6.05(b) of the Lease Agreement.

SECTION 2. DEFINITIONS. The words and terms which are defined in the Lease Agreement (as amended hereby), shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent.

SECTION 3. AMENDMENT OF SECTION 5.05 OF THE LEASE AGREEMENT. Section 5.05 of the Lease Agreement is hereby amended and restated in its entirety to read as follows:

"SECTION 5.05 FIRE AND EXTENDED COVERAGE INSURANCE AND FLOOD INSURANCE. (a) The Board shall procure and maintain, or cause to be procured and maintained, throughout the Lease Term, subject to the requirements of State law, insurance against loss or damage to any part of the Projects by fire or lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, also cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to the lesser of (i) one hundred percent (100%) of the replacement cost of the Projects, (ii) the Principal Component of the Basic Rent Payments then remaining unpaid, (iii) $75,000,000 per occurrence or (iv) such lesser amount as is available to the Board at commercially reasonable costs, as set forth in a Certificate of an Insurance Consultant filed with the Board, the Trustee and each Credit Enhancer. Such insurance may be subject to deductible clauses not to exceed $250,000 in the aggregate for any one loss or, in the case of windstorm damage, two percent (2%) of the replacement cost. Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried or required to be carried by the Board, and may be maintained in whole or in part in the form of self-insurance by the Board, provided such self-insurance complies with the provisions of Section 5.07 hereof. The Net Proceeds of such insurance shall be applied as provided in Section 5.06 hereof. **The provisions of this Section 5.05, as amended, supersede in all respects the provisions contained in outstanding Lease Schedules (particularly, Section 10 thereof) related to property and casualty insurance in conflict hereto and dated prior to January 1, 2007.**

(b) Flood insurance shall be separately maintained by the Board for any property included in a Project which is located in a federally designated flood plain, in such amounts per occurrences as are available at commercially reasonable costs and in minimum amounts necessary to qualify for federal disaster relief programs. In the event the Board considers flood insurance to be unavailable at commercially reasonable rates, it shall so notify the Trustee and the Credit Enhancer(s), if any, for the Project(s) to which such flood insurance relates. If such Credit Enhancer(s) identify insurance for such coverage at commercially reasonable rates, the Board shall be obligated to obtain such insurance. In the event that such Credit Enhancer(s) and the Board determine that flood insurance is unavailable at commercially reasonable rates, such flood insurance shall be maintained in whole in the form of self-insurance by the Board in compliance with the provisions of Section 5.07 hereof.

(c) The insurance required to be maintained by the Board pursuant to this Section 5.05 shall be provided by carriers rated at least "A" by Standard & Poor's Corporation (a "Qualified Insurer" unless the Credit Enhancer(s), if any, for the Project(s) to which such insurance relates shall approve an insurer with a lower rating. If an insurer's rating falls below "A" (or, with respect to an insurer approved as aforesaid with a rating lower than "A," falls below the rating such insurer had when approved), such insurer shall be replaced with a Qualified Insurer unless the Credit Enhancer(s), if any, for the Project(s) to which such insurance relates shall approve an insurer with a lower rating.

SECTION 4. PROVISIONS OF LEASE AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Lease Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Lease Agreement and this Second Amendment to Master Lease-Purchase Agreement, the terms hereof shall control.

SECTION 5. THIRD PARTY BENEFICIARIES. Nothing in this Second Amendment to Master Lease-Purchase Agreement, express or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Credit Enhancers, Counterparties and the Board any rights, remedies or claims under or by reason of this Second Amendment to Master Lease-Purchase Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Second Amendment to Master Lease-Purchase Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Credit Enhancers, Counterparties and the Board.

SECTION 6. COUNTERPARTS. This Second Amendment to Master Lease-Purchase Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 7. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Second Amendment to Master Lease-Purchase Agreement, nor shall they affect its meaning, construction or effect.

SECTION 8. LAWS. This Second Amendment to Master Lease-Purchase Agreement shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Master Lease-Purchase Agreement by their officers thereunto duly authorized as of the date and year first written above.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: _____
President

ATTEST:

_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By: _____
Chairman

ATTEST:

_____
Superintendent/Secretary

CONSENT:

MBIA INSURANCE CORPORATION

By _____
Title: _____

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IN WITNESS WHEREOF, the parties have executed this Second Amendment to Master Lease-Purchase Agreement by their officers thereunto duly authorized as of the date and year first written above.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: _____
President

ATTEST:

_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessee

(SEAL)

By: _____
Chairman

ATTEST:

_____
Superintendent/Secretary

CONSENT:

MBIA INSURANCE CORPORATION

By _____
Title: Assistant Secretary

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FOURTH AMENDED AND SECOND RESTATED LEASE SCHEDULE NO. 2000

Fourth Amended and Second Restated Lease Schedule No. 2000
to the
Master Lease-Purchase Agreement,
dated as of April 1, 1994,
between
Hillsborough School Board Leasing Corporation (the "Corporation")
and
School Board of Hillsborough County, Florida (the "Board")

THIS FOURTH AMENDED AND SECOND RESTATED LEASE SCHEDULE NO. 2000 (the "Amended and Restated Lease Schedule") hereby amends and restates in its entirety Lease Schedule No. 2000, dated as of November 1, 2000, between the Corporation and the Board, as heretofore amended and restated (collectively, the "Prior Lease Schedule") which established a new Lease Schedule No. 2000 under and pursuant to that certain Master Lease-Purchase Agreement, dated as of April 1, 1994 (the "Master Lease Agreement"), as supplemented (the Master Lease Agreement, together with this Amended and Restated Lease Schedule are herein collectively referred to as the "Series 2000 Lease Agreement"), pursuant to which the Corporation has agreed to lease-purchase to the Board and the Board has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Lease Agreement, the Series 2000 Project, as herein and therein described. All capitalized terms not otherwise defined herein shall have the respective meanings therefor set forth in the (i) Lease Agreement or (ii) the Master Trust Agreement, dated as of April 1, 1994, among the Board, the Corporation and the Trustee, as amended and supplemented, particularly as amended and supplemented by the Series 2015A Supplemental Trust Agreement (the "Series 2015A Supplemental Trust Agreement"), dated as of August 1, 2015, among the Board, the Corporation and the Trustee (collectively, the "Trust Agreement"). Reference to "Lease Agreement" herein shall include the terms of this Amended and Restated Lease Schedule.

1. Findings. The Board and the Corporation hereby find and determine that:

(a) The Board has heretofore executed and delivered the Master Lease Agreement pursuant to which it has established a master lease-purchase program.

(b) The Board has heretofore leased the Series 2000 Project from the Corporation in accordance with the terms of the Lease Agreement.

(c) The Board has heretofore caused the Series 2005A Certificates (as defined in the Series 2015A Supplemental Trust Agreement) to be executed,

authenticated and delivered by the Trustee in connection with the refinancing of the costs of acquisition and construction and the Board's lease-purchasing of the Series 2000 Project.

(d) The Board and the Corporation deem it in their best interests to restructure the Basic Rent Payments due under the Prior Lease Schedule by issuing Refunding Certificates for the purpose of refunding, on a current basis, all of the outstanding Series 2005A Certificates (the "Refunded Certificates").

(e) In order to accomplish such refunding, the Board and the Corporation hereby agree to cause the issuance of the Series 2015A Certificates (as hereinafter defined) pursuant to the Trust Agreement and the Series 2015A Supplemental Trust Agreement.

(f) The Board and the Corporation further agree to use the proceeds of the Series 2015A Certificates, together with other available funds, to (i) prepay the Refunded Certificates pursuant to the terms of the Trust Agreement (including, particularly, Articles V and XII thereof) and an Escrow Deposit Agreement (the "Escrow Deposit Agreement"), between the Board and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, in order to restructure and reduce certain Basic Rent Payments payable under the Lease Agreement as aforesaid and (ii) pay costs associated with the issuance of the Series 2015A Certificates. The portion of the proceeds of the Series 2015A Certificates to be applied to the refunding of the Refunded Certificates shall be deposited into an escrow deposit trust fund established pursuant to the Escrow Deposit Agreement and shall constitute the deposit of prepaid Basic Rent Payments by the Board. The refunding of the Refunded Certificates is in the best interests of the Board and the Corporation because it results in a decrease in Basic Rent Payments associated with the portion of the Series 2000 Project refinanced with the proceeds of the Refunded Certificates.

(g) The deposit of the prepaid Basic Rent Payments into the escrow deposit trust fund, together with any investment earnings, shall be in an amount sufficient to pay the principal of, redemption premium, if any, and interest on the Refunded Certificates, as the same become due or are redeemed prior to maturity. The Lease Agreement will secure the payment of Supplemental Rent and any deficiency in the prepaid Basic Rent Payments on deposit in the escrow deposit trust fund relating to the Refunded Certificates.

(h) In consideration for the deposit of such prepaid Basic Rent Payments with the Escrow Agent, the Board and the Corporation agree to enter into this Amended and Restated Lease Schedule, whereby the Board will lease the Series 2000 Project and agree to make Basic Rent Payments sufficient to pay the principal of and interest on the Series 2015A Certificates.

2. Series 2000 Project. The leased property, described in Section 7 to this Lease Schedule (the "Series 2000 Project"), has a Maximum Cost of $50,248,707 and has been acquired, constructed and installed, and is being lease-purchased, by the Board from the Corporation pursuant to the terms of the Lease Agreement.

3. Commencement Dates; Lease Terms; Other Definitions. For purposes of the Lease Agreement:

(a) The Commencement Date for the Series 2000 Project was November 1, 2000.

(b) The Initial Lease Termination Date of the lease of the Series 2000 Project was June 30, 2001. The Maximum Lease Term commenced on the Commencement Date and shall terminate on June 30, 2026.

(c) The estimated Completion Date for the Series 2000 Project is not applicable.

4. Certificates of Participation.

(a) The Certificates of Participation issued under the Trust Agreement and related to this Amended and Restated Lease Schedule are identified as "Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A" (the "Series 2015A Certificates") Evidencing An Undivided Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida.

(b) The Series 2015A Certificates shall not be secured by credit enhancement.

(c) The Reserve Requirement for the Series 2015A Certificates to be established in the Reserve Account under the Trust Agreement shall be zero ($0.00).

(d) The Optional Prepayment Date for the Series 2015A Certificates is July 1, 2025.

(e) For purposes of Section 5.08(c) of the Lease Agreement, Net Proceeds of any insurance or condemnation award relating to the Series 2000 Project shall be applied in accordance with Section 14 below.

(f) The Closure Date of the 2000 Subaccount of the Project Account established for the Series 2000 Project, for purposes of Section 6.03(g) of the Trust Agreement, is not applicable.

5. Basic Rent. The Basic Rent payable by the Board to the Corporation with respect to the Series 2000 Project under the Lease Agreement is described in Schedule A attached hereto. Basic Rent is due and payable from the Board no later than the 15th day prior to each Basic Rent Payment Date. The obligation to make Basic Rent Payments in regard to the Refunded Certificates shall remain in effect to the extent of any deficiency in prepaid Basic Rent Payments deposited in the escrow deposit trust fund established by the Escrow Deposit Agreement for the Refunded Certificates.

6. Use of Certificate Proceeds. The portion of the proceeds of the Series 2015A Certificates (net of underwriters' discount) allocable to the Series 2000 Project and the Refunded Certificates shall be disbursed as follows:

	Series 2015A Certificate Proceeds
Deposit to Series 2015A Subaccount of Costs of Issuance Account established for the Series 2015A Certificates	$168,093.91
Deposit to Escrow Fund as prepaid Basic Rent for the Refunded Certificates	$43,670,210.81

7. The Series 2000 Project. The Project Descriptions, Project Budgets and Project Schedules for the Series 2000 Project are attached hereto as Schedule B.

8. Designated Equipment. The Designated Equipment for the Series 2000 Project is attached hereto as part of Schedule B.

9. The Land. A description of the Land, is attached as Schedule C attached hereto.

10. Title Insurance. For purposes of Section 6.03(c) of the Trust Agreement, the amount of title insurance applicable to each site on which the Series 2000 Project is located shall be the lesser of (i) $1,000,000 per each Series 2003B Project site or (ii) the fair market or agreed upon value of each site.

11. Other Documents. The documents required by Section 3.01(c) of the Lease Agreement to be submitted with this Amended and Restated Lease Schedule are attached hereto as Schedule D.

12. Assignment of Lease Agreement and Assignment of Ground Lease Agreement. The Corporation hereby acknowledges that all Lease Payments and its rights, title and interest in this Amended and Restated Lease Schedule and, with certain exceptions, the Lease Agreement have been simultaneously assigned to the Trustee pursuant to the Assignment of Lease Agreement, dated as of April 1, 1994 (as amended)

and that all of its right, title and interest in the Ground Lease Agreement (as amended) have been assigned to the Trustee pursuant to the Assignment of Ground Lease, dated as of November 1, 2000 (as amended).

13. Other Permitted Encumbrances. Those encumbrances set forth in the title policies delivered in connection with any Series 2000 Project component sites.

14. Section 5.08(c) and (d) of the Master Lease Agreement Not Applicable. Notwithstanding the provisions set forth in Sections 5.08(c) and (d) of the Master Lease Agreement, if the Net Proceeds related to the Series 2000 Project are not greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due in the immediately following fiscal year under this Amended and Restated Lease Schedule, then such amounts shall be used first, to pay the Interest Component of the Series 2015A Certificates for the next two interest Payment Dates and then to pay the Principal Component next coming due. In the event such Net Proceeds are greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due under this Amended and Restated Lease Schedule in the immediately following fiscal year, at the option of the Board, the Board shall apply the portion of the Net Proceeds of such insurance or condemnation award to (i) the acquisition, construction and installation of other Land and/or Buildings to be used for educational purposes that will be subject to this Amended and Restated Lease Schedule or (ii) upon receipt of an approving opinion of Special Counsel, to the Series 2015A Subaccount of the Interest Account, or Series 2015A Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts.

15. Certification Required by Lease Agreement. Pursuant to Section 3.01(c)(ii) of the Lease Agreement, the Chairman of the Board hereby reaffirms the Board's covenants, representations and warranties made under the Lease Agreement, except as modified hereby, and further certifies that no default has occurred and is continuing under the Lease Agreement.

IN WITNESS WHEREOF, each of the parties hereto have caused this Amended and Restated Lease Schedule to be executed by their proper corporate officers, all as of the 1st day of August, 2015.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

(SEAL)

By:_____
President

Attest: By:_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

(SEAL)

By:_____
Chairman

Attest: By:_____
Superintendent/Secretary to the School Board

SCHEDULE A

TOTAL BASIC RENT PAYMENT SCHEDULE

	Aggregate	
Basic Rent Payment Date	**Principal**	**Remaining Principal**

BASIC RENT SCHEDULE
[BY GROUP]

SCHEDULE B

PROJECT DESCRIPTION, PROJECT BUDGET, PROJECT SCHEDULE AND DESIGNATED EQUIPMENT

PROJECT DESCRIPTION AND SCHEDULE

1. New Middle School "MM" was constructed on approximately 20 acres North of Race Track Road, West of Nine Eagles Boulevard, South of the Pasco County Line and East of the Pinellas County Line. The new school is a two-story facility with approximately 132,000 square feet and accommodates approximately 1,550 student stations for grades 6 through 8. The school was completed in August, 2002.

2. New Elementary "P" was constructed on approximately 21 acres East of Culbreath Road, West of Lithia Pinecrest Road, South of Bloomingdale Avenue and North of the Alafia River. The new school is a two-story facility with approximately 79,000 square feet and has capacity for approximately 946 student stations for grades K through 5. The school was completed January, 2003.

3. Lewis Elementary School is located at 6700 Whiteway Drive in Temple Terrace, bordered by 113th Avenue on the north, Gillette Drive on the west and Riverhills Drive on the east. The addition consists of approximately 7,810 square feet for 6 primary classrooms with a total capacity of 150 students. The addition was completed in July 2003.

4. Claywell Elementary School is located at 4500 Northdale Boulevard, South of Northdale Boulevard, North of Ehrlich Road, East of Dale Mabry Highway and West of Veterans Expressway. The addition comprised of approximately 15,000 square feet for 12 classrooms and has capacity for approximately 300 student stations. The addition was completed in January, 2003.

5. Essrig Elementary School is located at 13131 Lynn Road, South of Ehrlich Road, North of Gunn Highway, East of Lynn Road, and West of Dale Mabry Highway. The addition comprised of approximately 12,500 square feet for 10 classrooms and has capacity for approximately 250 student stations. The addition was completed in January, 2003.

6. Mabry Elementary School is located at 4201 Estrella Street, South of Neptune Street, North of Bay to Bay Elementary, East of Manhattan Avenue and West of S. Lois Avenue. The addition comprised of approximately 5,000 square feet for 4 classrooms and has capacity for approximately 100 student stations. The addition was completed in January, 2003.

7. Morgan Woods Elementary School is located at 7001 Armand Drive, North of Hillsborough Avenue, South of Waters Avenue, East of Hanley Road and West of Veterans Expressway. The addition comprised of approximately 7,500 square feet for 6 classrooms and has capacity for approximately 150 student stations. The addition was completed in January, 2003.

8. Riverview Elementary School is located at 10809 Hannaway Road, North of Riverview Drive, South of Bloomingdale Avenue, East of U.S. Highway 301 and West of Providence Road. The addition comprised of approximately 17,500 square feet for 12 classrooms, 4 resource rooms and has capacity for approximately 300 student stations. The addition was completed in January, 2003.

9. Ferrell Middle School is located at 4302 24th Street, North of Martin Luther King Boulevard, East of 22nd Street, South of Osborne Avenue and West of 30th Street. The addition comprised of approximately 10,000 square feet for 8 classrooms and has capacity for approximately 224 student stations and a new gymnasium comprising of approximately 17,2000 square feet. The addition was completed in January, 2003.

10. Dover ESE is located at 3035 Nelson Avenue, South of Martin Luther King Boulevard, North of Salem Church Road, East of Dover Road and West of Sydney Dover Road. The addition comprised of approximately 13,500 square feet for 15 ESE classrooms and has capacity for approximately 195 student stations. The addition was completed in January, 2003.

11. Gorrie Elementary School is located at 705 DeLeon, North of Swann Avenue, South of Kennedy Boulevard, East of South Boulevard and West of Brevard. The addition comprised of approximately 5,000 square feet for 4 classrooms and has capacity for approximately 100 student stations and a new media center comprising of approximately 6,300 square feet. The addition was completed in January, 2003.

12. Lopez ESE is located at 200 N. Kingsway Road, South of Hillsborough Avenue, North of Martin Luther King Boulevard, East of N. Parsons Avenue and West of N. Kingsway Road. The addition comprised of approximately 7,200 square feet of 8 ESE classrooms and has capacity for approximately 104 student stations. The addition was completed in January, 2003.

13. West Tampa Elementary School is located at 2700 Cherry Street, bordered by Cherry Street on the north, W. Walnut Street on the south, Tampania Street on the east and Habana Street on the west. The addition comprised of an approximately 8,850 square feet new building containing 8 new classrooms. The addition was completed in January 2002.

14. Westshore Elementary School is located at 7110 S. Westshore Boulevard in Tampa, bordered by Loughman Street on the north, W. Bradley Street on the south and Fitzgerald Street on the east. The addition comprised of approximately 9,500 square feet for 4 primarly classrooms and a new media center with a total capacity of 100 students. The addition was completed in July 2002.

Under certain conditions set forth in the Master Lease, the Board may substitute or add components to the above described Project and modify the Plans and Specifications thereof.

ESTIMATED PROJECT BUDGET

Farnell Middle School "MM"		
	Building & Site Preparation	$15,917,303
	Furniture, Fixtures and Equipment	1,993,519
		$17,910,822
Chimino Elementary "P"		
	Building & Site Preparation	$ 8,542,145
	Furniture, Fixtures and Equipment	1,293,837
		$ 9,835,982
Addition of Classrooms		
	Claywell Elementary - 12 Classrooms	$ 1,779,867
	Essrig Elementary - 10 Classrooms	1,286,695
	Lewis Elementary - 6 Classrooms	1,020,052
	Mabry Elementary - 4 Classrooms	805,720
	Morgan Woods Elementary -6 Classrooms	1,023,435
	Riverview Elementary - 16 Classrooms	1,936,346
	West Tampa - 8 Classrooms	1,019,314
	Dover ESE - 15 Classrooms	1,537,965
	Lopez ESE - 8 Classrooms	1,346,997
		$11,756,391
Replacement of Gymnasium/ Addition of 8 Classrooms		
	Ferrell Middle School	$ 2,876,133
Media Center/Addition of 4 Classrooms		
	Gorrie Elementary School	$ 3,550,460
	Westshore Elementary	1,277,700
	TOTAL	$50,248,707[1]

[1] Includes interest earnings

ESTIMATED DRAWDOWN SCHEDULE

NOT APPLICABLE

DESIGNATED EQUIPMENT

All equipment components not constituting fixtures of the educational facilities described under the heading "PROJECT DESCRIPTION AND SCHEDULE" above.

1. Athletic Facility at High School "LLL"

2. Media Centers/Classroom Additions at Gorrie and Westshore Elementary Schools.

3. Replacement of Gymnasium/Addition of 8 classroom at Terrell Middle School.

SCHEDULE C

DESCRIPTION OF THE LAND

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SCHEDULE D

DOCUMENTS REQUIRED BY SECTION 3.01(C) OF THE LEASE AGREEMENT

1. Resolution of the School Board - See Tab _____.
2. Certificate of School Board - See Tab _____.
3. Ground Lease Agreement - See Tab _____.
4. Series 2015A Supplemental Trust Agreement - See Tab _____.
5. Memorandum of Lease and Notice of Option with respect to Series 2000 Project - See Tab _____.
6. Memorandum of Ground Lease with respect to Series 2000 Project - See Tab _____.

