



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 Board with various covenants in the Series 2025A Trust Agreement and the Series 2025A Lease Agreement (each as defined herein), under existing statutes, regulations, rulings and court decisions and subject to the conditions described under “TAX MATTERS” herein, the Interest Component of Basic Rent Payments received by the Owners of the Series 2025A Certificates is (a) excludable from gross income for federal tax purposes, except as otherwise described under the caption “TAX MATTERS,” and (b) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, the Interest Component of Basic Rent Payments is taken into account in determining the annual adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations. Such interest portion also may be subject to other federal tax consequences of ownership of the Series 2025A Certificates. No opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2025A Certificates following termination of the Series 2025A Lease Agreement as a result of an Event of Non-Appropriation or Event of Default thereunder. See “TAX MATTERS” herein for a discussion of Special Counsel’s opinion.

\$139,255,000*

CERTIFICATES OF PARTICIPATION

(The School Board of Manatee County, Florida Master Lease Program), Series 2025A

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 Manatee County, Florida

Dated: Date of Delivery

Due: July 1, as shown on the inside cover

The Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A (the “Series 2025A Certificates”) evidence undivided proportionate interests in Basic Rent Payments (as defined herein) to be made by The School Board of Manatee County, Florida (the “Board”), acting as the governing body of the School District of Manatee County, Florida (the “District”), under a Master Lease-Purchase Agreement, dated as of June 1, 1996, as amended and supplemented from time to time (the “Master Lease”), with the Manatee School Board Leasing Corporation, a Florida not-for-profit corporation (the “Corporation”), as particularly amended and supplemented by Lease Schedule No. 2025A, dated as of March 1, 2025 (the “Lease Schedule No. 2025A”) and, together with the Master Lease, the “Series 2025A Lease Agreement”). The Series 2025A Certificates are being issued to finance (including through reimbursement) a portion of the cost of acquisition, construction, and installation of the Series 2025A Project (as defined herein) and to pay costs associated with the issuance of the Series 2025A Certificates, including a municipal bond insurance policy premium, if any.

The Series 2025A Certificates are being issued by U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”), as fully registered certificates pursuant to the provisions of a Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented from time to time (the “Master Trust Agreement”), and particularly as amended and supplemented by the Series 2025A Supplemental Trust Agreement, dated as of March 1, 2025 (collectively, the “Series 2025A Trust Agreement”), each among the Board, the Trustee, and the Corporation. Interest on the Series 2025A Certificates is payable on January 1 and July 1 of each year, commencing January 1, 2026 (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. The principal of the Series 2025A Certificates is payable to Owners upon presentation, when due, at maturity or earlier prepayment, at the corporate trust office of the Trustee in Jacksonville, Florida. The Series 2025A Certificates are being issued in denominations of \$5,000, or any integral multiple thereof, and will initially be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”). Purchasers of the Series 2025A Certificates (the “Beneficial Owners”) will not receive physical delivery of the Series 2025A Certificates and ownership by the Beneficial Owners of the Series 2025A Certificates will only be evidenced by the book-entry procedures of DTC. As long as Cede & Co. (or other approved nominee) is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner, which will, in turn, remit such payments to the DTC’s participants for subsequent disbursement to the Beneficial Owners.

Certain of the Series 2025A Certificates may be subject to optional prepayment and mandatory sinking fund prepayment prior to their stated maturities as set forth herein. See “DESCRIPTION OF THE SERIES 2025A CERTIFICATES” herein.

THE BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE BASIC RENT PAYMENTS. THE BASIC RENT PAYMENTS AND, CONSEQUENTLY, THE SERIES 2025A CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST ARE PAYABLE SOLELY FROM THE BOARD’S AVAILABLE REVENUES AND NEITHER THE BOARD, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER THE SERIES 2025A LEASE AGREEMENT EXCEPT FROM AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE. THE BASIC RENT PAYMENTS ARE SUBJECT TO ANNUAL APPROPRIATION BY THE BOARD. THE SERIES 2025A CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST AND THE PAYMENTS DUE FROM THE BOARD UNDER THE SERIES 2025A LEASE AGREEMENT AND THE CONTRACTUAL OBLIGATIONS OF THE BOARD UNDER THE SERIES 2025A 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 ISSUANCE OF THE SERIES 2025A CERTIFICATES WILL NOT DIRECTLY OR INDIRECTLY OBLIGATE THE BOARD, 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 2025A CERTIFICATES WILL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION OF THE BOARD OR ANY OTHER GOVERNMENT ENTITY. SEE “RISK FACTORS” HEREIN.

The scheduled payment of principal of and interest on the Series 2025A Certificates when due may be guaranteed under a municipal bond insurance policy (the “Policy”) to be issued concurrently with the delivery of the Series 2025A Certificates by Assured Guaranty Inc. (the “Insurer”). For a discussion of the terms and provisions of the Policy, including the limitation thereof, see “MUNICIPAL BOND INSURANCE POLICY OPTION” herein. *The Board will make the determination of whether to purchase the Policy to insure all, a portion, or none of the Series 2025A Certificates at the time the Series 2025A Certificates are priced.*



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 2025A Certificates are offered when, as and if delivered and received by the Underwriters, subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, and certain other conditions. Certain legal matters will be passed upon for the Board and the Corporation by their Counsel, Dye Harrison Knowles Kirkland Pratt & DePaola PLLC, Bradenton, Florida. Certain legal matters will be passed upon for the Board by its Disclosure Counsel, Bryant Miller Olive P.A., Tampa, Florida. Certain legal matters will be passed upon for the Underwriters by their Counsel, Greenberg Traurig, P.A., Miami, Florida. PFM Financial Advisors LLC, Orlando, Florida will act as Financial Advisor to the Board. The Series 2025A Certificates are expected to be delivered to the Underwriters through the facilities of The Depository Trust Company on or about March __, 2025.

BofA Securities

J.P. Morgan

Jefferies

Raymond James

Dated: March __, 2025

* Preliminary, subject to change.

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2025A Certificates in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The Board has deemed this Preliminary Offering Statement “final,” except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

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

\$139,255,000* Serial Series 2025A Certificates

<u>Maturity (July 1)*</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial CUSIP Numbers**</u>
2026	\$2,285,000				
2027	4,485,000				
2028	4,710,000				
2029	4,945,000				
2030	5,195,000				
2031	5,450,000				
2032	5,725,000				
2033	6,010,000				
2034	6,310,000				
2035	6,625,000				
2036	6,960,000				
2037	7,305,000				
2038	7,670,000				
2039	8,055,000				
2040	8,455,000				
2041	8,880,000				
2042	9,325,000				
2043	9,790,000				
2044	10,280,000				
2045	10,795,000				

* Preliminary, subject to change.

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by S&P Global Market Intelligence, a division of S&P Global Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Board or the Underwriters and are included solely for the convenience of the holders of the Series 2025A Certificates. Neither the Board nor the Underwriters are responsible for the selection or uses of the CUSIP numbers, and no representation is made as to their correctness on the Series 2025A Certificates or as indicated above. The CUSIP numbers are subject to being changed after execution and delivery of the Series 2025A Certificates as a result of various subsequent actions including, but not limited to, a refunding in whole or in part 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 the Series 2025A Certificates.

ADDITIONAL INFORMATION

The Series 2025A Lease Agreement has an original lease term, which commences as of the date of delivery of the Series 2025A Certificates and continues through and including June 30, 2025, and is automatically renewable annually through June 30, 2045, unless sooner terminated as described herein. In addition to the Series 2025A Lease Agreement, the Board has previously entered into the Series 2007 Lease Agreement, the Series 2009 Lease Agreement, the Series 2010A-QSCB Lease Agreement, the Series 2011A Lease Agreement, and the Series 2023A Lease Agreement (each as described herein) and may enter into other leases under the Master Lease. For the Fiscal Year 2024-25, there are approximately 10 schools, three additions, and one transportation and maintenance facility leased under the Master Lease. Based on the District's budgeted unweighted full time equivalent enrollment for Fiscal Year 2024-25 of approximately 56,470 students, approximately 14.88% of the District's students are attending classes in, or otherwise utilizing, the facilities leased under the Master Lease. Such percentage does not include the additional students that are expected to attend classes in, or otherwise utilize, the educational facilities constituting the Series 2023A Project and the Series 2025A Project upon completion of such facilities. 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 budgeted for the Fiscal Year 2024-25 was used; for the additions or improvements, the number of student stations attributable to each specific classroom budgeted for Fiscal Year 2024-25 based on the type of school (elementary, middle, K-8 or high), but does not include cafeterias, media centers, and other facilities that do not have any student stations attributable to them. Additionally, upon completion of the Series 2023A Project and the Series 2025A Project, approximately 24.68% of all student stations in the District will be utilizing educational facilities subject to the Master Lease.

The Board may not budget and appropriate for only a portion of the Projects (as defined herein) leased under the Master Lease; it must budget and appropriate for all Projects or none of them. Upon the occurrence of an Event of Non-Appropriation, the Lease Term of the Series 2025A Lease Agreement shall, and upon the occurrence of an Event of Default may, be terminated with respect to the Series 2025A Project and the Series 2025A Certificates. Upon any such termination, any proceeds of the disposition of leased Projects will be applied to the payment of the related Certificates (as defined herein), all as further described herein. In no event will owners of Certificates have any interest in or right to any proceeds of the disposition of facilities leased under any Lease Schedule (as defined herein) other than the Lease Schedule related to the respective Project. Following termination of the Series 2025A Lease Agreement, transfers of the Series 2025A Certificates may be subject to compliance with the registration provisions of state and federal securities laws (see "TAX MATTERS" and "RISK FACTORS" herein).

No opinion is expressed by Special Counsel as to tax exemption or the effect of securities laws with respect to the Series 2025A Certificates following an Event of Non-Appropriation or certain Events of Default under the Master Lease, which result in termination of the Series 2025A Lease Agreement. Termination of the Series 2025A Lease Agreement will not result in termination of the municipal bond insurance policy, if any (see "MUNICIPAL BOND INSURANCE POLICY OPTION" herein).

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BRADENTON, FLORIDA**

BOARD MEMBERS

Chad Choate III, Chair
Cindy Spray, Vice Chair
Heather Felton
Charles Kennedy
Richard Tatem

DISTRICT OFFICIALS

Dr. Jason C. Wysong – Superintendent of Schools
Rachel Sellers – Deputy Superintendent of Business Services
Catherine Miley Hayden – Director of Finance

COUNSEL TO THE BOARD AND THE CORPORATION

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Bradenton, Florida

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Tampa, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Orlando, Florida

TRUSTEE, REGISTRAR AND PAYING AGENT

U.S. Bank Trust Company, National Association
Jacksonville, Florida

This Offering Statement does not constitute an offer to sell the Series 2025A Certificates in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, broker, sales representative, or other person has been authorized by the Board or the Underwriters 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. 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 2025A Certificates by any person in any jurisdiction to which it is unlawful for such person to make such offer, solicitation, or sale.

The information contained in this Offering Statement has been obtained from the 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. The information relating to DTC 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. Neither the Auditor General of the State of Florida nor any other independent accountants have compiled, examined, or performed any procedures with respect to any projected, forecasted, or estimated financial information contained in this Offering Statement, nor have they expressed any opinion or any other form of assurance on such information or its achievability and assume no responsibility for, and disclaim any association with, any projected or estimated financial information. Any information, estimates, assumptions, and matters of opinion contained in this Offering Statement are subject to change without notice, and neither the delivery of this Offering Statement, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in the affairs of the 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.

The Insurer makes no representation regarding the Series 2025A Certificates or the advisability of investing in the Series 2025A Certificates. In addition, the Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Insurer, supplied by the Insurer and presented under the heading "MUNICIPAL BOND INSURANCE POLICY OPTION" and "APPENDIX I – FORM OF SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2025A 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 DISTRICT, THE CORPORATION, AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2025A 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 2025A CERTIFICATES.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFERING STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND THIS OFFERING STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFERING STATEMENT ARE FOR CONVENIENCE ONLY AND IN NO WAY DEFINE, LIMIT, OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISIONS OR SECTIONS IN THIS OFFERING STATEMENT. THE OFFERING OF THE SERIES 2025A CERTIFICATES IS MADE ONLY BY MEANS OF THIS ENTIRE OFFERING STATEMENT.

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.

REFERENCES TO WEBSITE 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 WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFERING STATEMENT FOR PURPOSES OF RULE 15c2-12.

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 2025A Certificates are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
General.....	1
The Series 2025A Lease Agreement	1
The Prior Leases.....	2
Continuing Disclosure.....	4
Municipal Bond Insurance Policy Option.....	4
Other Information	4
AUTHORIZATION	4
PURPOSE OF THE SERIES 2025A CERTIFICATES	5
DESCRIPTION OF THE SERIES 2025A CERTIFICATES	5
General.....	5
Book-Entry Only System	6
Optional Prepayment.....	8
Mandatory Sinking Fund Prepayment.....	8
No Extraordinary Prepayment.....	9
Selection of Series 2025A Certificates for Prepayment.....	9
DTC Procedures.....	9
Notice of Prepayment	10
Negotiability, Registration, Transfer and Exchange.....	10
Ownership of Series 2025A Certificates	11
Series 2025A Certificates Mutilated, Destroyed, Stolen, or Lost.....	12
Completion Certificates	12
Refunding Certificates	12
Additional Series of Certificates.....	13
SECURITY FOR THE SERIES 2025A CERTIFICATES	13
General.....	13
Lease Payments	14
Limited Obligation of the Board	15
Additional Leases	15
Additional Certificates; Outstanding Certificates.....	16
Non-Appropriation Risk	16
No Reserve Account for Series 2025A Certificates	17
Uniform Commercial Code.....	17
MUNICIPAL BOND INSURANCE POLICY OPTION	17
The Policy	18
Assured Guaranty Inc.....	18
THE SERIES 2025A PROJECT.....	21
The Series 2025A Project.....	21
Estimated Series 2025A Project Budget	22
Substitution of Series 2025A Project	22
PRIOR PROJECTS UNDER THE MASTER LEASE	23
The Series 2007 Project.....	23
The Series 2009 Project.....	24
The Series 2010A-QSCB Project.....	25

The Series 2011A Project.....	25
The Series 2023A Project.....	26
Designated Equipment.....	27
THE MASTER LEASE-PURCHASE PROGRAM.....	27
THE SERIES 2025A LEASE AGREEMENT.....	27
Authority.....	28
Lease Term.....	28
Lease Payments.....	28
Assignment of Lease to Trustee.....	28
Lease Covenants.....	29
Budget and Appropriation.....	29
Termination of Lease Term.....	30
Acceleration of Maturities upon Event of Default.....	30
Effect of Termination for Non-Appropriation or Default.....	31
THE CORPORATION.....	33
ESTIMATED SOURCES AND USES OF SERIES 2025A CERTIFICATE PROCEEDS.....	34
CERTIFICATE PAYMENT SCHEDULES.....	35
THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA.....	36
The Organization and Powers of the Board.....	36
Superintendent of Schools.....	36
Administration.....	37
Employee Relations.....	37
Academics.....	38
Budget Process.....	38
Statistical Data.....	39
FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT.....	39
Accounting and Funds.....	40
Governmental Fund Types.....	40
Other Fund Types.....	41
Measurement Focus and Basis of Accounting.....	41
Auditing System.....	42
General Fund Operations.....	42
Required General Fund Ending Balance.....	44
Capital Project Funds Operations.....	44
Direct and Overlapping Debt.....	46
Retirement and Other Post-Employment Benefits.....	46
Investment Policy.....	48
AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS.....	49
State Sources.....	49
Local Sources.....	50
OPERATING REVENUE OF THE DISTRICT.....	55
State Sources.....	55
Local Sources.....	56
Federal Sources.....	57
AD VALOREM TAXATION.....	58
Property Assessment and County Property Appraiser.....	58
Assessed Valuation of Taxable Property.....	60
Millage Set by Local Governing Body.....	60

Tax Collection and Distribution by Tax Collector	62
Exemptions from Ad Valorem Taxation	63
Legislation Relating to Ad Valorem Taxation	66
Property Tax Levies and Collections	67
Principal Property Taxpayers	68
LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES	68
General	68
Class Size Reduction	68
Pre-K Programs	69
Educational Choice	70
Distribution of Capital Outlay Millage Revenues to Charter Schools	71
Schools of Hope	71
Public Safety Mandate	72
RISK FACTORS	72
Annual Right of the Board to Terminate the Series 2025A Lease Agreement	73
Limitation Upon Disposition; Ability to Sell or Relet	73
No Series 2025A Reserve Account	73
Tax Exempt Status	74
Applicability of Securities Laws	74
Capital Outlay Millage Levy	74
Educational Impact Fees	74
State Revenues	74
Additional Lease Schedules	75
Additional Indebtedness	76
Legislative Changes	76
Constitutional Amendments	76
Property and Casualty Insurance	77
Climate Change and Natural Disasters	77
Cybersecurity	79
Construction Cost Maximums	79
Effects of Sequestration on Lease Payments	79
Spread of Highly Contagious, Epidemic, or Pandemic Diseases (COVID-19)	80
Municipal Bond Insurance Risk Factors	82
No Right of Insured Series 2025A Certificate Owners to Direct Remedies or Consent to Amendments	83
SHORT TERM FINANCING	84
CONTINUING DISCLOSURE	84
LEGAL MATTERS	84
LITIGATION	85
RATINGS	85
CONTINGENT FEES	86
UNDERWRITING	86
FINANCIAL ADVISOR	87
TAX MATTERS	87
General	87
Internal Revenue Code of 1986	87
Collateral Tax Consequences	88
Other Tax Matters	88
Original Issue Discount	89

Original Issue Premium.....	89
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	90
FINANCIAL STATEMENTS.....	90
ACCURACY AND COMPLETENESS OF OFFERING STATEMENT.....	90
AUTHORIZATION OF OFFERING STATEMENT	92
APPENDIX A	GENERAL INFORMATION RELATING TO MANATEE COUNTY, FLORIDA..... A-1
APPENDIX B	THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024..... B-1
APPENDIX C	MASTER TRUST AGREEMENT AND FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT D-1
APPENDIX D	MASTER LEASE-PURCHASE AGREEMENT AND FORM OF LEASE SCHEDULE NO. 2025A E-1
APPENDIX E	ASSIGNMENT OF LEASE AGREEMENT AND FORM OF FOURTEENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT..... F-1
APPENDIX F	FORMS OF SERIES 2025A GROUND LEASE AND SERIES 2025A GROUND LEASE ASSIGNMENT..... G-1
APPENDIX G	FORM OF OPINION OF SPECIAL COUNSEL..... H-1
APPENDIX H	FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT J-1
APPENDIX I	FORM OF SPECIMEN MUNICIPAL BOND INSURANCE POLICY I-1

**OFFERING STATEMENT
RELATED TO

\$139,255,000*
CERTIFICATES OF PARTICIPATION
(The School Board of Manatee County, Florida Master Lease Program), Series 2025A
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 Manatee County, Florida**

INTRODUCTION

General

This Offering Statement, including the cover page, inside cover pages, and appendices hereto, is provided to furnish information with respect to The School Board of Manatee County, Florida (the "Board"), the governing body of the School District of Manatee County, Florida (the "District"), and the sale and delivery of the Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A (the "Series 2025A Certificates"), which are being issued in the aggregate principal amount of \$139,255,000* pursuant to a Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented (the "Master Trust Agreement"), and as particularly amended and supplemented by the Series 2025A Supplemental Trust Agreement, dated as of March 1, 2025 (the "Series 2025A Supplemental Trust Agreement" and, together with the Master Trust Agreement, the "Series 2025A Trust Agreement"), each by and among the Board, the Manatee School Board Leasing Corporation, a Florida not-for-profit corporation (the "Corporation"), as lessor, and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"), who is also serving as Paying Agent and Registrar for the Series 2025A Certificates.

The Series 2025A Lease Agreement

The Series 2025A Certificates represent undivided proportionate interests of the owners thereof in the right to receive Basic Rent Payments (as defined herein) payable under the Master Lease-Purchase Agreement, dated as of June 1, 1996, as amended and supplemented (the "Master Lease"), and as particularly amended and supplemented by the Lease Schedule No. 2025A, dated as of March 1, 2025 (the "Lease Schedule No. 2025A " and, together with the Master Lease, the "Series 2025A Lease Agreement"), each by and between the Corporation and the Board. The Series 2025A Lease Agreement relates to the Series 2025A Project (as defined herein), commences on the date of delivery of the Series 2025A Certificates and will continue through and including June 30, 2025, and is automatically renewable annually through June 30, 2045, unless earlier terminated in accordance with the Series 2025A Lease Agreement.

The Board is leasing the sites on which certain components of the Series 2025A Project are located (the "Premises") to the Corporation pursuant to a Ground Lease Agreement, dated as of March 1, 2025 (the "Series 2025A Ground Lease"), by and between the Board and the Corporation. Pursuant to the Assignment of Ground Lease, dated as of March 1, 2025 (the "Series 2025A Ground Lease Assignment"),

* Preliminary, subject to change.

the Corporation is assigning its interests under the Series 2025A Ground Lease to the Trustee. See "APPENDIX F – FORMS OF SERIES 2025A GROUND LEASE AND SERIES 2025A GROUND LEASE ASSIGNMENT." The Board is currently in the process of acquiring the Premises where the Series 2025A Project will be located and expects to acquire one of such sites prior to the pricing of the Series 2025A Certificates and the other site on or before March 15, 2025. See "THE SERIES 2025A PROJECT – The Series 2025A Project" herein.

The rights, title, and interest of the Corporation in the Series 2025A Lease Agreement, including the right of the Corporation to receive Basic Rent (herein defined), to use, sell, and relet the Series 2025A Project and to exercise remedies thereunder and under the Series 2025A Ground Lease, 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 2025A Certificates, have been irrevocably assigned by outright assignment to the Trustee pursuant to an Assignment of Lease Agreement, dated as of June 1, 1996, as amended (the "Assignment of Lease Agreement"), and as particularly amended by the Fourteenth Amendment to Assignment of Lease Agreement, dated as of March 1, 2025 (the "Fourteenth Amendment to Assignment of Lease Agreement" and, together with the Assignment of Lease Agreement, the "Series 2025A Assignment"), by and between the Corporation and the Trustee. See "APPENDIX E – ASSIGNMENT OF LEASE AGREEMENT AND FORM OF FOURTEENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT."

The Premises on which the Rye Ranch Elementary School component of the Series 2025A Project will be located (the "Restricted Use Property") contains deed or other use restrictions requiring that such Restricted Use Property not be used for heavy industrial, x-rated, or pornographic adult entertainment facilities (collectively, the "Prohibited Uses"). Any use of the Restricted Property for the Prohibited Uses may trigger legal action by the grantors of the Restricted Use Property to enforce the use restrictions applicable thereto. The Trustee has covenanted in the Series 2025A Supplemental Trust Agreement that, upon an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement and return of possession of the Series 2025A Project to the Corporation, or its assignee, at all times, (i) the Restricted Use Property shall not be used for any Prohibited Uses, and (ii) it will undertake no activities that would trigger legal action by the grantors of the Restricted Use Property to enforce such restrictions. As a result, the Prohibited Uses may impact the ability of the Trustee to use, sell, and relet the Restricted Use Property upon the occurrence of an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement.