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THIRD AMENDED AND RESTATED LEASE SCHEDULE NO. 2006A

Third Amended and Restated Schedule No. 2006A
to the
Master Lease-Purchase Agreement,
dated as of April 1, 1994,
between
Hillsborough School Board Leasing Corporation (the "Corporation")
and
School Board of Hillsborough County, Florida (the "Board")

THIS THIRD AMENDED AND RESTATED LEASE SCHEDULE NO. 2006A (the "Amended and Restated Lease Schedule") hereby amends and restates in its entirety Lease Schedule No. 2006A, dated as of January 1, 2006, between the Board and the Corporation (the "Prior Lease Schedule") to that certain Master Lease-Purchase Agreement, dated as of April 1, 1994, between the Board and the Corporation, as amended (the "Master Lease Agreement"). The Master Lease Agreement, together with this Amended and Restated Lease Schedule are herein collectively referred to as the "Lease Agreement". This Amended and Restated Lease Schedule is hereby entered into under the Lease Agreement pursuant to which the Corporation has agreed to lease-purchase to the Board and the Board has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Lease Agreement, the Series 2006A Project as herein described. All defined terms not otherwise defined herein shall have the respective meanings therefor set forth in the (i) Lease Agreement or (ii) the Master Trust Agreement, dated as of April 1, 1994, among the Board, the Corporation and the Trustee, as amended and supplemented, particularly as amended and supplemented by the Series 2015A Supplemental Trust Agreement (the "Series 2015A Supplemental Trust Agreement"), dated as of August 1, 2015, among the Board, the Corporation and the Trustee (collectively, the "Trust Agreement"). Reference to "Lease Agreement" herein shall include the terms of this Amended and Restated Lease Schedule.

1. Findings. The Board and the Corporation hereby find and determine that:

(a) The Board has heretofore executed and delivered the Master Lease Agreement pursuant to which it has established a master lease-purchase program.

(b) The Board has heretofore leased the Series 2006A Project from the Corporation in accordance with the terms of the Lease Agreement.

(c) The Board has heretofore caused the Series 2006A Certificates (as defined in the Series 2015A Supplemental Trust Agreement) to be executed,

authenticated and delivered by the Trustee in connection with the financing of the costs of acquisition and construction and the Board's leasing of the Series 2006A Project.

(d) The Board and the Corporation deem it in their best interests to restructure the Basic Rent Payments due under the Prior Lease Schedule by issuing Refunding Certificates for the purpose of refunding, on an advance basis, the outstanding Series 2006A Certificates maturing on July 1 in the years 2018 through 2031, inclusive (the "Refunded Certificates").

(e) In order to accomplish such refunding, the Board and the Corporation hereby agree to cause the issuance of the Series 2015A Certificates (as defined herein) pursuant to the Master Trust Agreement and the Series 2015A Supplemental Trust Agreement.

(f) The Board and the Corporation further agree to use a portion of the proceeds of the Series 2015A Certificates to (i) prepay the Refunded Certificates pursuant to the terms of the Master Trust Agreement (including, particularly, Articles V and XII thereof) and an Escrow Deposit Agreement, dated August 20, 2015 (the "Escrow Deposit Agreement"), between the Board and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, in order to restructure and reduce certain Basic Rent Payments payable under the Lease Agreement as aforesaid and (ii) pay costs associated with the issuance of the Series 2015A Certificates. The portion of the proceeds of the Series 2015A Certificates to be applied to the refunding of the Refunded Certificates shall be deposited into an escrow deposit trust fund established pursuant to the Escrow Deposit Agreement and shall constitute the deposit of prepaid Basic Rent Payments by the Board. The refunding of the Refunded Certificates is in the best interests of the Board and the Corporation because it results in a decrease in Basic Rent Payments associated with the portion of the Series 2006A Project refinanced with the proceeds of the Refunded Certificates.

(g) The deposit of the prepaid Basic Rent Payments into the escrow deposit trust fund, together with any investment earnings, shall be in an amount sufficient to pay the principal of, redemption premium, if any, and interest on the Refunded Certificates, as the same become due or are redeemed prior to maturity. The Lease Agreement will secure the payment of Supplemental Rent and any deficiency in the prepaid Basic Rent Payments on deposit in the escrow deposit trust fund relating to the Refunded Certificates.

(h) In consideration for the deposit of such prepaid Basic Rent Payments with the Escrow Agent, the Board and the Corporation agree to enter into this Third Amended and Restated Lease Schedule, whereby the Board will lease the Series 2006A Project and agree to make Basic Rent Payments sufficient to pay the

principal of and interest on that portion of the Series 2015A Certificates allocable to the Series 2006A Project and the Series 2006A Certificates maturing on July 1, 2016 that are not being refunded in connection with the issuance of the Series 2015A Certificates (the "Outstanding Series 2006A Certificates").

2. Series 2006A Project. The leased property, which is described in Section 6 of this Lease Schedule (the "Series 2006A Project"), and has a Maximum Cost of $98,134,518, has been acquired, constructed and installed, and is being lease-purchased, by the Board from the Corporation pursuant to the terms of the Lease Agreement.

3. Commencement Date; Lease Term; Other Definitions. For purposes of this Amended and Restated Lease Schedule and the Lease Agreement:

(a) The Commencement Date for the Series 2006A Project is January 1, 2006.

(b) The Initial Lease Termination Date of the lease of the Series 2006A Project was June 30, 2006. The Maximum Lease Term commenced on the Commencement Date hereof and terminate on June 30, 2031.

(c) The Estimated Completion Date is not applicable.

4. Certificates of Participation.

(a) The Certificates of Participation issued under the Trust Agreement and related to this Lease Schedule are identified as (i) a portion of the "Refunding Certificates of Participation" (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A (the "Series 2015A Certificates") and (ii) the Outstanding Series 2006A Certificates, each Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida" (the "Series 2006A Certificates").

(b) The Credit Enhancer for the Series 2006A Certificates is National Public Finance Guarantee Corporation ("National PFG"), as reinsurer of MBIA Insurance Corporation ("MBIA"). The Series 2015 Certificates are not secured by credit enhancement.

(c) The Reserve Requirement for the Outstanding Series 2006A Certificates and the Series 2015A Certificates shall be zero ($0.00).

(d) There is no Optional Prepayment Date for the Outstanding Series 2006A Certificates. The Optional Prepayment Date for the Series 2015A Certificates shall be July 1, 2025.

(e) For purposes of Section 5.08(c) of the Lease Agreement, Net Proceeds of any insurance or condemnation award relating to the Series 2006A Project shall be allocated to the Series 2015A Certificates allocable to this Amended and Restated Lease Schedule, on a pro rata basis with the Outstanding Series 2006A Certificates. With respect to the Outstanding Series 2006A Certificates, the portion of such Net Proceeds allocable thereto shall be applied to the Mandatory Prepayment thereof in accordance with the Supplemental Trust Agreement related thereto. With respect to the Series 2015A Certificates, the portion of the Net Proceeds relating to the Series 2006A Project allocable to the Series 2015A Certificates under this Amended and Restated Lease Schedule shall be applied in accordance with Section 14 below.

(f) The Closure Date of the Series 2006A Subaccount of the Project Account established for the Series 2006A Certificates, for purposes of Section 6.03(g) of the Trust Agreement, is not applicable.

5. Basic Rent and Basic Rent Payment Dates. The Basic Rent payable by the Board to the Corporation with respect to the Series 2006A Project under the Lease Agreement is described in Schedule A attached hereto. Basic Rent is due and payable from the Board no later than the 15th day prior to each Basic Rent Payment Date. The obligation to make Basic Rent Payments in regard to the Refunded Certificates shall remain in effect to the extent of any deficiency in prepaid Basic Rent Payments deposited in the escrow deposit trust fund established by the Escrow Deposit Agreement for the Refunded Certificates.

[Remainder of page intentionally left blank]

6. Use of Certificate Proceeds. (a) The proceeds of the Series 2006A Certificates (net of underwriters' discount) were disbursed as follows:

Deposit to Series 2006A Subaccount of Project Account established for the Series 2006A Certificates	$87,395,690.00
Deposit to Series 2006A Subaccount of Costs of Issuance Account established for the Series 2006A Certificates	$653,553.91*

*$346,000.00 of which was wired directly to MBIA at closing.

(b) The portion of the proceeds of the Series 2015A Certificates (net of underwriters' discount) allocable to the Series 2006A Project and the Refunded Certificates shall be disbursed as follows:

Deposit to the Series 2015A Subaccount of the Costs of Issuance Account established for the Series 2015A Certificates	$270,908.26
Deposit to Escrow Fund as prepaid Basic Rent for the Refunded Certificates.	$68,711,904.96

7. The Series 2006A Project. The Project Description, Project Budget and Project Schedule for the Series 2006A Project are attached hereto as Schedule B. **Notwithstanding any provision of the Lease Agreement to the contrary, that portion of the Series 2006A Project comprised of High School "SSS" and Middle School "RR" shall be secured, on a proportionate basis, by this Amended and Restated Lease Schedule, Lease Schedule No. 2004C and Lease Schedule No. 2007 and that portion of the Series 2006A Project comprised of Middle School "SS" and Elementary School "N" shall be secured, on a proportionate basis, by both this Amended and Restated Lease Schedule and Lease Schedule No. 2007.**

8. Designated Equipment. The Designated Equipment for the Series 2006A Project is attached hereto as part of Schedule B.

9. The Land. A description of the Land, including any Ground Leases, is attached as Schedule C attached hereto.

10. Title Insurance. For purposes of Section 6.03(c) of the Trust Agreement, the amount of title insurance applicable to each site on which the Series 2006A Project shall be located shall be the lesser of (i) $1,000,000 per each Series 2006A Project site, or (ii) the fair market or agreed upon value of each site.

11. Other Documents. The documents required by Section 3.01(c) of the Lease Agreement to be submitted with this Lease Schedule are attached hereto as Schedule D.

12. Assignment of Lease Agreement and Ground Lease Agreement. The Corporation hereby acknowledges that all Lease Payments and its rights, title and interest in this Amended and Restated Lease Schedule and, with certain exceptions, the Lease Agreement have been assigned to the Trustee pursuant to the Assignment of Lease Agreement, dated as of April 1, 1994 (as amended) and that all of its right, title and interest in the Ground Lease has been assigned to the Trustee pursuant to the Assignment of Ground Lease, dated as of January 1, 2006 (as amended).

13. Other Permitted Encumbrances. Those encumbrances set forth in the title policies delivered in connection with any Project component site.

14. Section 5.08(c) and (d) of the Master Lease Agreement Not Applicable. Notwithstanding the provisions set forth in Sections 5.08(c) and (d) of the Master Lease Agreement, if the pro rata portion of the Net Proceeds related to the Series 2006A Project allocable to the Series 2015A Certificates are not greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due in the immediately following fiscal year under this Amended and Restated Lease Schedule, then such amounts shall be used first, to pay the Interest Component of the Series 2015A Certificates for the next two interest Payment Dates and then to pay the Principal Component next coming due. In the event such Net Proceeds are greater than the amount of the Lease Payments represented by the Series 2015A Certificates coming due under this Amended and Restated Lease Schedule in the immediately following fiscal year, at the option of the Board, the Board shall apply the portion of the Net Proceeds of such insurance or condemnation award allocable to the Series 2015A Certificates to (i) the acquisition, construction and installation of other Land and/or Buildings to be used for educational purposes that will be subject to this Amended and Restated Lease Schedule or (ii) upon receipt of an approving opinion of Special Counsel, to the Series 2015A Subaccount of the Interest Account, or Series 2015A Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts.

15. Certification Required by Lease Agreement. Pursuant to Section 3.01(c)(ii) of the Lease Agreement, the Chairman of the Board hereby reaffirms the Board's covenants, representations and warranties made under the Lease Agreement, except as modified hereby, and further certifies that no default has occurred and is continuing under the Lease Agreement.

16. Special Terms and Conditions for Lease Schedule No. 2006A.

Notices. So long as any Outstanding Series 2006A Certificates remain outstanding, copies of all notices required to be given to a Credit Enhancer pursuant to the Lease Agreement shall be given to National PFG at the following address:

National Public Finance Guarantee Corporation
113 King Street
Armonk, New York 10504
Attention: Surveillance

Supplemental Provisions Required by National PFG. For purposes of this Amended and Restated Lease Schedule, with respect to the Outstanding Series 2006A Certificates only, the following provisions shall apply:

(1) To the extent the Board elects to self-insure for any damage or liability as provided in Section 5.07 of the Lease Agreement, such self-insurance monies may not be commingled with other Board monies; and

(2) The Board may not sublease the Series 2006A Project pursuant to Section 6.01 of the Lease Agreement without the prior consent of National PFG; and

(3) National PFG shall direct and control all remedies relating to the Outstanding Series 2006A Certificates pursuant to Section 7.03 of the Lease Agreement so long as National PFG has not defaulted on any of its payment obligations under the Municipal Bond Insurance Policy.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the parties hereto have caused this Amended and Restated Lease Schedule to be executed by their proper corporate officers, all as of the 1st day of August, 2015.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By:_____
President

(SEAL)

Attest:_____
Secretary

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

By:_____
Chairman

(SEAL)

Attest:_____
Superintendent/Secretary

SCHEDULE A

TOTAL BASIC RENT SCHEDULE

(Rent due on June 15 and December 15 next preceding each Certificate Payment Date)

BASIC RENT SCHEDULE BY GROUP

[See attached exhibits]

SCHEDULE B

SERIES 2006A PROJECT DESCRIPTION, SERIES 2006A PROJECT BUDGET, PROJECT SCHEDULE AND DESIGNATED EQUIPMENT

PROJECT DESCRIPTION AND SCHEDULE

Steinbrenner High School "SSS" will be constructed on approximately 50 acres located at Lutz Lake Fern Road and Suncoast Parkway. The new school will be approximately 247,748 square feet and will accommodate approximately 2,501 student stations for grades 9 through 12.

Sgt. Paul R. Smith Middle School "RR" will be constructed on approximately 15-20 acres located at a to be determined location. The new school will be approximately 135,874 square feet and will accommodate approximately 1,511 student stations for grades 6 through 8.

Barrington Middle School "SS" will be constructed on approximately 26 acres located in the Lake Hutto area. The new school will be approximately 136,580 square feet and will accommodate approximately 1,511 student stations for grades 6 through 8.

Reddick Elementary School "N" will be constructed on approximately 15 acres located in the DG Farms area. The new school will be approximately 88,400 square feet and will accommodate approximately 1,094 student stations for grades K through 5.

Gaither High School Renovations will be constructed on the existing Gaither High School campus. The renovations include, but are not limited to, HVAC improvements, ADA improvements, new finishes, low-voltage system, replacement doors and windows, new lighting and correction of other existing deficiencies.

Under certain conditions set forth in the Master Lease, the Board may substitute or add components to the above described Project and modify the Plans and Specifications thereof. The Series 2006A Project was approved by the Board in connection with the Board's Capital Improvement Program.

ESTIMATED PROJECT BUDGET*

Steinbrenner High School "SSS"		
	Building & Site Preparation	$34,413,615
	Furniture, Fixtures and Equipment	4,692,766
	Subtotal	$39,106,381
Smith Middle School "RR"		
	Building & Site Preparation	$17,684,792
	Furniture, Fixtures and Equipment	2,096,855
	Subtotal	$19,781,648
Barrington Middle School "SS"		
	Building & Site Preparation	$16,972,803
	Furniture, Fixtures and Equipment	1,719,711
	Subtotal	$18,692,514
Reddick Elementary School "N"		
	Building & Site Preparation	$ 8,912,716
	Subtotal	$ 8,912,716
Gaither High School Renovations		
	Renovations	$11,641,259
	Subtotal	$11,641,259
	Total	$98,134,518

* Includes investment earnings.

ESTIMATED DRAWDOWN SCHEDULE

[Not Applicable]

DESIGNATED EQUIPMENT

That portion of the Series 2006A Project consisting of (a) Gaither High School renovations and (b) all equipment components not constituting fixtures of the educational facilities described under the heading "PROJECT DESCRIPTION AND SCHEDULE" above.

EXHIBIT A TO SCHEDULE B

EDUCATIONAL PLANT SURVEY EXCERPTS RELATED TO THE PROJECT COMPONENTS

[Not Required - See Attached FDOE Waiver]

SCHEDULE C

DESCRIPTION OF THE LAND

SCHEDULE D

DOCUMENTS REQUIRED BY SECTION 3.01(C) OF THE LEASE AGREEMENT

1. Resolution of the School Board - See Tab ___.
2. Certificate of School Board - See Tab ___.
3. Ground Lease Agreement - See Tab ___.
4. Series 2015A Supplemental Trust Agreement - See Tab ___.
5. Memorandum of Lease with respect to Series 2006A Project - See Tab ___.
6. Memorandum of Ground Lease with respect to Series 2006A Project - See Tab ___.

APPENDIX F

FORM OF TWENTY-SEVENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT

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RECORD VERIFIED
Richard Ake
Clerk of Circuit Court
Hillsborough County, Fla.
By Luis M. LeDuc, D.C.

1C
M

This document prepared by:

John R. Stokes, Esq.
Nabors, Giblin & Nickerson, P.A.
2502 Rocky Point Drive, Suite 1060
Tampa, Florida 33607

OFF. REC. 7398 PG 580

ASSIGNMENT OF LEASE AGREEMENT

by and between

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

NATIONSBANK OF FLORIDA, N.A.,
as Trustee

Dated as of April 1, 1994

RICHARD AKE
CLERK OF CIRCUIT COURT
HILLSBOROUGH COUNTY

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ASSIGNMENT OF LEASE AGREEMENT

THIS ASSIGNMENT OF LEASE AGREEMENT, is made and entered into as of April 1, 1994, by and between HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, a single purpose, not-for-profit corporation duly organized and validly existing under the laws of the State of Florida (the "Corporation") and NATIONSBANK OF FLORIDA, N.A., a national banking association with corporate trust powers duly qualified to enter into this Assignment of Lease Agreement, not in its individual capacity but solely as trustee (the "Trustee");

W I T N E S S E T H:

In the joint and initial exercise of their powers, in consideration of the mutual covenants herein contained, and for other valuable consideration, the parties hereto recite and agree as follows:

SECTION 1. RECITALS. (a) The Corporation and the Board have entered into the Master Lease-Purchase Agreement, dated as of April 1, 1994 (which, together with all amendments and Lease Schedules thereto, including, without limitation, Lease Schedule No. 1994, dated as of April 1, 1994, shall be referred to herein as the "Lease Agreement"), between the Corporation and the Board, whereby the Corporation has agreed to lease to the Board, and the Board has agreed to lease from the Corporation, the Projects, as described in the Lease Agreement.

(b) The Certificates shall be issued from time to time in order to finance the acquisition, construction and installation of the Projects and the proceeds of the Certificates shall be deposited with the Trustee and shall be held and applied in accordance with the Trust Agreement.

(c) Pursuant to the Lease Agreement, the Board is obligated to make certain Lease Payments to the Corporation, or its assignee. In order to secure the Certificates, the Corporation is willing to assign and transfer its rights and interests under the Lease Agreement to the Trustee for the benefit of the Owners of the Certificates.

(d) Each of the parties hereto has authority to enter into this Assignment of Lease Agreement, and has taken all actions necessary to authorize its officer to enter into it.

(e) The capitalized words and terms used in this Assignment of Lease Agreement, but not otherwise defined herein, shall have the meanings assigned to such words and terms in Exhibit A to the Lease Agreement.

SECTION 2. ASSIGNMENT. The Corporation, for good and valuable consideration received, does hereby irrevocably sell,

assign and transfer to the Trustee, by absolute and outright assignment, for the benefit of the Owners of the Certificates, all of its right, title and interest in the Lease Agreement (other than the right to receive indemnification pursuant to the Lease Agreement, the right to enter into Lease Schedules from time to time and its obligations provided in Section 6.03 of the Lease Agreement), including its right to receive Lease Payments from the Board under the Lease Agreement and its right to use, sell and re-let the Projects (under the circumstances contemplated by the Lease Agreement), and the right to exercise such rights and remedies as are conferred on the Corporation by the Lease Agreement. All rights of the Corporation in each Lease Schedule shall be assigned to the Trustee upon execution and delivery thereof by absolute and outright assignment. The Lease Payments shall be applied, and the rights so assigned shall be exercised, by the Trustee as provided in the Trust Agreement. Except for any Lease Schedules which are hereafter attached to the Lease Agreement and hereafter assigned by the Corporation to the Trustee pursuant to an amendment to this Assignment of Lease Agreement, the sale, assignment and conveyance of the rights, title and interest of the Corporation under and to the Lease Agreement are immediately complete and effective for all purposes.

SECTION 3. ACCEPTANCE. The Trustee hereby accepts such assignment in trust for the purpose of securing payment of the Certificates and securing the rights of the Owners of the Certificates issued pursuant to the Trust Agreement.

SECTION 4. CONDITIONS. This Assignment Agreement shall confer no rights and impose no duties upon the Trustee beyond those expressly provided in the Trust Agreement.

SECTION 5. REPRESENTATIONS AND AGREEMENTS. (a) With respect to the sale, assignment and conveyance of the rights, title and interest of the Corporation under the Lease Agreement, the Corporation represents, warrants and covenants to and with the Trustee, for the benefit of the Owners of the Certificates, that:

(i) The Corporation is a single-purpose, not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Florida, with corporate powers and authority to own its property and carry on its business as now being conducted.

(ii) The Corporation is duly qualified to transact business and hold property and is in good standing in the State of Florida and wherever necessary to perform its obligations under the Lease Agreement, the Trust Agreement and this Assignment Agreement.

(iii) The Corporation has full power, authority and legal right to enter into and perform its obligations under the Lease Agreement, the Trust Agreement and this Assignment

Agreement; and the execution, delivery and performance of the Lease Agreement, the Trust Agreement and this Assignment Agreement by the Corporation have been duly authorized by all necessary corporate actions on the part of the Corporation, do not require any stockholder approval or the approval or consent of any trustee or holder of any indebtedness or obligations of the Corporation or any other Person or such required approvals and consents have heretofore been duly obtained.

(iv) The execution, delivery and performance of the Lease Agreement, the Trust Agreement and this Assignment Agreement do not contravene any provision of any Articles of Incorporation or Bylaws of the Corporation, and do not and will not conflict with, violate or result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which the Corporation is a party or by which it or any of its property is bound or any constitutional or statutory provision, or order, rule, regulation, decree or ordinance of any federal or state court, government or governmental body having jurisdiction over the Corporation or any of its properties and by which the Corporation or any of its property is bound.

(v) To the Corporation's knowledge, the Lease Agreement and the Trust Agreement are in full force and effect and the Corporation is not in default thereunder; and, the Lease Agreement, the Trust Agreement and this Assignment Agreement are legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their respective terms, all such enforcement being subject to certain laws relating to bankruptcy, reorganizations, moratoriums and creditors' rights generally and to the exercise of judicial discretion in accordance with general principles of equity.

(vi) The Corporation has complied, and will at all times hereafter comply, with and duly perform its obligations under the Lease Agreement, the Trust Agreement and this Assignment Agreement.

(vii) There is no pending, or to the knowledge of the Corporation, threatened, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental agency in any way affecting the ability of the Corporation to perform its obligations under the Lease Agreement, the Trust Agreement or this Assignment Agreement.

(viii) The Lease Agreement and the lease rights thereunder being herein assigned are free and clear of all claims, liens, mortgages, security interests and encumbrances arising through any act or omissions of the Corporation or any Person claiming by, through or under it, except the rights of the Board under

the Lease Agreement and encumbrances permitted thereunder, including the Permitted Encumbrances.

(b) From and after the date of delivery to the Trustee of this Assignment Agreement, the Corporation shall have no further rights or interest under the Lease Agreement with respect to same or in any Lease Payments (except any rights of indemnification of the Corporation under the Lease Agreement, the Corporation's right to enter into Lease Schedules from time to time and the Corporation's obligations under Section 6.03 of the Lease), the Projects or other moneys due with respect thereto or to become due under the Lease Agreement.

(c) The Corporation agrees to execute and deliver to the Trustee, upon request by the Trustee or the Owners of a majority in principal amount of the Certificates, any documents deemed necessary by the Trustee or such Owners to evidence further the assignment and conveyance herein made with respect to the Lease Agreement including, without limitation, any amendments hereto necessary or desirable to assign to the Trustee any Lease Schedules executed and delivered after the date hereof.

(d) The Corporation hereby irrevocably constitutes and appoints the Trustee, or its successors or assigns, as its lawful attorney, with full power of substitution and resubstitution, to collect and to sue on behalf of the Corporation in the name of the Corporation or otherwise in any court for any Lease Payments or other amounts due under the Lease Agreement, or any part thereof, to withdraw or settle any claims, suits or proceedings pertaining to or arising out of the Lease Agreement or pertaining to the Projects upon any terms, all without the assent of the Corporation; and, further, to take possession of and to endorse in the name of the Corporation any instrument for the payment of moneys received on account of the Lease Payments or other amounts due under the Lease Agreement.

(e) The Corporation has authorized and directed the Board to pay to the Trustee, its successors and assigns, all Lease Payments and all other amounts due and payable under the Lease Agreement.

(f) In order to secure payment of the Certificates, the Corporation hereby authorizes the Trustee to take possession of the Projects, and title thereto in accordance with the provisions of the Trust Agreement and Lease Agreement, and sell or relet such Projects, or any portion thereof, in the circumstances described in the Trust Agreement.

SECTION 6. NON-RECOURSE. The parties hereto agree that the assignment contained in this Assignment Agreement shall be non-recourse with respect to the Corporation, and the Corporation shall have no liability hereunder to the Trustee or the Owners of any Certificates, with respect to the occurrence of an Event of Default

or Event of Non-Appropriation by the Board under the Lease Agreement.

SECTION 7. NO INDIVIDUAL LIABILITY. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Assignment Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the assignment effected by Section 2 hereof or for any claim based thereon under this Assignment Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 8. AMENDMENTS UPON DELIVERY OF ADDITIONAL LEASE SCHEDULES. The Corporation hereby agrees to deliver to the Trustee upon the execution and delivery of any Lease Schedules after the date hereof an amendment to this Assignment of Lease Agreement which provides for the assignment of the rights of the Corporation in and to said Lease Schedule in accordance with the terms hereof and confirms the representations and agreements of the Corporation set forth in Section 5 hereto as of the date thereof.

SECTION 9. COUNTERPARTS. This Assignment Agreement may be executed in counterparts, and each of said counterparts shall be deemed an original for all purposes of this Assignment Agreement. All of such counterparts taken together shall be deemed to be one and the same instrument.

SECTION 10. LAW. This Assignment Agreement shall be construed under the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have executed this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

By: Yvonne McKitrick
Name: Yvonne McKitrick
Title: President
Address: 901 East Kennedy Blvd.
Tampa, Florida 33602

Attest:

Walt Sickles
Name: Walter L. Sickles
Title: Secretary
Address: 901 East Kennedy Blvd.
Tampa, Florida 33602

(SEAL)

NATIONSBANK OF FLORIDA, N.A., as Trustee

By: Shari B. Sawyers
Name: Shari B. Sawyers
Title: Vice President
Address: 400 North Ashley Dr.
6th Floor
Tampa, Florida 33602

Attest:

Jeanne Milkey
Name: Jeanne Milkey
Title: Trust Officer
Address: 400 North Ashley Dr.
6th Floor
Tampa, Florida 33602

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 18th day of May, 1994, by Yvonne McKitrick and Walter Sickles, the President and Secretary, respectively, of the HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION.

CHARISSE ANN SIMPSON
MY COMMISSION EXPIRES
MARCH 30, 1996
CC 272202
NOTARY PUBLIC, STATE OF FLORIDA

Charisse Ann Simpson
Name: Charisse Ann Simpson
Notary Public, State of Florida

(NOTARIAL SEAL)

My Commission Expires:

Personally Known ✓ or Produced Identification ____

Type of Identification Produced ____

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 17th day of May, 1994, by Shari B. Sawyers and Jeanne Milkey, the Vice President and Trust Officer, respectively, of NATIONSBANK OF FLORIDA, N.A.

Name:
Notary Public, State of Florida

(NOTARIAL SEAL)

My Commission Expires:

Personally Known ✓ or Produced Identification ____

Type of Identification Produced _____

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This document prepared by:

John R. Stokes, Esq.
Nabors, Giblin & Nickerson, P.A.
2502 Rocky Point Drive
Suite 1060
Tampa, Florida 33607

TWENTY-SEVENTH AMENDMENT TO
ASSIGNMENT OF LEASE AGREEMENT

by and between

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessor

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(successor to NationsBank of Florida, N.A),
as Trustee

Dated as of August 1, 2015

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TWENTY-SEVENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT

THIS TWENTY-SEVENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT, is made and entered into as of August 1, 2015, by and between the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a not-for-profit corporation duly organized and validly existing under the laws of the State of Florida (the "Corporation") and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (successor to NationsBank of Florida, N.A), a national banking association with corporate trust powers duly qualified to enter into this Twenty-Seventh Amendment to Assignment of Lease Agreement, not in its individual capacity but solely as successor trustee (the "Trustee");

W I T N E S S E T H:

In the joint and initial exercise of their powers, in consideration of the mutual covenants herein contained, and for other valuable consideration, the parties hereto recite and agree as follows:

SECTION 1. RECITALS. (a) The Corporation and the Board have entered into the Master Lease-Purchase Agreement, dated as of April 1, 1994 (which, together with all amendments and Lease Schedules thereto, shall be referred to herein as the "Lease Agreement"), between the Corporation and the Board, whereby the Corporation has agreed to lease to the Board, and the Board has agreed to lease from the Corporation, the Projects, as described in the Lease Agreement.

(b) The Corporation and Trustee have entered into the Assignment of Lease Agreement, dated as of April 1, 1994, as amended and supplemented as hereinafter described (the "Assignment Agreement"), which Assignment Agreement has been recorded at Official Records Book 7398, page 580, of the Public Records of Hillsborough County, Florida.

(c) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 1995 by entering into the First Amendment to Assignment of Lease Agreement, dated as of June 1, 1995 (the "First Amendment to Assignment Agreement"), which First Amendment to Assignment Agreement has been recorded at Official Records Book 7807, page 1543, of the Public Records of Hillsborough County, Florida.

(d) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 1996 by entering into the Second Amendment to Assignment of Lease Agreement, dated as of October 1, 1996 (the "Second Amendment to Assignment Agreement"), which Second Amendment to Assignment Agreement has been recorded at Official Records Book 8433, page 1107, of the Public Records of Hillsborough County, Florida.

(e) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 1998 by entering into the Third Amendment to Assignment of Lease Agreement, dated as of March 1, 1998 (the "Third Amendment to Assignment Agreement"), which Third Amendment to Assignment Agreement has been recorded at Official Records Book 8960, page 1451, of the Public Records of Hillsborough County, Florida.

(f) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 1999 by entering into the Fourth Amendment to Assignment of Lease Agreement, dated as of October 28, 1999 (the "Fourth Amendment to Assignment Agreement"), which Fourth Amendment to Assignment Agreement has been recorded at Official Records Book 09977, page 0554, of the Public Records of Hillsborough County, Florida.

(g) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2000-QZAB by entering into the Fifth Amendment to the Assignment of Lease Agreement, dated April 11, 2000 (the "Fifth Amendment to the Assignment Agreement"), which Fifth Amendment to Assignment Agreement has been recorded at Official Records Book 10133, page 0124, of the Public Records of Hillsborough County, Florida.

(h) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2000 by entering into the Sixth Amendment to Assignment of Lease Agreement, dated as of December 1, 2000 (the "Sixth Amendment to Assignment Agreement"), which Sixth Amendment to Assignment Agreement has been recorded at Official Records Book 10486, page 0184, of the Public Records of Hillsborough County, Florida.

(i) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2001A by entering into the Seventh Amendment to Assignment of Lease Agreement, dated as of January 15, 2001 (the "Seventh Amendment to Assignment Agreement"), which Seventh Amendment to Assignment Agreement has been recorded at Official Records Book 10655, page 1783, of the Public Records of Hillsborough County, Florida.

(j) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2001B by entering into the Eighth Amendment to Assignment of Lease Agreement, dated as of July 1, 2001 (the "Eighth Amendment to Assignment Agreement"), which Eighth Amendment to Assignment Agreement has been recorded at Official Records Book 10991, page 1173, of the Public Records of Hillsborough County, Florida.

(k) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2001-QZAB by entering into the Ninth Amendment to Assignment of Lease Agreement, dated November 6, 2001 (the "Ninth Amendment to Assignment Agreement"), which Ninth Amendment to Assignment Agreement has been recorded at Official Records Book 11246, Page 1840, of the Public Records of Hillsborough County, Florida.

(l) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2002 by entering into the Tenth Amendment to Assignment of Lease Agreement, dated September 15, 2002 (the "Tenth Amendment to Assignment Agreement"), which Tenth Amendment to Assignment Agreement has been recorded at Official Records Book 12023, Page 1895, of the Public Records of Hillsborough County, Florida.

(m) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2003B by entering into the Eleventh Amendment to Assignment of Lease Agreement, dated as of September 1, 2003 (the "Eleventh Amendment to Assignment Agreement"), which Eleventh Amendment to Assignment Agreement has been recorded at Official Records Book 13553, Page 1648, of the Public Records of Hillsborough County, Florida.

(n) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Fourth Amended and First Restated Lease Schedule No. 1996 by entering into the Twelfth Amendment to Assignment of Lease Agreement, dated February 1, 2004 (the "Twelfth Amendment to Assignment Agreement"), which Twelfth Amendment to Assignment Agreement has been recorded at Official Records Book 13808, Page 0337, of the Public Records of Hillsborough County, Florida.

(o) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2004B by entering into the Thirteenth Amendment to Assignment of Lease Agreement, dated as of February 1, 2004 (the "Thirteenth Amendment to Assignment Agreement"), which Thirteenth Amendment to Assignment Agreement has been recorded at Official Records Book 13592, Page 1343, of the Public Records of Hillsborough County, Florida.

(p) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2004-QZAB by entering into the Fourteenth Amendment to Assignment of Lease Agreement (the "Fourteenth Amendment to Assignment Agreement"), which Fourteenth Amendment to Assignment Agreement has been recorded at Official Records Book 13952, Page 1277, of the Public Records of Hillsborough County, Florida.

(q) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2004C by entering into the Fifteenth Amendment to

Assignment of Lease Agreement (the "Fifteenth Amendment to Assignment Agreement"), which Fifteenth Amendment to Assignment Agreement shall be recorded in the Public Records of Hillsborough County; Florida.

(r) The Corporation and Trustee amended the Assignment Agreement to acknowledge Fourth Amended and First Restated Lease Schedule No. 2000 by entering into a Sixteenth Amendment to Assignment of Lease Agreement (the "Sixteenth Amendment to Assignment Agreement"), which Sixteenth Amendment to Assignment Agreement has been recorded at Official Records Book 15808, Page 0453, of the Public Records of Hillsborough County, Florida.

(s) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2005-QZAB by entering into a Seventeenth Amendment to Assignment of Lease Agreement (the "Seventeenth Amendment to Assignment Agreement"), which Seventeenth Amendment to Assignment Agreement has been recorded at Official Records Book 15989, Page 1796, of the Public Records of Hillsborough County, Florida.

(t) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2006A by entering into an Eighteenth Amendment to Assignment of Lease Agreement (the "Eighteenth Amendment to Assignment Agreement"), which Eighteenth Amendment to Assignment Agreement has been recorded at Official Records Book 17331, Page 742, of the Public Records of Hillsborough County, Florida.

(u) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Second Amended and Restated Lease Schedule No. 1998 and Amended and Restated Lease Schedule No. 2001B by entering into a Nineteenth Amendment to Assignment of Lease Agreement (the "Nineteenth Amendment to Assignment Agreement"), which Nineteenth Amendment to Assignment Agreement has been recorded at Official Records Book 17479, Page 1500, of the Public Records of Hillsborough County, Florida.

(v) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2007 (the "Twentieth Amendment to Assignment Agreement"), which Twentieth Amendment to Assignment Agreement has been recorded at Official Records Book 17744, Page 1926, of the Public Records of Hillsborough County, Florida.

(w) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Third Amended and Restated Lease Schedule No. 1998 by entering into the Twenty-First Amendment to Assignment of Lease Agreement (the "Twenty-First Amendment to Assignment Agreement"), which Twenty-First Amendment to

Assignment Agreement has been recorded at Official Records Book 18829, Page 142, of the Public Records of Hillsborough County, Florida.

(x) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Second Amended and Restated Lease Schedule No. 1999 by entering into the Twenty-Second Amendment to Assignment of Lease Agreement (the "Twenty-Second Amendment to Assignment Agreement"), which Twenty-Second Amendment to Assignment Agreement has been recorded at Official Records Book 19827, Page 904, of the Public Records of Hillsborough County, Florida.

(y) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2010B by entering into the Twenty-Third Amendment to Assignment of Lease Agreement (the "Twenty-Third Amendment to Assignment Agreement"), which Twenty-Third Amendment to Assignment Agreement has been recorded at Official Records Book 20283, Page 222, of the Public Records of Hillsborough County, Florida.

(z) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Fourth Amended and Restated Lease Schedule No. 1998 by entering into the Twenty-Fourth Amendment to Assignment of Lease Agreement (the "Twenty-Fourth Amendment to Assignment Agreement"), which Twenty-Fourth Amendment to Assignment Agreement has been recorded at Official Records Book 20669, Page 1113, of the Public Records of Hillsborough County, Florida.

(aa) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Amended and Restated Lease Schedule No. 2002 and Amended and Restated Lease Schedule No. 2003B by entering into the Twenty-Fifth Amendment to Assignment of Lease Agreement (the "Twenty-Fifth Amendment to Assignment Agreement"), which Twenty-Fifth Amendment to Assignment Agreement has been recorded at Official Records Book 21058, Page 1344, of the Public Records of Hillsborough County, Florida.

(bb) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Second Amended and Restated Lease Schedule No. 2002 and Amended and Restated Lease Schedule No. 2004B by entering into the Twenty-Sixth Amendment to Assignment of Lease Agreement (the "Twenty-Sixth Amendment to Assignment Agreement"), which Twenty-Sixth Amendment to Assignment Agreement has been recorded at Official Records Book 22510, Page 113, of the Public Records of Hillsborough County, Florida.

(cc) The Corporation and the Trustee deem it necessary to further amend the Assignment Agreement to acknowledge Fourth Amended and Second Restated Lease Schedule No. 2000, Third Amended and Restated Lease Schedule No. 2006A and Second

Amended and Restated Lease Schedule No. 2007 by entering into this Twenty-Seventh Amendment to Assignment of Lease Agreement.

(dd) The Certificates shall be issued from time to time in order to finance and refinance the acquisition, construction and installation of the Projects and the proceeds of the Certificates shall be deposited with the Trustee and shall be held and applied in accordance with the Trust Agreement.

(ee) Pursuant to the Lease Agreement, the Board is obligated to make certain Lease Payments to the Corporation, or its assignee. In order to secure the Certificates, the Corporation is willing to assign and transfer its rights and interests under the Lease Agreement to the Trustee for the benefit of the Owners of the Certificates.

(ff) Each of the parties hereto has authority to enter into this Twenty-Seventh Amendment to Assignment Agreement, and has taken all actions necessary to authorize its officer to enter into it.

(gg) The capitalized words and terms used in this Twenty-Seventh Amendment to Assignment Agreement, but not otherwise defined herein, shall have the meanings assigned to such words and terms in Exhibit A to the Lease Agreement.

SECTION 2. ASSIGNMENT. The Corporation, for good and valuable consideration received, does hereby irrevocably sell, assign and transfer to the Trustee, for the benefit of the Owners of the Certificates, all of its right, title and interest in the Lease Agreement, as amended and supplemented, in particular as amended and supplemented by Fourth Amended and Second Restated Lease Schedule No. 2000 and Third Amended and Restated Lease Schedule No. 2006A (other than the right to receive indemnification pursuant to the Lease Agreement, the right to enter into Lease Schedules from time to time and its obligations provided in Section 6.03 of the Lease Agreement), including its right to receive Lease Payments from the Board under the Lease Agreement and its right to use, sell and re-let the Projects (under the circumstances contemplated by the Lease Agreement), and the right to exercise such rights and remedies as are conferred on the Corporation by the Lease Agreement. All rights of the Corporation in each Lease Schedule shall be assigned to the Trustee upon execution and delivery thereof. The Lease Payments shall be applied, and the rights so assigned shall be exercised, by the Trustee as provided in the Trust Agreement. Except for any Lease Schedules which are hereafter attached to the Lease Agreement and hereafter assigned by the Corporation to the Trustee pursuant to an amendment to this Assignment of Lease Agreement, the sale, assignment and conveyance of the rights, title and interest of the Corporation under and to the Lease Agreement are immediately complete and effective for all purposes.

SECTION 3. ACCEPTANCE. The Trustee hereby accepts such assignment in trust for the purpose of securing payment of the Certificates and securing the rights of the Owners of the Certificates issued pursuant to the Trust Agreement.

SECTION 4. CORPORATION'S REPRESENTATIONS, WARRANTIES, AND COVENANTS. The Corporation hereby confirms that the representations, warranties, and covenants of the Corporation set forth in Section 5 of the Assignment Agreement are true and correct and in full force as of the date hereof.

SECTION 5. CONFLICTS; ASSIGNMENT AGREEMENT TO CONTINUE IN FORCE. Except as herein expressly amended and supplemented, the Assignment Agreement and all the terms and provisions thereof are and shall remain in full force and effect; provided, however, that in the event of a conflict between the terms of this Twenty-Seventh Amendment to Assignment Agreement and the Assignment Agreement, the terms of this Twenty-Seventh Amendment to Assignment Agreement shall govern.

SECTION 6. COUNTERPARTS. This Twenty-Seventh Amendment to Assignment Agreement may be executed in counterparts, and each of said counterparts shall be deemed an original for all purposes of this Twenty-Seventh Amendment to Assignment Agreement. All of such counterparts taken together shall be deemed to be one and the same instrument.

SECTION 7. LAW. This Twenty-Seventh Amendment to Assignment Agreement shall be construed under the laws of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Twenty-Seventh Amendment to Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessor

Witness: _____
Name: _____
Witness: _____
Name: _____

By: _____
Name: Susan L. Valdes
Title: President
Address: 901 East Kennedy Boulevard
3rd Floor
Tampa, Florida 33602

ATTEST:

Witness: _____
Name: _____
Witness: _____
Name: _____

By: _____
Name: Jeff Eakins
Title: Secretary
Address: 901 East Kennedy Boulevard
3rd Floor
Tampa, Florida 33602

(SEAL)

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee (successor to NationsBank of Florida, N.A.)

Witness: _____
Name: _____
Witness: _____
Name: _____

By: _____
Name: M. Russell Smith
Title: Vice President
Address: 200 Ashford Center North
Suite 550
Atlanta, Georgia 30338

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 20th day of August, 2015, by Susan L. Valdes and Jeff Eakins, the President and Secretary, respectively, of the HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION. Such person(s) did not take an oath and:

□ is/are personally known to me.
□ produced a current Florida driver's license as identification.
□ produced _____ as identification.

(SEAL)

_____
Name:
Notary Public, State of Florida
My Commission Expires:

STATE OF GEORGIA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 20th day of August, 2015, by M. Russell Smith, Vice President of The Bank of New York Mellon Trust Company, N.A., as trustee (successor to NationsBank of Florida, N.A.). Such person(s) did not take an oath and:

□ is/are personally known to me.
□ produced a current Florida driver's license as identification.
□ produced _____ as identification.