The Prior Leases

In addition to the Series 2025A Lease Agreement, the Board has previously entered into (i) Amended and Restated Lease Schedule No. 2007, dated as of December 1, 2015 (the "Lease Schedule No. 2007" and, together with the Master Lease, the "Series 2007 Lease Agreement"), pursuant to which the Board refinanced a portion of the cost of certain educational and related facilities described therein (the "Series 2007 Project"); (ii) Amended and Restated Lease Schedule No. 2009, dated as of October 1, 2016 (the "Lease Schedule No. 2009" and, together with the Master Lease, the "Series 2009 Lease Agreement"), pursuant to which the Board refinanced a portion of the cost of certain educational and related facilities described therein (the "Series 2009 Project"); (iii) Lease Schedule No. 2010A-QSCB, dated as of October 1, 2010 (the "Lease Schedule No. 2010A-QSCB" and, together with the Master Lease, the "Series 2010A-QSCB Lease Agreement"), pursuant to which the Board financed a portion of the cost of certain educational and related facilities described therein (the "Series 2010A-QSCB Project"); (iv) Amended and Restated Lease Schedule No. 2011A, dated as of December 20, 2017 (the "Lease Schedule No. 2011A" and, together with

the Master Lease, the "Series 2011A Lease Agreement"), pursuant to which the Board refinanced a portion of the cost of certain educational and related facilities described therein (the "Series 2011A Project"); and (v) Lease Schedule No. 2023A, dated as of May 1, 2023 (the "Lease Schedule No. 2023A", and together with the Master Lease, the "Series 2023A Lease Agreement"), pursuant to with the Board financed a portion of the cost of certain educational and related facilities described therein (the "Series 2023A Project"). The Series 2007 Lease Agreement, the Series 2009 Lease Agreement, the Series 2010A-QSCB Lease Agreement, the Series 2011A Lease Agreement, and the Series 2023A Lease Agreement are collectively referred to herein as the "Prior Leases." The Series 2007 Project, the Series 2009 Project, the Series 2010A-QSCB Project, the Series 2011A Project, and the Series 2023A Project are collectively referred to herein as the "Prior Projects." See "THE MASTER LEASED PROJECTS" and "PRIOR PROJECTS UNDER THE MASTER LEASE" herein for a description of the terms and provisions of the Prior Leases and the Projects financed thereunder.

The following table provides a summary of the Lease Schedules expected to be in effect following delivery of the Series 2025A Certificates, the designation of the Projects being lease-purchased by the Board under each Lease Schedule, the final term of each Lease Schedule, the related Series of Certificates and the outstanding principal amount of each such related Series of Certificates.

Lease Schedule	Related Project	Final Renewal Term Ending Date	Related Series of Certificates	Principal Amount Outstanding
Series 2007	Series 2007	June 30, 2027	Series 2015	\$12,615,000
Series 2009	Series 2009	June 30, 2029	Series 2016A	26,875,000
Series 2010A-QSCB ⁽¹⁾	Series 2010A-QSCB	October 1, 2029	Series 2010A-QSCB	19,920,000 ⁽²⁾
Series 2011A	Series 2011A	June 30, 2031	Series 2017A	24,085,000
Series 2023A	Series 2023A	June 30, 2038	Series 2023A	151,730,000
Series 2025A	Series 2025A	June 30, 2045	Series 2025A	139,255,000 ⁽³⁾
Total				<u>\$374,480,000⁽³⁾</u>

⁽¹⁾ The Board designated the Series 2010A-QSCB Lease Agreement as a "qualified school construction bond" ("QSCB") pursuant to Section 54F of the Internal Revenue Code of 1986, as amended (the "Code"). Pursuant to Section 6431 of the Code, the Board made an election to qualify to receive federal subsidy payments from the United States Treasury pursuant to Section 6431(f) of the Code (the "Interest Subsidy") on each interest payment date for the Series 2010A-QSCB Certificates. The expected Interest Subsidy will be in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A-QSCB Certificates on such date or the amount of interest which would have been payable with respect to the Series 2010A-QSCB Certificates if the interest were determined at the applicable tax credit rate for the Series 2010A-QSCB Certificates pursuant to Section 54A(b)(3) of the Code. See "RISK FACTORS – Effect of Sequestration on Lease Payments" herein.

⁽²⁾ The listed principal amount represents the aggregate principal amount currently outstanding. The Board is obligated to continue to make annual Lease Payment deposits (net of investment earnings) on each October 1 thereafter, through and including the maturity date of October 1, 2029. It is anticipated that such deposits, plus investment earnings thereon, will be sufficient to pay the Series 2010A-QSCB Certificates at maturity on October 1, 2029. See "CERTIFICATE PAYMENT SCHEDULE" herein.

⁽³⁾ Preliminary, subject to change.

Continuing Disclosure

The Board has agreed and will undertake, for the benefit of Series 2025A Certificate Owners, to provide certain annual financial information and operating data and notices of certain events when and if they occur relating to the District and the Series 2025A Certificates pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). See "CONTINUING DISCLOSURE" herein.

Municipal Bond Insurance Policy Option

The scheduled payment of principal of and interest on the Series 2025A Certificates when due may be guaranteed under a municipal bond insurance policy (the "Policy") to be issued concurrently with the delivery of the Series 2025A Certificates by Assured Guaranty Inc. (the "Insurer"). For a discussion of the terms and provisions of the Policy, including the limitation thereof, see "MUNICIPAL BOND INSURANCE POLICY OPTION" herein. *The Board will make the determination of whether to purchase the Policy to insure all, a portion, or none of the Series 2025A Certificates at the time the Series 2025A Certificates are priced.*

Other Information

Brief descriptions of the Board, the District, and the Series 2025A Project are included in this Offering Statement together with summaries of certain provisions of the Series 2025A Certificates, the Series 2025A Lease Agreement, the Series 2025A Trust Agreement, the Series 2025A Assignment, the Series 2025A Ground Lease, and the Series 2025A Ground Lease Assignment. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Series 2025A Certificates, the Series 2025A Lease Agreement, the Series 2025A Trust Agreement, the Series 2025A Assignment, the Series 2025A Ground Lease, and the Series 2025A Ground Lease Assignment are qualified in their entirety by reference to the respective complete documents. Copies of forms of the Series 2025A Trust Agreement, the Series 2025A Lease Agreement, the Series 2025A Assignment, the Series 2025A Ground Lease, and the Series 2025A Ground Lease Assignment are included herein as Appendices D, E, F, and G, respectively.

Unless otherwise indicated, capitalized terms used in this Offering Statement shall have the same meanings established in the documents referenced in the foregoing paragraph. See "APPENDIX C – MASTER TRUST AGREEMENT AND FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT" 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 Series 2025A Lease Agreement, the Series 2025A Ground Lease, and the Series 2025A Trust Agreement. The Board authorized doing so pursuant to a resolution duly adopted by the Board on October 22, 2024 (the "Resolution").

PURPOSE OF THE SERIES 2025A CERTIFICATES

The Series 2025A Certificates are being issued (i) to finance (including through reimbursement) a portion of the cost of the acquisition, construction, installation, and/or equipping of the Series 2025A Project, and (ii) to pay certain costs and expenses associated with the issuance of the Series 2025A Certificates, including the premium for the Policy, if any. See "THE SERIES 2025A PROJECT" herein.

DESCRIPTION OF THE SERIES 2025A CERTIFICATES

General

The Series 2025A Certificates will be dated the date of delivery, will mature in the years and principal amounts and accrue interest at the fixed interest rates set forth on the inside cover page of this Offering Statement. The Series 2025A Certificates will initially be issued exclusively in "book-entry" form and ownership of one fully registered Series 2025A Certificate for each maturity as set forth on the inside cover page, each in the aggregate principal amount of such maturity, will be initially registered in the name of "Cede & Co." as nominee of The Depository Trust Company ("DTC"). The principal of and interest on the Series 2025A Certificates are payable in the manner set forth under "THE DESCRIPTION OF THE SERIES 2025A CERTIFICATES – Book-Entry Only System" herein. Individual purchases of the Series 2025A Certificates will be made in increments of \$5,000 or integral multiples thereof.

The interest due on the Series 2025A Certificates is payable on January 1 and July 1 of each year, commencing January 1, 2026 (each, a "Payment Date"), to and including the date of maturity or earlier prepayment thereof. Such interest portion represents an undivided proportionate interest in the Interest Component of Basic Rent Payments due on the December 15 and June 15 prior to each Payment Date, commencing December 15, 2025, to and including the maturity or earlier prepayment of the Series 2025A Certificates under the Series 2025A Lease Agreement. The interest on the Series 2025A Certificates will be computed on the basis of a 360-day year comprised of twelve 30-day months. The principal of the Series 2025A Certificates is payable July 1 of each year, commencing July 1, 2026, to and including the date of maturity or earlier prepayment of the Series 2025A Certificates. The Principal Component of Basic Rent Payments represented by the Series 2025A Certificates represents an undivided proportionate interest in the Principal Component of Basic Rent Payments due on June 15 of each year, to and including the maturity date or earlier prepayment of the Series 2025A Certificates under the Series 2025A Lease Agreement.

The principal or Prepayment Price of the Series 2025A Certificates is payable at the Principal Office of the Trustee in Jacksonville, Florida. Payment of the principal of the Series 2025A Certificates shall be made upon the presentation and surrender of such Series 2025A Certificates as the same shall become due and payable. Payment of interest on the Series 2025A Certificates shall be by check or draft mailed on each Payment Date to the Owner as of the close of business on the 15th day of the month (whether or not a Business Day) next preceding each Payment Date (the "Record Date") at the 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 Series 2025A Certificates are registered at the close of business on the 15th 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 Series 2025A 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 five days prior to such interest Payment Date. Notwithstanding the above, reference is made to the book-entry system of registration described under "THE DESCRIPTION OF THE SERIES 2025A CERTIFICATES – Book-Entry Only System."

Book-Entry Only System

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

DTC will act as securities depository for the Series 2025A Certificates. The Series 2025A 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 2025A Certificates, in the aggregate principal amount of such maturity and will be 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 (the "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 (the "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 the Series 2025A Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2025A Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2025A 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. The 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 2025A Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. The Beneficial Owners will not receive certificates representing their ownership interests in the Series

2025A Certificates, except in the event that use of the book entry system for the Series 2025A Certificates is discontinued.

To facilitate subsequent transfers, all Series 2025A 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 2025A 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 2025A Certificates. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025A Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 the Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. The Beneficial Owners of the Series 2025A Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025A Certificates, such as prepayments, defaults, and proposed amendments to the Series 2025A Certificate documents. For example, the Beneficial Owners of the Series 2025A Certificates may wish to ascertain that the nominee holding the Series 2025A Certificates for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, the Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Prepayment notices shall be sent to DTC. If less than all of the Series 2025A Certificates are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2025A Certificates to be prepaid.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2025A 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 Board 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 2025A Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Prepayment proceeds and other payments on the Series 2025A 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 Board or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to the Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of prepayment 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 Board and/or the Trustee for the Series 2025A Certificates. Disbursement of such

payments to Direct Participants will be the responsibility of DTC. Disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

None of the Corporation, the Board or the Trustee can give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Series 2025A Certificates paid to DTC or its nominee, or any prepayment or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve or act in a manner described in this Offering Statement.

For every transfer and exchange of beneficial interests in the Series 2025A Certificates, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

DTC may discontinue providing its services as depository with respect to the Series 2025A Certificates at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor depository is not obtained, Series 2025A Certificates are required to be printed and delivered.

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, Series 2025A Certificates will be printed and delivered to DTC.

Optional Prepayment

The Series 2025A Certificates maturing on or before July 1, 20__ are not subject to prepayment at the option of the Board. The Series 2025A Certificates maturing on and after July 1, 20__ may be prepaid, from prepayments of Basic Rent made by the Board pursuant to the Series 2025A Lease Agreement, in whole or in part on July 1, 20__ or any date thereafter, and if in part, in such order of maturities as may be designated by the Board or if not so designated, in the inverse order of maturities, and by lot within a maturity in such manner as may be designated by the Trustee, at a Prepayment Price equal to the principal portion of Series 2025A Certificates to be prepaid, plus accrued interest to the prepayment date.

Mandatory Sinking Fund Prepayment

The Series 2025A Certificates maturing on July 1, 20__ are subject to mandatory prepayment prior to maturity in part, from payments of the principal portion of Basic Rent Payments on each July 1 in the years and in the amounts set forth below at a Prepayment Price of par plus the interest accrued to the prepayment date.

Year	Amortization Installment
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* Maturity

No Extraordinary Prepayment

The Series 2025A Certificates shall not be subject to extraordinary prepayment from Net Proceeds of insurance or condemnation, and any amounts received therefrom shall be applied as provided in the Series 2025A Lease Agreement, as more particularly described below.

Notwithstanding the provisions set forth in Sections 5.08(c) and (d) of the Series 2025A Lease Agreement, the Board may elect not to repair, restore or replace the Series 2025A Project or any portion thereof which has been destroyed, damaged or lost or condemned, with the Net Proceeds of any insurance or condemnation award, by filing a certificate with the Trustee for the Series 2025A Certificates stating that (i) the Board has made such an election and (ii) it is not in the best interests of the Board to repair, restore or replace such Series 2025A Project or portion thereof. Upon such an election, if the Net Proceeds are not greater than the amount of the Basic Rent Payments coming due in the current and immediately following Fiscal Year under Lease Schedule No. 2025A, then such amounts shall be used first, to pay the Interest Component of the Series 2025A Certificates for the next two interest Payment Dates and then to pay the Principal Component next coming due. In the event the Net Proceeds are greater than the amount of the Basic Rent Payments coming due under Lease Schedule No. 2025A in the current and immediately following Fiscal Year, at the option of the Board, the Board shall apply 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 Lease Schedule No. 2025A or (ii) upon receipt of an approving opinion of Special Counsel, to the Series 2025A Subaccount of the Interest Account, or Series 2025A Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts. The provisions of Section 5.08(d) of the Lease Agreement shall not apply to the Series 2025A Project.

Selection of Series 2025A Certificates for Prepayment

When Series 2025A Certificates are to be selected for prepayment by lot, selection of Series 2025A Certificates for prepayment shall be in such manner as the Trustee shall determine; provided, however, that the portion of any Series 2025A Certificate to be prepaid shall be in the principal amount of \$5,000 or any whole multiple thereof, and that in selecting portions of Series 2025A Certificates for prepayment, the Trustee shall treat each such Series 2025A Certificate as representing the number of Series 2025A Certificates which is obtained by dividing the principal amount with respect to such Series 2025A Certificate by \$5,000.

DTC Procedures

Investors should note that while DTC is the registered owner of the Series 2025A Certificates, partial prepayments of the Series 2025A Certificates will be determined in accordance with DTC's procedures. The Board intends that prepayment allocations made by DTC, the DTC Participants, or such other intermediaries that may exist between the Board and the Beneficial Owners of the Series 2025A Certificates be made in accordance with the method of selection of Series 2025A Certificates for a partial prepayment described herein. However, the selection of the Series 2025A Certificates for prepayment in DTC's book-entry-only system is subject to DTC's practices and procedures as in effect at the time of any such partial prepayment. The Board can provide no assurance that DTC or the DTC Participants or any other intermediaries will allocate prepayments among Beneficial Owners in accordance with the method of selection of Series 2025A Certificates for a partial prepayment described above.

Notice of Prepayment

When prepayment of the Series 2025A Certificates is authorized or required pursuant to the provisions of the Series 2025A Trust Agreement, the Trustee shall give to the Owners of the Series 2025A Certificates to be prepaid, notice, at the expense of the Board, of the prepayment of the Series 2025A Certificates. Such notice shall state: (i) the CUSIP numbers of all Series 2025A Certificates being prepaid, (ii) the original issue date of such Series 2025A Certificates, (iii) the maturity date and rate of interest borne by each Series 2025A 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 2025A Certificates are to be prepaid, the certificate number (and, in the case of a partial prepayment of any Series 2025A Certificate, the principal amount) of each Series 2025A Certificate to be prepaid, (viii) that on such prepayment date, there shall become due and payable upon each Series 2025A 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 2025A 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, and (ix) that the Series 2025A 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.

Notice of such prepayment shall be given by mail, postage prepaid, not more than 60 days or fewer than 30 days prior to the date of prepayment, to the Owners of any Series 2025A 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 Series 2025A Certificates for which notice was given.

So long as the Series 2025A Certificates are issued in book-entry only form, notice of prepayment will be mailed, postage prepaid (not less than 30 days before the Prepayment Date in the case of optional prepayment, unless a different notice period is required by DTC) to Cede & Co., as nominee for DTC, and the Trustee will not mail any prepayment notice directly to the Beneficial Owners of the Series 2025A Certificates. See "DESCRIPTION OF THE SERIES 2025A CERTIFICATES – Book-Entry Only System."

Notwithstanding the provisions of the Master Trust Agreement to the contrary, notice of any prepayment of Series 2025A Certificates shall either (i) explicitly state that the proposed prepayment is conditioned on there being on deposit in the applicable fund or account on the prepayment date sufficient funds to pay the full Prepayment Price of the Series 2025A Certificates to be prepaid, or (ii) be sent only if sufficient funds or Refunding Securities to pay the full Prepayment Price of the Series 2025A Certificates to be prepaid is on deposit in the applicable fund or account. 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.

Negotiability, Registration, Transfer and Exchange

So long as the Series 2025A Certificates are registered in the name of Cede & Co., as the nominee of DTC, the transfer and exchange of any Series 2025A Certificates shall be governed by rules established between DTC and its Participants. Upon the discontinuance of the book-entry-only registration system for the Series 2025A Certificates, the following provisions described under this subheading shall apply for the Beneficial Owners.

The Trustee shall keep or cause to be kept a Certificate Register for the Series 2025A Certificates, 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 the Series 2025A Certificates as provided in the Series 2025A Trust Agreement.

The transfer of any Series 2025A 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 Series 2025A Certificate a new registered Series 2025A Certificate or Series 2025A Certificates, registered in the name of the transferee, of any denomination or denominations authorized by the Series 2025A Trust Agreement in the aggregate principal amount equal to the principal amount of such Series 2025A Certificate surrendered or exchanged, of the same maturity and bearing interest at the same rate.

In all cases in which Series 2025A Certificates shall be exchanged or the transfer of Series 2025A Certificates shall be registered under the Series 2025A Trust Agreement, the Trustee shall authenticate and deliver at the earliest practicable time Series 2025A Certificates in accordance with the provisions of the Series 2025A Trust Agreement. All Series 2025A Certificates surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Trustee. No service charge shall be made for any registration, transfer, or exchange of Series 2025A Certificates, however 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 Series 2025A Certificates as a condition precedent to such registration, transfer or exchange. The Trustee shall not be required to transfer or exchange Series 2025A Certificates (i) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of prepayment of Series 2025A Certificates and ending at the close of business on the day of such mailing, (ii) so selected for prepayment 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.

The Series 2025A 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 the Series 2025A Certificates of the same maturity, of any denomination or denominations authorized by the Series 2025A Trust Agreement, bearing interest at the same rate, and in the same form as the Series 2025A Certificates surrendered for exchange.

Ownership of Series 2025A Certificates

The Trustee shall deem and treat the Person in whose name any Outstanding Series 2025A Certificate shall be registered upon the Certificate Register as the absolute Owner of such Series 2025A Certificate, whether such Series 2025A 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 Series 2025A 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 Series 2025A 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.

Series 2025A Certificates Mutilated, Destroyed, Stolen, or Lost

In case any Series 2025A Certificate secured by the Series 2025A Trust Agreement shall become mutilated or be destroyed, stolen or lost, the Trustee shall cause to be executed, shall authenticate and deliver, a new Series 2025A Certificate of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Series 2025A Certificate or in lieu of and in substitution for such Series 2025A 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 Series 2025A Certificate destroyed, stolen, or lost, the Owner shall file with the Trustee evidence satisfactory to it that such Series 2025A Certificate was stolen, destroyed or lost, and of his ownership thereof, and as a condition precedent to delivery of such new Series 2025A Certificate the Trustee may require indemnity satisfactory to it.

Every Series 2025A Certificate issued pursuant to the provisions of the Series 2025A Trust Agreement in exchange or substitution for any Series 2025A Certificate which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation pursuant to the terms of the Series 2025A Trust Agreement, whether or not the destroyed, lost or stolen Series 2025A Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of the Series 2025A Trust Agreement equally and proportionately with any and all other Series 2025A Certificates duly issued under the Series 2025A Trust Agreement.

Completion Certificates

Completion Certificates may be issued under and secured by the Master Trust Agreement, subject to the conditions therein provided, to provide necessary funds to complete payment of the Costs of a Project previously financed under the Master Trust Agreement or to finance additional property which shall be added to a Project or which shall be substituted for a portion of a Project. Such Completion Certificates, for purposes of the Master Trust Agreement, the Master Lease and any applicable Ground Lease shall constitute a part of the same Series of Certificates as to Certificates issued to pay the original costs of the Project.

The proceeds of the Completion Certificates may also be used to make any additional required deposits into the Subaccount of the Reserve Account securing such Completion Certificates, fund capitalized interest on such Completion Certificates and pay Costs of Issuance, and shall be deposited in the Pledged Accounts established therefor in such manner and in such amounts as determined by the Supplemental Trust Agreement relating to the authorization of such Completion Certificates. The Completion Certificates shall be secured on a parity with the Series of Certificates issued to pay the original costs of the Project in accordance with the terms of the Master Trust Agreement.

Refunding Certificates

Refunding Certificates may be issued under and secured by the Master Trust Agreement, subject to the conditions therein provided, 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.

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 redemption date or maturity dates applicable thereto.

Other than for amounts required to pay Costs of Issuance or to make deposits to the appropriate subaccount of the Reserve Account or the Interest 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 the Master 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 Master Trust Agreement.

Additional Series of Certificates

Additional Series of Certificates may be issued under the Master Trust Agreement, in addition to the Prior Certificates and the Series 2025A Certificates, to finance additional projects under the Master Lease. The amount of such additional Series of Certificates which may be issued under the Master Trust Agreement is not limited. See "SECURITY FOR THE SERIES 2025A CERTIFICATES – Additional Series of Certificates" herein.

SECURITY FOR THE SERIES 2025A CERTIFICATES

General

The Series 2025A Certificates evidence undivided proportionate interests of the Owners thereof in the Principal Component and Interest Component of Basic Rent Payments to be made by the Board under the Series 2025A Lease Agreement. The Series 2025A Certificates are secured by and payable from the Trust Estate established for the Series 2025A Certificates pursuant to the Series 2025A Trust Agreement (the "Trust Estate"). The Trust Estate consists of: (i) all right, title, and interest in the funds, accounts, and subaccounts established under the Series 2025A Supplemental Trust Agreement and the cash, securities, and investments of which they are comprised (other than the Rebate Fund); (ii) all right, title, and interest of the Corporation in, to, and under the Series 2025A Ground Lease and the Series 2025A Lease Agreement and the right to receive the Lease Payments under the Series 2025A 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 certain other obligations provided in the Series 2025A Lease Agreement; (iii) all right, title, and interest of the Trustee under the Series 2025A Assignment and the Series 2025A Ground Lease Assignment; (iv) 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 the Series 2025A Trust Agreement, the Series 2025A Lease Agreement, the Series 2025A Ground Lease, or any mortgage agreement, if any, entered into pursuant to the Series 2025A Trust Agreement; and (v) all property which by the express provisions of the Series 2025A Trust Agreement, the Series 2025A Lease Agreement, or the Series 2025A Ground Lease is required to be subject to the lien of the Series 2025A

Trust Agreement, and any additional property that may from time to time hereafter expressly be made subject to the lien of the Series 2025A Trust Agreement by the Trustee, the Corporation, or the Board or anyone authorized to act on their behalf.

Neither the Corporation nor the Board will mortgage or grant a security interest in the Series 2025A Project to the Trustee. Upon termination of the Series 2025A Lease Agreement upon the occurrence of an Event of Non-Appropriation or in the case of certain Events of Default, however, the Series 2025A Lease Agreement provides that the Board must surrender possession of the Series 2025A Project to the Trustee as assignee of the Corporation for disposition by sale or re-letting of its interest in the Series 2025A Project as provided in the Series 2025A Trust Agreement. Any proceeds of any such disposition of the Series 2025A Project will be applied to the payment of the Series 2025A Certificates, after payment of the expenses of the Trustee, in accordance with the terms of the Series 2025A Lease Agreement. With respect to the Series 2025A Lease Agreement, the Board may not be dispossessed of any Designated Equipment financed, in whole or in part, with proceeds of the Series 2025A Certificates, which includes all equipment components not constituting fixtures of the Series 2025A Project. See "THE SERIES 2025A PROJECT" for a description of the Series 2025A Project against which the Trustee may exercise rights on behalf of the Owners of the Series 2025A Certificates. See also "THE SERIES 2025A LEASE AGREEMENT – Effect of Termination for Non-Appropriation or Default."

In addition, the Restricted Use Property contains deed or other use restrictions requiring that such Restricted Use Property not be used for any Prohibited Uses. Any use of the Restricted Property for Prohibited Uses may trigger legal action by the grantors of the Restricted Use Property to enforce the use restrictions applicable thereto. The Trustee has covenanted in the Series 2025A Supplemental Trust Agreement that, upon an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement and return of possession of the Series 2025A Project to the Corporation, or its assignee, at all times, (i) the Restricted Use Property shall not be used for any Prohibited Uses, and (ii) it will undertake no activities that would trigger legal action by the grantors of the Restricted Use Property to enforce such restrictions. As a result, the Prohibited Uses may impact the ability of the Trustee to use, sell, and relet the Restricted Use Property upon the occurrence of an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement.

Lease Payments

All Lease Payments and all other amounts required to be paid by the Board under the Series 2025A Lease Agreement, the Prior Leases, and all other Leases will be made from moneys and revenues of the Board authorized by law and regulations of the State of Florida Department of Education to be used for such purpose (the "Available Revenues") and budgeted and appropriated for such purpose by the Board. Revenues available to the District for operational purposes and capital projects such as the Series 2025A Project are described under "OPERATING REVENUE OF THE DISTRICT" and "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS." Such capital revenues may also be used to pay other outstanding obligations of the District.

The Master Trust Agreement, as amended and supplemented by the Series 2025A Supplemental Trust Agreement, provides for the establishment and maintenance in the Lease Payment Fund of a Series 2025A Subaccount of the Interest Account and a Series 2025A Subaccount of the Principal Account for deposit of Basic Rent Payments appropriated and paid under the Series 2025A Lease Agreement. Separate subaccounts are established in the Lease Payment Fund for each new Series of Certificates

issued under the Master Trust Agreement. Lease Payments due under the Lease Schedules to the Master Lease are subject to annual appropriation by the Board on an all-or-none basis and are payable solely from the Available Revenues appropriated by the Board for such purposes; provided that Lease Payments with respect to a particular Lease Schedule and Series of Certificates may be additionally and separately secured by a Credit Facility. Such additional Projects may be financed through the sale of additional Series of Certificates under the Master Trust Agreement. There is no limit on the number of additional Projects that may be financed under the Master Lease. THE BOARD MAY NOT BUDGET AND APPROPRIATE LEASE PAYMENTS DUE FOR A PORTION OF THE PROJECTS LEASED UNDER THE MASTER LEASE; IT MUST BUDGET AND APPROPRIATE LEASE PAYMENTS FOR ALL PROJECTS OR NONE OF THEM. THERE CAN BE NO ASSURANCE THAT SUFFICIENT AVAILABLE REVENUES WILL BE APPROPRIATED OR OTHERWISE BE MADE AVAILABLE TO MAKE ALL OF THE LEASE PAYMENTS DUE UNDER THE MASTER LEASE.

Limited Obligation of the Board

THE BASIC RENT PAYMENTS AND, CONSEQUENTLY, THE SERIES 2025A CERTIFICATE PRINCIPAL AMOUNT AND SERIES 2025A CERTIFICATE INTEREST PAYMENTS ARE PAYABLE SOLELY FROM THE BOARD'S AVAILABLE REVENUES SPECIFICALLY BUDGETED FOR SUCH PURPOSE. THE BASIC RENT PAYMENTS ARE SUBJECT TO ANNUAL APPROPRIATION BY THE BOARD ON AN ALL-OR-NONE BASIS. THE SERIES 2025A CERTIFICATE PAYMENTS OF PRINCIPAL AND INTEREST AND THE PAYMENTS DUE FROM THE BOARD UNDER THE SERIES 2025A LEASE AGREEMENT AND THE CONTRACTUAL OBLIGATIONS OF THE BOARD UNDER THE SERIES 2025A 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. NEITHER THE CORPORATION, THE TRUSTEE, NOR ANY SERIES 2025A CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE BOARD TO PAY ANY LEASE PAYMENTS.

Additional Leases

The Board has previously entered into the Prior Leases and may enter into other Leases under the Master Lease in addition to the Series 2025A Lease Agreement and the Prior Leases. See "THE MASTER LEASE-PURCHASE PROGRAM." Failure to appropriate Available Revenues to make Lease Payments under any Lease will, and certain Events of Default under a Lease may, result in the termination of the Lease Term of all Leases, including the Series 2025A Lease Agreement. Upon any such termination of the Lease Term of all Leases, the Board must surrender all Projects (except for certain Designated Equipment), including the Series 2025A Project (except for Designated Equipment), to the Trustee for sale or re-letting of the Trustee's interest. The proceeds of any such disposition of the Series 2025A Project (other than Designated Equipment) will be applied to the payment of the Series 2025A Certificates, after payment of the expenses of the Trustee, in accordance with the terms of the Series 2025A Lease Agreement. With respect to the Series 2025A Lease Agreement, the Board may not be dispossessed of any Designated Equipment financed, in whole or in part, with proceeds of Series 2025A Certificates. Except as herein described, in no event will Owners of the Series 2025A Certificates have any interest in or right to the proceeds of the disposition of Projects financed or refinanced with the proceeds of another Series of Certificates. There can be no assurance that the remedies available to the Trustee upon any such termination of the Lease Term of all Leases and the disposition of the Series 2025A Project against which the Trustee has rights will produce sufficient amounts to pay the Outstanding Series 2025A Certificates.

For a discussion of remedies available to the Trustee upon the occurrence of an Event of Non-Appropriation of funds to pay Lease Payments or upon the occurrence of an Event of Default, see "THE SERIES 2025A LEASE AGREEMENT – Termination of Lease Term" and "– Effect of Termination for Non-Appropriation or Default" and "APPENDIX D – MASTER LEASE-PURCHASE AGREEMENT AND FORM OF LEASE SCHEDULE NO. 2025A."

Additional Certificates; Outstanding Certificates

With respect to any additional Schedules, one or more series of additional Series of Certificates may be authorized by the Corporation at the request of the Board and executed and delivered by the Trustee for the purpose of: (a) financing the cost of acquisition, construction, and equipping of any Project; (b) financing the cost of completing the acquisition, construction, installation, and equipping of any Project; (c) refinancing or refunding Outstanding Certificates; (d) funding a Reserve Account in an amount equal to the applicable Reserve Requirement, if any; (e) capitalizing the interest portion of Basic Rent Payments during construction; or (f) paying the applicable Costs of Issuance. The aggregate principal amount of additional Series of Certificates, which may be executed and delivered under the provisions of the Master Trust Agreement, is not limited, except as may be provided with respect to a particular series of additional Series of Certificates in any Supplemental Trust Agreement creating such Series.

Unless otherwise set forth in a Supplemental Trust Agreement authorizing the issuance of more than one Series of Certificates, each Certificate within a Series of Certificates executed and delivered pursuant to the Master Trust Agreement shall rank *pari passu* and be equally and ratably secured under the Master Trust Agreement with each other Certificate of such Series, but not with any Certificates of any other Series, 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 Certificate holders are less than all amounts owed with respect to all Series of Certificates on any Payment Date, such amounts available shall be applied on a pro rata basis to Certificate holders of all Series in accordance with the ratio that the principal balance of each Series of Certificates Outstanding bears to the total amount of Certificates Outstanding under the Series 2025A Trust Agreement.

Completion Certificates and Refunding Certificates may also be issued under the Series 2025A Trust Agreement. See, respectively, "DESCRIPTION OF THE SERIES 2025A CERTIFICATES – Completion Certificates" and "DESCRIPTION OF THE SERIES 2025A CERTIFICATES – Refunding Certificates" herein.

Non-Appropriation Risk

THE BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE AVAILABLE REVENUES FOR THE PURPOSE OF MAKING LEASE PAYMENTS. UNDER THE MASTER LEASE THE BOARD MAY NOT BUDGET AND APPROPRIATE AVAILABLE REVENUES TO MAKE LEASE PAYMENTS SELECTIVELY ON A LEASE BY LEASE BASIS, BUT MUST APPROPRIATE SUCH AVAILABLE REVENUES FOR ALL LEASES OR NONE OF THEM. 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 SERIES 2025A 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 PAYMENTS 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 SERIES 2025A PROJECT TO THE TRUSTEE. FOR A DISCUSSION OF REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF THE NON-APPROPRIATION OF FUNDS TO PAY LEASE PAYMENTS, SEE "THE SERIES 2025A LEASE AGREEMENT – TERMINATION OF LEASE TERM" AND "- EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT." THERE CAN BE NO ASSURANCE THAT THE REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF NON-APPROPRIATION WILL PRODUCE SUFFICIENT AMOUNTS TO FULLY PAY THE OUTSTANDING CERTIFICATES FOR PAYING SUCH CLAIMS.

No Reserve Account for Series 2025A Certificates

There is no Reserve Account for the Series 2025A Certificates. However, pursuant to a Supplemental Trust Agreement authorizing the issuance of any Series of Certificates, there may be established and maintained a separate Reserve Account to secure the payment of the principal and interest related to such Series of Certificates. Each such Reserve Account shall secure only the Series of Certificates for which it has been established. See "APPENDIX C – MASTER TRUST AGREEMENT AND FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT."

Uniform Commercial Code

The Series 2025A Certificates will have all the qualities and incidents of an investment security under the Uniform Commercial Code-Investment Securities Law of the State and under such law are exempt from the provisions of the Uniform Commercial Code relating to secured transactions.

MUNICIPAL BOND INSURANCE POLICY OPTION

THE INFORMATION IN THIS SECTION CONCERNING THE POLICY AND THE INSURER HAS BEEN OBTAINED FROM THE INSURER. NONE OF THE BOARD, THE DISTRICT, OR THE UNDERWRITERS TAKE RESPONSIBILITY FOR THE ACCURACY THEREOF.

All, a portion, or none of the scheduled payment of the principal portion and interest portion of Basic Rent Payments represented by the Series 2025A Certificates when due may be guaranteed under the Policy to be issued concurrently with the delivery of the Series 2025A Certificates by the Insurer. **The Board will make the determination whether to purchase the Policy to insure all, a portion, or none of the Series 2025A Certificates (the "Insured Series 2025A Certificates"), at the time the Series 2025A Certificates are priced.** See "RISK FACTORS – Municipal Bond Insurance Risk Factors" and "RISK FACTORS – No Right of Insured Series 2025A Certificate Owners to Direct Remedies or Consent to Amendments" herein.

The following information is not complete and reference is made to APPENDIX I for a specimen of the Policy of the Insurer.

The Policy

Concurrently with the issuance of the Series 2025A Certificates, AG may issue the Policy for the Insured Series 2025A Certificates. The Policy guarantees the scheduled payment of principal of and interest on the Insured Series 2025A Certificates when due as set forth in the form of the Policy attached as APPENDIX I to this Offering Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On October 18, 2024, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On July 10, 2024, Moody's following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Capitalization of AG, AGM and Pro Forma Combined AG

At September 30, 2024:

- The policyholders' surplus of AG was approximately \$3,644 million.
- The contingency reserve of AG was approximately \$1,374 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,438 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG, and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Offering Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (filed by AGL with the SEC on February 28, 2024);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (filed by AGL with the SEC on May 8, 2024);

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 (filed by AGL with the SEC on August 8, 2024); and

(iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (filed by AGL with the SEC on November 12, 2024).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2025A Certificates shall be deemed incorporated by reference into this Offering Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Offering Statement.

Any information regarding AG included herein under the caption "MUNICIPAL BOND INSURANCE POLICY – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Offering Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Series 2025A Certificates or the advisability of investing in the Series 2025A Certificates. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "MUNICIPAL BOND INSURANCE POLICY."

MASTER LEASE PROJECTS

The Series 2025A Project is being financed under the Board's existing Master Lease as part of the Board's master lease purchase program (the "Master Lease Program") with the Corporation. The Projects financed or refinanced by the Board under the Master Lease Program are subject to annual appropriation on an all or none basis. For the Fiscal Year 2024-25, there are approximately 10 schools, three additions, and one transportation and maintenance facility leased under the Master Lease. Based on the District's budgeted unweighted full time equivalent enrollment for Fiscal Year 2024-25 of approximately 56,470 students, approximately 14.88% of the District's students are attending classes in, or otherwise utilizing, the facilities leased under the Master Lease. Such percentage does not include the additional students that are expected to attend classes in, or otherwise utilize, the educational facilities constituting the Series

2023A Project and the Series 2025A Project upon completion of such facilities. 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 budgeted for the Fiscal Year 2024-25 was used; for the additions or improvements, the number of student stations attributable to each specific classroom budgeted for Fiscal Year 2024-25 based on the type of school (elementary, middle, K-8 or high), but does not include cafeterias, media centers, and other facilities that do not have any student stations attributable to them. Additionally, upon completion of the Series 2023A Project and the Series 2025A Project, approximately 24.68% of all student stations in the District will be utilizing educational facilities subject to the Master Lease. For a complete description of the Projects under the Master Lease Program, see "THE SERIES 2025A PROJECT" and "PRIOR PROJECTS UNDER THE MASTER LEASE."

Pursuant to the Master Lease, the Board does not have the ability to appropriate funds to make Lease Payments on one Project or some combination of Projects only. The Board's annual appropriation for Basic Rent Payments must be for all Projects under the Master Lease Program or none of them. In the event the Board does not appropriate funds in its annual budget for all of such financed Projects, the Board would be required to surrender such Projects, including the Series 2025A Project (other than certain Designated Equipment), to the Trustee for the benefit of the Owners of the Certificates which financed or refinanced such Projects.

THE SERIES 2025A PROJECT

The Series 2025A Project

The Series 2025A Project consists of the lease-purchase financing of the acquisition and construction of the Artisan Lakes Elementary School and the Rye Ranch Elementary School, each as described below, including the Buildings and Equipment, the lease of the Premises by the Board to the Corporation pursuant to the Series 2025A Ground Lease, and the sublease of the Premises back to the Board. All of the Buildings and Equipment under the Series 2025A Lease Agreement are located within the District. The Board is currently in the process of acquiring the Premises where the Series 2025A Project will be located and expects to acquire one of such sites prior to the pricing of the Series 2025A Certificates and the other site on or before March 15, 2025. The District cannot requisition proceeds of the Series 2025A Certificates held in the Series 2025A Subaccount of the Project Account until such time as the commitment for the issuance of the title insurance policy for the related Premises has been delivered. Upon termination of the Series 2025A Lease Agreement upon the occurrence of an Event of Non-Appropriation or in the case of certain Events of Default, the Board may not be dispossessed of any Designated Equipment. See "PRIOR PROJECTS UNDER THE MASTER LEASE – Designated Equipment" and "THE SERIES 2025A LEASE AGREEMENT – Effect of Termination for Non-Appropriation or Default" herein.

The following descriptions of the Series 2025A Project are general descriptions of the Series 2025A Project to be subject to the Master Lease. Under certain conditions of the Master Lease, the Board may substitute components of the Series 2025A Project and modify the plans and specifications therefor. See "THE SERIES 2025A PROJECT – Substitution of Series 2025A Project" herein.

Artisan Lakes Elementary School. This component of the Series 2025A Project consists of the design and construction of a 122,500 square foot, 969 student station concrete block brick veneer two story prototype school building on a 26.34-acre site located on Buckeye Road, Manatee County to include

parking, traffic queuing, bus loop, play fields, courts and central energy plant. This component of the Series 2025A Project is expected to be completed in August 2026.

Rye Ranch Elementary School. This component of the Series 2025A Project consists of the design and construction of a 122,500 square foot, 969 student station concrete block brick veneer two story prototype school on an 18.171 acre site located on North Rye Road, Manatee County to include parking, traffic queuing, bus loop, play fields, play courts and central energy plant. This component of the Series 2025A Project is expected to be completed in August 2026.

Estimated Series 2025A Project Budget

The following table sets forth the Board's current estimates of the cost of the Series 2025A Project. Actual costs may be greater or less than those shown. The costs of the Series 2025A Project will be funded from proceeds of the sale of the Series 2025A Certificates in an amount approximately equal to \$150,000,000.

Facility	Design Services	Construction Services	Owner Servicers	Furniture, Fixtures and Equipment/Tech ⁽¹⁾	Total Project Cost
Artisan Lakes Elementary School	\$2,987,800	\$67,251,017	\$2,061,183	\$2,700,000	\$75,000,000
Rye Ranch Elementary School ⁽²⁾	2,391,850	66,481,345	3,426,805	2,700,000	75,000,000
Total	\$5,379,650	\$133,732,362	\$5,487,988	5,400,000	\$150,000,000

⁽¹⁾ Constitutes Designated Equipment for purposes of the Series 2025A Lease Agreement.

⁽²⁾ The Premises on which the Rye Ranch Elementary School component of the Series 2025A Project will be located is subject to deed or other use restrictions requiring that such Premises not be used for heavy industrial, x-rated, or pornographic adult entertainment facilities. See "INTRODUCTION – The Series 2025A Lease Agreement" and "SECURITY FOR THE SERIES 2025A CERTIFICATES – General" herein.

Substitution of Series 2025A Project

The Board may, at any time prior to the Completion Date for the Series 2025A Project, make modifications to the Series 2025A Project and substitute items or components constituting a portion of the Series 2025A Project, subject to the provisions of the Master Lease, 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 the Series 2025A 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 the Series 2025A 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 the Series 2025A 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 Series 2025A 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 Series 2025A Project Description, the Series 2025A Project Budget, the Series 2025A Project Schedule, and, if necessary, the

Estimated Completion Date for the amended or modified Series 2025A Project are each amended, as necessary, to take into account the portion of the Series 2025A Project which is modified, added, or substituted; (iv) except as otherwise provided in the Master Lease, title to the substituted, added, or modified portion of the Series 2025A 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 Series 2025A 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.

PRIOR PROJECTS UNDER THE MASTER LEASE

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.

The Series 2007 Project

In December 2015, the Board entered into the Series 2007 Lease Agreement to refinance the Series 2007 Project. The Series 2007 Lease Agreement related to the Refunding Certificates of Participation (School Board of Manatee County, Florida Master Lease Program), Series 2015 (the "Series 2015 Certificates"), which are currently outstanding in the principal amount of \$20,440,000. Subject to the Board's right of non-appropriation, the Series 2007 Lease Agreement is automatically renewable annually through June 30, 2027. The Series 2007 Project consisted of the acquisition, construction, and installation of five elementary schools, one middle school, and two academies. The following is a brief description of the schools comprising the Series 2007 Project.

Annie Lucy Williams Elementary School. The project was for a new school constructed at 3404 Fort Hamer Road, Parish, Florida. The new school is an approximately 104,000 square foot, two story campus style school, containing approximately 823 student stations for grades pre-kindergarten through 5th. The school was completed in June of 2007.

Palmetto Elementary School. The project was for a replacement school constructed at 1540 10th Street West, Palmetto, Florida. The replacement school is approximately 104,000 square foot, two-story campus style school, containing approximately 823 student stations for grades pre-kindergarten through 5th. The school was completed in September of 2010.

Manatee Technical Institute - Fire Academy. The project was for a new academy constructed at 5530 Lakewood Ranch Boulevard, Bradenton, Florida. The academy is an approximately 10,000 square foot building containing approximately 25 student stations for fire fighter training. This project was completed in May of 2007.

Manatee Technical Institute - Public Safety Academy. The project was for a new academy constructed at 5540 Lakewood Ranch Boulevard, Bradenton, Florida. The academy is an approximately 50,000 square foot building containing approximately 200 student stations for law enforcement training. This project was completed in December of 2007. The project constitutes Designated Equipment under the Series 2007 Lease Agreement.

Completion of King Middle School. The project was a replacement school constructed on the same campus as the existing King Middle School campus. This project was completed in August of 2006. The project constitutes Designated Equipment under the Series 2007 Lease Agreement.

Sea Breeze Elementary School. The project was for a wing addition constructed at 3601 71st Street West, Bradenton, Florida. The wing addition is an approximately 9,000 net square feet building containing approximately 144 student stations for grades pre-kindergarten through 5th. The addition was completed in July of 2008.

Completion of Daughtery Elementary School. The project was for the completion of a replacement elementary school constructed on the same campus as the existing Daughtery Elementary School campus. The completion date for this project was in March of 2008.

Myakka City Elementary School Improvements. The project was for the expansion of school storage areas and teacher planning areas, upgrades to the heating ventilation and air conditioning (HVAC), interior lighting and parking lot lighting. The completion date for this project was in August of 2011.

The Series 2009 Project

In October 2016, the Board entered into the Series 2009 Lease Agreement to refinance the Series 2009 Project. The Series 2009 Lease Agreement related to the Refunding Certificates of Participation (School Board of Manatee County, Florida Master Lease Program), Series 2016A (the "Series 2016A Certificates"), which are currently outstanding in the principal amount of \$32,660,000. Subject to the Board's right of non-appropriation, the Series 2009 Lease Agreement is automatically renewable annually through June 30, 2029. The Series 2009 Project consisted of the acquisition, construction, and installation of two elementary schools, one high school, and one transportation and maintenance facility. The following is a brief description of the schools comprising the Series 2009 Project.

G.D. Rogers Garden Bullock Elementary. The project was for a new school located at 515 13th Avenue West, Bradenton, Florida 34205 on an approximate 8-acre site. The school has approximately 580 student stations for grades kindergarten through 5th. The school contains 80,500 square feet of classrooms, ancillary, administration, and support space. It also includes physical education space. The school was the District's first attempt to obtain the LEED Green Building Certification. The school opened in August of 2009.

Transportation and Maintenance Facility (Matzke Complex). The project is located at 2802 27th Street East, Bradenton, Florida on an approximate 24-acre site. The facility is a single-story facility which houses several District departments including: Maintenance and Operations, Construction Services, Vehicle Maintenance, Transportation, Property and Records Retention, and Warehouse. The project included the construction of a 95,500 square foot facility and the renovation of 69,000 square feet. Certain existing buildings (nos. 4, 5, 24/25 and 41) at the Transportation and Maintenance Facility are not included in this project other than to tie in building systems. The project opened in August of 2011.

Myakka City Elementary School Improvements. This project includes expansion of school storage areas and teacher planning areas, upgrades to the heating ventilation and air conditioning (HVAC), interior lighting and parking lot lighting. The completion date for this project was in January of 2012.