(SEAL)

_____
Name:
Notary Public, State of Florida
My Commission Expires:

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APPENDIX G

GROUND LEASE AGREEMENTS

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GROUND LEASE AGREEMENT

by and between

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessor

and

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessee

Dated as of November 1, 2000

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EXHIBIT A	PREMISES DESCRIPTION
EXHIBIT B	DESCRIPTION OF SERVIENT PROPERTY
EXHIBIT C	GROUND LEASE SUPPLEMENT

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (hereinafter referred to as this "Ground Lease") is made and entered into as of November 1, 2000, by and between the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,** a school board duly organized and existing under the laws of the State of Florida (the "Board"), as lessor, acting as the governing body of the Hillsborough County School District, and the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION**, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, having an office in Tampa, Florida (the "Corporation"), as lessee

Capitalized terms not otherwise defined herein shall have the meanings set forth in Exhibit A to the Trust Agreement referred to herein

WHEREAS, the Board is the owner of certain parcels of real property located in Hillsborough County, Florida and described in Exhibit A hereto (which, together with any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land and together with all parcels of real property hereunder made subject to the Ground Lease, is hereinafter referred to as the "Premises"), and

WHEREAS, the Corporation desires to acquire a leasehold interest in the Premises and construct thereon certain educational facilities (together with the acquisition of certain Equipment, the "Series 2000 Project") and to lease the Series 2000 Project, including a sublease of the Premises, to the Board, all in accordance with the terms and provisions of the Lease Agreement, and

WHEREAS, the Corporation desires to locate each such educational facility on the real property comprising the Premises;

WHEREAS, the Board owns that certain real property more particularly described on Exhibit B attached hereto and made a part hereof ("Servient Property") which such Servient Property now has or will hereafter have certain buildings, structures and improvements erected and situated thereon (collectively, the "Servient Buildings"), and

WHEREAS, it is anticipated that the Project may be attached to the Servient Property for pedestrian and vehicular ingress, egress and access to and from and between the Premises and the public roads adjoining the Servient Property (hereinafter referred to as "Access"); and may further be dependent upon the Servient Property for utility and other enjoyment of the Premises which such services include, but are not necessarily limited to, drainage, sewer and water service, electric and telephone service, gas service and parking of vehicles (collectively, the "Services"); and

WHEREAS, the Corporation desires to acquire from the Board, pursuant to this Ground Lease, and the Board is willing to grant to the Corporation, the right to utilize the Servient Property to the extent reasonably necessary for Access and for the Services and the Corporation and the Board desire to provide for the structural attachment of certain of the components of the Project to the Servient Buildings,

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto agrees as follows;

SECTION 1. LEASED PREMISES. (a) Pursuant to the terms and provisions hereof, the Board hereby leases, grants, demises and transfers the Premises and the Project, other than the Designated Equipment, to the Corporation. The Board hereby agrees to make all parcels of real property on which the Series 2000 Project is sited part of the Premises and subject to this Ground Lease. The Board shall execute, deliver and record one or more supplements to the Ground Lease upon acquisition of each such parcel

(b) The aforesaid leasing, granting, demising and transfer of the Premises also includes the following rights ("Premises Rights") which such Premises Rights shall be deemed to be a part of the premises:

(i) The right to utilize the Servient Property for Access and for the Services reasonably necessary to the full use and enjoyment of the Premises; provided that the locations on the Servient Property utilized for such purposes shall be reasonably agreed upon by the Corporation and the Board; and provided, further, that the Servient Property Rights shall include, but not necessarily be limited to, the right to utilize for such purposes any portion of the Servient Property (e.g., the Servient Property Rights shall include, but not necessarily be limited to, the right to utilize for appropriate purposes, any drives, parking areas, drainage facilities or sewer, water, gas, electric or telephone lines from time to time located upon the Servient Property, together with the right to "tie-in" or "connect" thereto). If the Lease Agreement terminates prior to the termination of this Ground Lease, the Corporation and the Board shall each have the right to install such meters or submeters as may be reasonably appropriate to the end that the Corporation is charged for consumption of such utilities on the Premises

(ii) The Servient Buildings and the Series 2000 Project may contain certain elements, features or parts which are structural elements of both the Servient Buildings and the Series 2000 Project (hereinafter referred to as "Common Structural Elements"). Such Common Structural Elements include, but are not necessarily limited to the following:

(A) All utility lines, ducts, conduits, pipes and other utility fixtures and appurtenances which are located on or within either the Premises or the Series 2000 Project on the one hand or the Servient Property or Servient Buildings on the other hand and which, directly or indirectly, in any way, service the other.

(B) All division walls (hereinafter referred to as "Party Walls") between the Series 2000 Project and the Servient Buildings upon the common line between the Premises and the Servient Property (hereinafter referred to as the "Lot Line") provided that the mere fact that such a division wall is found not to be on the Lot Line shall not preclude that division wall from being the Party Wall.

(C) The roof and all roof support structures and any and all appurtenances to such roof and roof support structures including, without limitation, the roof covering, roof trim and roof drainage fixtures (collectively, the "Roofing") to the extent interrelated between the Series 2000 Project and the Servient Buildings. Should the Roofing of any building constituting a portion of the Project extend beyond the Lot Line, the right therefor is hereby granted and should the Roofing of the Servient Building extend beyond the Lot Line onto the premises, the right therefor is hereby reserved.

(D) The entire concrete floor slab or wood floor system if utilized in lieu thereof and all foundational and support structures and appurtenances thereto to the extent interrelated between the Series 2000 Project and the Servient Buildings (collectively referred to as "Flooring") Should the Flooring of the Series 2000 Project extend beyond the Lot Line onto the Premises, the right therefor is hereby reserved

(iii) The Premises Rights further include that right of the Series 2000 Project to encroach upon the Servient Property as a result of minor inaccuracies in survey, construction or reconstruction or due to settlement or movement. The encroaching Series 2000 Project shall remain undisturbed for as long as same exist and, for so long as such encroachment exists, that portion of the Servient Property on which same exists shall be deemed to be a part of the Premises In addition, the Premises Rights include the right to utilize that portion of the Servient Property as may be reasonably necessary in order to maintain and repair the Series 2000 Project The Premises Rights further include cross rights of support and use over, upon, across, under, through and into Common Structural Elements in favor of the Corporation (and like rights are hereby reserved unto the Board) for the continued use, benefit and enjoyment and continued support, service, maintenance and repair of all such Common Structural Elements

(c) Subject to the Permitted Encumbrances, the Board hereby warrants that (i) the Board owns the Premises in fee simple title, has full and insurable title to the fee estate in the Premises and owns unencumbered all such right, title and interest; (ii) all consents to or approvals of this Ground Lease required by law or any agreements or indentures binding upon the Board have been obtained; (iii) the Board has the right to lease the Premises to the Corporation pursuant to the terms and provisions hereof and to grant to the Board the Premises Rights; and (iv) this Ground Lease complies with all the requirements and restrictions of record applicable to the Premises and the Servient Property. The Board represents and warrants that none of the Permitted Encumbrances has an adverse effect on the use of the Premises or the enjoyment of the leasehold estate therein created under this Ground Lease.

SECTION 2. TERM. The initial term of this Ground Lease (the "Initial Ground Lease Term") shall be for the period commencing on the Commencement Date, and ending on the earlier of (a) the date on which the Series 2000 Certificates have been paid or provision for payment

of the Series 2000 Certificates has been made pursuant to Section 12.01 of the Trust Agreement and any Supplemental Rent arising under the Lease Agreement shall have been paid or provided for, or (b) July 1, 2036 (both dates inclusive) As used herein, the expression "term hereof," "Ground Lease Term" or any similar expression refers collectively to the Initial Ground Lease Term and to any renewals of the Initial Ground Lease Term exercised by the Corporation or its assignee as provided in Section 22 hereof.

SECTION 3. USE OF PREMISES. (a) It is the express intent of the parties hereto that, for as long as no Event of Default or Event of Non-Appropriation under the Lease Agreement has occurred:

(i) the Premises shall be used by the Corporation as the site for acquisition, construction and installation of the Buildings comprising a portion of the Series 2000 Project;

(ii) the Buildings and Equipment comprising a portion of the Series 2000 Project shall be acquired, constructed and installed by the Board as agent for the Corporation as provided in Section 3.08 of the Lease Agreement; and

(iii) title to the Premises shall be in the Board upon commencement of the Ground Lease Term and title to all components of the Series 2000 Project, other than Designated Equipment, shall be in name of Corporation pursuant to the Lease Agreement, and title to the Buildings comprising a portion of the Series 2000 Project constructed on the Premises shall remain severed from title to the Premises until the earlier of (A) the date on which the Series 2000 Certificates issued under the Trust Agreement shall no longer be Outstanding, and (B) the end of the Ground Lease Term

(b) If the Lease Agreement has been terminated, the Corporation and each Permitted Transferee (as defined in Section 9(b) hereof) may use the Premises for any lawful purpose, in its sole discretion, and may alter, modify, add to or delete from the portions of the Series 2000 Project existing from time to time on the Premises

(c) Neither the Corporation nor any Permitted Transferee shall use or permit the Premises to be used in violation of any valid present or future laws, ordinances, rules or regulations of any public or governmental authority at any time applicable thereto

(d) The Board may at any time place portable educational facilities on the Premises Such portables shall be owned by the Board.

SECTION 4. RENTAL. (a) So long as the Lease Agreement has not been terminated, the Corporation or its assignee shall pay to the Board as and for rental for the Premises the sum of ten dollars ($10.00) per annum, which sum shall be due in advance on the Commencement Date (pro rated) and annually thereafter on the first day of each Renewal Lease Term

(b) From and after the date on which the Lease Agreement has been terminated, the Corporation or its assignee shall pay as and for rental for the Premises an amount determined by an M.A.I. appraisal to be the fair market rental for the Premises (the "Appraisal"), which Appraisal shall be prepared by an appraiser selected by the Corporation (with the consent of the Trustee as assignee of the Corporation); provided, however, that such fair market rental and the payment thereof shall be subject to the following adjustments and conditions:

(i) if the Lease Agreement has been terminated on a date other than June 30 of any year, the fair market rental determined pursuant to the Appraisal shall be pro rated for the number of days between the date terminated and the next succeeding July 1;

(ii) for each twelve-month period beginning on the July 1 next succeeding the date on which terminated and beginning on each succeeding July 1, the amount of the fair market rental determined by the Appraisal shall be adjusted by the percentage (positive or negative) which is equal to the Implicit Price Deflator of the Consumer Price Index published by the United States Department of Commerce for the region of the United States where Florida is located or for the United States as a whole if not so published for such region;

(iii) the fair market rental due in any year shall be paid in the current year only to the extent that the moneys received by the Trustee as assignee of the Corporation from the exercise of the remedies permitted under the Lease Agreement during the preceding twelve months prior to such July 1 exceeded the Principal and Interest Requirements for such preceding twelve months and other amounts payable under the Lease Agreement, provided, however, that any portion of such fair market rental not paid in any year due to the provisions of this clause (iii) shall remain due and payable and shall accumulate from year to year and shall be paid in any future years to the extent that moneys received in such year from the exercise of the remedies permitted by the Lease Agreement exceed the Principal and Interest Requirements and the fair market rental due in such years; and

(iv) the failure to pay any portion of the fair market rental in any year due to insufficiencies of moneys realized from the exercise of the remedies permitted under the Lease Agreement (A) shall not give rise to any obligation to pay interest on such unpaid fair market rental, and (B) shall not constitute a default under this Ground Lease by the Corporation or the Trustee as the assignee of the Corporation

SECTION 5. OWNERSHIP OF IMPROVEMENTS AND SURRENDER OF PREMISES. (a) The Corporation or its assignee shall at all times during the Ground Lease Term have a leasehold estate in the Premises with full right to vest the use, enjoyment and possession of such leasehold estate therein in a Permitted Transferee

(b) Possession and use of the Premises, together with all improvements thereon, shall, upon the last day of the Ground Lease Term or earlier termination of this Ground Lease, automatically revert to the Board free and clear of liens and encumbrances other than Permitted

Encumbrances without necessity of any act by the Corporation or any Permitted Transferee. Upon such termination of this Ground Lease, the Corporation or its assignee shall peaceably and quietly surrender to the Board the Premises together with any improvements located in or upon the Premises. Upon such surrender of the Premises, the Corporation or any Permitted Transferee, at the reasonable request of the Board, shall execute an instrument in recordable form evidencing such surrender and shall deliver to the Board all books, records, construction plans, surveys, permits and other documents relating to, and necessary or convenient for, the operation of the Premises and the improvements thereon in the possession of the Corporation or any Permitted Transferee.

(c) Any personal property of the Corporation, any Permitted Transferee or any Person which shall remain on the Premises after expiration or earlier termination of the Ground Lease Term and for sixty (60) days after request by the Board for removal, shall, at the option of the Board, be deemed to have been abandoned and may be retained by the Board and the same may be disposed of, without accountability, in such manner as the Board may see fit.

(d) If the Corporation or any Permitted Transferee holds over or refuses to surrender possession of the Premises after expiration or earlier termination of this Ground Lease, the Corporation or any Permitted Transferee shall be a tenant at sufferance and shall pay a rental rate equal to the fair market rental of the Premises determined in the manner provided in Section 4(b) hereof.

(e) The provisions of Sections 5(a), 5(b) and 5(c) hereof shall not apply to vending machines or other commercial equipment or trade fixtures located in or about the Premises to the extent that such equipment is readily removable from the Premises without causing material harm or damage thereto and that such equipment is not owned by the Corporation or any Permitted Transferee

SECTION 6. BOARD'S INTEREST NOT SUBJECT TO CERTAIN LIENS. It is mutually intended, stipulated and agreed that neither the fee simple title to nor any interest of the Board in the Premises may be subject to liens of any nature arising by reason of any act or omission of the Corporation or any Person claiming under, by or through the Corporation, including, but not limited to, mechanics' and materialmen's liens

SECTION 7. INSURANCE. The Corporation covenants and agrees with the Board that the Corporation will cooperate with the Board in providing any information necessary for the Board to obtain and maintain in full force and effect insurance coverages desired by the Board or required by the Lease Agreement

SECTION 8. CONDITION OF PREMISES, UTILITIES, CONCEALED CONDITIONS. (a) Except with regard to any environmental conditions and subject to the provisions of this Section 8, the Corporation agrees to accept the Premises in their presently existing condition, "as is"

(b) It is understood and agreed that the Board has determined that the Premises will safely or adequately support the Series 2000 Project, and hereby certifies same to the Corporation.

(c) The Board, at its sole expense, shall bring or cause to be brought to the Premises adequate connections for water, electrical power, storm sewerage and sewerage, and shall arrange with the appropriate utility companies for furnishing such services and shall provide to the Premises water service and capacity sufficient for operation, heating, ventilation and air conditioning equipment, and to the extent necessary to permit the Board to use the Series 2000 Project for the purposes intended or to permit such Series 2000 Project to comply with all requirements of law, the Corporation will provide and construct (but only to the extent of the proceeds of the Series 2000 Certificates available therefor) such roads, streets, sidewalks and other methods of ingress and egress necessary therefor. Nothing herein shall prohibit the Board from dedicating any such utilities or roads, streets and sidewalks to the appropriate governmental authority or duty constituted investor-owned utility as required or permitted by law, and the Corporation or the Trustee as assignee of the Corporation shall cooperate in such dedication by executing any deeds or other instruments required to effect such dedication

SECTION 9. LIMITATION ON LEASEHOLD MORTGAGES, ASSIGNMENT AND SUBLETTING. (a) If the Lease Agreement has been terminated and subject to the terms and conditions herein provided, the Corporation may enter into a mortgage or mortgages of its leasehold interest created hereby in the Premises as security for the performance of its obligations under any financing obtained by the Corporation; provided, however, the fee title to the Premises shall not be subject to, or otherwise encumbered by, any such mortgage, provided, however, that each such leasehold mortgage shall be subject to the provisions of Section 9(d) hereof. Any such mortgage executed by the Corporation or its assignee pursuant to the provisions of the preceding sentence shall be hereinafter called a "Leasehold Mortgage" and the holder of any such mortgage shall be hereinafter called the "Leasehold Mortgagee."

(b) Except as expressly provided in this Section 9(b), the Corporation or its assignee shall not assign this Ground Lease, or any portion hereof, or sublease all or any portion of the Premises at any time. Except as expressly permitted in this Section 9(b), any purported assignment, partial assignment or sublease without the Board's prior written consent in violation of this Section 9(b) shall be null and void. So long as the Lease Agreement has not been terminated, (i) the Corporation may assign this Ground Lease to the Trustee for the benefit of the Owners of the Series 2000 Certificates, and (ii) the Corporation shall sublet all of the Premises to the Board (the "Initial Sublessee") under the Lease Agreement. If the Lease Agreement shall have been terminated, the Corporation or its assignee may sublet the Premises or assign its interest in this Ground Lease (a "Permitted Sublease") to any Person for any lawful purpose without the prior consent of the Board; provided, however, that no Permitted Sublease shall relieve the Corporation of any of its duties or obligations hereunder without the prior written consent of the Board, provided, however, that each Permitted Sublease shall be subject to the provisions of Section 9(d) hereof. "Permitted Transferee" shall mean a sublessee or assignee permitted by this Section 9(b)

(c) If the Lease Agreement shall have been terminated and the Corporation or its assignee proposes to create a Permitted Sublease of any portion of its interest in this Ground Lease, the Corporation shall provide written notice thereof to the Board containing the names and addresses of the proposed assignee(s), sublessee(s) or transferee(s), provided, however, that failure to provide such notice shall not affect the validity or effectiveness of any Permitted Sublease to a Permitted Transferee.

(d) If the Lease Agreement shall have been terminated, nothing herein shall prevent the Corporation or its assignee from entering into a Leasehold Mortgage or a Permitted Sublease for individual parcels of land constituting the Premises. It shall not be necessary for a Leasehold Mortgage or a Permitted Sublease to cover all of the Premises.

SECTION 10. UTILITY EASEMENTS. So long as the Lease Agreement has not been terminated, the Board reserves the right to grant nonexclusive utility easements, licenses, rights-of-way and other rights or privileges in the nature of easements to others over, under, through, across or on the Premises but only to the extent reasonably necessary to provide services to the Premises or any other real property adjacent to the Premises, provided, however, that such grant and any use permitted thereby is not detrimental to the use or operation of the Premises or to any other uses permitted hereunder after the Ground Lease Term, will not impose any cost upon the Corporation or its assignee, will not weaken, diminish or impair lateral or subjacent support to the improvements to the Premises, including, without limitation the Series 2000 Project, will not impair or diminish the security of any Leasehold Mortgagee or Permitted Transferee hereunder and the Board agrees to indemnify and save harmless, but only from Available Revenues, the Corporation or its assignee and any Leasehold Mortgagee and Permitted Transferee (whether the interest of such party in the Premises arises prior or subsequent to such grants) against any loss, claim, liability or damages, including legal costs and defense arising or accruing from the use or exercise of such easement.

SECTION 11. DUTIES DEEMED PERFORMED. All obligations of the Corporation hereunder which are assumed by the Initial Sublessee shall be deemed, as between the Board and the Corporation hereunder, fully performed whether or not such Initial Sublessee actually performs same.

SECTION 12. TAXES AND FEES. (a) The Board represents and warrants that this Ground Lease is and will be exempt from ad valorem and intangible taxation. However, for as long as the Lease Agreement is in effect, should the Premises thereon or any interest therein ever become subject to any such taxes, the Board agrees to pay any and all such lawful taxes, assessments or charges which at any time may be levied by any federal, state, county, city, or any tax or assessment levying body upon the Premises or the Series 2000 Project, or any interest in this Ground Lease, or any possessory right which the Corporation or its assignee may have in or to the Premises thereon by reason of its use or occupancy thereof or otherwise

(b) Notwithstanding the foregoing provision, either the Board or the Corporation shall, after notifying the other party hereto of its intention to do so, have the right in its own name or behalf, or in the name and behalf of the other party hereto, to contest in good faith by all appropriate proceedings the amount, applicability or validity of any such tax or assessment, and in connection with such contest, the Board may refrain from paying such tax or assessment. Each party shall, upon request by the other party hereto, assist and cooperate with the other party hereto in any such proceedings.

(c) In the event that the Board shall fail to pay any of the items required under this Section 12, the Corporation or its assignee may, at its sole option, pay the same and any amounts so advanced therefor by it shall become an additional obligation of the Board and Supplemental Rent under the Lease Agreement.

SECTION 13. DEFAULT BY THE CORPORATION. (a) Each of the following events shall be deemed a default by the Corporation hereunder and a breach of this Ground Lease:

(i) If the Corporation or its assignee shall fail to pay, when due, any rent or portion thereof, or any other sum, if any, which the Corporation or its assignee is obligated to pay under the terms and provisions of this Ground Lease, and such rent or other sums, if any, remain unpaid for a period of thirty (30) days after receipt of written notice to the Corporation from the Board,

(ii) If the Corporation or its assignee shall attempt to mortgage the leasehold estate hereby created in violation of Section 9(a) hereof or to assign this Ground Lease, or any portion thereof, or to sublease any portion of the Premises or the Series 2000 Project in violation of Section 9(b) hereof; or

(iii) If the Corporation or its assignee shall use the Premises for any purposes not permitted by this Ground Lease, and such use shall continue for a period of thirty (30) days after the Board shall have given written notice to the Corporation or its assignee to desist from such use.