Palmetto High School Additions. The project is located at 1200 17th Street West, Palmetto, Florida at the existing Palmetto High School campus. The project includes the construction of a single story, 20-classroom addition, a Music Building restroom addition, site work, play fields, tennis courts, an addition to the Cafeteria, and a Field House renovation, in addition to the new single-story Auditorium with a 665 seat capacity. The project opened in August of 2010.

The Series 2010A-QSCB Project

In October 2010, the Board entered into the Series 2010A-QSCB Lease Agreement to finance the Series 2010A-QSCB Project. The Series 2010A-QSCB Lease Agreement related to the Certificates of Participation (School Board of Manatee County, Florida Master Lease Program), Series 2010A-QSCB (the "Series 2010A-QSCB Certificates"), which are currently outstanding in the principal amount of \$19,920,000. Subject to the Board's right of non-appropriation, the Series 2010A-QSCB Lease Agreement is automatically renewable annually through October 1, 2029. The Series 2010A-QSCB Project consisted of the replacement of Manatee High School – Davis Building. The following is a brief description of the renovations comprising the Series 2010A-QSCB Project. See "RISK FACTORS – Effect of Sequestration on Lease Payments" herein.

Manatee High School – Davis Building. The project replaced the Manatee High School – Davis Building on the existing school campus located at 1000 32nd Street West, Bradenton, Florida. This project contains approximately 80,822 net square feet and consists of 25 classrooms for grades 9-12, a new auditorium, new band room, new practice rooms and culinary arts lab. The project also includes associated storage areas, restrooms, corridors, walkways, and mechanical and electrical areas. This school was completed in August of 2011.

The Series 2011A Project

In December 2017, the Board entered into the Series 2011A Lease Agreement to refinance the Series 2011A Project. The Series 2011A Lease Agreement related to the Refunding Certificates of Participation (School Board of Manatee County, Florida Master Lease Program), Series 2017A (the "Series 2017A Certificates"), which are currently outstanding in the principal amount of \$30,215,000. Subject to the Board's right of non-appropriation, the Series 2011A Lease Agreement is automatically renewable annually through June 30, 2031. The Series 2017A Project consisted of the replacement and relocation of the Manatee Technical Institute. The following is a brief description of the school comprising the Series 2009 Project.

Manatee Technical Institute. The project replaced and relocated the Manatee Technical Institute to an approximately 30-acre site located at 6305 State Road 70 East, Bradenton, Florida. This project contains approximately 210,000 net square feet and houses 860 student stations. The project contains classrooms and labs in high growth and high demand areas such as culinary arts, cosmetology, construction, machining, drafting, welding, and information technology. The project also contains a new auditorium teaching area. This project also includes associated storage areas, restrooms, corridors, walkways, and mechanical and electrical areas. The school was completed in January of 2013.

The Series 2023A Project

Blackburn Elementary School Renovation. The project consists of the demolition of two existing buildings (Campus Building 1 and Campus Building 6) to be replaced by a single new structure. Additional scope will include the renovation, remodeling, and modernization of the remaining existing buildings on campus. Campus-wide upgrades of the mechanical systems, electrical/lighting systems, technology infrastructure, upgrade of interior finishes, fire alarm systems, security systems, and plumbing systems will be undertaken. Building envelope improvements will include enhanced roof systems, window assemblies, door assemblies, and insulation systems. Site improvements will include new playground equipment, enhanced storm water drainage, and on-site traffic queuing. The project is expected to be completed by October 15, 2025.

Haile Middle School Addition and Renovation. The project consists of a classroom addition and enhancements to the mechanical systems, electrical/lighting systems, plumbing systems, technology infrastructure, and interior finishes. Building envelope improvements to include enhanced roofing systems, window assemblies, door assemblies, and insulation systems. In addition, campus safety/security enhancements will be made including entry lobby upgrades, new fire alarm, and security systems. Planned remodeling will include the reconfiguration of the kitchen and serving line area with partial equipment replacement. Site improvements to include new canopies, concrete walks, and associated storm water drainage enhancements. The project is expected to be completed by August 1, 2025.

Oneco Elementary School Renovation. The project consists of the complete renovation of the existing campus, demolishing of select structures, and new construction of a support (administration/media center) building. Remodeling is planned for the existing media center and administration buildings to provide instructional spaces. Campus-wide upgrades will entail the replacing of mechanical systems, plumbing systems, electrical/lighting systems, technology infrastructure, and enhancement of the existing building envelope with improvements to roof systems, window assemblies, door assemblies, and insulation systems. Improvements to the campus life safety systems are planned to include new fire alarm and security systems. Site improvements planned include storm water drainage, playground equipment, and improved on-site traffic queuing. The project is expected to be completed by March 10, 2026.

Palma Sola Elementary School Replacement and Renovation. The project consists of demolishing all existing buildings on campus with the exception of Building No. 18 (ten classroom single story structure). It is anticipated that the design will include new construction for administration, cafeteria, media center, art, music, cafeteria/dining, and classrooms. Site improvements will include playground equipment, parking, storm water drainage, and on-site traffic queuing for both vehicles and buses. New infrastructure will be designed for mechanical, electrical, plumbing, and required life safety and security systems. Complete renovation of the Building No. 18 classrooms will be undertaken to include roof replacement, interior finishes, door and window assemblies, and upgrades of the mechanical, plumbing, electrical/lighting systems to be fully coordinated with the new construction planned for the campus. The project is expected to be completed by October 2, 2026.

Tara Elementary School Addition and Renovation. The project consists of a campus-wide renovation and a four classroom addition. Existing campus upgrades will entail replacement of mechanical systems, plumbing systems, electrical/lighting systems, and technology infrastructure. Building envelope improvements to include enhanced roof systems, window assemblies, door assemblies, and insulation

systems. Improvements to the campus life safety systems are planned to include new fire alarm, entry lobby upgrade, and security systems. Site improvements planned include enhanced storm water drainage, playground equipment, and improved on-site traffic queuing. The project is expected to be completed by August 29, 2025.

Designated Equipment

The Projects, including the Series 2025A Project, include Designated Equipment which consists of certain specifically identified facilities and equipment components not constituting fixtures of the educational facilities described above. Upon the occurrence of an Event of Non-Appropriation or an Event of Default, neither the holders of the related Series of Certificates or any Additional Certificates will have rights to the components of the Projects, respectively, constituting Designated Equipment.

For purposes of the Series 2025A Lease Agreement, all equipment components not constituting fixtures constitute Designated Equipment. Upon termination of the Series 2025A Lease Agreement upon the occurrence of an Event of Non-Appropriation or in the case of certain Events of Default, the Board may not be dispossessed of any Designated Equipment. "THE SERIES 2025A LEASE AGREEMENT – Effect of Termination for Non-Appropriation or Default" herein.

THE MASTER LEASE-PURCHASE PROGRAM

In order to provide for the lease-purchase financing and refinancing from time to time of the Projects, the Board has authorized the execution and delivery of the Master Lease between the Board and the Corporation. The Projects to be leased from time to time will be identified on separate Lease Schedules to the Master Lease. Upon execution and delivery thereof, each Lease Schedule, together with the provisions of the Master Lease, will constitute a separate Lease Agreement. See "APPENDIX D – MASTER LEASE-PURCHASE AGREEMENT AND FORM OF LEASE SCHEDULE NO. 2025A ."

The Series 2025A Lease Agreement is one of the Lease Agreements entered into under the Master Lease and provides for the leasing of the Series 2025A Project by the Corporation to the Board. See "THE SERIES 2025A LEASE AGREEMENT" and "THE SERIES 2025A PROJECT." As noted above, the Board has previously leased the Prior Projects pursuant to Prior Leases, which were financed and/or refinanced from the proceeds of the Outstanding Certificates. The Board may arrange for one or more lease-purchase financings of additional educational facilities under the Master Lease in future Fiscal Years. See "SECURITY FOR THE SERIES 2025A CERTIFICATES – Additional Leases" and "– Additional Certificates; Outstanding Certificates."

In addition, the Board may, in the future, also enter into lease-purchase arrangements upon terms and conditions other than those in the Master Lease. Failure to make payments under any such lease agreement, or an event of default under any such lease agreement, will not affect the Lease Term or cause the termination of the Series 2025A Lease Agreement or any other Leases.

THE SERIES 2025A LEASE AGREEMENT

The following is a brief summary of certain provisions of the Series 2025A Lease Agreement, which is not intended to be definitive. Reference is made to "APPENDIX D – MASTER LEASE-PURCHASE AGREEMENT AND FORM OF LEASE SCHEDULE NO. 2025A ."

Authority

The Series 2025A Lease Agreement is being entered into pursuant to the authority granted under Chapters 1001-1013, Florida Statutes, for the purpose of providing for the acquisition, construction, and lease-purchase financing of the Series 2025A Project.

Lease Term

Under the Series 2025A Lease Agreement, the Corporation is leasing to the Board, and the Board is leasing from the Corporation, the Series 2025A Project. The initial term of the Series 2025A Lease Agreement will commence on the delivery date of the Series 2025A Certificates and will continue through and including June 30, 2025, and is automatically renewable annually through June 30, 2045, unless sooner terminated in accordance with the provisions of the Series 2025A Lease Agreement. See "THE SERIES 2025A LEASE AGREEMENT – Termination of Lease Term."

Lease Payments

Subject to the conditions stated in the Series 2025A Lease Agreement, the Board has expressed its current intent to make all Lease Payments due under the Series 2025A Lease Agreement; PROVIDED, HOWEVER, THAT NONE OF THE BOARD, THE DISTRICT, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, IS OBLIGATED TO PAY, EXCEPT FROM AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE, ANY SUMS DUE UNDER THE SERIES 2025A LEASE AGREEMENT FROM ANY SOURCE OF TAXATION, AND THE FULL FAITH AND CREDIT OF THE BOARD, THE DISTRICT, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THE SERIES 2025A LEASE AGREEMENT, AND THE SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE BOARD, THE DISTRICT, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. All Lease Payments due under the Series 2025A Lease Agreement will be made from current or other funds authorized by law and regulations of the State of Florida Department of Education and appropriated for such purpose by the Board.

On December 15, 2025, and thereafter on June 15 and December 15 of each year, the Basic Rent Payment Dates preceding each Payment Date, the Board is required to pay to the Trustee the Basic Rent Payment allocable to the Series 2025A Certificates due on such date, which amount corresponds to the amount due to Series 2025A Certificate holders on the next succeeding Payment Date. The Board is also required to pay, when due, Supplemental Rent, which includes, among other things, the fees and expenses of the Trustee and the Corporation. Lease Payments due under the Series 2025A Lease Agreement may be reduced, when applicable, as described in the Series 2025A Lease Agreement.

Assignment of Lease to Trustee

Pursuant to the Series 2025A Assignment, substantially all right, title, and interest of the Corporation in and to the Series 2025A Lease Agreement, including the right to receive Basic Rent Payments thereunder, has been absolutely and unconditionally assigned by the Corporation to the Trustee for the benefit of the Owners of the Series 2025A Certificates and any other Certificates representing an undivided proportionate interest in a portion of the Basic Rent Payments payable under the Series 2025A Lease Agreement. The Board has consented to such assignment.

Lease Covenants

Under the Series 2025A Lease Agreement, the Board, as agent of the Corporation, is responsible for the acquisition, construction, and installation of the Series 2025A Project pursuant to the specifications of the Board, including the letting of all contracts for the acquisition, construction, and installation of the Series 2025A Project. In the Series 2025A Lease Agreement, the Board covenants that it will: (a) maintain the Series 2025A Project at all times during the Lease Terms in good repair and condition; (b) pay applicable taxes, utility charges, and other governmental charges; and (c) provide applicable insurance coverage, including property and liability insurance, all in accordance with the terms and provisions relating to these requirements, contained in the Series 2025A Lease Agreement.

Budget and Appropriation

The cost and expense of the performance by the Board of its obligations under the Series 2025A Lease Agreement, the Prior Leases, and any additional Lease Agreements and the incurrence of any liabilities of the Board under the Series 2025A Lease Agreement, the Prior Leases, and any additional Lease Agreements including without limitation, the payment of all Lease Payments and all other amounts required to be paid by the Board under all Lease Agreements, are subject to and dependent on appropriations being duly made from time to time by the Board for such purposes. The Board may not budget and appropriate Available Revenues to make Lease Payments selectively on a Lease Agreement by Lease Agreement basis, but must appropriate such Available Revenues for all Lease Agreements or none of them. Under no circumstances will the failure of the Board to appropriate sufficient Available Revenues in any Fiscal Year constitute a Default or require payment of a penalty, or in any way limit the right of the Board to purchase or utilize educational facilities similar in function to those leased under any Lease, including the Series 2025A Lease Agreement.

Unless the Board, at a public meeting held prior to the end of the then current Fiscal Year, gives notice of its intent not to appropriate the funds necessary to make the Lease Payments coming due in the following Fiscal Year under all Lease Agreements, the Superintendent will include in the Superintendent's tentative budget proposal, in a separate line item, the funds necessary to make such Lease Payments, and all Lease Agreements will be automatically renewed on June 30 of the current Fiscal Year, for the following Fiscal Year, subject to appropriation being made by the Board in the final adopted budget. If Lease Payments are due during the period prior to the adoption of the Board's final official budget for an ensuing Fiscal Year, the Lease Term of all Lease Agreements shall be deemed extended only if the tentative budget or extension of the prior budget (whether by Board action or operation of law) makes available to the Board monies which may be legally used to make the Lease Payments due under all Lease Agreements during such period. If no such appropriation is made in the budget as finally adopted or if no official budget is adopted as of the last day on which a final budget is required to have been adopted under applicable law and regulations, all Lease Agreements will terminate as of the date of adoption of the final official budget or the last date on which a final budget is required to have been adopted, whichever is earlier, and under which no appropriation has been made.

If the Board declares its intent at such public meeting prior to the end of the then current Fiscal Year not to appropriate the funds necessary to make Lease Payments under all Lease Agreements, no Lease Agreements will be automatically renewed for the following Fiscal Year, but will terminate on June 30 of the current Fiscal Year. For a discussion of the effect of termination of the Lease Term of the Lease

Agreements, see "THE SERIES 2025A LEASE AGREEMENT – Effect of Termination for Non-Appropriation or Default."

Termination of Lease Term

The Lease Term of the Lease Agreements, including the Series 2025A Lease Agreement, will terminate upon the earliest of any of the following events:

(a) all Lease Agreements will terminate on the last Lease Payment Date set forth in such Lease Agreement (assuming all Lease Payments have been made);

(b) all Lease Agreements will terminate in the Event of Non-Appropriation of funds for the payment of Lease Payments;

(c) all Lease Agreements will terminate upon a Default by the Board with respect to any Lease Agreement and the termination of the Lease Term of all Lease Agreements by the Trustee pursuant to the Master Lease; and

(d) a particular Lease Agreement will terminate upon prepayment by the Board of the principal, Prepayment Premium, if any, and interest due on the Certificates related to the particular Projects leased under such Lease Agreement by the Board or upon provision for such payment pursuant to the Master Lease.

Acceleration of Maturities upon Event of Default

Upon the happening and continuance of any Event of Default specified in the Series 2025A Trust Agreement and only subsequent to the termination of the Series 2025A Lease Agreement, the Trustee, in regard to the Series 2025A Certificates, may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of the Series 2025A Certificates then Outstanding, by notice in writing to the Board and the Corporation, shall declare the principal of all Series 2025A Certificates 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 Series 2025A Certificates or in the Series 2025A Trust Agreement to the contrary notwithstanding; provided, however, that any Series 2025A Certificates which are insured as to payment by the 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 the Series 2025A 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 the Series 2025A 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 Series 2025A Certificates and all arrears of interest, if any, upon all Series 2025A Certificates then Outstanding (except the principal of any Series 2025A 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 Series 2025A 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 Series 2025A Certificates or in the Series 2025A Trust Agreement (other than a default in

the payment of the principal of such Series 2025A Certificates then due only because of a declaration under the Series 2025A Trust Agreement) 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 the Series 2025A Certificates not then due and payable by their terms (the Series 2025A Certificates then due and payable only because of a declaration under the Series 2025A Trust Agreement 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 under the Series 2025A Trust Agreement or impair any right consequent thereon.

For a discussion of the additional remedies available to the Trustee upon an Event of Default under the Series 2025A Trust Agreement, see "APPENDIX C – MASTER TRUST AGREEMENT AND FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT."

Effect of Termination for Non-Appropriation or Default

Upon termination of the Lease Term for the reasons referred to in (b) or (c) under "THE SERIES 2025A LEASE AGREEMENT – Termination of Lease Term" above, the Board shall peaceably return possession of each and every Project (except for Designated Equipment) to the Corporation, or its assignee or designee, within 30 Business Days after the date on which such event occurs. For a discussion of the remedies available to the Trustee if the Board refuses or fails to voluntarily deliver possession of the Projects to the Trustee, see "APPENDIX D – MASTER LEASE-PURCHASE AGREEMENT AND FORM OF SERIES 2025A LEASE AGREEMENT."

Upon taking possession of the Series 2025A Project, the Trustee is authorized to sell, re-let, or otherwise dispose of its interest in the Series 2025A Project, or any portion thereof, for the benefit of the Owners of the Series 2025A Certificates. See "RISK FACTORS – Limitation Upon Disposition; Ability to Sell or Relet." However, the Restricted Use Property contains deed or other use restrictions requiring that such Restricted Use Property not be used for any Prohibited Uses. Any use of the Restricted Property for Prohibited Uses may trigger legal action by the grantors of the Restricted Use Property to enforce the use restrictions applicable thereto. The Trustee has covenanted in the Series 2025A Supplemental Trust Agreement that, upon an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement and return of possession of the Series 2025A Project to the Corporation, or its assignee, at all times, (i) the Restricted Use Property shall not be used for any Prohibited Uses, and (ii) it will undertake no activities that would trigger legal action by the grantors of the Restricted Use Property to enforce such restrictions. As a result, the Prohibited Uses may impact the ability of the Trustee to use, sell, and relet the Restricted Use Property upon the occurrence of an Event of Non-Appropriation or an Event of Default resulting in the termination of the Series 2025A Lease Agreement. The Trustee, subsequent to payment of all reasonable costs and expenses relating to collection of moneys and reasonable fees and expenses of the Trustee, shall deposit all moneys derived from the sale, re-letting, or other disposition of its interest in the Series 2025A Project, including moneys and damages collected in connection therewith, and all moneys in the Pledged Accounts relating to the Series 2025A Certificates (amounts in the Series 2025A Subaccount of the Project Account for the Series 2025A Project may, at the discretion of the Trustee with the consent or at the direction of the Credit Enhancer, if any, be retained in such subaccount to continue payment of the acquisition and construction of the Series 2025A Project) into a special account established for the sole benefit of the Owners of the Series 2025A Certificates and shall apply moneys in such special account as follows:

(i) if the principal of the Series 2025A Certificates shall not have become or shall not have been declared due and payable, all such money in the special account for the Series 2025A Certificates shall be applied:

First: to the payment to the Persons entitled thereto of all installments of interest on such Series 2025A 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 2025A Certificates;

Second: to the payment to the Persons entitled thereto of the unpaid principal of any Series 2025A Certificates 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 such Series 2025A Certificates 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 2025A Certificates, to the purchase and retirement of such Series 2025A Certificates and to the redemption of such Series 2025A Certificates, all in accordance with the provisions of the Series 2025A Trust Agreement;

Fourth: to the payment of any amounts owed and unpaid to the Credit Bank or Credit Enhancer for the Series 2025A Certificates, if any, or under the reimbursement agreement relating to the Credit Facility for the Series 2025A Certificates, if any; and

Fifth: to the payment of any amounts owing in regard to the Series 2025A Ground Lease; and

Sixth: to the payment of the Board of any surplus moneys.

(ii) If the principal of the Series 2025A Certificates shall have become or shall have been declared due and payable, all such money in the special account established for the Series 2025A Certificates shall be applied to the payment of principal and interest then due upon such Series 2025A Certificates 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 Series 2025A Certificate over any other such Series 2025A 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 to the Credit Bank or Credit Enhancer for such Series 2025A Certificates, if any, or under the reimbursement agreement relating to the Credit Facility for such Series 2025A Certificates, if any, and then to the payment of any amounts owing in regard to the Series 2025A Ground Lease. Any surplus moneys shall be paid to the Board.

(iii) If the principal of such Series 2025A Certificates shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of the Series 2025A Trust Agreement, then, subject to the provisions of paragraph (ii) above, in the event that the principal of such Series 2025A 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 2025A Certificates shall be applied in accordance with the provisions of paragraph (i) above.

IN NO EVENT WILL OWNERS OF THE SERIES 2025A CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF PROJECTS FINANCED OR REFINANCED WITH THE PROCEEDS OF ANOTHER SERIES OF CERTIFICATES EXCEPT FOR ANY CERTIFICATES ISSUED TO REFUND SERIES 2025A CERTIFICATES.

There can be no assurance that the remedies available to the Trustee upon any termination of the Lease Term of all Lease Agreements for non-appropriation or default and the disposition of the Series 2025A Project will produce sufficient amounts to pay the Series 2025A Certificates. See "TAX MATTERS." Further, after such termination of the Lease Term of all Lease Agreements, transfer of Series 2025A Certificates may be subject to the registration provisions of applicable federal and state securities laws. Accordingly, there is no assurance that liquidity of the Series 2025A Certificates will not be impaired following termination of the Lease Term of the Lease Agreements. See "RISK FACTORS."

THE CORPORATION

The 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 Schools serves as ex-officio Secretary/Treasurer of 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 re-let 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 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.

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ESTIMATED SOURCES AND USES OF SERIES 2025A CERTIFICATE PROCEEDS

SOURCES OF FUNDS:

Par Amount of Series 2025A Certificates	\$ _____
[Plus/Minus][Net] Original Issue [Premium][Discount]	_____
Total Sources	\$ _____

USES OF FUNDS:

Deposit to Series 2025A Subaccount of the Project Account	\$ _____
Deposit to Series 2025A Subaccount of the Costs of Issuance Account ⁽¹⁾	_____
Total Uses	\$ _____

⁽¹⁾ Includes, without limitation, Underwriters' discount, legal, accounting and financial advisory fees, printing costs, the Policy premium, if any, and other costs associated with the issuance of the Series 2025A Certificates.

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CERTIFICATE PAYMENT SCHEDULES

Payment requirements (rounded to nearest whole dollar) on the Outstanding Certificates and the Series 2025A Certificates are as follows (totals may not add due to rounding):

Year Ending July 1	Series 2010A-QSCB Certificates ⁽¹⁾	Series 2015 Certificates	Series 2016A Certificates	Series 2017A Certificates	Series 2023A Certificates	Series 2025A Certificates			Total Combined Annual Payments
						Principal Component	Interest Component	Debt Service	
2025	\$1,031,842	\$4,453,358	\$4,458,750	\$3,798,985	\$8,276,500				
2026	1,031,842	4,454,076	4,458,000	3,807,259	8,272,000				
2027	1,031,842	4,451,290	4,459,500	3,803,220	8,276,000				
2028	1,031,842		9,172,750	3,802,125	8,013,000				
2029	1,031,842		9,171,750	3,803,845	8,011,250				
2030	1,031,842			3,803,253	17,188,250				
2031				3,805,347	18,215,000				
2032					22,021,000				
2033					22,023,500				
2034					22,021,750				
2035					22,019,000				
2036					22,018,250				
2037					22,022,250				
2038					22,018,500				
2039									
2040									
2041									
Total	\$6,191,052	\$13,358,724	\$31,720,750	\$26,624,034	\$230,396,250				

⁽¹⁾ The Series 2010A-QSCB Certificates are currently outstanding in the aggregate principal amount of \$19,920,000. The amounts shown in this column represent the Board's payment obligations with respect to the Series 2010A-QSCB Lease less the expected interest rate subsidy. Such interest rate subsidy is subject to 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, 2025, the sequestration rate equals 5.7%. Such amount may change over time. See "RISK FACTORS – Sequestration" herein. It is anticipated that such deposits, plus investment earnings thereon, will be sufficient to pay the Series 2010A-QSCB Certificates at maturity October 1, 2029.

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THE SCHOOL BOARD OF MANATEE 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 District. The geographic boundaries of the District are coterminous with those of Manatee County, Florida (the "County"). For Fiscal Year 2024-25, the District has budgeted for the operation of 54 schools with 56,470 students (unweighted full time equivalent ("FTE")) and, the employment of approximately 6,057 permanent employees, of which 2,938 are certified teaching personnel. 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 Manatee County Property Appraiser (the "Property Appraiser"). The Manatee 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. The Board is the governing body of the District, consisting of members elected County-wide for overlapping four-year terms. The District is divided into five county school board member residence districts and each of the members of the Board is required to be a resident of the school board member residence district from which he or she is elected. 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, establishment and operation of programs for Exceptional Student Education ("ESE") 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 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, their offices, if any, and the expiration of their respective terms are as follows:

<u>Name</u>	<u>District</u>	<u>Term Expires</u>
Chad Choate III, Chair	4	November, 2026
Cindy Spray, Vice Chair	2	November, 2026
Heather Felton	1	November, 2028
Charles Kennedy	3	November, 2028
Richard Tatem	5	November, 2026

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, directing preparation of 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 Florida Department of Education ("FDOE"). His current contract was effective July 3, 2023 and will expire on June 30, 2026, unless sooner extended pursuant to the renewal provisions set forth in the contract.

Dr. Jason C. Wysong, Superintendent of Schools. Dr. Jason Wysong is serving his 2nd year as Superintendent of the District. Dr. Wysong has over 25 years' experience in K-12 education. He began his career in education as a teacher of high school social studies and coach of nationally competitive debate teams at two secondary schools in central Florida over seven years. He then spent the next 16 years with Seminole County Public Schools, beginning there as a high school administrator. He moved to the district office four years later, working in several instructional positions and culminating as Deputy Superintendent, a role in which he led K-12 instruction and organized strategic action across all district departments and schools. Dr. Wysong attended K-12 schools in Miami-Dade County, Florida followed by two degrees from the University of Florida (B.A., Political Science & History; M.Ed., Social Studies Education) and two more from the University of Central Florida (Ed.S., Educational Leadership; Ed.D. Educational Leadership). Dr. Wysong is a Manatee County homeowner and resides there with his wife—a school administrator in Pinellas County, Florida—and their son, who attends a District middle school.

Administration

Rachel Sellers, Deputy Superintendent of Business Services. Mrs. Sellers has been the Deputy Superintendent of Business Services for the District since January 2023. Prior to coming to the District, Mrs. Sellers worked 32 years at the State of Florida Auditor General and was Audit Supervisor between 2017 and 2023. Mrs. Sellers has a Master's Degree in Accountancy (MACC) and has been a Certified Public Accountant since 1992.

Catherine Miley Hayden, Director of Finance. Ms. Hayden has been the Director of Finance since February of 2022. Prior to holding this position Ms. Hayden has worked in various other finance positions with the District starting in 2001.

Employee Relations

The professional staff of the District includes teachers, supervisors, analysts, specialists and administrators. Other personnel include teachers' aides, clerks and secretaries, bus drivers, cafeteria personnel, custodial and maintenance workers and mechanics. As of September 6, 2024, the Board employed approximately 6,057 employees. Approximately 2,938 instructors are represented by the Manatee Education Association (the "Education Association"). The three year contract between the Board and the Education Association expires June 30, 2025. Approximately 918 support personnel of the District are represented by the American Federation of State, County, and Municipal Employees, Local 1584 ("Support Association"). The three year contract between the Board and the Support Association expires June 30, 2026. The Board and the Support Association engaged in collective bargaining concerning salary and contract terms related to such contract and were unable to reach consensus on an agreement. On November 20, 2024, the Board declared negotiations with the Support Association to be at an impasse. On February 19, 2025, a hearing was held before a special magistrate. At this time, the District is unable to determine when the special magistrate will make its recommendation or what such recommendation will be. State law requires operating under the current contract until a new contract has been negotiated and

approved, and prevents public employees and employee organizations from conducting a strike or instigating a strike against a public employer. The remaining employees, who are primarily administrators, are not represented by a union and are not subject to a collective bargaining agreement.

Academics

During the Fiscal Year 2024-25, the Board has budgeted to operate 54 schools, including 31 elementary schools, nine middle schools, two combination K-8 schools, seven high schools, one alternative education school, one ESE Center, one post-secondary school (operated at two sites), and two virtual schools. The District also has budgeted to sponsor 12 contract sites (including four Department of Juvenile Justice sites), and 15 charter schools.

The District provides standards based programs to serve students of widely varying academic levels, interests, and needs. The largest numbers of students are served in the K-12 basic programs. These include programs in reading and language arts, mathematics, science, social studies, the arts, foreign language, technology, and physical education/health.

The focus at the District's elementary schools is to provide a solid foundation in the core academic areas and to introduce students to experiences in the fine arts and technology. The elementary school program emphasizes basic skills including reading, writing, language arts, and mathematics. Balance curriculum also includes instruction in science, computer literacy, health, social studies, art, music, and physical education. Advanced students may take courses above their grade level, including middle school options virtually.

At the middle school level, the academic courses extend the fundamental skills, and students begin instructional programs in areas of personal interest. The middle 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. Advanced students may take high school level courses for credit in the traditional classroom or other areas virtually.

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.

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. The Superintendent, with input from staff, principals, the budget committee and interested community groups, prepares and submits to the Board a recommended budget. The Board adopts the recommended budget, with such modifications as it deems necessary, as the tentative budget for the District. After public hearings on the tentative budget, the Board adopts a final budget and forwards it to the FDOE. When approved by the FDOE, the final budget is designated as the official budget and governs the general operations for the Fiscal Year, unless subsequently amended by the Board. The final budget for Fiscal Year 2024-25 was adopted by the Board on September 10, 2024. See "AD VALOREM TAXATION – Millage Set by Local Governing Body."

Statistical Data

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

**SUMMARY OF STATISTICAL DATA
FIVE-YEAR HISTORY**

School Year	Number of Schools ⁽¹⁾	Number of Classroom Instructors ⁽¹⁾	Unweighted FTE Students ⁽¹⁾	Average General Fund Expenditure per FTE Student
2023-2024	54	4,050	54,631	\$10,208
2022-2023	54	3,842	52,130	9,470
2021-2022	54	3,773	50,680	9,100
2020-2021	53	3,734	48,826	9,571
2019-2020	53	3,770	49,436	9,453

⁽¹⁾ Does not include the two operating sites of the Manatee Technical College. Includes charter schools.

Source: Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2024.

The following table presents the projected full time equivalent enrollment of the District for the School Years shown:

School Year	Estimated District School FTE Students
2024-25	56,465
2025-26	57,643
2026-27	58,707
2027-28	60,185
2028-29	61,506
2029-30	63,076

Source: State of Florida Office of Economic & Demographic Research, Conference Report for Pre-K-12 Enrollment Education Estimating Conference, Florida School District Programs Unweighted Full-Time Equivalent (FTE) Student Enrollment, July 25, 2024.

FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT

The following briefly describes financial results of the District and certain District liabilities. For additional information concerning such matters, see "APPENDIX B – THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024."

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 Cherry Bekaert LLP to audit its financial operations, whose report for the Fiscal Year ended June 30, 2024 is attached hereto as part of "APPENDIX B – THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024" 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, proprietary, 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 accounting practices of the Board are designed to conform to generally accepted accounting principles applicable to governmental units. GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, and related GASB pronouncements, created new basic financial statements for reporting the District's financial activities. In addition to fund financial statements, the financial statements include government-wide financial statements prepared on the accrual basis of accounting that split the District's programs between government and business-type activities.

Governmental Fund Types

The District reports the following major governmental funds:

General Fund – the primary operating fund of the District 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.

Special Revenue – Federal Education Stabilization Fund – to account for certain Federal grant program resources provided as emergency relief to address the impact of COVID-19 on elementary and secondary education.

Debt Service – Other Debt Service Fund – to account for the accumulation of resources for and the payment of debt principal, interest, and related costs on the sales tax revenue bond, certificates of participation, and other debt service.

Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, motor vehicle purchases, and debt service payments on revenue anticipation notes and certificates of participation.

Capital Projects – Other Capital Projects Fund – to account for various financial resources (e.g., certificates of participation, capital outlay sales tax, impact fees, sales tax revenue bonds, etc.) to be used for educational capital outlay needs, including new construction and renovation and remodeling projects.

Other Fund Types

Additionally, the District reports the following proprietary and fiduciary fund types:

Internal Service Funds – to account for the District's self-insurance programs.

Private-Purpose Trust Funds – to account for financial fees and other moneys for which principal and income benefit individuals or private organizations.

Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Entitlements are recorded as revenues when all eligibility requirements are met, including time requirements, and the amount is received during the period or within the availability period for this revenue sources (within 60 days of year-end). Property taxes, sales taxes, state education funding, and interest associated with the current fiscal period are all considered to

be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, pension benefits, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under installment-purchases are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

Auditing System

In addition to local internal audits, other budget reviews are conducted. FDOE 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 FDOE 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. The District also formed the Audit Planning and Review committee consisting of seven members, in accordance with the Office of Program Policy and Governmental Accountability ("OPPAGA").

General Fund Operations

The Board's general fund revenues are derived from federal and State appropriations and local sources. The table on the following page summarizes results of operations for the general fund for the Fiscal Years 2019-20 through 2023-24, audited, and for Fiscal Year 2024-25, budgeted.

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SUMMARY OF GENERAL FUND OPERATIONS

	Fiscal Year Ended					Budgeted
	Audited					
	2020	2021	2022	2023	2024	
REVENUES:						
Federal Direct	\$649,906	\$750,512	\$749,700	\$732,434	\$726,739	\$1,628,584
Federal Through State and Local	3,763,777	5,006,938	1,939,306	3,495,318	3,660,975	115,000
State Sources	192,192,667	196,784,536	187,138,943	184,980,433	185,008,659	182,478,158
Local Sources	238,180,755	247,931,155	265,568,492	320,453,994	378,119,001	391,290,818
TOTAL REVENUES⁽¹⁾	\$434,787,105	\$450,473,141	\$455,396,441	\$509,662,180	\$567,515,374	\$575,512,560
EXPENDITURES:						
Current:						
Instruction	\$297,824,003	\$303,272,540	\$301,302,466	\$324,735,487	\$365,978,998	\$436,533,273
Student Personnel Services	23,014,035	18,015,851	15,040,187	15,367,967	22,072,115	30,119,211
Instructional Media Services	4,795,102	4,705,713	4,887,865	5,089,535	5,593,720	5,750,308
Instruction and Curriculum Development	6,936,991	7,004,812	7,187,656	7,352,744	8,299,135	9,038,935
Instructional Staff Training Services	1,618,454	2,015,570	1,216,101	635,821	1,132,522	2,017,137
Instructional Related Technology	112,334	119,382	121,211	-	438	147
School Board	1,168,954	1,501,137	1,541,080	1,186,783	1,045,489	1,630,123
General Administration	2,377,483	2,320,133	2,328,824	2,431,291	3,188,074	4,440,064
School Administration	29,618,039	31,093,109	31,552,070	32,169,007	33,503,034	38,952,677
Facilities Services	7,015,445	5,073,128	5,284,781	6,224,044	7,090,896	9,185,506
Fiscal Services	3,066,574	2,891,527	2,771,429	3,196,578	3,428,798	3,881,577
Central Services	9,928,956	10,204,671	10,562,664	10,938,993	13,481,909	16,646,461
Student Transportation Services	16,466,215	14,505,548	15,830,787	15,950,247	16,945,833	21,243,010
Operation of Plant	33,587,322	35,336,012	38,158,603	42,007,717	46,934,719	53,906,399
Maintenance of Plant	9,859,799	9,568,785	8,978,815	9,530,352	10,012,619	12,340,728
Administrative Technology Services	9,364,105	7,444,604	7,294,610	7,354,769	7,726,620	9,114,384
Community Services	5,167,440	4,634,328	5,922,718	6,867,699	6,994,255	6,944,106
Capital Outlay:						
Facilities Acquisition and Construction	15,691	27,329	-	18,571	-	-
Other Capital Outlay	5,085,700	1,702,237	1,146,457	1,264,881	2,498,134	-
Debt Service:						
Interest and Fiscal Charges	281,450	110,842	67,046	1,325,590	1,728,542	655,377
TOTAL EXPENDITURES⁽¹⁾	\$467,304,092	\$461,547,258	\$461,195,370	\$493,648,077	\$557,655,850	\$662,399,420
Excess (Deficiency) of Revenues Over Expenditures	\$(32,516,987)	\$(11,074,117)	\$(5,798,929)	\$16,014,102	\$9,859,524	\$(86,886,860)
OTHER FINANCING SOURCES:						
Other Loss Recovery	-	-	-	-	821,389	-
Proceeds from the Sale of Capital Assets	-	-	-	14,100,000	-	-
Transfers In	22,320,810	21,811,513	20,731,449	21,341,924	21,098,934	24,916,839
Transfers Out	-	(168,460)	(6,804,370)	(15,882,389)	(5,000,000)	-
TOTAL OTHER FINANCING SOURCES⁽¹⁾	\$22,320,810	\$21,643,053	\$13,927,079	\$19,559,535	\$16,920,323	\$24,916,839
Net Change in Fund Balances⁽²⁾	\$(10,196,177)	\$10,568,936	\$8,128,150	\$35,573,637	\$26,779,847	\$(61,970,021)
FUND BALANCES, Beginning⁽²⁾	\$39,214,896	\$31,691,250	\$42,260,186	50,388,336	85,961,973	112,741,820
FUND BALANCES, Ending⁽¹⁾⁽³⁾	\$29,018,719	\$42,260,186	\$50,388,336	\$85,961,973	\$112,741,820	\$50,771,779
Nonspendable	589,122	864,873	691,636	643,367	517,798	517,798
Restricted	11,747,589	12,718,111	6,950,507	14,186,759	24,150,309	1,009,672
Assigned	5,877,706	4,917,553	6,482,925	9,528,799	3,691,267	-
Unassigned	10,804,302	23,759,649	36,263,268	61,603,049	84,382,446	49,244,329

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ The fund balance for Fiscal Year 2020-21 was adjusted by \$2,672,531 due to a restatement of beginning net position resulting from the adoption of Governmental Accounting Standards Board ("GASB") Statement No. 84, Fiduciary Activities, which caused the beginning fund balance for Fiscal Year 2021-22 to be \$31,691,250.

⁽³⁾ The ending fund balance in prior years represent the funds remaining at the end of that fiscal year after all expenses have occurred. For budgetary purposes, Florida law generally requires school districts to formulate a budget where revenues plus beginning fund balance equals expenditures. Accordingly, the budgeted ending fund balance in Fiscal Year 2024-25 represents only those funds set aside in reserve accounts. All other funds have spread through school and budget departments. Based on actual Fiscal Year 2024-25 Revenues and Expenditures to date, the District estimates its Fiscal Year 2024-25 ending fund balance to be approximately \$71.9 million at June 30, 2025.

Sources: For the Fiscal Years 2019-20 through 2022-24, Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2020 through 2024. For Fiscal Year 2024-25, District Annual Budget for the Fiscal Year 2024-25, dated September 10, 2024.

Required General Fund Ending Balance

Section 1011.051, Florida Statutes, entitled "Guidelines for general funds" requires that if a school district's General Fund ending balance not classified as restricted, committed, or nonspendable in the approved operating budget is projected to fall below 3% of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education (the "Commissioner"). The section further requires that if the General Fund ending balance not classified as restricted, committed or nonspendable is projected to fall below 2% of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification of a balance below 2%, if the Commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to Florida Statutes pertaining thereto, the Commissioner shall appoint a financial emergency board that may take certain delineated steps to assist a district school board in complying with the General Fund requirements. The table below shows the assigned and unassigned ending fund balances and percentage of General Fund revenues for the Fiscal Years shown below:

ASSIGNED AND UNASSIGNED ENDING FUND BALANCE FOR THE DISTRICT'S GENERAL FUND

Fiscal Year Ended June 30	Assigned and Unassigned Ending General Fund Balance ⁽²⁾	Percentage of General Fund Revenues
2020	\$16,682,008	3.84%
2021	28,677,202	6.37
2022	42,746,193	9.39
2023	71,131,848	13.96
2024	88,073,713	15.52
2025 ⁽¹⁾	49,244,329	8.56

⁽¹⁾ Budgeted. Based on actual Fiscal Year 2024-25 Revenues and Expenditures to date, the District estimates its Fiscal Year 2024-25 assigned and unassigned ending fund balance to be approximately \$53.2 million at June 30, 2025.

⁽²⁾ The assigned and unassigned general fund balance in prior years represent the funds remaining at the end of that fiscal year after all expenses have occurred. For budgetary purposes, Florida law generally requires school districts to formulate a budget where revenues plus beginning fund balance equals expenditures. Accordingly, the budgeted ending assigned and unassigned general fund balance in Fiscal Year 2024-25 represents only those funds set aside in assigned and unassigned reserve accounts. All other funds have spread through school and budget departments.

Sources: For the Fiscal Years 2019-20 through 2022-24, Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2020 through 2024. For Fiscal Year 2024-25, District Annual Budget for the Fiscal Year 2024-25, dated September 10, 2024.

Capital Project Funds Operations

The table on the following page summarizes results of operations for the capital project funds for the Fiscal Years 2019-20 through 2023-24, audited, and for Fiscal Year 2024-25, budgeted.

SUMMARY OF CAPITAL PROJECTS FUNDS OPERATIONS

Fiscal Year Ended	Audited					Budgeted
	2020	2021	2022	2023	2024	2025
REVENUES						
State Sources	\$6,690,495	\$5,358,105	\$5,699,151	\$6,771,364	8,882,947	\$16,603,303
Local Sources	114,290,614	130,404,429	145,595,872	176,608,405	211,500,074	206,136,905
TOTAL REVENUES⁽²⁾	\$120,981,109	\$135,762,534	\$151,295,023	\$183,379,769	220,383,021	\$222,740,208
EXPENDITURES						
Current – Education:						
Facilities Services	\$24,480,275	\$29,404,671	\$28,700,699	\$36,335,745	40,606,141	76,199,673
Fixed Capital Outlay:						
Facilities Acquisition and Construction	20,083,144	33,117,597	47,099,615	63,692,105	142,913,637	397,123,541
Charter School Local Capital Outlay Sales Tax	-	2,026,902	2,481,379	2,866,726	3,177,251	5,531,542
Other Capital Outlay	7,658,551	6,495,690	5,339,503	5,559,192	8,844,727	5,582,637
Debt Service						
Principal	557,182	1,699,234	1,710,507	1,608,028	2,064,937	1,819,333
Interest and Fiscal Charges	93,027	56,771	\$122,150	76,466	79,143	-
TOTAL EXPENDITURES⁽²⁾	\$52,872,179	\$72,800,865	\$85,453,853	\$110,138,262	197,685,836	\$486,256,726
Excess (Deficiency) of Revenues Over Expenditures ⁽²⁾	\$68,108,930	\$62,961,669	\$65,841,170	\$73,241,507	\$22,697,185	\$(263,516,518)
OTHER FINANCING SOURCES (USES)						
Inception of Lease Assets	-	4,583,664	1,100,565	265,327	4,032,905	\$401,797
Certificates of Participation	-	-	-	176,212,011	-	140,000,000
Transfers In	-	-	6,804,370	882,389	-	-
Transfers Out	(52,077,904)	(51,497,546)	(42,421,602)	(45,216,425)	(53,880,476)	(58,910,890)
TOTAL OTHER FINANCING SOURCES (USES)⁽²⁾	(\$52,077,904)	(\$46,913,882)	(\$34,516,667)	\$132,143,302	(\$49,847,571)	\$81,490,907
Net Change in Fund Balances⁽²⁾	\$16,031,026	\$16,047,787	\$31,324,503	\$205,384,809	(\$27,150,386)	(\$182,025,611)
FUND BALANCES, Beginning	\$61,842,669	\$77,873,695	\$93,921,482	\$125,245,984	\$330,630,793	\$303,480,407
FUND BALANCE, Ending	\$77,873,695	\$93,921,482	\$125,245,985	\$330,630,793	\$303,480,407	\$121,454,796

⁽¹⁾ Includes the following capital projects funds: Sections 1011.14/1011.15 Loan Fund, Local Capital Improvement Fund, Other Capital Projects Fund, Public Education Capital Outlay Fund, and Capital Outlay & Debt Service Fund.

⁽²⁾ Totals may not add due to rounding.

Sources: For the Fiscal Years 2019-20 through 2022-24, Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2020 through 2024. For Fiscal Year 2024-25, District Annual Budget for the Fiscal Year 2024-25, dated September 10, 2024.

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Direct and Overlapping Debt

The following table summarizes the District's direct and overlapping long-term debt.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct And Overlapping Debt
School District of Manatee County ⁽¹⁾			
Bonds Payable ⁽³⁾	\$1,474,115	100.00%	\$1,474,115
Certificates of Participation ⁽³⁾	260,997,823	100.00%	260,997,823
Leases Payable	3,624,752	100.00%	3,624,752
Installment-Purchases Payable	275,141	100.00%	275,141
Total General Bonded Debt			<u>\$266,371,831</u>
Revenue Bond Payable	99,108,239	100.00%	<u>99,108,239</u>
Total Net General Bonded Direct			<u>\$365,480,070</u>
Overlapping Debt ⁽²⁾			
City of Anna Maria	N/A	N/A	N/A
City of Bradenton	\$19,682,485	100.00	\$19,682,485
Town of Longboat Key	46,416,882	100.00	46,416,882
City of Palmetto	17,969,191	100.00	17,969,191
Manatee County	289,170,000	100.00	<u>289,170,000</u>
Total Overlapping Debt			<u>\$373,238,558</u>
Total Direct and Overlapping Debt			<u>\$738,718,628</u>

⁽¹⁾ As of June 30, 2024.

⁽²⁾ Information was obtained from the September 30, 2023 financial statements of each respective governmental entity. Since the geographic boundaries of each governmental entity is within the geographic boundaries for which the District services, 100% of the debt has been included.

⁽³⁾ Amount includes premiums and discounts.

Sources: Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2024.

Retirement and Other Post-Employment Benefits

Florida Retirement System. Essentially all regular employees of the District are eligible to enroll as members of the Florida Retirement System (the "FRS"). The FRS is a single retirement system administered by the Florida Department of Management Services ("DMS"), and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (the "FRS Pension Plan"), a Deferred Retirement Option Program (the "DROP"), a Retirement Health Insurance Subsidy Plan (the "HIS Plan"), and a defined-contribution plan, referred to as the Florida Retirement System Investment Plan (the "Investment Plan"). A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information,

actuarial report, information about the FRS's fiduciary net position, and other relevant information, is available from the DMS at: www.dms.myflorida.com.