(b) In the event that the item of default set forth in Section 13(a)(iii) above is of such a nature that it cannot be remedied within the time limits therein set forth, then the Corporation and proceeds to completely cure the same in a timely and diligent manner

(c) In the event that any Permitted Transferee or Leasehold Mortgagee exists of record at the time that a default occurs hereunder, the Board shall give notice thereof to each such Permitted Transferee and Leasehold Mortgagee and each such party shall have thirty (30) additional days from receipt of such notice to cure such default; provided, however, that if the default is of such a nature that the same cannot be cured in such time, then such party shall have such additional time as is reasonably necessary to cure such default provided that such party diligently commences the curing

of such default within such time and proceeds completely to cure same within a timely and diligent manner.

SECTION 14. REMEDIES OF BOARD. Upon the occurrence of any event of default as set forth in Section 13 hereof which has not been cured (and is not in the process of being cured) under Section 13(b) or 13(c) hereof, but not otherwise, the Board may take whatever action at law or in equity may appear necessary or desirable to enforce its rights hereunder; provided, the Board shall not have the right to terminate this Ground Lease until such time as the Series 2000 Certificates have been paid or provision for payment has been made pursuant to the terms and provisions of the Trust Agreement. The Board shall have recourse solely against the leasehold estate of the Corporation or its assignee in the Premises, and any proceeds thereof, for the payment of any liabilities of the Corporation or its assignee hereunder.

SECTION 15. NO WAIVERS. No waiver by either party hereto at any time of any of the terms, conditions, covenants or agreements of this Ground Lease, or noncompliance therewith, shall be deemed or taken as a waiver at any time thereafter of the same, nor of any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by the other party hereto. No delay, failure or omission of the Board to re-enter the Premises, nor by either party hereto to exercise any right, power, privilege or option arising from any default shall impair any right, power, privilege or option, or be construed to be a waiver of any such default, relinquishment thereof or acquiescence therein, and no notice by either party hereto shall be required to restore or revive time as being of the essence hereof after waiver by the Board of default in one or more instances. No option, right, power, remedy or privilege of the Board shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options or remedies given to each party by this Ground Lease are cumulative, and no one of them shall be exclusive of the other or exclusive of any remedies provided by law.

SECTION 16. QUIET ENJOYMENT. The Board agrees that the Corporation and any Permitted Transferee, upon the payment of the rent and all other payments and charges, if any, to be paid by the Corporation or its assignee under the terms of this Ground Lease, and observing and keeping the agreements and covenants of this Ground Lease on its part to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Ground Lease, without hindrance or molestation from the Board or anyone claiming by, through or under the Board.

SECTION 17. TERMS BINDING UPON SUCCESSORS. All the terms, conditions and covenants of this Ground Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

SECTION 18. CONDEMNATION. In the event that any Person, public or private, shall by virtue of eminent domain or condemnation proceedings, or by purchase in lieu thereof, at any time during the term of this Ground Lease acquire title to the Premises:

(a) For as long as the Lease Agreement has not been terminated, the Net Proceeds resulting therefrom shall be applied pursuant to the Lease Agreement.

(b) If the Lease Agreement shall have been terminated, (i) if such Person acquires title to such substantial portion thereof that the Corporation determines that it cannot economically make use of the residue for the lawful purposes intended by this Ground Lease, such acquisition of title shall terminate this Ground Lease, effective as of the date on which the condemning party takes possession thereof, and the Net Proceeds resulting therefrom shall be applied first to payment of the amount secured by any Leasehold Mortgage then outstanding hereunder, second, to payment of any outstanding Series 2000 Certificates, and, third, the balance, if any shall be paid to the Board and the Corporation, as their respective interests may appear, and (ii) if such Person acquires title to a portion of the Premises only, and the Corporation determines that it can economically make beneficial use of the residue thereof for the lawful purposes intended by this Ground Lease, then this Ground Lease shall continue in full force and effect and the Net Proceeds resulting therefrom shall be paid to the Board and the Corporation, as their respective interests appear.

(c) It is understood that the foregoing provisions of this Section 18 shall not in any way restrict the right of the Board or the Corporation to appeal the award made by any court or other public agency in any condemnation proceeding.

SECTION 19. NON-MERGER OF LEASEHOLD. There shall be no merger of this Ground Lease or of the leasehold estate hereby created with the fee estate in the Premises or any part thereof by reason of the fact that the same Person may acquire or hold, directly or indirectly, this Ground Lease or leasehold estate hereby created or any interest in this Ground Lease or in such leasehold estate and the fee estate in the Premises or any interest in such fee estate. There shall be no merger of this Ground Lease with the Lease Agreement by reason of the fact that the Board is the owner of the fee title to the Premises and the leasehold estate in all or a portion of the Series 2000 Project created under the Lease Agreement or by reason of the fact that the Corporation is the owner of the leasehold estate in the Premises created hereby and is the owner of the fee title in the Series 2000 Project as provided in the Lease Agreement.

SECTION 20. MEMORANDUM OF GROUND LEASE. Unless mutually agreed to the contrary, simultaneously with the execution of this Ground Lease, the Board and the Corporation shall each execute, acknowledge and deliver a Memorandum of Ground Lease with respect to this Ground Lease. Said Memorandum of Ground Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Ground Lease.

SECTION 21. CHANGES TO PROPERTY DESCRIPTION. The Board reserves the right to substitute other land for, or add land to all or any portion of the premises

described in Exhibit A hereto, as same may be supplemented by supplements to this Ground Lease from time to time. The Board will do so only after notice and public hearing and subsequent adoption of a resolution in accordance with the Act. Upon such substitution the Memorandum of Ground Lease will be supplemented to reflect the change in legal description. Any such supplement shall be substantially in the form of Exhibit C attached hereto. Each substitution of a parcel of land subject to the provisions of this Ground Lease shall require the consent of the Credit Enhancer. Such consent by the Credit Enhancer shall only be required if the Credit Enhancer is not in default of its payment obligations under its Credit Facility or municipal Bond insurance policy.

SECTION 22. OPTION TO RENEW. In the event that the Lease Agreement shall have been terminated, and the Corporation, or the Trustee as the assignee of the Corporation, excludes the Board from possession of the Series 2000 Project, the Board grants to the Corporation and the Trustee the right and option to renew this Ground Lease for a period not to exceed ten years at a fair market rental to be determined, adjusted and paid in the manner and under the conditions set forth in Section 4(b) of this Ground Lease.

SECTION 23. ESTOPPEL CERTIFICATES. The Board, at any time and from time to time, upon not fewer than thirty (30) days prior written notice from the Corporation or the Trustee as assignee of the Corporation, will execute, acknowledge and deliver to the Corporation, the Trustee as assignee of the Corporation or any Permitted Transferee, a certificate of the Board certifying that this Ground Lease is unmodified (or, if there have been any modifications, identifying the same), that this Ground Lease is in full force and effect, if it is, and that there is no default hereunder (or, if so, specifying the default). It is intended that any such certificate may be relied upon by the Corporation or the Trustee as assignee of the Corporation or any Permitted Transferee.

SECTION 24. NONRECOURSE OBLIGATION OF THE CORPORATION. Notwithstanding anything to the contrary herein or in any exhibit, instrument, document or paper relating to this Ground Lease or any of the transactions contemplated hereby, the parties hereto hereby acknowledge and agree that upon the assignment by the Corporation of its rights hereunder to the Trustee pursuant to the Assignment of Lease Agreement and Assignment of Ground Lease Agreement, the Corporation shall have no further obligation, liability or responsibility hereunder and no party hereto nor their successors or assigns shall look to the Corporation for any damages, expenses, fees, charges or claims with respect to the failure of any obligations hereunder to be performed.

SECTION 25. NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Ground Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of rent pursuant to Section 4 hereof or for any claim based thereon under this Ground Lease Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 26. RADON GAS. Section 404.056, Florida Statutes, requires that the following notification be given: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

SECTION 27. MISCELLANEOUS. (a) This Ground Lease shall be governed by, and be construed in accordance with, the laws of the State of Florida.

(b) Any notice required or desired to be given hereunder, or any items required or desired to be delivered hereunder, may be served or delivered personally or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Board	School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Corporation:	Hillsborough School Board Leasing Corporation c/o School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Trustee:	The Bank of New York (successor to NationsBank of Florida, N.A.) 10161 Centurion Parkway, 2nd Floor Jacksonville, Florida 32256 Attention: Corporate Trust Department

or such other address or party as the party to be served may direct by written notice to the other party. If such notice is sent or delivery is made by registered or certified mail, such notice or delivery shall be deemed served, made and effective seventy-two (72) hours after posting.

(c) It is mutually acknowledged and agreed by the parties hereto that this Ground Lease contains the entire agreement between the Board and the Corporation with respect to the subject matter of this Ground Lease; that there are no verbal agreements, representations, warranties or other understandings affecting the same.

(d) Nothing herein contained shall be deemed to create a partnership or joint venture, nor shall the relationship between the parties be construed as principal and agent, or other than as landlord and tenant.

(e) The table of contents, headings and captions of this Ground Lease are inserted solely for convenience of reference, and under no circumstances shall they be treated or construed as part of, or as affecting, this Ground Lease.

(f) For purposes of computing any period of a number of days hereunder for notices or performance (but not for actual days of interest) of ten (10) days or fewer, Saturdays, Sundays and holidays shall be excluded.

(g) Any provision of this instrument in violation of the laws of the State of Florida shall be ineffective to the extent of such violation, without invalidating the remaining provisions of this instrument. In no event shall the Corporation or its assigns have any cause of actions against the officers or employees of the Board, or against any elected official of the Board based upon or materially related to any finding by any court that any or all provisions of this instrument violate Florida law.

(h) Nothing in this Ground Lease, expressed or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Credit Enhancer and the Board any rights, remedies or claims under or by reason of this Ground Lease or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Ground Lease contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Credit Enhancer and the Board.

(i) This Ground Lease Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

(j) This Ground Lease may not be amended or modified without the prior written consent of the Credit Enhancer. Any action taken hereunder which requires or permits the consent, notice, direction or request of the Lessor or the Trustee, shall also require or permit the consent, notice, direction or request of the Credit Enhancer, which consent, direction or request shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Board and the Corporation have caused this Ground Lease to be executed in duplicate, either of which may be considered an original, the day and year first above written

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessor

(SEAL)

By: Carolyn Bricklemyer
Chairman

ATTEST:

Earl J. Lennard
Superintendent/Secretary

HILLSBOROUGH BOARD LEASING CORPORATION, as Lessee

(SEAL)

By: Carolyn Bricklemyer
President

ATTEST:

Earl J. Lennard
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 20th day of November, 2000, by Carolyn Bricklemyer and Dr. Earl J. Lennard, the Chairman and Superintendent/Secretary, respectively, of the HILLSBOROUGH COUNTY SCHOOL BOARD. Such person(s) did not take an oath and:

- ■ is/are personally known to me.
- ☐ produced a current Florida driver's license as identification.
- ☐ produced _____ as identification.

(SEAL)

OFFICIAL NOTARY SEAL
JOANN D DELROSAL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC724939
MY COMMISSION EXP. APR. 2,2002

Name:
Notary Public, State of Florida
My Commission Expires:

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 20th day of November, 2000, by Carolyn Bricklemyer and Dr. Earl J. Lennard, the President and Secretary, respectively, of the HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION. Such person(s) did not take an oath and:

- ■ is/are personally known to me.
- ☐ produced a current Florida driver's license as identification.
- ☐ produced _____ as identification.

(SEAL)

OFFICIAL NOTARY SEAL
JOANN D DELROSAL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC724939
MY COMMISSION EXP. APR. 2,2002

Name:
Notary Public, State of Florida
My Commission Expires

EXHIBIT A

PREMISES DESCRIPTION

Middle School "MM"

A parcel of land located in the Southeast 1/4 of Section 6, Township 28 South, Range 17 East, Hillsborough County, Florida being more particularly described as follows:

Commence at the Southeast corner of said Section 6, thence North 01°01'53" West, along the East boundary of said Section 6, 462.75 feet to the point of beginning; thence leaving said boundary South 88°58'07" West, 1470.01 feet; thence North 01°01'50" West, 588.01 feet; thence North 89°05'22" East, 1470.00 feet to the East boundary of said Section 6; thence along said boundary South 01°01'53" East, 584.91 feet to the Point of Beginning.

Buckhorn Elementary School

Beginning at the Northeast corner of the Northwest ¼ of the Southeast ¼ of Section 31, Township 29 South, Range 21 East, Hillsborough County, Florida; run thence S.00°09'50"W., 985.69 feet along the East boundary of the Northwest ¼ of the Southeast ¼ of said Section 31; thence N.88°04'56"W., 661.80 feet; thence N.00°04'42"E., 987.79 feet, along the West boundary of the East ½ of the Northwest ¼ of the Southeast ¼ of said Section 31; thence S.87°54'17"E., 663.34 feet, along the North boundary of the Northwest ¼ of the Southeast ¼ of said Section 31, to the Point of Beginning.

Claywell Elementary School

A tract of land lying in SECTION 29 and SECTION 32, TOWNSHIP 27 SOUTH, RANGE 18 EAST, Hillsborough County, Florida, and being more particularly described as follows:

From the Southwest corner of the Southeast 1/4 of said Section 29; run thence Northeasterly, 210.94 feet along the arc of a curve concave to the Southeast and having a radius of 1352.00 feet (chord bearing N 79°18'11" E, 210.73 feet); thence N 83°46'22" E, 275.22 feet to the Point of Beginning; thence N 83°46'22" E, 27.60 feet; thence S 06°13'38" E, 62.50 feet; thence N 83°46'22" E, 25.00 feet; N 06°13'38" W, 62.50 feet; thence N 83°46'22" E, 73.00 feet to a point of tangency; thence Southeasterly, 983.09 feet along the arc of a curve concave to the Southwest and having a radius of 3955.00 feet (chord bearing S 89°06'22" E, 980.56 feet); thence along Northdale, Section B, Unit 5, as recorded in Plat Book 48, on page 77, of the Public Records of Hillsborough County, Florida, the following six (6) courses; 1) S 08°00'53" W, 117.03 feet; 2) thence S 26°17'27" E, 85.36 feet; 3) thence S 04°01'10" E, 317.82 feet; 4) thence S 41°43'02" W, 94.01 feet; 5) S 20°17'45" W, 97.00 feet; 6) thence S 38°29'58" W, 3.87 feet; thence along Northdale, Section B, Unit 2, as recorded in Plat Book 48, page 47, of the Public Records of Hillsborough County, Florida, S 22°04'45" W, 413.00 feet; thence along Northdale, Section B, Unit 4, as recorded in Plat Book 49, page 29, of the Public Records of Hillsborough County, Florida, the following two (2) courses: 1) S 24°04'47" W, 124.18 feet; 2) thence S 00°38'05" W, 214.53 feet; thence N 89°32'01" W, 272.00 feet; thence N 00°27'59" E, 394.29 feet; thence N 77°57'54" W, 153.11 feet; thence N 89°32'01" W, 432.58 feet; thence N 00°32'09" E, 954.01 feet to the Point of Beginning.

Containing 27.34 acres, more or less.

Essrig Elementary School

The North 1/2 of the North 640.00 feet of the West 860.00 feet of the Northwest 1/4 of the Northeast 1/4 of Section 7, Township 28 South, Range 18 East, less road right-of-way acquired by Hillsborough County pursuant to an Order of Taking recorded in O. R. Book 4254, page 471, Public Records of Hillsborough County, Florida.

Riverview Elementary School

All of Blocks "W" and "X" of RIVERVIEW HEIGHTS, according to the map or plat thereof, as recorded in Plat Book 9, on Page 37 of the Public Records of Hillsborough County, Florida.

The West one-half of the East one-half of the SW¼ of NE¼ of Section 17, Township 30 South, Range 20 East, lying and being in Hillsborough County, Florida, LESS the West 25 feet thereof, conveyed to Hillsborough County for road purposes.

Ferrell Middle School

Lot 3 in Block 3 of PROGRESSO SUBDIVISION, according to map thereof recorded in Plat Book 4 on Page 54, of the Public Records of Hillsborough County, Florida.

Lots 4 and 7 in Block 3 of PROGRESSO SUBDIVISION as per map or plat thereof recorded in Plat Book 4 on page 54, of the Public Records of Hillsborough County, Florida.

Lots 4 to 10 inclusive of Block 2 of PROGRESO SUBDIVISION, according to map or plat thereof recorded in Plat Book 4 page 54, of the public records of Hillsborough County, Florida.

Lots 11 and 12 in Block 2 of PROGRESSO SUBDIVISION, as per map or plat thereof recorded in Plat Book 4 on page 54 of the Public Records of Hillsborough County, Florida.

Mabry Elementary School

Lots One, Two, Three and Four in Block Thirty-three of SOUTHLAND SUBDIVISION, according to map or plat thereof recorded in Plat Book Nine on Page Four, of the public records of Hillsborough County, Florida.

Lots One, Two, Three and Four in Block Thirty-four of SOUTHLAND SUBDIVISION, according to map or plat thereof recorded in Plat Book Nine, on Page Four of the Public Records of Hillsborough County, Florida.

Morgan Woods Elementary School

That part of the South 60 feet of the North 185 feet of the SE¼ of the SW¼ of Section 25, Township 28 South, Range 17 East, Hillsborough County, Florida, lying East of the East right-of-way line of Hanley Road.

The East ½ of the SE¼ of the SW¼ of Section 25, Township 28 South, Range 17 East, Hillsborough County, Florida, Less the North 185 feet thereof, Also Less the South 295 feet thereof.

Dover ESE

That certain tract of land situate, lying and being in Hillsborough County, Florida, described as follows, to-wit:

The West one-half of the Southwest Quarter of the Northeast Quarter of Section Four, Township Twenty-nine South, Range Twenty-one East.

Gorrie Elementary School

The East 135 feet of Lot Q, Block 1 of O.D. WETHERELL'S SUBDIVISION, according to the map or plat thereof as recorded in Plat Book 3 on page 28 of the Public Records of Hillsborough County, Florida.

Interest of the Insured having been acquired by Deed recorded August 6, 1991 in Official Record Book 6344 on Page 118 of the public records of Hillsborough County, Florida.

Lopez ESE

The South one-half of the Southeast quarter of the Southwest quarter of Section 35, Township 28 South, Range 20 East, lying and being in Hillsborough County, Florida.

EXHIBIT B

DESCRIPTION OF SERVIENT PROPERTY

[NONE]

EXHIBIT C

[FIRST, SECOND, THIRD, ETC.]
GROUND LEASE SUPPLEMENT

This [First, Second, Third, etc.] Ground Lease Supplement ("Subject Supplement") is made and entered into as of _____, by the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA** (the "Board") acting as the governing body of the School District of Hillsborough County, Florida (the "District") and **HILLSBOROUGH COUNTY SCHOOL BOARD LEASING CORPORATION,** a single-purpose Florida not-for-profit corporation (the "Corporation"). All capitalized terms used herein and not otherwise defined shall have the meaning set forth therefor in the "Ground Lease" as hereinafter set forth.

W I T N E S S E T H:

WHEREAS, the Board and the Corporation entered into a certain Ground Lease Agreement (the "Ground Lease") a memorandum of which was recorded in Official Records Book _____ at Page ____ of the Public Records of Hillsborough County, Florida, and

WHEREAS, the Board owns that certain real property more particularly described in Exhibit A attached hereto and made a part hereof ("Subject Parcel"); and

WHEREAS, the Subject Parcel is a portion of the Project and, as such, is to be subject to the Ground Lease as contemplated thereby, and

NOW, THEREFORE, in consideration of the premises and for Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each party hereto by the other party hereto, the parties hereto do hereby acknowledge and agree as follows

1. The foregoing recitations are true and correct and are incorporated herein by reference.

2. The Subject Parcel is hereby declared to be a part of the Premises (as defined in the Ground Lease) which constitutes a portion of the Project and, therefore, is a part of the Premises as set forth in the Ground Lease with the leasehold estate, operation and effect of the Ground Lease applying to the Subject Parcel as fully and to the same extent as if the Subject Parcel were described in the Ground Lease and therein set forth to be a part of the Premises.

3. The Ground Lease, as modified by previous Ground Lease Supplements and] as modified hereby remains in full force and effect in accordance with the terms and provisions thereof.

IN WITNESS WHEREOF, each of the parties hereto have caused this Subject Supplement to be executed by their duly authorized officers or agents, all as of the day and year first above written.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

ATTEST:

_____ By: _____
Its: Its:

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

ATTEST

_____ By: _____
Title. Title:

(SEAL)

SIMULTANEOUS ASSIGNMENT

All of the rights of Hillsborough School Board Leasing Corporation hereunder are hereby assigned without recourse or warranty to _____, as Trustee, as successor in interest to and assignee of Hillsborough School Board Leasing Corporation under the Assignment.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By: _____
Title:

Dated: _____

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, by _____ and _____, the _____ and _____, respectively, of the _____. Such person(s) did not take an oath and:

- ☐ is/are personally known to me
- ☐ produced a current Florida driver's license as identification
- ☐ produced _____ as identification.

(SEAL)

_____
Name
Notary Public, State of Florida
My Commission Expires.

STATE OF FLORIDA)
) SS.
COUNTY OF _____ _____)

The foregoing instrument was acknowledged before me this _ __ day of _____, by _____ _ and _ _____, the _____ _ _ . . . and _____, respectively, of the _____ _ . Such person(s) did not take an oath and,

☐ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced _ as identification.

(SEAL)

_____
Name:
Notary Public, State of Florida
My Commission Expires:

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FIRST AMENDMENT TO GROUND LEASE AGREEMENT

This First Amendment to Ground Lease Agreement ("First Amendment") is made and entered into as of February 15, 2005 by the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA** (the "Board") acting as the governing body of the School District of Hillsborough County, Florida (the "District") and **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,** a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, having an office in Tampa, Florida (the "Corporation"). All capitalized terms used herein and not otherwise defined shall have the meaning set forth therefor in the "Ground Lease" as hereinafter set forth.