FRS Pension Plan. The State Legislature establishes contribution rates for employers and employees participating in the FRS Pension Plan. The District's contributions to the FRS Pension Plan totaled \$30,275,339 for the Fiscal Year 2023-24. At June 30, 2024, the District reported a liability of \$224,442,812 for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.5632%, which was an decrease of 0.0325% from its proportionate share of 0.5957% measured as of June 30, 2022. For the fiscal year ended June 30, 2024, the District recognized the FRS Pension Plan pension expense of \$46,063,118.

HIS Plan. The HIS Plan is funded by required contributions from FRS participating employers as set by the State Legislature. The District's contributions to the HIS Pension Plan totaled \$6,313,185 for the fiscal year ended June 30, 2024. At June 30, 2024, the District reported a net pension liability of \$120,775,140 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, and update procedures were used to determine the net pension liability as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.7605 percent, which was a decrease of 0.0227 percent from its proportionate share of 0.7832 percent measured as of June 30, 2022. For the fiscal year ended June 30, 2024, the District recognized the HIS Plan pension expense of \$45,619,452.

Investment Plan. The District's Investment Plan pension expense totaled \$13,135,257 for Fiscal Year 2023-24.

ALL POTENTIAL PURCHASERS OF THE SERIES 2025A CERTIFICATES SHOULD REVIEW NOTE III.E OF THE NOTES TO THE BASIC FINANCIAL STATEMENTS AND THE REQUIRED SUPPLEMENTARY INFORMATION CONTAINED IN THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL BOARD FOR FISCAL YEAR ENDED JUNE 30, 2024 ATTACHED HERETO AS "APPENDIX B – THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024." SUCH NOTE III.E AND THE REQUIRED SUPPLEMENTARY INFORMATION CONTAIN DESCRIPTIONS OF, AND MATERIAL FINANCIAL INFORMATION CONCERNING, THE FRS PENSION PLAN, THE HIS PLAN, AND THE INVESTMENT PLAN.

Other Post Employment Benefit Program. The Other Postemployment Benefits Plan ("OPEB") is a single employer defined benefit plan administered by the District that provides healthcare and prescription drug insurance benefits for all employees who satisfy the District's retirement eligibility provisions. The District's total OPEB liability of \$15,949,815 was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023, and updated procedures were used to determine

the OPEB liability as of June 30, 2024. For Fiscal Year ended June 30, 2023, the District recognized OPEB expense of \$2,681,467.

ALL POTENTIAL PURCHASERS OF THE SERIES 2025A CERTIFICATES SHOULD REVIEW NOTE III.F OF THE NOTES TO THE BASIC FINANCIAL STATEMENTS AND THE REQUIRED SUPPLEMENTARY INFORMATION CONTAINED IN THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL BOARD FOR FISCAL YEAR ENDED JUNE 30, 2024 ATTACHED HERETO AS "APPENDIX B – THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024." SUCH NOTE III.F AND THE REQUIRED SUPPLEMENTARY INFORMATION CONTAIN DESCRIPTIONS OF, AND MATERIAL FINANCIAL INFORMATION CONCERNING, THE OPEB.

Investment Policy

Assets of the District are governed by an investment policy adopted by the Board on June 27, 2017, under the provisions of Section 1001.41, Florida Statutes, as amended. Furthermore, the investment of certain assets held under the Series 2025A Trust Agreement are also governed by the terms and provisions of the Series 2025A Trust Agreement.

Pursuant to the District's investment policy, the Superintendent will invest all temporarily idle funds not needed for immediate disbursement to cover Board obligations in order to maximize investment income. The following are authorized investments under the investment policy:

- (a) Florida PRIME;
- (b) United States Government Securities;
- (c) United States Government Agencies (full faith & credit of the United States Government);
- (d) Federal Instrumentalities (United States Government Sponsored Enterprises "GSE");
- (e) Interest Bearing Time Deposit or Saving Accounts;
- (f) Repurchase Agreements;
- (g) Commercial Paper;
- (h) Corporate Notes;
- (i) States and/or Local Government Taxable and/or Tax-Exempt Debt;
- (j) Registered Investment Companies (Money Market);
- (k) Short Term Bond Fund; and
- (l) Intergovernmental Investment Pool.

The investment policy described above may be revised by the Board from time to time.

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 sources are briefly described below. In Fiscal Year 2024-25, excluding borrowing proceeds and existing fund balances, the Board has budgeted that approximately 7.45% of the annual revenues for capital improvements will be provided by State sources and approximately 92.55% will be provided by local sources.

State Sources

Public Education Capital Outlay. One 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 Constitution of the State of Florida. 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 administers the PECO program and allocates or reallocates funds as authorized by law. In recent years, almost all PECO funds have been allocated to charter schools in the State. The Board received \$109,511 and \$1,022,784 in PECO funds for Fiscal Years 2022-23 and 2023-24, respectively. The Board did not receive any PECO funds for Fiscal Years 2019-20, 2020-21, or 2021-22. The Board has budgeted to receive \$3,748,001 in PECO funds for Fiscal Year 2024-25.

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 \$1,293,177, \$1,356,739, \$1,442,884, \$1,567,895, and \$1,771,556 in CO&DS funds for Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24, respectively. The Board has budgeted to receive \$1,712,268 in CO&DS funds for Fiscal Year 2024-25. CO&DS funds 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. The Series 2025A Project is not on the project priority list.

Capital Outlay Bonds. Annually, the State offers to bond a portion of future CO&DS funds for school districts. The 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. CO&DS funds in the amount of \$591,731, \$486,602, \$472,543, \$410,181, \$325,760 were withheld from the allocations in Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24, respectively. The District has budgeted to have \$339,800 in CO&DS funds withheld in Fiscal Year 2024-25. See "FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT – Direct and Overlapping Debt" herein.

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 in large part from real and tangible personal property taxes. There are no local non-property taxes levied specifically for schools. In addition, the District receives local option sales surtax revenues, educational impact fees, and earns interest on cash invested and collects other miscellaneous revenues.

AS DESCRIBED HEREIN, THE DISTRICT EXPECTS TO PAY THE BASIC RENT PAYMENTS WITH RESPECT TO THE SERIES 2025A CERTIFICATES FROM THE EDUCATIONAL IMPACT FEES AND THE CAPITAL OUTLAY MILLAGE, EACH AS DESCRIBED BELOW. NOTWITHSTANDING THE FOREGOING, THE BOARD DOES NOT HAVE THE ABILITY TO APPROPRIATE BASIC RENT PAYMENTS FOR ONE LEASE OR SOME COMBINATION OF LEASE ONLY. THE BOARD'S ANNUAL APPROPRIATION FOR BASIC RENT PAYMENTS MUST BE FOR ALL LEASES UNDER THE MASTER LEASE PROGRAM OR IT MUST TERMINATE ALL LEASES UNDER THE MASTER LEASE. IN THE EVENT THE BOARD DECIDES NOT TO APPROPRIATE FUNDS IN ITS ANNUAL BUDGET FOR ALL OF SUCH LEASES, THE BOARD WOULD, AT THE TRUSTEE'S OPTION, HAVE TO SURRENDER PROJECTS, INCLUDING THE SERIES 2025A PROJECT, TO THE TRUSTEE FOR THE BENEFIT OF THE OWNERS OF THE CERTIFICATES WHICH FINANCED OR REFINANCED SUCH PROJECTS.

Capital Outlay Millage Levy. Local revenue for school district support is derived primarily from real and tangible personal property taxes. See also "AD VALOREM TAXATION."

School boards may levy non voted millage for capital outlay and maintenance purposes, pursuant to Section 1011.71(2), Florida Statutes (the "Capital Outlay Millage"). Revenues from the Capital Outlay Millage may be used to fund, among other things, new construction, remodeling, site acquisition and improvement; maintenance and repair; school bus purchases; payments under lease purchase agreements and certain short-term loans.

The maximum amount of Capital Outlay Millage may be up to 1.50 mills (each mill represents \$1 of tax assessment per \$1,000 of property value assessment, subject to certain exclusions). For each Fiscal Year since Fiscal Year 2019-20, the Board has levied a Capital Outlay Millage of 1.500 mills. The revenues generated from the Capital Outlay Millage received by the Board for Fiscal Years, 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 are \$60,516,116, \$64,261,360, \$69,048,580, \$86,830,455, and \$104,265,829, respectively. The Board has budgeted to receive \$113,267,626 of revenues generated from the Capital Outlay Millage for Fiscal Year 2024-25.

Payment of Lease Payments from the Capital Outlay Millage may not exceed three-fourths of the revenues generated from the Capital Outlay Millage; however, such three-fourths limitation is waived for lease-purchase agreements originally entered into prior to June 30, 2009. The three-fourths limitation is applicable to the Series 2010A-QSCB Lease Agreement and the Series 2011A Lease Agreement.

If revenue generated from the Capital Outlay Millage is 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 revenue from the Capital Outlay Millage is insufficient to make payments due under a lease-purchase agreement

entered into prior to June 30, 2009, or to meet other critical school district fixed capital outlay needs, a school board may elect to levy a capital outlay discretionary millage up to an additional 0.25 mills (the "Capital Outlay Discretionary Millage"). The Capital Outlay Discretionary Millage is in addition to the 1.50 mills Capital Outlay Millage and is in lieu of levying an equivalent amount of the Current Operating Discretionary Millage. The District did not levy any Capital Outlay Discretionary Millage for the Fiscal Years 2019-2020 through 2023-24, and has not budgeted to levy any Capital Outlay Discretionary Millage for the Fiscal Year 2024-25. See "AD VALOREM TAXATION – Millage Set by Local Governing Body."

Maximum Construction Cost Limits. A school board may not use revenues from the Capital Outlay Millage to pay for any portion of the cost of any new construction of educational plant space with a total cost per student station, including change orders, in excess of the amounts set forth in Section 1013.64(6)(b)1., Florida Statutes, as adjusted (the "Maximum Cost Per Student Station"). For purposes of calculating the Maximum Cost Per Student Station, certain costs such as legal and administrative costs, site improvement costs (incidental to construction), costs related to hurricane sheltering/hardening, and school security/hardening capital improvements, among other costs, are not included. However, if the new construction of educational plant space is subject to a lease-purchase agreement entered into pursuant to Section 1011.71(2)(e), Florida Statutes (such as the Series 2025A Lease Agreement), a district school board (i) may use certain other funding sources (including the Surtax (as defined herein), educational impact fees, and voter approved ad valorem taxes, in each case if legally available for such purpose) to pay for the new construction of educational plant space, and (ii) may, but is not required to, use the Capital Outlay Millage and certain state funding sources to pay for the portion of the cost for new construction of educational plant space which does not exceed the Maximum Cost Per Student Station requirements or to costs which are not included in Maximum Cost Per Student Station calculation. See "RISK FACTORS – Construction Cost Maximums" herein.

On March 27, 2023, the Governor of the State approved House Bill No. 1 ("HB 1"), which provides that an unfinished construction project for new construction of educational plant space that was started on or before July 1, 2026, is exempt from the Maximum Cost Per Student Station. In 2024, the Florida Legislature enacted Senate Bill 7002 ("SB 7002"), which extends the exemption from the Maximum Cost Per Student Station to July 1, 2028. The Series 2025A Project is a construction project for new construction of educational plant space that will be started on or before July 1, 2028 and is exempt from the Maximum Cost Per Student Station.

Sharing of Capital Outlay Millage with Charter Schools. On May 11, 2023, CS/CS/HB Bill 1259 ("HB 1259") was signed into law by the Governor of the State. HB 1259 modifies the provisions of Section 1013.62, Florida Statutes, relating to Capital Outlay Millage revenues that are required to be shared with eligible charter schools in each school district in the State. HB 1259 removes a previously existing State funding threshold for purposes of determining whether Capital Outlay Millage revenues must be shared with eligible charter schools in a school district and establishes a five-year glide path of local sharing of Capital Outlay Millage revenues between each school district in the State and eligible charter schools therein. The calculation methodology set forth in HB 1259 first reduces a school district's available Capital Outlay Millage revenues by the school district's annual debt service for obligations incurred as of March 1, 2017, which are being satisfied by the Capital Outlay Millage revenues and which have not been subsequently retired. The remaining Capital Outlay Millage revenues are then divided by the sum of (a) the school district's capital outlay FTE students and (b) the total number of FTE students at eligible charter schools in the school district to determine a capital outlay allocation per FTE student. Next, such capital outlay allocation per FTE student is multiplied by the total number of FTE students at each eligible charter school in the school district to determine a capital outlay allocation for each charter school

in the school district. Next, if applicable, the capital outlay allocation to each charter school would be reduced by the total amount of State funds allocated to each charter school in the school district thereby reducing the amount of Capital Outlay Millage revenues required to be shared by the school district. The remaining amount, if any, is the amount the school district must share with eligible charter schools in the school district in such year. However, the legislation provides for a five-year phase in for such amounts so that the amount to be paid by the school district for each year pursuant to the above-described methodology was multiplied by 20% for Fiscal 2023-24 and increases by 20% each year until Fiscal Year 2027-28 at which time it would equal 100% of the amount described in the preceding sentence. HB 1259 took effect on July 1, 2023. These provisions of HB 1259 are expected to reduce the amount of Capital Outlay Millage revenues available to the Board to make Basic Rent Payments on the Series 2025A Certificates. The amount of Capital Outlay Millage revenues budgeted to be shared with charter schools for Fiscal Year 2024-25 is approximately \$5,329,781. Such amount is projected to increase to approximately \$24,539,931 by Fiscal Year 2028-29. However, the Board does not expect any such reduction to adversely impact its ability to make Basic Rent Payments on the Series 2025A Certificates or the Prior Certificates.

Primary Source of Lease Payments. The Capital Outlay Millage is the Board's primary source of payment of Lease Payments on the Series 2025A Lease Agreement and the Prior Leases. The Board is not required to levy any Capital Outlay Millage in the future. Since revenues from the levy of the Capital Outlay Millage may be used for, but not pledged to, the payment of Lease Payments under the Leases, the failure of the Board to levy any of the Capital Outlay Millage would have an adverse effect on available revenues from which the Board may appropriate to make Lease Payments. Additionally, the Capital Outlay Millage revenues are required to be shared with eligible charter schools in the District. See "AD VALOREM TAXATION – Legislation Relating to Ad Valorem Taxation" and "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Distribution of Capital Outlay Millage Revenues to Charter Schools" for information concerning legislation that may adversely affect the District's taxable assessed valuation, the levy of the Capital Outlay Millage, and the Capital Outlay Millage available to make Lease Payments.

The following table sets forth the Capital Outlay Millage levy that would provide 1.00x coverage of the maximum annual Basic Rent Payments represented by the Prior Certificates and the Series 2025A Certificates, based on current law and assuming 96% collection of the taxes levied:

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**ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY REQUIRED TO COVER MAXIMUM ANNUAL PAYMENTS
REPRESENTED BY THE PRIOR CERTIFICATES AND THE SERIES 2025A CERTIFICATES**

<i>Fiscal Year 2024-25</i>	
Net Taxable Assessed Valuation ⁽¹⁾	\$78,658,074,018
Capital Outlay Millage Levy	1.500
Assumed Tax Collection Rate	96%
Total Revenue Generated by 1.500 mill Levy at 96.0% Collection	\$113,267,627
<i>Capital Outlay Millage Required to Satisfy Maximum Annual Basic Rent Payments Represented by the Prior Certificates and the Series 2025A Certificates</i>	
Maximum Annual Basic Rent Payments Represented by the Prior Certificates and the Series 2025A Certificates (Fiscal Year 2029-30) ⁽²⁾⁽³⁾	\$33,359,845
Minimum Capital Outlay Millage Required to Satisfy Maximum Annual Basic Rent Payments Represented by the Prior Certificates and the Series 2025A Certificates ⁽²⁾⁽³⁾⁽⁴⁾	0.442 mills
<i>Sharing of the Capital Outlay Millage with Eligible Charter Schools</i>	
Total Estimated Capital Outlay Millage Revenues Required to be Shared with Eligible Charter Schools ⁽⁵⁾	\$5,329,781
Capital Outlay Millage Anticipated to be Shared with Eligible Charter Schools ⁽⁵⁾	0.071 mills
<i>Capital Outlay Millage Available After Basic Rent Payments and Charter School Payments</i>	
Anticipated Remaining Capital Outlay Millage ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	0.988 mills
Total Estimated Capital Outlay Millage Revenue Remaining ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	\$74,578,011

⁽¹⁾ Such figure is subject to change through the value adjustment board process. See "AD VALOREM TAXATION – Property Assessment and County Property Appraiser."

⁽²⁾ As described above, the Series 2025A Project is not subject to the Maximum Cost Per Student Station. Therefore, for purposes of this table, the Basic Rent Payments represented by the Series 2025A Certificates represent 100% of the Basic Rent Payments under the Series 2025A Lease Agreement.

⁽³⁾ Preliminary, subject to change. Assumes the issuance of \$139,255,000 in principal amount of Series 2025A Certificates with a true interest cost of 4.13% and a final maturity of July 1, 2045. Assumes the Outstanding Certificates have the financial arrangements, assumptions, and accounting practices described in footnotes under "CERTIFICATE PAYMENT SCHEDULE." See "ESTIMATED SOURCES AND USES OF FUNDS."

⁽⁴⁾ The Series 2010A-QSCB Lease Agreement, the Series 2011A Lease Agreement, the Series 2025A Lease Agreement, and the Series 2023A Lease are subject to the 75% limitation on the use of the Capital Outlay Millage revenues for the payment of lease-purchase agreements and therefore, such limitation is taken into account in calculating the estimated millage levy that would satisfy the Maximum Annual Basic Rent Payments. Based on the current millage levy of 1.50 mills, the 75% limitation is 1.125 mills, of which the District is utilizing 0.442 mills in order to satisfy the Maximum Annual Basic Rent Payments Represented by the Series 2025A Certificates and the Prior Certificates.

⁽⁵⁾ Based on requirements of HB 1259 as estimated by the District using information from the Fiscal Year 2024-25. Such estimate is subject to change, and the actual amount may vary from that estimated and such variation could be material. This figure estimates the amount required to be shared with eligible charter schools for Fiscal Year 2024-25, which represents the amount due for the second year of the five year phase-in. Such amount is projected to increase to approximately \$24,539,931 by Fiscal Year 2028-29; however, at this time, the actual amount of the Capital Outlay Millage revenues to be shared with eligible charter schools in future years cannot be determined because the amount of tax collections and charter school enrollment are unknown. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Sources - Sharing of Capital Outlay Millage with Charter Schools" herein.

School Capital Outlay Surtax. Section 212.055(6), Florida Statutes, authorizes school boards to impose a discretionary sales surtax of 0.5% per dollar for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of five or more years, and any land acquisition, land improvement, design and engineering costs related thereto, as well as retrofitting and providing for technology implementation, including hardware and software for various sites within the District. Surtax revenues may be used for the purpose of servicing bond indebtedness to finance projects authorized by Section 212.055(6), Florida Statutes, and any interest accrued thereto may be held in trust to finance such projects. However, neither the surtax revenues nor any interest accrued thereto may be used for operational expenses. The levy of the surtax must be approved by a referendum of the electors of the county in which the school district is located. By statute, the sales amount above \$5,000 on any item of tangible personal property is not subject to the surtax. On November 8, 2016, the citizens of the County approved an extension of the existing discretionary sales surtax of 0.5% (the "Surtax"), to be collected for a 15-year period commencing January 1, 2018, and, expiring on December 31, 2032. The proceeds of the Surtax are used to finance the costs of acquisition, construction, and installation of, and renovation to, certain capital improvements and educational facilities, as well as retrofitting and providing for technology implementation, including hardware and software for various sites, within the District.

The Board received Surtax revenues in the amounts of \$31,282,122, \$36,684,612, \$45,130,466, \$49,701,086, and \$51,689,130 in Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24, respectively, and has budgeted to receive \$53,756,695 in Fiscal Year 2024-25. The Surtax revenues are required to be shared with eligible charter schools in the District, on a pro rata basis. The amount of the Surtax revenues distributed to the District is subject to increase or decrease due to increases or decreases in the dollar volume of taxable sales within the County, legislative changes relating to the Surtax, which may include changes in the scope of taxable sales, and other factors which may be beyond the control of the District, including, but not limited to the potential for increased use of electronic commerce and other internet-related sales activity that could have a material adverse impact upon the amount of sales tax revenues distributed to the District. See "RISK FACTORS – Spread of Highly Contagious, Epidemic, or Pandemic Diseases (COVID-19)" herein.

The District issued its Sales Tax Revenue Bonds, Series 2017 (the "Sales Tax Revenue Bonds"), currently outstanding the principal amount of \$90,120,000. The maximum annual debt service on the Sales Tax Revenue Bonds is equal to \$12,681,500. The Sales Tax Revenue Bonds are limited and special obligations of the District payable solely from and secured by a prior lien upon and pledge of the Surtax Revenues. The District may issue additional sales tax revenue bonds in the future. In the past, the District has used excess Surtax revenues for capital outlay projects and to pay the Basic Rent Payments represented by the Series 2015 Certificates. THE DISTRICT DOES NOT ANTICIPATE USING THE SURTAX REVENUES TO MAKE BASIC RENT PAYMENTS REPRESENTED BY THE SERIES 2025A CERTIFICATES.

Educational Impact Fees. The County imposes an educational impact fee based on an ordinance adopted by the Manatee County Board of County Commissioners (the "BOCC") in 2002 (the "Educational Impact Fees"). This ordinance was most recently amended on June 6, 2024, when Ordinance 24-22 revised the Educational Impact Fees to be collected. The Educational Impact Fees are collected for most new residential construction by the County and each municipality within the County based on an interlocal agreement. The Educational Impact Fees are to be used solely for the purpose of providing capital improvements to the public educational system necessitated by new residential development and are not to be used for any expenditures that would be classified as maintenance or repair expense. The

authorized uses include, but are not limited to, land acquisition; facility design and construction costs; furniture and equipment; and payment of principal, interest and related cost of indebtedness necessitated by new residential development.

For the Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 the District received \$21,759,271, \$29,073,369 \$31,150,906, \$37,442,455, and \$42,385,540, respectively, in Educational Impact Fee revenues. The Board has budgeted to collect \$32,650,000 in Educational Impact Fee revenues for the Fiscal Year 2024-25. There can be no assurance that Educational Impact Fee revenues will be available to the Board in the future, as impact fee rates, as well as their levy, are subject to the discretion of the BOCC. In addition, Educational Impact Fee revenue collections will also vary depending on the rate at which the Educational Impact Fees are imposed, the categories of the buildings on which they are imposed, and the rate of new construction in the County, all of which are outside the control of the Board. Therefore, the Educational Impact Fee collection numbers provided herein, are not a reliable indication of the amount of revenues the Board can expect to receive in future years from the levy of Educational Impact Fees.