WITNESSETH:

WHEREAS, the Board and the Corporation entered into a certain Ground Lease Agreement dated as of November 1, 2000 (the "Ground Lease") a memorandum of which was recorded in Official Records Book 10486 at Page 0163 of the Public Records of Duval County, Florida; and

WHEREAS, in connection with the issuance of certain Refunding Certificates of Participation it is necessary to amend the Ground Lease as provided herein.

NOW, THEREFORE, in consideration of the premises and for Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each party hereto by the other party hereto, the parties hereto do hereby acknowledge and agree as follows:

1. The foregoing recitations are true and correct and are incorporated herein by reference.

2. Section 2 of the Ground Lease is hereby amended and restated in its entirety to read as follows:

> "The initial term of this Ground Lease (the "Initial Ground Lease Term") shall be for the period commencing on the Commencement Date, and ending on the earlier of (a) the date on which the Series 2000 Certificates and any Completion Certificates or Refunding Certificates related thereto have been paid or provision for payment of all of such Certificates has been made pursuant to Section 12.01 of the Trust Agreement and any Supplemental Rent arising under

the Lease Agreement shall have been paid or provided for, or (b) July 1, 2035 (both dates inclusive). As used herein, the expressions "term hereof," "Ground Lease Term" or any similar expression refer to the Initial Ground Lease Term and to any renewals of the Initial Ground Lease Term exercised by the Corporation or its assignee as provided in Section 22 hereof."

3. Section 9(b) of the Ground Lease is hereby amended and restated in its entirety to read as follows:

"(b) Except as expressly provided in this Section 9(b), the Corporation or its assignee shall not assign this Ground Lease, or any portion hereof, or sublease all or any portion of the Premises at any time. Except as expressly permitted in this Section 9(b), any purported assignment, partial assignment or sublease without the Board's prior written consent in violation of this Section 9(b) shall be null and void. So long as the Lease Agreement has not been terminated, (i) the Corporation may assign this Ground Lease to the Trustee for the benefit of the Owners of the Series 2000 Certificates and any Completion Certificates or Refunding Certificates related thereto, and (ii) the Corporation shall sublet all of the Premises to the Board (the "Initial Sublessee") under the Lease Agreement. If the Lease Agreement shall have been terminated, the Corporation or its assignee may sublet the Premises or assign its interest in this Ground Lease (a "Permitted Sublease") to any Person for any lawful purpose without the prior consent of the Board; provided, however, that no Permitted Sublease shall relieve the Corporation of any of its duties or obligations hereunder without the prior written consent of the Board; provided, however, that each Permitted Sublease shall be subject to the provisions of Section 9(d) hereof. "Permitted Transferee" shall mean a sublessee or assignee permitted by this Section 9(b)."

4. The Ground Lease, as modified hereby remains in full force and effect in accordance with the terms and provisions thereof.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the parties hereto have caused this First Amendment to be executed by their duly authorized officers or agents, all as of the day and year first above written.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

ATTEST:

By: _____ Superintendent/Secretary

By: _____ Vice Chairperson

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

ATTEST:

By: _____ Secretary

By: _____ Vice President

(SEAL)

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 15th day of March, 2005, by Carolyn Bricklemyer and Dr. Earl J. Lennard, the Vice Chair and Superintendent, respectively, of the of the School District of Hillsborough County, Florida. Such person(s) did not take an oath and:

☒ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced _____ as identification.

(SEAL)

_____
Name:
Notary Public, State of Florida
My Commission Expires:

JOANN D. DELROSAL
Notary Public - State of Florida
My Commission Expires Apr 2, 2006
Commission # DD 097552
Bonded By National Notary Assn.

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 15th day of March, 2005, by Carolyn Bricklemyer and Dr. Earl J. Lennard, the Vice President and Secretary, respectively, of the Hillsborough School Board Leasing Corporation Such person(s) did not take an oath and:

☒ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced _____ as identification.

(SEAL)

_____
Name:
Notary Public, State of Florida
My Commission Expires:

JOANN D. DELROSAL
Notary Public - State of Florida
My Commission Expires Apr 2, 2006
Commission # DD 097552
Bonded By National Notary Assn.

GROUND LEASE AGREEMENT

by and between

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA,
as Lessor

and

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION,
as Lessee

Dated as of January 1, 2006

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EXHIBIT A	PREMISES DESCRIPTION
EXHIBIT B	DESCRIPTION OF SERVIENT PROPERTY
EXHIBIT C	GROUND LEASE SUPPLEMENT

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (hereinafter referred to as this "Ground Lease") is made and entered into as of January 1, 2006, by and between the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**, a school board duly organized and existing under the laws of the State of Florida (the "Board"), as lessor, acting as the governing body of the Hillsborough County School District, and the **HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION**, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, having an office in Tampa, Florida (the "Corporation"), as lessee.

Capitalized terms not otherwise defined herein shall have the meanings set forth in Exhibit A to the Trust Agreement referred to herein.

WHEREAS, the Board is the owner of certain parcels of real property located in Hillsborough County, Florida and described in Exhibit A hereto (which, together with any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land and together with all parcels of real property hereunder made subject to the Ground Lease, is hereinafter referred to as the "Premises"); and

WHEREAS, the Corporation desires to acquire a leasehold interest in the Premises and construct thereon certain educational facilities (together with the acquisition of certain Equipment, the "Series 2006A Project") and to lease the Series 2006A Project, including a sublease of the Premises, to the Board, all in accordance with the terms and provisions of the Lease Agreement; and

WHEREAS, the Corporation desires to locate each such educational facility on the real property comprising the Premises;

WHEREAS, the Board owns that certain real property more particularly described on Exhibit B attached hereto and made a part hereof ("Servient Property") which such Servient Property now has or will hereafter have certain buildings, structures and improvements erected and situated thereon (collectively, the "Servient Buildings"); and

WHEREAS, it is anticipated that the Project may be attached to the Servient Property for pedestrian and vehicular ingress, egress and access to and from and between the Premises and the public roads adjoining the Servient Property (hereinafter referred to as "Access"); and may further be dependent upon the Servient Property for utility and other enjoyment of the Premises which such services include, but are not necessarily limited to, drainage, sewer and water service, electric and telephone service, gas service and parking of vehicles (collectively, the "Services"); and

WHEREAS, the Corporation desires to acquire from the Board, pursuant to this Ground Lease, and the Board is willing to grant to the Corporation, the right to utilize the Servient Property to the extent reasonably necessary for Access and for the Services and the Corporation and the Board desires to provide for the structural attachment of certain of the components of the Project to the Servient Buildings;

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto agree as follows;

SECTION 1. LEASED PREMISES. (a) Pursuant to the terms and provisions hereof, the Board hereby leases, grants, demises and transfers the Premises and the Project, other than the Designated Equipment, to the Corporation. The Board hereby agrees to make all parcels of real property on which the Series 2006A Project is sited part of the Premises and subject to this Ground Lease. The Board shall execute, deliver and record one or more supplements to the Ground Lease upon acquisition of each such parcel.

(b) The aforesaid leasing, granting, demising and transfer of the Premises also includes the following rights ("Premises Rights") which such Premises Rights shall be deemed to be a part of the premises:

(i) The right to utilize the Servient Property for Access and for the Services reasonably necessary to the full use and enjoyment of the Premises; provided that the locations on the Servient Property utilized for such purposes shall be reasonably agreed upon by the Corporation and the Board; and provided, further, that the Servient Property Rights shall include, but not necessarily be limited to, the right to utilize for such purposes any portion of the Servient Property (e.g., the Servient Property Rights shall include, but not necessarily be limited to, the right to utilize for appropriate purposes, any drives, parking areas, drainage facilities or sewer, water, gas, electric or telephone lines from time to time located upon the Servient Property, together with the right to "tie-in" or "connect" thereto). If the Lease Agreement terminates prior to the termination of this Ground Lease, the Corporation and the Board shall each have the right to install such meters or submeters as may be reasonably appropriate to the end that the Corporation is charged for consumption of such utilities on the Premises.

(ii) The Servient Buildings and the Series 2006A Project may contain certain elements, features or parts which are structural elements of both the Servient Buildings and the Series 2006A Project (hereinafter referred to as "Common Structural Elements"). Such Common Structural Elements include, but are not necessarily limited to the following:

(A) All utility lines, ducts, conduits, pipes and other utility fixtures and appurtenances which are located on or within either the

Premises or the Series 2006A Project on the one hand or the Servient Property or Servient Buildings on the other hand and which, directly or indirectly, in any way, service the other.

(B) All division walls (hereinafter referred to as "Party Walls") between the Series 2006A Project and the Servient Buildings upon the common line between the Premises and the Servient Property (hereinafter referred to as the "Lot Line") provided that the mere fact that such a division wall is found not to be on the Lot Line shall not preclude that division wall from being the Party Wall.

(C) The roof and all roof support structures and any and all appurtenances to such roof and roof support structures including, without limitation, the roof covering, roof trim and roof drainage fixtures (collectively, the "Roofing") to the extent interrelated between the Series 2006A Project and the Servient Buildings. Should the Roofing of any building constituting a portion of the Project extend beyond the Lot Line, the right therefor is hereby granted and should the Roofing of the Servient Building extend beyond the Lot Line onto the premises, the right therefor is hereby reserved.

(D) The entire concrete floor slab or wood floor system if utilized in lieu thereof and all foundational and support structures and appurtenances thereto to the extent interrelated between the Series 2006A Project and the Servient Buildings (collectively referred to as "Flooring"). Should the Flooring of the Series 2006A Project extend beyond the Lot Line onto the Premises, the right therefor is hereby reserved.

(iii) The Premises Rights further include that right of the Series 2006A Project to encroach upon the Servient Property as a result of minor inaccuracies in survey, construction or reconstruction or due to settlement or movement. The encroaching Series 2006A Project shall remain undisturbed for as long as same exist and, for so long as such encroachment exists, that portion of the Servient Property on which same exists shall be deemed to be a part of the Premises. In addition, the Premises Rights include the right to utilize that portion of the Servient Property as may be reasonably necessary in order to maintain and repair the Series 2006A Project. The Premises Rights further include cross rights of support and use over, upon, across, under, through and into Common Structural Elements in favor of the Corporation (and like rights are hereby reserved unto the Board) for the continued use, benefit and enjoyment and continued support, service, maintenance and repair of all such Common Structural Elements.

(c) Subject to the Permitted Encumbrances, the Board hereby warrants that (i) the Board owns the Premises in fee simple title, has full and insurable title to the fee

estate in the Premises and owns unencumbered all such right, title and interest; (ii) all consents to or approvals of this Ground Lease required by law or any agreements or indentures binding upon the Board have been obtained; (iii) the Board has the right to lease the Premises to the Corporation pursuant to the terms and provisions hereof and to grant to the Board the Premises Rights; and (iv) this Ground Lease complies with all the requirements and restrictions of record applicable to the Premises and the Servient Property. The Board represents and warrants that none of the Permitted Encumbrances has an adverse effect on the use of the Premises or the enjoyment of the leasehold estate therein created under this Ground Lease.

SECTION 2. TERM. The initial term of this Ground Lease (the "Initial Ground Lease Term") shall be for the period commencing on the Commencement Date, and ending on the earlier of (a) the date on which the Series 2006A Certificates and any Completion Certificates related to the Series 2006A Project and any Certificates issued to refund the foregoing, have been paid or provision for payment of the Series 2006A Certificates has been made pursuant to Section 12.01 of the Trust Agreement and any Supplemental Rent arising under the Lease Agreement shall have been paid or provided for, or (b) July 1, 2036 (both dates inclusive). As used herein, the expression "term hereof," "Ground Lease Term" or any similar expression refers collectively to the Initial Ground Lease Term and to any renewals of the Initial Ground Lease Term exercised by the Corporation or its assignee as provided in Section 22 hereof.

SECTION 3. USE OF PREMISES. (a) It is the express intent of the parties hereto that, for as long as no Event of Default or Event of Non-Appropriation under the Lease Agreement has occurred:

(i) the Premises shall be used by the Corporation as the site for acquisition, construction and installation of the Buildings comprising a portion of the Series 2006A Project;

(ii) the Buildings and Equipment comprising a portion of the Series 2006A Project shall be acquired, constructed and installed by the Board as agent for the Corporation as provided in Section 3.08 of the Lease Agreement; and

(iii) title to the Premises shall be in the Board upon commencement of the Ground Lease Term and title to all components of the Series 2006A Project, other than Designated Equipment, shall be in name of Corporation pursuant to the Lease Agreement, and title to the Buildings comprising a portion of the Series 2006A Project constructed on the Premises shall remain severed from title to the Premises until the earlier of (A) the date on which the Series 2006A Certificates issued under the Trust Agreement shall no longer be Outstanding, and (B) the end of the Ground Lease Term.

(b) If the Lease Agreement has been terminated, the Corporation and each Permitted Transferee (as defined in Section 9(b) hereof) may use the Premises for any lawful purpose, in its sole discretion, and may alter, modify, add to or delete from the portions of the Series 2006A Project existing from time to time on the Premises.

(c) Neither the Corporation nor any Permitted Transferee shall use or permit the Premises to be used in violation of any valid present or future laws, ordinances, rules or regulations of any public or governmental authority at any time applicable thereto.

(d) The Board may at any time place portable educational facilities on the Premises. Such portables shall be owned by the Board.

SECTION 4. RENTAL. (a) So long as the Lease Agreement has not been terminated, the Corporation or its assignee shall pay to the Board as and for rental for the Premises the sum of ten dollars ($10.00) per annum, which sum shall be due in advance on the Commencement Date (pro rated) and annually thereafter on the first day of each Renewal Lease Term.

(b) From and after the date on which the Lease Agreement has been terminated, the Corporation or its assignee shall pay as and for rental for the Premises an amount determined by an M.A.I. appraisal to be the fair market rental for the Premises (the "Appraisal"), which Appraisal shall be prepared by an appraiser selected by the Corporation (with the consent of the Trustee as assignee of the Corporation); provided, however, that such fair market rental and the payment thereof shall be subject to the following adjustments and conditions:

(i) if the Lease Agreement has been terminated on a date other than June 30 of any year, the fair market rental determined pursuant to the Appraisal shall be pro rated for the number of days between the date terminated and the next succeeding July 1;

(ii) for each twelve-month period beginning on the July 1 next succeeding the date on which terminated and beginning on each succeeding July 1, the amount of the fair market rental determined by the Appraisal shall be adjusted by the percentage (positive or negative) which is equal to the Implicit Price Deflator of the Consumer Price Index published by the United States Department of Commerce for the region of the United States where Florida is located or for the United States as a whole if not so published for such region;

(iii) the fair market rental due in any year shall be paid in the current year only to the extent that the moneys received by the Trustee as assignee of the Corporation from the exercise of the remedies permitted under the Lease Agreement during the preceding twelve months prior to such July 1 exceeded the Principal and Interest Requirements for such preceding twelve months and other

amounts payable under the Lease Agreement; provided, however, that any portion of such fair market rental not paid in any year due to the provisions of this clause (iii) shall remain due and payable and shall accumulate from year to year and shall be paid in any future years to the extent that moneys received in such year from the exercise of the remedies permitted by the Lease Agreement exceed the Principal and Interest Requirements and the fair market rental due in such years; and

(iv) the failure to pay any portion of the fair market rental in any year due to insufficiencies of moneys realized from the exercise of the remedies permitted under the Lease Agreement (A) shall not give rise to any obligation to pay interest on such unpaid fair market rental, and (B) shall not constitute a default under this Ground Lease by the Corporation or the Trustee as the assignee of the Corporation.

SECTION 5. OWNERSHIP OF IMPROVEMENTS AND SURRENDER OF PREMISES. (a) The Corporation or its assignee shall at all times during the Ground Lease Term have a leasehold estate in the Premises with full right to vest the use, enjoyment and possession of such leasehold estate therein in a Permitted Transferee.

(b) Possession and use of the Premises, together with all improvements thereon, shall, upon the last day of the Ground Lease Term or earlier termination of this Ground Lease, automatically revert to the Board free and clear of liens and encumbrances other than Permitted Encumbrances without necessity of any act by the Corporation or any Permitted Transferee. Upon such termination of this Ground Lease, the Corporation or its assignee shall peaceably and quietly surrender to the Board the Premises together with any improvements located in or upon the Premises. Upon such surrender of the Premises, the Corporation or any Permitted Transferee, at the reasonable request of the Board, shall execute an instrument in recordable form evidencing such surrender and shall deliver to the Board all books, records, construction plans, surveys, permits and other documents relating to, and necessary or convenient for, the operation of the Premises and the improvements thereon in the possession of the Corporation or any Permitted Transferee.

(c) Any personal property of the Corporation, any Permitted Transferee or any Person which shall remain on the Premises after expiration or earlier termination of the Ground Lease Term and for sixty (60) days after request by the Board for removal, shall, at the option of the Board, be deemed to have been abandoned and may be retained by the Board and the same may be disposed of, without accountability, in such manner as the Board may see fit.

(d) If the Corporation or any Permitted Transferee holds over or refuses to surrender possession of the Premises after expiration or earlier termination of this Ground

Lease, the Corporation or any Permitted Transferee shall be a tenant at sufferance and shall pay a rental rate equal to the fair market rental of the Premises determined in the manner provided in Section 4(b) hereof.

(e) The provisions of Sections 5(a), 5(b) and 5(c) hereof shall not apply to vending machines or other commercial equipment or trade fixtures located in or about the Premises to the extent that such equipment is readily removable from the Premises without causing material harm or damage thereto and that such equipment is not owned by the Corporation or any Permitted Transferee.

SECTION 6. BOARD'S INTEREST NOT SUBJECT TO CERTAIN LIENS. It is mutually intended, stipulated and agreed that neither the fee simple title to nor any interest of the Board in the Premises may be subject to liens of any nature arising by reason of any act or omission of the Corporation or any Person claiming under, by or through the Corporation, including, but not limited to, mechanics' and materialmen's liens.

SECTION 7. INSURANCE. The Corporation covenants and agrees with the Board that the Corporation will cooperate with the Board in providing any information necessary for the Board to obtain and maintain in full force and effect insurance coverages desired by the Board or required by the Lease Agreement.

SECTION 8. CONDITION OF PREMISES, UTILITIES, CONCEALED CONDITIONS. (a) Except with regard to any environmental conditions and subject to the provisions of this Section 8, the Corporation agrees to accept the Premises in their presently existing condition, "as is."

(b) It is understood and agreed that the Board has determined that the Premises will safely or adequately support the Series 2006A Project, and hereby certifies same to the Corporation.

(c) The Board, at its sole expense, shall bring or cause to be brought to the Premises adequate connections for water, electrical power, storm sewerage and sewerage, and shall arrange with the appropriate utility companies for furnishing such services and shall provide to the Premises water service and capacity sufficient for operation, heating, ventilation and air conditioning equipment, and to the extent necessary to permit the Board to use the Series 2006A Project for the purposes intended or to permit such Series 2006A Project to comply with all requirements of law, the Corporation will provide and construct (but only to the extent of the proceeds of the Series 2006A Certificates available therefor) such roads, streets, sidewalks and other methods of ingress and egress necessary therefor. Nothing herein shall prohibit the Board from dedicating any such utilities or roads, streets and sidewalks to the appropriate governmental authority or duly constituted investor-owned utility as required or permitted by law, and the Corporation or

the Trustee as assignee of the Corporation shall cooperate in such dedication by executing any deeds or other instruments required to effect such dedication.

SECTION 9. LIMITATION ON LEASEHOLD MORTGAGES, ASSIGNMENT AND SUBLETTING. (a) If the Lease Agreement has been terminated and subject to the terms and conditions herein provided, the Corporation may enter into a mortgage or mortgages of its leasehold interest created hereby in the Premises as security for the performance of its obligations under any financing obtained by the Corporation; provided, however, the fee title to the Premises shall not be subject to, or otherwise encumbered by, any such mortgage; provided, however, that each such leasehold mortgage shall be subject to the provisions of Section 9(d) hereof. Any such mortgage executed by the Corporation or its assignee pursuant to the provisions of the preceding sentence shall be hereinafter called a "Leasehold Mortgage" and the holder of any such mortgage shall be hereinafter called the "Leasehold Mortgagee."

(b) Except as expressly provided in this Section 9(b), the Corporation or its assignee shall not assign this Ground Lease, or any portion hereof, or sublease all or any portion of the Premises at any time. Except as expressly permitted in this Section 9(b), any purported assignment, partial assignment or sublease without the Board's prior written consent in violation of this Section 9(b) shall be null and void. So long as the Lease Agreement has not been terminated, (i) the Corporation may assign this Ground Lease to the Trustee for the benefit of the Owners of the Series 2006A Certificates, and (ii) the Corporation shall sublet all of the Premises to the Board (the "Initial Sublessee") under the Lease Agreement. If the Lease Agreement shall have been terminated, the Corporation or its assignee may sublet the Premises or assign its interest in this Ground Lease (a "Permitted Sublease") to any Person for any lawful purpose without the prior consent of the Board; provided, however, that no Permitted Sublease shall relieve the Corporation of any of its duties or obligations hereunder without the prior written consent of the Board; provided, however, that each Permitted Sublease shall be subject to the provisions of Section 9(d) hereof. "Permitted Transferee" shall mean a sublessee or assignee permitted by this Section 9(b).

(c) If the Lease Agreement shall have been terminated and the Corporation or its assignee proposes to create a Permitted Sublease of any portion of its interest in this Ground Lease, the Corporation shall provide written notice thereof to the Board containing the names and addresses of the proposed assignee(s), sublessee(s) or transferee(s); provided, however, that failure to provide such notice shall not affect the validity or effectiveness of any Permitted Sublease to a Permitted Transferee.

(d) If the Lease Agreement shall have been terminated, nothing herein shall prevent the Corporation or its assignee from entering into a Leasehold Mortgage or a Permitted Sublease for individual parcels of land constituting the Premises. It shall not be necessary for a Leasehold Mortgage or a Permitted Sublease to cover all of the Premises.

SECTION 10. UTILITY EASEMENTS. So long as the Lease Agreement has not been terminated, the Board reserves the right to grant nonexclusive utility easements, licenses, rights-of-way and other rights or privileges in the nature of easements to others over, under, through, across or on the Premises but only to the extent reasonably necessary to provide services to the Premises or any other real property adjacent to the Premises; provided, however, that such grant and any use permitted thereby is not detrimental to the use or operation of the Premises or to any other uses permitted hereunder after the Ground Lease Term, will not impose any cost upon the Corporation or its assignee, will not weaken, diminish or impair lateral or subjacent support to the improvements to the Premises, including, without limitation the Series 2006A Project, will not impair or diminish the security of any Leasehold Mortgagee or Permitted Transferee hereunder and the Board agrees to indemnify and save harmless, but only from Available Revenues, the Corporation or its assignee and any Leasehold Mortgagee and Permitted Transferee (whether the interest of such party in the Premises arises prior or subsequent to such grants) against any loss, claim, liability or damages, including legal costs and defense arising or accruing from the use or exercise of such easement.

SECTION 11. DUTIES DEEMED PERFORMED. All obligations of the Corporation hereunder which are assumed by the Initial Sublessee shall be deemed, as between the Board and the Corporation hereunder, fully performed whether or not such Initial Sublessee actually performs same.

SECTION 12. TAXES AND FEES. (a) The Board represents and warrants that this Ground Lease is and will be exempt from ad valorem and intangible taxation. However, for as long as the Lease Agreement is in effect, should the Premises thereon or any interest therein ever become subject to any such taxes, the Board agrees to pay any and all such lawful taxes, assessments or charges which at any time may be levied by any federal, state, county, city, or any tax or assessment levying body upon the Premises or the Series 2006A Project, or any interest in this Ground Lease, or any possessory right which the Corporation or its assignee may have in or to the Premises thereon by reason of its use or occupancy thereof or otherwise.

(b) Notwithstanding the foregoing provision, either the Board or the Corporation shall, after notifying the other party hereto of its intention to do so, have the right in its own name or behalf, or in the name and behalf of the other party hereto, to contest in good faith by all appropriate proceedings the amount, applicability or validity of any such tax or assessment, and in connection with such contest, the Board may refrain from paying such tax or assessment. Each party shall, upon request by the other party hereto, assist and cooperate with the other party hereto in any such proceedings.

(c) In the event that the Board shall fail to pay any of the items required under this Section 12, the Corporation or its assignee may, at its sole option, pay the same and

any amounts so advanced therefor by it shall become an additional obligation of the Board and Supplemental Rent under the Lease Agreement.

SECTION 13. DEFAULT BY THE CORPORATION. (a) Each of the following events shall be deemed a default by the Corporation hereunder and a breach of this Ground Lease:

(i) If the Corporation or its assignee shall fail to pay, when due, any rent or portion thereof, or any other sum, if any, which the Corporation or its assignee is obligated to pay under the terms and provisions of this Ground Lease, and such rent or other sums, if any, remain unpaid for a period of thirty (30) days after receipt of written notice to the Corporation from the Board;

(ii) If the Corporation or its assignee shall attempt to mortgage the leasehold estate hereby created in violation of Section 9(a) hereof or to assign this Ground Lease, or any portion thereof, or to sublease any portion of the Premises or the Series 2006A Project in violation of Section 9(b) hereof; or

(iii) If the Corporation or its assignee shall use the Premises for any purposes not permitted by this Ground Lease, and such use shall continue for a period of thirty (30) days after the Board shall have given written notice to the Corporation or its assignee to desist from such use.

(b) In the event that the item of default set forth in Section 13(a)(iii) above is of such a nature that it cannot be remedied within the time limits therein set forth, then the Corporation shall have such additional time as is reasonably necessary to cure such default provided that such Corporation diligently commences the curing of such default within such time and proceeds to completely cure the same in a timely and diligent manner.

(c) In the event that any Permitted Transferee or Leasehold Mortgagee exists of record at the time that a default occurs hereunder, the Board shall give notice thereof to each such Permitted Transferee and Leasehold Mortgagee and each such party shall have thirty (30) additional days from receipt of such notice to cure such default; provided, however, that if the default is of such a nature that the same cannot be cured in such time, then such party shall have such additional time as is reasonably necessary to cure such default provided that such party diligently commences the curing of such default within such time and proceeds completely to cure same within a timely and diligent manner.

SECTION 14. REMEDIES OF BOARD. Upon the occurrence of any event of default as set forth in Section 13 hereof which has not been cured (and is not in the process of being cured) under Section 13(b) or 13(c) hereof, but not otherwise, the Board may take whatever action at law or in equity may appear necessary or desirable to enforce its rights hereunder; provided, the Board shall not have the right to terminate this

Ground Lease until such time as the Series 2006A Certificates have been paid or provision for payment has been made pursuant to the terms and provisions of the Trust Agreement. The Board shall have recourse solely against the leasehold estate of the Corporation or its assignee in the Premises, and any proceeds thereof, for the payment of any liabilities of the Corporation or its assignee hereunder.

SECTION 15. NO WAIVERS. No waiver by either party hereto at any time of any of the terms, conditions, covenants or agreements of this Ground Lease, or noncompliance therewith, shall be deemed or taken as a waiver at any time thereafter of the same, nor of any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by the other party hereto. No delay, failure or omission of the Board to re-enter the Premises, nor by either party hereto to exercise any right, power, privilege or option arising from any default shall impair any right, power, privilege or option, or be construed to be a waiver of any such default, relinquishment thereof or acquiescence therein, and no notice by either party hereto shall be required to restore or revive time as being of the essence hereof after waiver by the Board of default in one or more instances. No option, right, power, remedy or privilege of the Board shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options or remedies given to each party by this Ground Lease are cumulative, and no one of them shall be exclusive of the other or exclusive of any remedies provided by law.

SECTION 16. QUIET ENJOYMENT. The Board agrees that the Corporation and any Permitted Transferee, upon the payment of the rent and all other payments and charges, if any, to be paid by the Corporation or its assignee under the terms of this Ground Lease, and observing and keeping the agreements and covenants of this Ground Lease on its part to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Ground Lease, without hindrance or molestation from the Board or anyone claiming by, through or under the Board.

SECTION 17. TERMS BINDING UPON SUCCESSORS. All the terms, conditions and covenants of this Ground Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

SECTION 18. CONDEMNATION. In the event that any Person, public or private, shall by virtue of eminent domain or condemnation proceedings, or by purchase in lieu thereof, at any time during the term of this Ground Lease acquire title to the Premises:

(a) For as long as the Lease Agreement has not been terminated, the Net Proceeds resulting therefrom shall be applied pursuant to the Lease Agreement.

(b) If the Lease Agreement shall have been terminated, (i) if such Person acquires title to such substantial portion thereof that the Corporation determines that it

cannot economically make use of the residue for the lawful purposes intended by this Ground Lease, such acquisition of title shall terminate this Ground Lease, effective as of the date on which the condemning party takes possession thereof, and the Net Proceeds resulting therefrom shall be applied first to payment of the amount secured by any Leasehold Mortgage then outstanding hereunder, second, to payment of any outstanding Series 2006A Certificates, and, third, the balance, if any shall be paid to the Board and the Corporation, as their respective interests may appear; and (ii) if such Person acquires title to a portion of the Premises only, and the Corporation determines that it can economically make beneficial use of the residue thereof for the lawful purposes intended by this Ground Lease, then this Ground Lease shall continue in full force and effect and the Net Proceeds resulting therefrom shall be paid to the Board and the Corporation, as their respective interests appear.

(c) It is understood that the foregoing provisions of this Section 18 shall not in any way restrict the right of the Board or the Corporation to appeal the award made by any court or other public agency in any condemnation proceeding.

SECTION 19. NON-MERGER OF LEASEHOLD. There shall be no merger of this Ground Lease or of the leasehold estate hereby created with the fee estate in the Premises or any part thereof by reason of the fact that the same Person may acquire or hold, directly or indirectly, this Ground Lease or leasehold estate hereby created or any interest in this Ground Lease or in such leasehold estate and the fee estate in the Premises or any interest in such fee estate. There shall be no merger of this Ground Lease with the Lease Agreement by reason of the fact that the Board is the owner of the fee title to the Premises and the leasehold estate in all or a portion of the Series 2006A Project created under the Lease Agreement or by reason of the fact that the Corporation is the owner of the leasehold estate in the Premises created hereby and is the owner of the fee title in the Series 2006A Project as provided in the Lease Agreement.

SECTION 20. MEMORANDUM OF GROUND LEASE. Unless mutually agreed to the contrary, simultaneously with the execution of this Ground Lease, the Board and the Corporation shall each execute, acknowledge and deliver a Memorandum of Ground Lease with respect to this Ground Lease. Said Memorandum of Ground Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Ground Lease.

SECTION 21. CHANGES TO PROPERTY DESCRIPTION. The Board reserves the right to substitute other land for, or add land to all or any portion of the premises described in Exhibit A hereto, as same may be supplemented by supplements to this Ground Lease from time to time. The Board will do so only after notice and public hearing and subsequent adoption of a resolution in accordance with the Act. Upon such substitution the Memorandum of Ground Lease will be supplemented to reflect the change in legal description. Any such supplement shall be substantially in the form of Exhibit C attached hereto. Each substitution of a parcel of land subject to the provisions

of this Ground Lease shall require the consent of the Credit Enhancer. Such consent by the Credit Enhancer shall only be required if the Credit Enhancer is not in default of its payment obligations under its Credit Facility or municipal Bond insurance policy.

SECTION 22. OPTION TO RENEW. In the event that the Lease Agreement shall have been terminated, and the Corporation, or the Trustee as the assignee of the Corporation, excludes the Board from possession of the Series 2006A Project, the Board grants to the Corporation and the Trustee the right and option to renew this Ground Lease for a period not to exceed ten years at a fair market rental to be determined, adjusted and paid in the manner and under the conditions set forth in Section 4(b) of this Ground Lease.

SECTION 23. ESTOPPEL CERTIFICATES. The Board, at any time and from time to time, upon not fewer than thirty (30) days prior written notice from the Corporation or the Trustee as assignee of the Corporation, will execute, acknowledge and deliver to the Corporation, the Trustee as assignee of the Corporation or any Permitted Transferee, a certificate of the Board certifying that this Ground Lease is unmodified (or, if there have been any modifications, identifying the same), that this Ground Lease is in full force and effect, if it is; and that there is no default hereunder (or, if so, specifying the default). It is intended that any such certificate may be relied upon by the Corporation or the Trustee as assignee of the Corporation or any Permitted Transferee.

SECTION 24. NONRECOURSE OBLIGATION OF THE CORPORATION. Notwithstanding anything to the contrary herein or in any exhibit, instrument, document or paper relating to this Ground Lease or any of the transactions contemplated hereby, the parties hereto hereby acknowledge and agree that upon the assignment by the Corporation of its rights hereunder to the Trustee pursuant to the Assignment of Lease Agreement and Assignment of Ground Lease Agreement, the Corporation shall have no further obligation, liability or responsibility hereunder and no party hereto nor their successors or assigns shall look to the Corporation for any damages, expenses, fees, charges or claims with respect to the failure of any obligations hereunder to be performed.

SECTION 25. NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Ground Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of rent pursuant to Section 4 hereof or for any claim based thereon under this Ground Lease Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 26. RADON GAS. Section 404.056, Florida Statutes, requires that the following notification be given: "RADON GAS: Radon is a naturally occurring

radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

SECTION 27. MISCELLANEOUS. (a) This Ground Lease shall be governed by, and be construed in accordance with, the laws of the State of Florida.

(b) Any notice required or desired to be given hereunder, or any items required or desired to be delivered hereunder, may be served or delivered personally or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Board:	School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Corporation:	Hillsborough School Board Leasing Corporation c/o School Board of Hillsborough County, Florida 901 East Kennedy Boulevard Tampa, Florida 33602 Attention: Superintendent and General Director of Finance
If to the Trustee:	The Bank of New York Trust Company, N.A. (successor to NationsBank of Florida, N.A.) 10161 Centurion Parkway, 2nd Floor Jacksonville, Florida 32256 Attention: Corporate Trust Department

or such other address or party as the party to be served may direct by written notice to the other party. If such notice is sent or delivery is made by registered or certified mail, such notice or delivery shall be deemed served, made and effective seventy-two (72) hours after posting.

(c) It is mutually acknowledged and agreed by the parties hereto that this Ground Lease contains the entire agreement between the Board and the Corporation with respect to the subject matter of this Ground Lease; that there are no verbal agreements, representations, warranties or other understandings affecting the same.

(d) Nothing herein contained shall be deemed to create a partnership or joint venture, nor shall the relationship between the parties be construed as principal and agent, or other than as landlord and tenant.

(e) The table of contents, headings and captions of this Ground Lease are inserted solely for convenience of reference, and under no circumstances shall they be treated or construed as part of, or as affecting, this Ground Lease.

(f) For purposes of computing any period of a number of days hereunder for notices or performance (but not for actual days of interest) of ten (10) days or fewer, Saturdays, Sundays and holidays shall be excluded.

(g) Any provision of this instrument in violation of the laws of the State of Florida shall be ineffective to the extent of such violation, without invalidating the remaining provisions of this instrument. In no event shall the Corporation or its assigns have any cause of actions against the officers or employees of the Board, or against any elected official of the Board based upon or materially related to any finding by any court that any or all provisions of this instrument violate Florida law.

(h) Nothing in this Ground Lease, expressed or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Credit Enhancer and the Board any rights, remedies or claims under or by reason of this Ground Lease or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Ground Lease contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Credit Enhancer and the Board.

(i) This Ground Lease Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

(j) This Ground Lease may not be amended or modified without the prior written consent of the Credit Enhancer. Any action taken hereunder which requires or permits the consent, notice, direction or request of the Lessor or the Trustee, shall also require or permit the consent, notice, direction or request of the Credit Enhancer, which consent, direction or request shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Board and the Corporation have caused this Ground Lease to be executed in duplicate, either of which may be considered an original, the day and year first above written.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Lessor

(SEAL)

By: Carolyn Bricklemyer
Chairman

ATTEST:

By: MaryEllen Elia
Superintendent/Secretary

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION, as Lessee

(SEAL)

By: Carolyn Bricklemyer
President

ATTEST:

By: MaryEllen Elia
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 30th day of January, 2006, by Carolyn Bricklemyer and MaryEllen Elia, the Chairman and Superintendent/Secretary, respectively, of the HILLSBOROUGH COUNTY SCHOOL BOARD. Such person(s) did not take an oath and:

■ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced _____ as identification.

(SEAL)

Emily D. Briggs
My Commission DD211536
Expires May 12, 2007

Emily D. Briggs
Name: Emily D. Briggs
Notary Public, State of Florida
My Commission Expires: May 12, 2007

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing instrument was acknowledged before me this 30th day of January, 2006, by Carolyn Bricklemyer and MaryEllen Elia, the President and Secretary, respectively, of the HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION. Such person(s) did not take an oath and:

■ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced _____ as identification.

(SEAL)

Emily D. Briggs
My Commission DD211536
Expires May 12, 2007

Emily D. Briggs
Name: Emily D. Briggs
Notary Public, State of Florida
My Commission Expires: May 12, 2007

EXHIBIT A

PREMISES DESCRIPTION

[SEE ATTACHED]

EXHIBIT B

DESCRIPTION OF SERVIENT PROPERTY

[NONE]

EXHIBIT C

[FIRST, SECOND, THIRD, ETC.]
GROUND LEASE SUPPLEMENT

This [First, Second, Third, etc.] Ground Lease Supplement ("Subject Supplement") is made and entered into as of _____ by the **SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA** (the "Board") acting as the governing body of the School District of Hillsborough County, Florida (the "District") and **HILLSBOROUGH COUNTY SCHOOL BOARD LEASING CORPORATION,** a single-purpose Florida not-for-profit corporation (the "Corporation"). All capitalized terms used herein and not otherwise defined shall have the meaning set forth therefor in the "Ground Lease" as hereinafter set forth.

W I T N E S S E T H:

WHEREAS, the Board and the Corporation entered into a certain Ground Lease Agreement (the "Ground Lease") a memorandum of which was recorded in Official Records Book ___ at Page ___ of the Public Records of Hillsborough County, Florida; and

WHEREAS, the Board owns that certain real property more particularly described in Exhibit A attached hereto and made a part hereof ("Subject Parcel"); and

WHEREAS, the Subject Parcel is a portion of the Project and, as such, is to be subject to the Ground Lease as contemplated thereby; and

NOW, THEREFORE, in consideration of the premises and for Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each party hereto by the other party hereto, the parties hereto do hereby acknowledge and agree as follows:

1. The foregoing recitations are true and correct and are incorporated herein by reference.

2. The Subject Parcel is hereby declared to be a part of the Premises (as defined in the Ground Lease) which constitutes a portion of the Project and, therefore, is a part of the Premises as set forth in the Ground Lease with the leasehold estate, operation and effect of the Ground Lease applying to the Subject Parcel as fully and to the same extent as if the Subject Parcel were described in the Ground Lease and therein set forth to be a part of the Premises.

3. The Ground Lease, as modified by previous Ground Lease Supplements and as modified hereby remains in full force and effect in accordance with the terms and provisions thereof.

IN WITNESS WHEREOF, each of the parties hereto have caused this Subject Supplement to be executed by their duly authorized officers or agents, all as of the day and year first above written.

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

ATTEST:

_____
Its:

By: _____
Its:

(SEAL)

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

ATTEST:

_____
Title:

By: _____
Title:

(SEAL)

SIMULTANEOUS ASSIGNMENT

All of the rights of Hillsborough School Board Leasing Corporation hereunder are hereby assigned without recourse or warranty to _____, as Trustee, as successor in interest to and assignee of Hillsborough School Board Leasing Corporation under the Assignment.

HILLSBOROUGH SCHOOL BOARD LEASING CORPORATION

By: _____
Title:

Dated: _____

STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this day of , by and , the and , respectively, of the . Such person(s) did not take an oath and:

☐ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

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STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this day of , by and , the and , respectively, of the . Such person(s) did not take an oath and:

☐ is/are personally known to me.
☐ produced a current Florida driver's license as identification.
☐ produced as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

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APPENDIX H

FORM OF TAX OPINION OF SPECIAL COUNSEL

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APPENDIX H

FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A., WITH RESPECT TO THE SERIES 2015A CERTIFICATES

Upon delivery of the Series 2015A Certificates in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, proposes to render their opinion with respect to such Series 2015A Certificates in substantially the following form:

_____, 2015

The School Board of Hillsborough County, Florida
Tampa, Florida

School Board Members:

We have acted as Special Counsel in connection with the execution and delivery of $100,625,000 aggregate principal amount of Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida (the "Certificates") in connection with the Lease Agreement described below.

In that capacity, we have examined various documents including (i) the Master Lease-Purchase Agreement, dated as of April 1, 1994, as amended and supplemented (the "Lease Agreement"), between the Hillsborough School Board Leasing Corporation, a single purpose Florida not-for-profit educational corporation, as lessor (the "Corporation") and The School Board of Hillsborough County, Florida, as lessee (the "Board"); (ii) Fourth Amended and Second Restated Lease Schedule No. 2000, dated as of August 1, 2015 ("Amended and Restated Lease Schedule No. 2000"), between the Corporation and the Board, (iii) Third Amended and Restated Lease Schedule No. 2006A, dated as of August 1, 2015 ("Amended and Restated Lease Schedule No. 2006A"), between the Corporation and the Board; (iv) the Master Trust Agreement, dated as of April 1, 1994, as amended and supplemented (the "Trust Agreement"), by and

among The Bank of New York Mellon Trust Company, N.A. (successor to NationsBank of Florida, N.A.), as trustee (the "Trustee"), the Board and the Corporation; (v) the Series 2015A Supplemental Trust Agreement, dated as of August 1, 2015 (the "Series 2015A Supplemental Trust Agreement"), by and among the Trustee, the Board and the Corporation; (vi) the Assignment of Lease Agreement, dated as of April 1, 1994, as amended and supplemented, in particular by the Twenty-Seventh Amendment to Assignment of Lease Agreement, dated as of August 1, 2015 (collectively the "Lease Assignment"), each between the Corporation and the Trustee, pursuant to which the Corporation has assigned by outright and absolute assignment its rights, title and interest in the Lease Agreement (other than to its rights of indemnification, its right to enter into lease schedules from time to time and certain obligations provided in Section 6.03 of the Lease Agreement) to the Trustee; (vii) the Ground Lease Agreement dated as of November 1, 2000, as amended and supplemented (the "Series 2000 Ground Lease"), between the Board, as lessor and the Corporation, as lessee, pursuant to which the Board granted to the Corporation a leasehold interest in certain real property owned by the Board; and (viii) the Ground Lease Agreement dated as of January 1, 2006, as amended and supplemented (the "Series 2006A Ground Lease"), between the Board, as lessor and the Corporation, as lessee, pursuant to which the Board granted to the Corporation a leasehold interest in certain real property owned by the Board. We have also examined a record of proceedings of the Board relating to all of the foregoing.

The proceeds of the Certificates will be used for the principal purposes of (i) refunding, on a current basis, all of the outstanding Refunding Certificates of Participation (School Board of Hillsborough County Master Lease Program), Series 2005A Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida (the "Refunded Series 2005A Certificates"), and (ii) refunding, on an advanced basis, that portion of the Certificates of Participation (School Board of Hillsborough County Master Lease Program), Series 2006A Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida maturing on and after July 1, 2018 (the "Refunded Series 2006A Certificates" and, together with the Refunded Series 2005A Certificates, the "Refunded Certificates").