WHILE THE BOARD EXPECTS TO USE A PORTION OF THE EDUCATIONAL IMPACT FEE REVENUES TO PAY A PORTION OF THE BASIC RENT PAYMENTS REPRESENTED BY THE SERIES 2025A CERTIFICATES, THE EDUCATIONAL IMPACT FEE REVENUES ARE NOT PLEDGED TO THE PAYMENT OF THE SERIES 2025A CERTIFICATES, AND THE HOLDERS OF THE SERIES 2025A CERTIFICATES WILL NOT HAVE A LIEN UPON ANY EDUCATIONAL IMPACT FEE REVENUES. ADDITIONALLY, THE EDUCATIONAL IMPACT FEE REVENUES MAY BE PLEDGED TO SECURE OTHER BONDS OR OBLIGATIONS ISSUED BY THE DISTRICT IN THE FUTURE AND THE HOLDERS OF SUCH BONDS OR INDEBTEDNESS WOULD HAVE A PRIOR LIEN UPON SUCH EDUCATIONAL IMPACT REVENUES. NOTWITHSTANDING THE FOREGOING, THE DISTRICT DOES NOT CURRENTLY ANTICIPATE THE ISSUANCE OF ANY BONDS OR OBLIGATIONS SECURED BY A PLEDGE OF, AND LIEN UPON, THE EDUCATIONAL IMPACT FEE REVENUES; PROVIDED HOWEVER, THE DISTRICT MAY CAUSE THE ISSUANCE OF ADDITIONAL CERTIFICATES PAYABLE FROM THE EDUCATIONAL IMPACT FEE REVENUES. THE BOARD HAS NOT PLEDGED THE EDUCATIONAL IMPACT FEE REVENUES TO ANY INDEBTEDNESS.

OPERATING REVENUE OF THE DISTRICT

The District derives its operating income from a variety of federal, State, and local sources. Section 1013.15(2)(a), Florida Statutes, authorizes the use of operating revenues to make lease payments on lease-purchase agreements. While restrictions applicable to the use of certain types of operating revenues (such as federal revenues and State categorical revenues) may prohibit the use of such operating revenues 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 represented by the Series 2025A Certificates and that such payments will be made solely from the Capital Outlay Millage. The major categories of these income sources for the operating revenues are briefly described below.

State Sources

The District's two major sources of funds from the State are (i) the basic Florida Education Finance Program ("FEFP") receipts and (ii) FEFP categorical program receipts.

Florida Education Finance Program. The major portion of State support is distributed under the provisions of the FEFP, 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: (a) varying program costs; (b) cost differentials between districts; (c) differences in per student costs due to the density of student population; and (d) the required level of local support. Program cost factors are determined by the Florida 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 millage for operating purposes, which is set by the Florida Department of Education. The District's general fund receipts from the state for FEFP pursuant to the above formula for Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 were \$123,838,026, \$129,100,470, \$123,364,892, \$117,738,050, and \$115,319,535, respectively, and are budgeted at \$118,431,370 for Fiscal Year 2024-25.

FEFP Categorical Program. FEFP 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. Categorical funds are restricted, meaning that funds must be expended according to guidelines set by State statute, FDOE and/or Florida Administrative Code. 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 and the majority of the funds available require actual appropriation by the Board for the purposes for which they were provided. Class size reduction funds were \$53,604,335, \$54,611,701, \$50,320,297, \$54,007,545, \$53,621,821 for Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, respectively, and are budgeted at \$50,400,319 for Fiscal Year 2024-25.

State Lottery Revenues. A portion of the revenues generated from the State lottery is distributed to each State school district as Discretionary Lottery revenue and Florida School Recognition Program revenue. The Florida School Recognition program recognizes schools that have received an "A" or improved at least one letter grade from the previous school year and, such revenues are required to be used for nonrecurring bonuses for school faculty and staff, nonrecurring expenditures for educational equipment or materials, for temporary personnel to assist schools in maintaining or improving student performance, or any combination of these. The District received \$2,193,119 and \$2,619,231 in Florida School Recognition revenues for Fiscal Years 2019-20 and 2022-23, respectively. The Florida School Recognition program was not funded by the State for Fiscal Years 2020-21, 2021-22 and 2023-24, as the State waived its requirements for measuring school grade progress, which is the main component for awarding Florida School Recognition Funds. The District has not budgeted to receive any Florida School Recognition Funds for Fiscal Year 2024-25. The District received \$49,689 in Discretionary Lottery revenues for Fiscal Years 2019-20. The Discretionary Lottery program was not funded by the State for Fiscal Years 2020-21, 2021-22, 2022-23, and 2023-24. The District has not budgeted to receive any Discretionary Lottery revenues for Fiscal Year 2024-25.

Local Sources

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

The Constitution of the State of Florida 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). The millage limitation does not apply to taxes approved at referendum by qualified electors in the County for general obligation bonds and certain other short-term, voter approved levies. Chapter 1011, Florida Statutes, 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 that is determined annually by the Florida Legislature and certified by the Commissioner (the "Required Local Effort"). The Required Local Effort levied by the District for the Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 were 3.887 mills, 3.724 mills, 3.628 mills, 3.274 mills, 3.173 mills, respectively. The Board has budgeted that the Required Local Effort to be levied by the District for Fiscal Year 2024-25 is 3.051 mills.

In addition to the Required Local Effort, school districts are entitled to levy an additional non-voted current operating discretionary millage not to exceed an amount established annually by the Florida Legislature (the "Current Operating Discretionary Millage"). The District levied a Current Operating Discretionary Millage of 0.748 mills for each of the Fiscal Years 2019-20 through 2023-24. The Board has budgeted that the Current Operating Discretionary Millage to be levied by the District for Fiscal Year 2024-25 is 0.748 mills.

School boards may, upon approval by voters in a local referendum or general election, levy an additional millage for operating needs up to an amount that when combined with the non-voted millage does not exceed 10 mills (the "Additional Voted Operating Millage"). The Additional Voted Operating Millage shall be for a maximum of four years. The Board chose to seek voter approval for the levy of up to an additional 1.00 mills for operating purposes for a period of three years. The voters in the County approved such levy and the District levied or will levy 1.00 mills from July 1, 2022 through June 30, 2025. In November 2024, the voters in the County approved the continuation of such levy from July 1, 2025 through June 30, 2029. Based on a change in applicable law, the revenues from the Additional Voted Operating Millage for the Fiscal Year 2022-23 and beyond must be shared with charter schools in the District based on the proportionate share of unweighted FTE student enrollment. For the Fiscal Year 2024-25, the District has budgeted that such levy will generate approximately \$75,511,751 million, approximately \$15,834,813 of which will be shared with charter schools in the District. See "AD VALOREM TAX PROCEDURES - Historical Millage" for current and historical millage levies.

Ad valorem tax revenue collections for operating levies for the Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 were \$227,345,430, \$234,434,449, \$247,484,131, \$290,734,599, and \$342,075,648, respectively. Ad valorem taxes for operating purposes are budgeted to be \$362,380,893 for Fiscal Year 2024-25. The Additional Voted Operating Millage is included in the totals.

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 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 were \$60,685,692, \$79,529,957, \$120,242,865,

\$119,202,459, and \$112,177,428, respectively, and \$66,460,673 was budgeted at for Fiscal Year 2024-25. Such funds are not available to make Lease Payments on the Lease Agreements.

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.

Property Assessment and County Property Appraiser

General. Ad valorem taxes may be levied only by counties, school districts, municipalities, and certain special districts (railroad properties are centrally assessed at the State level). No State ad valorem taxes shall be levied upon real estate or tangible personal property. State law requires that all ad valorem taxation be assessed at a uniform rate within each taxing unit and, with certain exceptions, that real and personal property subject to ad valorem taxation be assessed at 100% of its just value. See "AD VALOREM TAXATION – Property Assessment and County Property Appraiser – Limitation on Increase in Assessed Value of Property." The following property is generally subject to taxation in the manner provided by law: (a) all real and personal property in the State and all personal property belonging to persons residing in the State; and (b) all leasehold interests in property of the United States, of the State, or any political subdivision, municipality, agency, authority, or other public body corporate of the State. Pursuant to the Constitution of the State of Florida and State law, certain of such property may be exempt from ad valorem taxation. See "AD VALOREM TAXATION – Exemptions from Ad Valorem Taxation."

Determination of Property Valuation. The Property Appraiser of the County (the "Property Appraiser") determines property valuation on real and tangible personal property subject to ad valorem taxation as of January 1 of each year. By July 1 of each year, the Property Appraiser notifies the County, the District, each municipality within the County, and each other legally constituted special taxing district within the County 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. See "AD VALOREM TAXATION – Millage Set by Local Governing Body" and "AD VALOREM TAXATION – Property Assessment and County Property Appraiser – Limitation on Increase in Assessed Value of Property" for limitations on increases in assessed value of property.

Limitation on Increase in Assessed Value of Property. The Constitution of the State of Florida limits the increases in assessed value of homestead property to the lower of (a) 3% of the assessment for the prior year or (b) 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. The accumulated difference between the assessed value and the just value is known as the "Save Our Homes Benefit." Further, 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; new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and changes, additions, reductions or improvements to the homestead shall initially be assessed as provided for by general law.

Owners of homestead property may transfer up to \$500,000 of their Save Our Homes Benefit to a new homestead property purchased within three 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 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.

For all levies other than school district levies, assessment increases for specified non-homestead real property may not exceed 10% of the assessment for the prior year. See "AD VALOREM TAXATION – Legislation Relating to Ad Valorem Taxation – Recent Amendments Relating to Ad Valorem Taxation."

Preparation of Tax Roll. 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 is certified to the Tax Collector of the County (the "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. All ad valorem taxes are collected by the Tax Collector and distributed to the various taxing bodies. See "AD VALOREM TAXATION – Tax Collection and Distribution by County Tax Collector."

Appealing Property Valuation. Concurrently with notification to the various taxing bodies, the Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on his or her property. If the individual property owner believes that his or her property has not been appraised at just value, the owner may (a) request an informal conference with the Property Appraiser to resolve the issue, (b) file a petition with the clerk of the County value adjustment board (the "Adjustment Board"), or (c) appeal to the Circuit Court within 60 days of the certification for collection of the tax roll or within 60 days of the issuance of a final decision by the Adjustment Board. A petition to the Adjustment Board must be signed by the taxpayer or be accompanied at the time of filing by the taxpayer's written authorization for representation by a qualified person. A taxpayer receives notice of the hearing and is required to provide the Property Appraiser with a list of evidence, copies of documentation, and summaries of testimony prior to the hearing before the Adjustment 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 are found not to be fair and at market value. The Adjustment Board must complete all required hearings and certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used by June 1 following the tax year in which the assessments were made. The June 1 requirement shall be extended until December 1 in each year in which the number of petitions filed with the Adjustment Board increased by more than 10% over the previous year. 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.

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Assessed Valuation of Taxable Property

The following table shows the District's assessed and estimated taxable assessed value for the Fiscal Years shown.

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Just Value			Less Exemptions	Total School Taxable Value
	Real Property	Personal Property	Centrally Assessed		
2025	\$101,998,559,512	\$4,922,378,253	\$8,591,883	\$9,580,987,379	\$78,658,074,018
2024	96,178,240,759	4,819,773,727	8,912,430	8,976,958,446	72,026,619,963
2023	77,970,986,580	4,233,591,912	8,933,050	8,278,005,716	59,935,768,812
2022	56,429,391,308	3,705,126,237	9,629,951	7,600,618,870	47,666,050,988
2021	52,057,131,591	3,687,915,638	10,560,886	7,251,861,078	44,398,287,814
2020	49,354,143,540	3,544,713,849	9,171,688	6,866,037,268	41,780,543,525
2019	45,873,929,443	3,398,172,723	9,478,608	6,499,216,631	38,766,742,392
2018	45,930,429,514	3,283,760,529	9,471,191	6,464,230,674	35,999,618,456
2017	39,458,732,427	3,106,498,488	8,385,758	9,458,967,439	33,114,649,234
2016	35,990,421,239	3,095,531,886	7,971,396	8,477,293,975	30,616,630,546

Note: Net Taxable Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

Source: For Fiscal Years 2015-16 through 2022-24, Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2024. For Fiscal Year 2024-25, the School District of Manatee County, Florida Finance Department.

Millage Set by Local Governing Body

General. The Constitution of the State of Florida provides that ad valorem taxes shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by voters. There is no limit on the amount of ad valorem taxes a local government may levy for the payment of debt service on voter-approved general obligation bonds.

As described above, the Property Appraiser is required to certify to each taxing authority the aggregate taxable value of all non-exempt property within the jurisdiction of the taxing authority, as well as the prior year's tax revenues, for use in connection with the determination of the forthcoming budget and millage levy. The form on which such certification is made by the Property Appraiser is required to include instructions to each taxing authority describing the proper method of computing a millage rate, which, exclusive of new construction, additions to structures, deletions and property added due to

geographic boundary changes, will provide the same ad valorem tax revenues for each taxing authority as was levied during the prior Fiscal Year. See "AD VALOREM TAXATION – Millage Set by Local Governing Body – Millage Rollback Legislation."

Each respective millage rate, except as limited by law, is set on the basis of estimates of revenue needs and the total taxable property valuation within the taxing authority's respective jurisdiction. Ad valorem taxes are not levied in excess of actual budget requirements. State law requires the Board to adopt and maintain a balanced tentative budget and a balanced final budget, in which anticipated revenues less certain required deductions combined with beginning fund balances equal appropriations. The Board is required to advertise its intent to adopt a tentative budget, including a capital outlay budget, within 29 days following receipt from the Property Appraiser of the preliminary certification of taxable value. The Board holds a public hearing on the tentative budget and the proposed tax rates within five days of its advertisement, and officially adopts the tentative budget and tax rates at the hearing. Thereafter, the Property Appraiser prepares tax millage notices for property owners within the District. The final budget and tax rate are fixed in September of each year, following a final public hearing and in accordance with statutory timelines. The Superintendent is responsible for preparing the preliminary and tentative budgets for recommendation to the Board. Generally, the final budget is substantially the same as the tentative budget since the Board's hiring plans and materials purchases have been determined before the final Budget is adopted. The Board adopted the final budget for the Fiscal Year 2024-25 on September 10, 2024.

Millage Rollback Legislation. In 2007, the Florida Legislature adopted a property tax plan that significantly impacted ad valorem tax collections for State local governments (the "Millage Rollback Legislation"). One component of the Millage Rollback Legislation required counties, cities, and special districts to rollback their millage rates for the Fiscal Year 2007-08 to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in Fiscal Year 2006-07; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-07 ad valorem tax revenues by 0% to 9%. In addition, the Rollback Legislation also limited how much the aggregate amount of ad valorem tax revenues may increase in future Fiscal Years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body. School districts are not required to comply with the particular provisions of the Millage Rollback Legislation relating to limitations on increases in future years.

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District Millage Rates. The following table shows the millage rates levied by the District for the Fiscal Years shown:

**PROPERTY TAX RATES
(PER \$1,000 ASSESSED VALUATION)
(UNAUDITED)**

	Fiscal Year Ended					
	2020	2021	2022	2023	2024	2025
<u>General Fund</u>						
Nonvoted School Tax:						
Required Local Effort	3.887	3.724	3.628	3.274	3.173	3.051
Basic Discretionary Local Effort ⁽¹⁾	1.748	1.748	1.748	1.748	1.748	1.748
<u>Capital Projects – Local Capital Improvement Fund</u>						
Nonvoted School Tax:						
Local Capital Improvements	1.500	1.500	1.500	1.500	1.500	1.500
Total District Millage Levy	7.135	6.972	6.876	6.522	6.421	6.299

⁽¹⁾ Includes the 1.00 mill Additional Voted Operating Millage for Fiscal Years 2018-19 through 2023-24. See "OPERATING REVENUE OF THE DISTRICT – Local Sources" herein.

Sources: For the Fiscal Years 2019-20 through 2022-24, Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2020 through 2024. For Fiscal Year 2024-25, District Annual Budget for the Fiscal Year 2024-25, dated September 10, 2024.

Tax Collection and Distribution by Tax Collector

General. All real and tangible personal property taxes are based on assessed values as certified and delivered to the Tax Collector by the Property Appraiser as described above. The Tax Collector mails to each property owner on the tax roll a tax bill for the taxes levied by the various taxing authorities in the County. Taxes may be paid upon receipt of such bill with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January, and 1% if paid in the month of February. Taxes paid during the month of March are without discount. Because of the discount in ad valorem taxes for payments made prior to March 1, taxes collected will likely never be 100% of the tax levy.

The Tax Collector is required 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.

Delinquent Taxes. All unpaid taxes on real and tangible 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 paid, or until payment is no longer required or 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.

Tax Certificates and Tax Deeds. On or before June 1 or the 60th 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 that is the subject of 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.

At any time after two years have elapsed since April 1 of the year of the issuance of a tax certificate and before the expiration of seven years, the holder of the tax certificate may apply for a tax deed with respect to any tax certificate it holds. Two years after such April 1, the County may make application for a tax deed with respect to any tax certificate it holds. Upon receipt of such applications, a public sale is advertised and held (unless the property is redeemed), and the highest bidder at such sale receives a tax deed for the property. 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.

Exemptions from Ad Valorem Taxation

General. State law provides for numerous exemptions and limitations on ad valorem taxation of real property and tangible personal property. Real property used for the following purposes is generally exempt from ad valorem taxation: religious, educational, literary, charitable, scientific, and governmental uses. Certain additional exemptions and limitations are described below. This description does not purport to describe all exemptions available to property owners in the State, and reference is made to the Constitution of the State of Florida and Chapter 196, Florida Statutes, for a full description of such exemptions. In addition, State law allows for, but does not mandate, the imposition of some exemptions by local governments by ordinance. Certain recent amendments to existing provisions relating to ad valorem tax exemptions are described under "AD VALOREM TAXATION – Legislation Relating to Ad Valorem Taxation – Recent Amendments Relating to Ad Valorem Taxation."

Constitutional Exemptions. The Constitution of the State of Florida provides for the following exemptions from ad valorem taxation:

Exempt Entities/Exempt Purposes. The Constitution of the State of Florida provides that all property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are

used predominantly for educational, literary, scientific, religious or charitable purposes (exempt purposes) may be exempted by general law from taxation. State law provides that all property owned by an exempt entity, including educational institutions, and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation and all property owned by an exempt entity, including educational institutions, and used predominantly for exempt purposes (at least 50%) shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

Household Goods and Personal Effects. The Constitution of the State of Florida provides that there shall be exempt from taxation, cumulatively, to every head of a family residing in the State, household goods and personal effects to the value fixed by general law, not less than \$1,000 and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than \$500. State law exempts from taxation to every person residing and making his or her permanent home in the State, all household goods and personal effects and exempt property up to the value of \$500 of every widow, widower, blind person, or totally and permanently disabled person who is a resident of the State.

Tangible Personal Property and Renewable Energy Devices. The Constitution of the State of Florida provides that by general law and subject to conditions specified therein, \$25,000 of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation. Effective January 1, 2018 through December 31, 2037, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

Property Dedicated in Perpetuity for Conservation. The Constitution of the State of Florida provides that there shall be granted an ad valorem tax exemption for certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Homestead Exemption. The Constitution of the State of Florida provides for a homestead exemption. 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 eligible to receive a homestead exemption of up to \$50,000. The first \$25,000 applies to all property taxes, including school district taxes. The additional exemption, up to \$25,000, applicable to the assessed value of the property between \$50,000 and \$75,000, applies to all levies other than school district levies. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following additional homestead exemptions are authorized by State law.

Certain Active Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and who is disabled to a degree of 10% or more because of injury while serving during wartime may be entitled to a \$5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. Under certain circumstances, a veteran's surviving spouse may be entitled to carry over these exemptions.

Permanently and Totally Disabled Veterans. A military veteran who is a resident of the State and was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on property they own and use as their homesteads. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions.

Discounts for Disabled Veterans. Each veteran who is age 65 or older and is partially or totally permanently disabled may receive a discount on the assessed value of the property that the veteran owns and uses as a homestead. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions.

Deployed Military Personnel. Each person who receives a homestead exemption; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the Florida Legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

Exemption for Disabled First Responders. First responders who are totally and permanently disabled as a result of injuries sustained in the line of duty receive ad valorem tax relief on their homestead property. 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 State defines first responders as law enforcement officers, correctional officers, firefighters, emergency medical technicians, and paramedics.

Surviving Spouses of First Responders. Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

Certain Totally and Permanently Disabled Persons. Any real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.

Other Exemptions. Other exemptions include, but are not limited to, nonprofit homes for the aged (subject to income limits for residents), proprietary continuing care facilities, not for profit sewer water/wastewater systems, certain hospital facilities and nursing homes for special services, charter schools, certain historic property used for commercial purposes, and certain tangible personal property.

Legislation Relating to Ad Valorem Taxation

Recent Amendments Relating to Ad Valorem Taxation. In recent legislative sessions, several legislative proposals and proposed constitutional amendments were passed (and in the case of constitutional amendments, approved by voters) affecting ad valorem taxation, including classification of agricultural lands during periods of eradication or quarantine, deleting requirements that conservation easements be renewed annually, providing an additional homestead exemption and/or exemption equal to the just value of real property for income restricted persons age 65 or older who have maintained such property as the permanent residence for at least 25 years, authorizing a first responder who is totally and permanently disabled as a result of injuries sustained in the line of duty to receive relief from ad valorem taxes assessed on homestead property, revising procedures with respect to assessments, hearings and notifications by the value adjustment board, and revising the interest rate on unpaid ad valorem taxes.

During the upcoming 2025 regular legislative session of the Florida Legislature, House Joint Resolution 359 ("HJR 359") was introduced. HJR 359 proposes an amendment to the Florida Constitution to exempt \$100,000 of the value of assessed real property from all tax levies. If HJR 359 is enacted, the proposed constitutional amendment must be still be approved by at least 60% of the electors. At this time, the Board cannot predict whether HJR 359 will be enacted or whether the proposed constitutional amendment will be approved by the electors.

Future Amendments Relating to Ad Valorem Taxation. Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in each session of the Florida Legislature. Many of these proposals have provided for new or increased exemptions to ad valorem taxation and limited increases in assessed valuation of certain types of property or otherwise restricted the ability of local governments in the State to levy ad valorem taxes at current levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect upon the collection of ad valorem taxes by the District, the District's finances in general or the District's ad valorem taxing power.

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Property Tax Levies and Collections

The following table shows the District's property tax levies and collections for the Fiscal Years shown.

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Taxes Levied For the Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years ⁽¹⁾	Total Collections to Date	
		Amount ⁽¹⁾	Percentage of Levy		Amount ⁽¹⁾	Percentage of Levy
2025 ⁽²⁾	\$493,163,366	\$413,079,272	83.76%	-	\$413,079,272	83.76%
2024	462,480,018	446,069,002	96.45	236,911	446,069,002	96.45
2023	390,898,726	377,200,363	96.50	272,475	377,200,363	96.50
2022	328,162,533	316,058,394	96.31	397,344	316,058,394	96.31
2021	309,957,923	298,411,731	96.27	506,766	298,918,497	96.44
2020	298,101,730	287,630,908	96.49	310,207	287,941,115	96.59
2019	284,196,769	274,393,270	96.55	256,097	274,649,367	96.64
2018	237,884,607	229,598,848	96.52	100,227	229,699,075	96.56
2017	229,325,697	221,040,158	96.39	270,897	221,311,055	96.51
2016	222,703,404	215,050,457	96.56	226,283	215,276,740	96.67
2015	206,282,880	194,849,908	94.46	335,140	195,185,048	94.62

⁽¹⁾ Net of allowable discounts.

⁽²⁾ Partial year collections through February 12, 2025.

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, majority of taxes are collected in the fiscal year levied.

Source: For Fiscal Years 2014-15 through 2023-2024 Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2024. For Fiscal Year 2024-25, the School District of Manatee County, Florida, Finance Department.