Certain proceeds of the Certificates will be deposited into an escrow deposit trust fund (the "Escrow Fund") established pursuant to the Escrow Deposit Agreement, dated August 20, 2015 (the "Escrow Agreement") between The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, and the Board, and, other than a cash deposit,

will invest in direct obligations of the United States of America (the "Escrow Securities"), such that the principal of and interest on such obligations, together with such cash deposit, shall be sufficient to pay the principal of, prepayment premium, if any, and interest on the Refunded Certificates, as the same became due or are prepaid prior to maturity.

Pursuant to the Lease Agreement, the Corporation is leasing certain educational and related facilities to the Board and the Board is making lease payments to the Trustee, as assignee of the Corporation pursuant to the Lease Assignment, which include Basic Rent Payments (as defined in the Trust Agreement). The Certificates evidence an undivided proportionate interest in a portion of the Basic Rent Payments (as defined in the Trust Agreement). The Basic Rent Payments are payable solely from the Board's Available Revenues (as defined in the Trust Agreement) appropriated for such purpose. The Board is not legally required to budget and appropriate Available Revenues for this purpose. Basic Rent Payments are subject to annual appropriation by the Board. Neither the Board, the State of Florida, nor any political subdivision or agency thereof shall be obligated to pay any sums due under the Lease Agreement from any source other than Available Revenues, and the faith and credit of the Board are not pledged for payment of such sums due thereunder and such sums do not constitute debt of the Board within the meaning of any constitutional or statutory provision or limitation.

The Board has previously, and may, from time to time in the future, lease other Projects (as defined in the Trust Agreement) from the Corporation pursuant to the Lease Agreement. The acquisition, construction and installation of each such Project is financed by the issuance of a series of certificates of participation pursuant to the Trust Agreement. The Board has agreed in the Lease Agreement to budget and appropriate in each fiscal year from Available Revenues sufficient moneys to make the Lease Payments (as defined in the Trust Agreement) for all Projects leased under the Lease Agreement or for none of them. The Board may issue Refunding Certificates (as defined in the Trust Agreement), which shall be payable on a pro rata basis with the Series 2015A Certificates, and with respect to (i) Amended and Restated Lease Schedule No. 2000, on a pro rata basis with the Outstanding Series 2005A Certificates (as defined in the Trust Agreement), and (ii) Amended and Restated Lease Schedule No. 2006A, upon satisfying the conditions described thereto in the Trust Agreement.

The Certificates are dated and shall bear interest from their date of delivery, except as otherwise provided in the Trust Agreement. The Certificates will mature on the dates and in the principal amounts, and will bear interest at the respective rates per annum, as provided in the Trust Agreement. Interest shall be payable on each January 1 and July 1,

commencing January 1, 2016. The Certificates are subject to prepayment prior to maturity in accordance with the terms of the Series 2015A Supplemental Trust Agreement.

As to questions of fact material to our opinion, we have relied upon the representations of the Board contained in the Lease Agreement and in the certified proceedings and other certifications of officials furnished to us without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Lease Agreement and the Trust Agreement. We have not undertaken an independent audit, examination, investigation or inspection of such matters and have relied solely on the facts, estimates and circumstances described in such proceedings and certifications. We have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based upon the foregoing, under existing law, we are of the opinion that:

1 The Board is the duly organized and validly existing governing body of the School District of Hillsborough County, Florida and has all necessary power and authority to execute and deliver the Lease Agreement, Amended and Restated Lease Schedule No. 2000, Amended and Restated Lease Schedule No. 2006A, the Series 2000 Ground Lease Agreement, the Series 2006A Ground Lease Agreement, the Trust Agreement and the Series 2015A Supplemental Trust Agreement.

2. The Lease Agreement, Amended and Restated Lease Schedule No. 2000, Amended and Restated Lease Schedule No. 2006A, the Series 2000 Ground Lease Agreement, the Series 2006A Ground Lease Agreement, the Trust Agreement and the Series 2015A Supplemental Trust Agreement have each been duly authorized, executed and delivered by the Board and each constitutes a valid and legally binding obligation of the Board, enforceable in accordance with its respective terms.

3. The Certificates, upon proper execution and authentication, shall evidence an undivided proportionate interest in a portion of the Basic Rent Payments made by the Board under the Lease Agreement, and shall be entitled to the benefits and security of the Trust Agreement.

4. Under existing statutes, regulations, rulings and court decisions, prior to the termination of the Lease Agreement resulting from an Event of Non-Appropriation or Event of Default thereunder, the Interest Component (as defined in the Trust Agreement)

of the Basic Rent Payments received by the owners of the Certificates is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to certain corporations, such Interest Component is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth above are subject to the condition that all requirements of the Internal Revenue Code of 1986, as amended, must be satisfied subsequent to the issuance of the Certificates in order that the Interest Component be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the Interest Component to be so included in gross income retroactive to the date of issuance of the Certificates. The Board and the Corporation have covenanted in the Lease Agreement to comply with all such requirements. Ownership of the Certificates may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Certificates.

5. Assuming the deposit and application of the Escrow Securities in accordance with the provisions of the Escrow Agreement, such application and deposit will cause, with respect to the Refunded Certificates only, the Trust Estate and the rights granted in the Trust Agreement to cease, terminate and be void and the issuance of the Certificates and the refunding (prepayment) of the Refunded Certificates shall not, in and of itself, cause the Interest Component of the Refunded Certificates to become included in the gross income of the Owners thereof for purposes of federal income taxation.

We express no opinion regarding the federal income tax or Florida tax consequences resulting from the ownership of the Certificates or the receipt by the owners thereof of payments on the Series Certificates following the termination of the Lease Agreement resulting from an Event of Non-Appropriation or Event of Default thereunder.

In rendering the opinions set forth above, we are relying upon (a) the arithmetical accuracy of certain computations included in schedules provided by Wells Fargo Bank, N.A. relating to the computations of projected receipts of the Escrow Securities and any other amounts deposited in the Escrow Fund, of the adequacy of such projected receipts and other sums to pay the principal of, prepayment premium, if any, and interest on the Refunded Certificates, and of the yield on the Certificates and on the Escrow Securities and (b) the verifications of the arithmetical accuracy of such computations by Causey Demgen & Moore Inc., a firm of independent certified public accountants.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that (i) the enforceability of the Lease Agreement, Amended and Restated Lease Schedule No. 2000, Amended and Restated Lease Schedule No. 2006A, the Trust Agreement, the Series 2005A Ground Lease Agreement, the Series 2006A Ground Lease and the Series 2015A Supplemental Trust Agreement, and the rights of the owners of the Certificates may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity, and (ii) we have assumed the due authorization, execution and delivery of the Trust Agreement and the Series 2015A Supplemental Trust Agreement by the Corporation.

It should be noted that (a) except as may expressly be set forth in an opinion delivered by us to the underwriters of the Certificates on the date hereof (upon which only they may rely), we have not been engaged or undertaken to review the accuracy, sufficiency or completeness of the Offering Statement or other offering material relating to the Certificates and we express no opinion relating thereto, and (b) we have not been engaged or undertaken to review the compliance with any federal or state law with regard to the sale or distribution of the Certificates and we express no opinion relating thereto.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the United States of America. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Certificates and, in our opinion, the form of the Certificates is regular and proper.

Respectfully submitted,

APPENDIX I

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

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DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of August 20, 2015, is executed and delivered by The School Board of Hillsborough County, Florida (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Series 2015A Certificates (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Series 2015A Certificates in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Offering Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted

to the Disclosure Dissemination Agent by the Issuer and include the full name of the Series 2015A Certificates and the 9-digit CUSIP numbers for all Series 2015A Certificates to which the document applies.

"Disclosure Representative" means the Superintendent or the Chief Finance Officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shutdown of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2015A Certificates (including persons holding Series 2015A Certificates through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2015A Certificates for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2015A Certificates (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"Offering Statement" means that Offering Statement prepared by the Issuer in connection with the Series 2015A Certificates, as listed on Exhibit A.

"Series 2015A Certificates" means the certificates as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Trustee" means the institution identified as such in the document under which the Series 2015A Certificates were issued.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports. (a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than March 31 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2015. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has

occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing by the Disclosure Dissemination Agent with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"

8. "Bond calls, if material;"

9. "Defeasances;"

10. "Release, substitution, or sale of property securing repayment of the securities, if material;"

11. "Rating changes;"

12. "Tender offers;"

13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"

14. "Merger, consolidation, or acquisition of the obligated person, if material;" and

15. "Appointment of a successor or additional Trustee, or the change of name of a Trustee, if material;"

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(iv) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"

2. "change in obligated person;"

3. "notice to investors pursuant to bond documents;"

4. "certain communications from the Internal Revenue Service;"

5. "secondary market purchases;"

6. "bid for auction rate or other securities;"

7. "capital or other financing plan;"

8. "litigation/enforcement action;"

9. "change of tender agent, remarketing agent, or other on-going party;"

10. "derivative or other similar transaction;" and

11. "other event-based disclosures."

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"

2. "change in fiscal year/timing of annual disclosure;"

3. "change in accounting standard;"

4. "interim/additional financial information/operating data;"

5. "budget;"

6. "investment/debt/financial policy;"

7. "information provided to rating agency, credit/liquidity provider or other third party;"

8. "consultant reports;" and

9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the

Disclosure Dissemination Agent, the Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports. (a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the financial information and operating data of the type included with respect to the Issuer, in the Offering Statement, including, but not limited to:

1. The tables entitled:

   a. "Summary of Statistical Data;"

   b. "Summary of Revenues and Expenses – General Fund;"

   c. "Summary of Revenues and Expenses – Capital Projects Fund;"

   d. "Debt Statement;"

   e. "Anticipated Capital Outlay Millage Levy Required to Cover Maximum Annual Payments;"

   f. "Property Tax Levies and Collections;"

   g. "District Levies;" and

   h. "Assessed Value of Taxable Property."

2. Description of any additional series of Certificates issued under the Trust Agreement.

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles ("GAAP"), as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP, as modified by applicable State of Florida requirements and the governmental accounting

standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events. (a) The occurrence of any of the following events with respect to the Series 2015A Certificates constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2015A Certificates, or other material events affecting the tax status of the Series 2015A Certificates;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Series 2015A Certificates, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any

event not later than the tenth (10th) business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Series 2015A Certificates and the 9-digit CUSIP numbers for the Series 2015A Certificates as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing. (a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section

2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Series 2015A Certificates upon the legal defeasance, prior redemption or payment in full of all of the Series 2015A Certificates, when the Issuer is no longer an obligated person with respect to the Series 2015A Certificates, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty (30) days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination

Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Series 2015A Certificates. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Series 2015A Certificates or under any other document relating to the Series 2015A Certificates, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent. (a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Series 2015A Certificates or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Series 2015A Certificates.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Obligated Person, or type of business conducted, and (ii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Series 2015A Certificates and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

If an amendment is made to this Disclosure Agreement specifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made should present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee, the Disclosure Dissemination Agent, the underwriters, and the Holders from time to time of the Series 2015A Certificates, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as Disclosure Dissemination Agent

By: _____
Name:
Title:

SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, as Issuer

By: _____
Name: Susan L. Valdes
Title: Chair

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: The School Board of Hillsborough County, Florida

Obligated Person(s): The School Board of Hillsborough County, Florida

Name of Bond Issue: Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida

Date of Issuance: August 20, 2015

Date of Offering Statement: August 5, 2015

Maturity (July 1)	Principal Amount	Interest Rate	Initial CUSIP Number
2016	$ 415,000	2.000%	43232VSJ1
2017	2,730,000	4.000	43232VSK8
2018	2,825,000	5.000	43232VSL6
2019	2,965,000	5.000	43232VSM4
2020	3,125,000	5.000	43232VSN2
2021	3,285,000	5.000	43232VSP7
2022	3,600,000	5.000	43232VSQ5
2023	3,765,000	5.000	43232VSR3
2024	3,965,000	5.000	43232VSS1
2025	4,175,000	5.000	43232VST9
2026	37,135,000	5.000	43232VSU6
2027	3,905,000	3.000	43232VSV4
2028	4,015,000	3.125	43232VSW2
2029	4,160,000	5.000	43232VSX0
2030	4,350,000	5.000	43232VSY8
2031	12,065,000	3.500	43232VSZ5
2031	4,145,000	5.000	43232VTA9

EXHIBIT B
NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	The School Board of Hillsborough County, Florida
Obligated Person:	The School Board of Hillsborough County, Florida
Name(s) of Bond Issue(s):	Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by The School Board of Hillsborough County, Florida
Date(s) of Issuance:	August 20, 2015
Date(s) of Disclosure Agreement:	August 20, 2015
CUSIP Number:	

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual report with respect to the above-named Series 2015A Certificates as required by the Disclosure Agreement between the Issuer and Digital Assurance Certificate, L.L.C., as Disclosure Dissemination Agent. [The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.]

Dated: _____

DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Disclosure Dissemination Agent, on
behalf of the Issuer

_____

cc:

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:
_____
_____

Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:
_____

Number of pages attached: _____

_____ Description of Notice Events (Check One):

1. _____ Principal and interest payment delinquencies;
2. _____ Non-payment related defaults, if material;
3. _____ Unscheduled draws on debt service reserves reflecting financial difficulties;
4. _____ Unscheduled draws on credit enhancements reflecting financial difficulties;
5. _____ Substitution of credit or liquidity providers, or their failure to perform;
6. _____ Adverse tax opinions, IRS notices or events affecting the tax status of the security;
7. _____ Modifications to rights of Bond holders, if material;
8. _____ Bond calls, if material;
9. _____ Defeasances;
10. _____ Release, substitution, or sale of property securing repayment, if material;
11. _____ Rating changes;
12. _____ Tender offers;
13. _____ Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
14. _____ Merger, consolidation, or acquisition involving an Obligated Person, if material; and
15. _____ Appointment of a successor or additional trustee or the change of name of a trustee, if material.

_____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:
_____
Name: _____ Tile: _____

Digital Assurance Certificate, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date: _____

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of August 20, 2015, between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:
_____
_____

Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:
_____

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ Amendment to continuing disclosure undertaking;
2. _____ Change in obligated person;
3. _____ Notice to investors pursuant to bond documents;
4. _____ Certain communications from the Internal Revenue Service;
5. _____ Secondary market purchases;
6. _____ Bid for auction rate or other securities;
7. _____ Capital or other financing plan;
8. _____ Litigation/enforcement action;
9. _____ Change of tender agent, remarketing agent, or other on-going party;
10. _____ Derivative or other similar transaction; and
11. _____ Other Event-based disclosures.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:
_____
Name: _____ Tile: _____

Digital Assurance Certificate, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date: _____

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of August 20, 2015, between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:
_____
_____

Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:
_____

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

1. _____ Quarterly/monthly financial information;
2. _____ Change in fiscal year/timing of annual disclosure;
3. _____ Change in accounting standard;
4. _____ Interim/additional financial information/operating data;
5. _____ Budget;
6. _____ Investment/debt/financial policy;
7. _____ Information provided to rating agency, credit/liquidity provider or other third party;
8. _____ Consultant reports; and
9. _____ Other financial/operating data.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:
_____
Name: _____ Tile: _____

Digital Assurance Certificate, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date: _____

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APPENDIX J

FLORIDA RETIREMENT SYSTEM

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www. dms. myflorida. com/workforce_operations/retirement/publications/ annual_reports and the Florida Comprehensive Annual Financial Reports available at www. myfloridacfo. com/ division/aa/Reports/. No representation is made by the Board as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

General

The Florida Retirement System (the "FRS") was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees ("FRS Pension Plan"). FRS membership is compulsory for all employees filling a regularly established position in a state agency, county agency, state university, state community college, or district school board. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program.

There are five general classes of membership, as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.

- *Senior Management Service Class (SMSC)* – Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, and assistant capital collateral representatives. Members of the Elected Officers' Class may elect to withdraw from the FRS or participate in the SMSC in lieu of the Elected Officers' Class.

- *Special Risk Class* – Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001 through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.

- *Special Risk Administrative Support Class* – Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.

- *Elected Officers' Class (EOC)* – Members who are elected state and county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

Since July 1, 2001, the FRS Pension Plan has provided for vesting of benefits after six years of creditable service. Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5% benefit reduction for each year prior to the normal retirement age.

- *Regular Class, Senior Management Service Class, and Elected Officers' Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

- *Special Risk Class and Special Risk Administrative Support Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The Deferred Retirement Option Program (DROP) became effective July 1, 1998, subject to provisions of Section 121.091(13), Florida Statutes. Defined benefit plan members who reach normal retirement are eligible to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a maximum of 60 months. Authorized

instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. Monthly retirement benefits remain in the FRS Trust Fund during DROP participation and accrue interest. As of June 30, 2014, the FRS Trust Fund projected $3,389,125,451 in accumulated benefits and interest for 38,058 current and prior participants in the DROP.

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans. The Department of Management Services, Division of Retirement administers the FRS Pension Plan. The State Board of Administration (the "SBA") invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Costs of administering the FRS Pension Plan are funded through earnings on investments of the FRS Trust Fund. Reporting of the FRS is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. Service retirement benefits are based upon the value of the member's account upon retirement. The FRS Investment Plan provides vesting after one year of service for Investment Plan contributions regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, six years of service (including the service credit represented by the transferred funds) is required to be vested for these funds and the earnings on the funds. The employer pays a contribution as a percentage of salary that is deposited into the individual member's account. The Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.03% of payroll and by forfeited benefits of plan members. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the FRS Investment Plan and rely upon that account balance for retirement income.

All participating employers must comply with statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Legislature as guidance for funding decisions. Employer and employee contribution rates are established in Section 121.71, Florida Statutes. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the actuary but set by the Legislature. Statutes require that any unfunded actuarial liability (UAL) be amortized within 30 plan years. Pursuant to Section 121.031(3)(f), Florida Statutes, any surplus amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. The balance of legally required reserves for all defined benefit pension plans at June 30, 2014, was $150,014,335,000. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

Contribution Rates

The rates indicated in the chart below are uniform rates for all FRS members created by blending the FRS Investment Plan and the FRS Pension Plan rates and including UAL contribution rates. These rates do not include a 0.03% contribution for the FRS Investment Plan administration and educational

program fee. In addition, the July 1, 2013, statutory employer rates do not include a 3.00% mandatory employee contribution required for all membership classes except for members in the DROP.

Membership Class	Uniform Employer Rates Recommended by Actuarial Valuation as of July 1, 2012 for Fiscal Year 2013-2014[1]	July 1, 2013 Statutory Rates[1] (Chapter 121, Florida Statutes)
Regular	5.72%	5.72%
Senior Management Service	17.08	17.08
Special Risk	17.83	17.83
Special Risk Administrative Support	34.73	34.73
Elected Officers – Judges	27.05	27.05
Elected Officers – Legislators/Attorneys/Cabinet	31.37	31.37
Elected Officers – County	31.80	31.80
Deferred Retirement Option Program[1]	11.64	11.64

(1) Applicable to members from all of the above classes or plans.

Source: The State of Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2014.

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The chart below shows the funding progress for the FRS which presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Schedule of Funding Progress
for the Florida Retirement System[1]
(000's)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)[2]	UAAL As % of Covered Payroll (b-a)/c
7/1/09[3]	118,764,692	136,375,597	17,610,905	87.09	26,573,196	66.27
7/1/10[4]	120,929,666	139,652,377	18,722,711	86.59	25,765,362	72.67
7/1/11	126,078,053	145,034,475	18,956,422	86.93	25,686,138	73.80
7/1/12	127,891,781	148,049,596	20,157,815	86.38	24,491,371	82.31
7/1/13	131,680,615	154,125,953	22,445,338	85.44	24,568,642	91.36
7/1/14	138,621,201	160,130,502	21,509,301	86.57	24,723,565[5]	87.00

(1) Calculations are based on GASB 27 requirements including traditional funding of DROP.
(2) For the plan year beginning on the Actuarial Valuation Date shown, includes payroll for members in DROP, Teachers' Retirement System and Institute of Food and Agricultural Sciences.
(3) As reported in July 1, 2009 actuarial valuation report, before impact of House Bill 479 (2009).
(4) As reported in July 1, 2010 actuarial valuation report, before impact of Senate Bill 2100 (2011).
(5) Includes Deferred Retirement Option Program (DROP) payroll.

Source: The Florida Retirement System, Pension Plan & Other State-Administered Systems, Annual Report: July 1, 2013 – June 30, 2013 and July 1, 2013 – June 30, 2014.

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The information presented in the above schedule was determined as part of the actuarial valuations performed at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Florida Retirement System Assumptions (for 2014)

Valuation Date	July 1, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Pay, Open
Equivalent single amortization period	30 years[1]
Asset Valuation Method	5-year Smoothed Method
Actuarial Assumptions:	
Investment Rate of Return	7.65%[2]
Cost-of-Living Adjustments	3.00%

(1) Used for GASB Statement 27 reporting purposes.
(2) Includes inflation at 2.60%.

Source: The Florida Retirement System, Pension Plan & Other State-Administered Systems, Annual Report: July 1, 2013 – June 30, 2014.

Legislation Relating to FRS

The Florida Legislature passed Senate Bill 2100 ("SB 2100") during its 2011 session and it was signed by Governor Rick Scott on May 20, 2011. SB 2100 made significant changes to the FRS with respect to employee contributions and employer contributions, among other items. Effective July 1, 2011, all members of FRS were required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduced the required employer contribution rates for each membership class and subclass of the FRS. Additionally, the bill eliminated the cost of living adjustment for all FRS employees for service earned on or after July 1, 2011, although the bill does contemplate reinstatement of the adjustment in 2016 under certain circumstances.

SB 2100 also made other changes to the FRS that only apply to employees who initially enroll on or after July 1, 2011, including: (1) the average final compensation upon which retirement benefits are calculated are based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement; (2) the DROP is maintained but the interest accrual rate is reduced from 6.5% to 1.3%; (3) the normal retirement age is increased from 62 to 65; and (4) the years of creditable service is increased from 30 to 33 and the vesting period is increased to eight years (formerly six).

Hillsborough County
PUBLIC SCHOOLS
Excellence in Education

Mixed Sources
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