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Principal Property Taxpayers

The following table contains the list of the principal property taxpayers in the County as of September 30, 2023:

**PRINCIPAL PROPERTY TAXPAYERS
(AMOUNTS EXPRESSED IN THOUSANDS)
(UNAUDITED)**

Taxpayer	Taxable Value (in thousands)	Percentage of Total Taxable Value ⁽¹⁾
Florida Power & Light Co. – Plant	\$1,537,139	2.91%
Tropicana Products, Inc.	337,780	0.64
Mosaic Fertilizer, LLC	183,297	0.35
Manatee Memorial Hospital LP	148,294	0.28
Pease River Electric Coop, Inc.	145,846	0.28
Gulfstream Natural Gas System LLC	130,345	0.25
93 FLRPT LLC	99,521	0.19
IMG Academy LLC	96,963	0.18
Gulf Coast Factory Shops	94,637	0.18
295 107 Circle Owner LLC	88,635	0.17
Total	\$2,862,457	5.43%

⁽¹⁾ Percent of total taxable value is calculated using total school taxable value.

Source: *Annual Comprehensive Financial Report of Manatee County, Florida for the Fiscal Year Ended September 30, 2023.*

LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES

General

During recent years, various other legislative proposals and constitutional amendments relating to ad valorem taxation and District revenues 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. Other proposals have sought to restrict the ability of local governments to use certain revenues for payment of debt service, to provide for additional procedures and notices to issue tax-supported debt or to require certain local revenues to be shared with charter schools in the school district. 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 or its finances.

Class Size Reduction

Amendment 9 to the Constitution of the State of Florida requires that the Florida Legislature provide funding for sufficient classrooms so that class sizes can be reduced to certain constitutional class

size maximums and Sections 1003.03 and 1013.735, 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 third grade, 22 for grades fourth through eighth and 25 for grades ninth through 12th. Compliance is determined on a period-by-period basis. The Class Size Legislation also created 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 for capital outlays and operating expenditures necessary to satisfy the 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.

The District complied with the requirements of the Class Size Legislation for the 2023-24 school year. The District expects to be in compliance with the class size maximum for the 2024-25 school year. There can be no assurances that the District will be able to maintain its class size in the manner currently mandated by the Class Size Legislation. While the Class Size Legislation requires that the Florida Legislature, and not local school districts, is generally responsible for the cost of compliance, there can be no assurance that the Florida Legislature will provide funds sufficient to meet the ongoing capital, facility, and operating needs of the District required by the Class Size Legislation. Further, there can be no assurance that the District will have funds sufficient to meet the ongoing capital, facility and operating needs of the District required by the Class Size Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

Pre-K Programs

The Constitution of the State of Florida 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.

There can be no assurance that the Florida Legislature will provide funds sufficient to meet the ongoing capital and facility needs of the District required by the Pre-K Legislation. Further, there can be no 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.

Educational Choice

In 2016, the Florida Legislature enacted House Bill 7029 ("HB 7029"). Among other things, HB 7029 allows a parent whose child is not subject to a current expulsion or suspension order may seek enrollment in and transport his or her child to any public school in the State, including a charter school, which has not reached capacity. The school district or charter school shall accept and report the student for purposes of funding through the FEFP. The school district or charter school may provide student transportation at their discretion. HB 7029 requires the capacity determinations of each school district and charter school to be current and identified on their respective school websites. Each school must provide preferential treatment in its controlled open enrollment process to: (a) dependent children of active duty military personnel who moved as a result of military orders, (b) children relocated due to foster care placement in a different school zone, (c) children relocated due to a court ordered change in custody as a result of separation or divorce, or the serious illness or death of a parent, and (d) students residing in the school district. Students residing in the school district may not be displaced by a student from another school district. A student who transfers may remain at the school until the student completes the highest grade level offered. This law took effect with the 2017-18 school year. At present, the impact of the school choice provisions of HB 7029 on the District's finances has been minimal.

House Bill No. 7045 ("HB 7045") was passed during the 2021 Florida legislative session and signed into law by Governor DeSantis. HB 7045 merged the State's school choice programs for certain disabled students and expanded eligibility for school voucher programs for low- and middle-income students and students subject to harassment, consolidated existing school-choice programs, increased the amount of State funding for the consolidated school-choice programs to \$200 million and allowed the use of scholarship funds for private school tuition and other expenses such as tutoring, computers, and internet access. If a significant number of eligible students transition to private schools, it is likely to have an adverse impact on the District's finances. See "RISK FACTORS – State Revenues" herein.

HB 1, which significantly expanded the eligibility criteria of the State's school voucher programs, was signed into law by Florida Governor Ron DeSantis on March 27, 2023. HB 1, among other things, expanded eligibility for the Florida Tax Credit Scholarship Program and the Family Empowerment Scholarship Program to any student that is a resident of Florida and is eligible to enroll in kindergarten through grade 12 in a public school. The Family Empowerment Scholarship Program is divided into three programs, the Family Empowerment Scholarship for students attending private schools (the "FES-EO"), the Family Empowerment Scholarship for students with disabilities (the "FES-UA") and the Hope Scholarship Program. HB 1 significantly increased the number of Florida Tax Credit Scholarships that may be awarded each year, and then removes the limits beginning in 2027-28. HB 1, in combination with House Bill 3C which was signed into law and became effective on November 13, 2023, removed the existing limits on the number of FES-EO scholarships that may be given each year. HB 1 also provided that the amount of the Family Empowerment Scholarship is equal to 100% of the school district's FEFP funding per student, including most categorical grants. HB 1 authorized uses of scholarship funds include, among other authorized expenses, tuition and fees for a student to attend eligible private schools. HB 1 took effect on July 1, 2023. House Bill 1403 ("HB 1403") was passed during the 2024 regular Florida legislative session and, among other things, expands eligibility for the Florida Tax Credit Scholarship Program and the Family Empowerment Scholarship Program to include the dependent children of active duty members of the United States Armed Forces who meet certain residency requirements, increases the FES-UA cap from three percent to five percent and repeals the scholarship funding portion of the Hope Scholarship Program. HB 1403 took effect on July 1, 2024. The expansion of the school choice programs in the State could potentially lead to a substantial increase in the number of

Florida Tax Credit Scholarships and/or Family Empowerment Scholarship recipients. If a significant number of eligible students in the District transition to private schools or other scholarship eligible programs, it is likely to have an adverse impact on the District's finances. See "RISK FACTORS – State Revenues" herein.

Distribution of Capital Outlay Millage Revenues to Charter Schools

On May 11, 2023, the Governor of the State signed HB 1259, which took effect on July 1, 2023. HB 1259 revises the methodology for calculating when school districts must share Capital Outlay Millage revenues with eligible charter schools in such school district. The provisions of HB 1259 requires the District share additional Capital Outlay Millage revenues with eligible charter schools in the District and therefore reduce the amount of Capital Outlay Millage revenues available to pay Basic Rent Payments represented by the Series 2025A Certificates. For Fiscal Year 2024-25, the District has budgeted to share \$5,329,781 in Capital Outlay Millage revenues with eligible charter schools in the District. Such amount is projected to increase to approximately \$24,539,931 by Fiscal Year 2028-29; however, the School Board does not expect any reduction in the Capital Outlay Millage revenues to adversely impact its ability to make Basic Rent Payments under the Master Lease. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Revenue Sources – Sharing of Capital Outlay Millage Levy with Charter Schools" herein.

Schools of Hope

In addition to requiring school districts to share the Capital Outlay Millage with charter schools, HB 7069, as amended by HB 7070 in 2019, also establishes the Schools of Hope Program to encourage traditional public schools within the State and charter operators throughout the country to replicate their model and service students from persistently low-performing schools and students who reside in a Florida Opportunity Zone (as defined therein). These provisions of HB 7069, now codified in Section 1002.333, Florida Statutes, provide for the establishment of Schools of Hope, which are charter schools operated by a Hope Operator to service students from one or more persistently low-performing schools; are located within a Florida Opportunity Zone or in the attendance zone of the persistently low-performing school or within a five mile radius of such school, whichever is greater; and is a Title I eligible school. Section 1002.333, Florida Statutes, defines "persistently low-performing schools" as schools that have earned three consecutive school grades below a "C" pursuant to Section 1008.34, Florida Statutes, in at least three of the previous five years and has not earned a school grade of "B" or higher in the most recent two school years, and a school that was closed pursuant to Section 1008.33(4), Florida Statutes within two years of a notice of intent, and defines "Hope Operators" as nonprofit organizations that operate three or more charter schools with a record of serving students from low-income families and receives such designation from the Florida Department of Education. Pursuant to Section 1002.333, Florida Statutes, the statutory requirements for the application, approval, and contract that apply to charter schools do not apply to Schools of Hope; instead, a Hope Operator submits a notice of intent to a school district in order to open a School of Hope and the school district is required to enter into a performance based agreement with a Hope Operator within 60 days of receiving a notice of intent.

In addition, Section 1002.333, Florida Statutes, also (a) provides Schools of Hope with certain statutory authority, including, but not limited to, allowing a School of Hope to be designated as a local educational agency for the purposes of receiving federal funds; (b) provides that Schools of Hope are exempt from Chapters 1000-1013, Florida Statutes, and all school board policies, except any laws related to (i) the student assessment program and school grading system, (ii) student progression and

graduation, (iii) provisions of services to students with disabilities, (iv) civil rights, (v) student health, safety, and welfare, (vi) public meetings, (vii) public records, and (viii) the code of ethics for public officers and employees; (c) provides provisions for facilities for Schools of Hope; (d) provides provisions for funding Schools of Hope, including that they be funded in accordance with the statutory provisions relating to funding for charter schools and be considered a charter school for purposes of charter school capital outlay; (e) establishes the School of Hope Program to cover specified operational expenses for Schools of Hope; and (f) establishes the Schools of Hope Revolving Loan Program to help Schools of Hope cover school building construction and startup costs.

The District has two schools that are considered "persistently low-performing schools" under Section 1002.333, Florida Statutes.

Public Safety Mandate

In 2018, the Florida Legislature passed Senate Bill 7026 ("SB 7026") which, among other things, includes provisions designed to: enhance school safety policies, procedures, and personnel at the State and local level; improve and expand mental health services; and revise laws and empower law enforcement and the courts to limit access to firearms by young adults or by individuals exhibiting a risk of harming themselves or others. Specifically, SB 7026 requires each school board and superintendent to partner with law enforcement agencies to establish or assign one or more safe-school officers at each school facility within the district by implementing any combination of the following options: (a) establish school resource officer programs through cooperative agreements with law enforcement agencies; (b) commission one or more school safety officers for the protection and safety of school personnel, property, and students within the school district; (c) at a school district's discretion, and if established by the sheriff's office, participate in the Guardian Program, which allows certain school employees (but not employees who exclusively perform classroom duties as classroom teachers) to carry a firearm on school grounds if such employee volunteers and completes the statutorily required training. During the Florida Legislature's 2019 Regular Session, the Florida Legislature enacted Committee Substitute for Senate Bill SB 7030 ("SB 7030"), which, among other things, removes the prohibition on individuals who perform exclusively classroom duties as a teacher from participating in the Guardian Program. However, the decision to allow teachers to be armed guardians remains with each individual school board. It is the consensus of the Board to not allow the arming of teachers in any fashion in the District. The District has complied with the mandate by adding school resource officers or Guardian trained security guards to every school and adding additional security features at every school.

For Fiscal Year 2024-25, the FDOE allocated \$5,195,218 to the District for school safety, an increase of \$730,969 from Fiscal Year 2023-24. Of this, approximately \$153,284 will be allocated to charter schools. The remaining \$577,685 will be applied to the total cost of implementing SB 7026. The additional cost to the District has been funded from the general fund.

RISK FACTORS

The purchasers of the Series 2025A Certificates are subject to certain risks. Each prospective investor in the Series 2025A 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 2025A Certificates to an extent that cannot be determined. The following is not, and is not intended to be, a complete description of all the risk factors that may affect the repayment of the Series 2025A Certificates.

Annual Right of the Board to Terminate the Series 2025A Lease Agreement

Although the Board has determined in the Master Lease that the Series 2025A Project is necessary to its operations and currently intends to continue the Series 2025A Lease Agreement with respect to the Series 2025A Project for the Maximum Lease Term and has covenanted in the Series 2025A Lease Agreement that the Superintendent will include a sufficient amount in the tentative Budget and final Budget to enable the Board to pay the Basic Rent Payments due in each Fiscal Year, the Board is not required to appropriate funds to pay the Basic Rent Payments. 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 Series 2025A Lease Agreement 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 Series 2025A Project, the Prior Projects, and all other Projects financed thereunder, and the Board will not be obligated to make Basic Rent Payments accruing or arising thereafter, and the Board shall be required to surrender use, possession and control of the Series 2025A Project, the Prior Projects, and all other Projects (in each case, excluding Designated Equipment) to the Trustee within 30 Business Days after the date on which such Event of Non-Appropriation occurs.

THE LIKELIHOOD THAT THE SERIES 2025A LEASE AGREEMENT 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 SERIES 2025A PROJECT AND THE PRIOR PROJECTS TO THE BOARD AND CHANGES IN POPULATION OR DEMOGRAPHICS WITHIN THE COUNTY (WHICH MAY IMPACT SUCH FUTURE UTILITY).

Limitation Upon Disposition; Ability to Sell or Relet

Following an Event of Default under the Series 2025A 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 Series 2025A Project (other than Designated Equipment). However, due to the governmental nature of the Series 2025A Project, it is not certain whether a court would permit the exercise of the remedies to sell, relet or dispose of the Series 2025A Project. Also, there is no assurance that the Trustee will be able to sell, relet or dispose of the components of the Series 2025A Project or that the Owners of the Series 2025A Certificates will obtain payment of all or any portion of the Principal Component or the Interest Component thereof upon an Event of Default under the Series 2025A Trust Agreement. See "INTRODUCTION – The Series 2025A Lease Agreement" for a description of the Prohibited Uses applicable to the Restricted Use Property.

No Series 2025A Reserve Account

There is no Reserve Account for the Series 2025A Certificates. However, pursuant to a Supplemental Trust Agreement authorizing the issuance of any Series of Certificates, there may be established and maintained a separate Reserve Account to secure the payment of the principal and/or interest portion of the Basic Rent Payments related to such Series of Certificates. Each such Reserve Account shall secure only the Series of Certificates for which it has been established. See "APPENDIX C –

MASTER TRUST AGREEMENT AND FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT."

Tax Exempt Status

Upon termination of the Master Lease, there is no assurance that payments made by the Trustee or the Insurer, if any, with respect to the Series 2025A Certificates and the Interest Component of Basic Rent Payments represented by the Series 2025A Certificates will be excludable from gross income for federal income tax purposes. See "TAX MATTERS" herein.

Applicability of Securities Laws

In the event of the termination of the Master Lease, the transfer of the Series 2025A Certificates 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 2025A Certificates will not be impaired following termination of the Master Lease.

Capital Outlay Millage Levy

The amount which can be realized by the District derived from the Capital Outlay Millage can be affected by a variety of factors not within the control of the District or the Board including, without limitation, fluctuations in the level of the assessed valuation of property within the District. See "AD VALOREM TAXATION – Assessed Valuation of Taxable Property." Moreover, the maximum Capital Outlay Millage that may be levied and used for Lease Payments is subject to legislative change. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Sources" and "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Distribution of Capital Outlay Millage Revenues to Charter Schools."

The maximum lawful Capital Outlay Millage is also subject to change pursuant to changes in applicable law and may be subject to sharing with charter schools in the District in future years. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Sources" herein and "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Distribution of Capital Outlay Millage Revenues to Charter Schools" herein for information regarding legislation that requires the Board to share Capital Outlay Millage revenues with charter schools in the District.

Educational Impact Fees

The Educational Impact Fees are subject to revision and repeal by the BOCC. Further, various bills have been introduced in the Florida Legislature in the past that would eliminate the ability of certain governmental entities, including the County or the District, to levy impact fees for construction or remodeling of educational facilities. To date, such bills have not passed; however, there can be no assurances that future legislation will not be introduced and enacted that restricts, or eliminates, the District's ability to receive the Educational Impact Fees.

State Revenues

A large portion of the District's funding is derived from State sources. See "FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT." A significantly large percentage of such State revenues

is generated from the levy of the State sales tax. The amounts budgeted for distribution from the State to the District are subject to change in the event that projected revenues are not realized, particularly in light of the economic downturn in the State as a result of the coronavirus pandemic. See "RISK FACTORS – Spread of Highly Contagious, Epidemic, or Pandemic Diseases (COVID-19)" herein.

On June 15, 2023, Governor DeSantis approved the State education budget for State Fiscal Year 2023-24, which commences July 1, 2023, providing for an approximately \$2.2 billion or 9.04% increase in State and local FEFP funding for K-12 public schools over State Fiscal Year 2022-23, reflecting a per-pupil increase of approximately \$405 per student or 4.91% over Fiscal Year 2022-23. The adopted education budget allocates \$2.0 billion for funding of the State's expanded voucher/scholarship programs pursuant to HB 1 as part of State FEFP funding. See "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Educational Choice" herein. However, such funds will be withheld from each school district's FEFP distributions based on the forecasted scholarship students for each school district. For the District, the estimated amount to be withheld is approximately \$23.4 million. The adopted budget also includes \$1.0 billion for teacher salary increases representing an increase of \$252 million over Fiscal Year 2022-23. Based upon the approved budget, the estimated increase for the District is approximately \$32.1 million (inclusive of charter school students and voucher/scholarship students) in State and local FEFP funds over Fiscal Year 2022-23. However, there can be no assurance that funding for K-12 public schools will increase exactly as provided for in the adopted budget.

On June 12, 2024, Governor DeSantis approved the State education budget for State Fiscal Year 2024-25, which commences July 1, 2024, providing for an approximately \$1.8 billion or 6.73% increase in State and local FEFP funding for K-12 public schools over State Fiscal Year 2023-24, reflecting a per-pupil increase of approximately \$240 per student or 2.75% over Fiscal Year 2023-24. The adopted education budget allocates approximately \$2.2 billion for funding of the State's expanded voucher/scholarship programs pursuant to HB 1 as part of State FEFP funding. See "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Educational Choice" herein. However, such funds will be withheld from each school district's FEFP distributions based on the forecasted scholarship students for each school district. For the District, the estimated amount to be withheld is approximately \$32.7 million. Based upon the adopted budget, the estimated increase for the District is approximately \$30 million (inclusive of charter school students and voucher/scholarship students) in State and local FEFP funds over Fiscal Year 2023-24. However, there can be no assurance that funding for K-12 public schools will increase exactly as provided for in the adopted budget.

Additional Lease Schedules

The Board may enter into other Schedules in addition to Lease Schedule No. 2007, Lease Schedule No. 2009, Lease Schedule No. 2010A-QSCB, Lease Schedule No. 2011A, Lease Schedule No. 2023A, and Lease Schedule No. 2025A. Failure to appropriate funds to pay Basic Rent under any such Schedules will, or an Event of Default under any such Schedules may, result in the termination of all Schedules, including the Lease Schedule No. 2022. Upon any such termination of all Lease Schedules, the Board must surrender all Projects (other than Designated Equipment), including the Series 2025A Project, 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 2025A 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 2025A Project (excluding components of the Projects classified as Designated Equipment). In no event will Series 2025A 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 Series 2025A Project will produce sufficient amounts to pay the Series 2025A Certificates.

Additional Indebtedness

The Board has in the past, and may in the future, 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 2025A Certificates. The Board entered into certain annual appropriation lease purchase agreements under which it has financed the right to use copiers/printers, metal detectors, and vehicles presently outstanding in the aggregate principal amount of \$3,624,752 and which mature on or before Fiscal Year 2029-30. The Board expects to finance additional equipment from time to time under such leases or separate leases. These leases are not part of the Master Lease. Unless otherwise expressly provided in this Offering Statement, failure to make payments under any such lease purchase agreements, or an event of default under any such lease purchase agreement, will not affect the Lease Terms or cause the termination of the Series 2025A Lease Agreement or any other future Leases. Payments under such lease purchase agreement are expected to be made from the Capital Outlay Millage revenues, which are one of the sources of repayment for the Series 2025A Certificates. See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – Local Sources – Capital Outlay Millage" herein.

The Board expects to pay a portion of the Basic Rent Payments under the Series 2025A Lease Agreement from the Educational Impact Fee revenues. However, the Educational Impact Fee revenues may be pledged to secure other bonds or obligations issued by the District in the future and the holders of such bonds or indebtedness would have a prior lien upon such Educational Impact Fee revenues, and to the extent used for such purposes, the amount Educational Impact Fee revenues available to pay Basic Rent Payments under the Series 2025A Lease Agreement would be reduced. Notwithstanding the foregoing, the District does not currently anticipate the issuance of any bonds or obligations secured by a pledge of, and lien upon, the Educational Impact Fee revenues; provided however, the District may cause the issuance of additional Certificates payable from Educational Impact Fee revenues.

Legislative Changes

In recent years, legislation has been introduced that has reduced State funding for school districts, required that certain percentages of school district funding be spent on particular activities and imposed additional funding restrictions and other requirements on school districts. Many proposals have sought to 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 historical levels. Other proposals have sought to restrict the ability of local governments to use certain revenues for payment of debt service or provide for additional procedures and notices in order to issue tax-supported debt or to require the sharing of local revenues with charter schools. 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 or its finances.

Constitutional Amendments

See "AD VALOREM TAXATION – Legislation Relating to Ad Valorem Taxation," and "LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES" for information concerning certain

amendments to the Constitution of the State of Florida and other legislative proposals that could materially adversely affect the District's financial situation.

Property and Casualty Insurance

As a result of the substantial property damage caused by hurricanes and other storms in the State and other parts of the United States over the last few years, property insurance premiums have risen dramatically for State property owners. It has become impossible or economically impracticable for many school districts within the State, including the District, to obtain property insurance with the level of coverage they have historically secured.

Under the current provisions of the Master Lease, the District is required to purchase property insurance in an amount equal to the lesser of (i) 100% of the replacement cost of the Projects, (ii) 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 for any one loss), or (iii) such amount as may be agreed to by the Insurer, if any, and set forth in the Lease Schedule related to such Project. The District has entered into agreements with various insurance companies to provide specific excess coverage of property claim amounts above the self-insured retention amount. Currently \$100,000 for property excluding named storm, wind/hail, and flood damages. Named windstorm deductible is 3% of replacement value per building, per occurrence for wind and hail damages with \$250,000 minimum.

Currently, the District is not in compliance with the property insurance requirements contained within the Master Lease provisions for the Fiscal Year 2024-25. However, in lieu of the provisions contained in the Master Lease, the Board has covenanted in the Series 2025A Lease Agreement, with respect to the Series 2025A Certificates and the Series 2025A Project, that during the term of the Series 2025A Lease Agreement, the Board shall procure and maintain, or cause to be procured and maintained, 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 maintained in such amounts per occurrence as are available at commercially reasonable costs and in minimum amounts necessary to qualify for federal disaster relief programs. 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. In the event the Board determines that such insurance is unavailable at commercially reasonable rates, such insurance 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 the Master Trust Agreement and is in at least the minimum amount necessary to comply for federal disaster relief programs. See "APPENDIX D – MASTER LEASE-PURCHASE AGREEMENT AND FORM OF SERIES 2025A LEASE AGREEMENT" attached hereto. In the event the District suffers substantial damage to its property that is not covered by its current insurance or is not eligible for Federal reimbursement, the District's financial condition could be adversely impacted.

Climate Change and Natural Disasters

Numerous scientific studies on climate change show that, among other effects on the global ecosystem, sea levels may rise, extreme temperatures may become more common, and extreme weather

events may become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. Sea levels may continue to rise in the future due to the increasing temperature of the oceans causing thermal expansion and growing ocean volume from glaciers and ice caps melting into the ocean. Coastal areas like the District are at risk of substantial flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, the District could lose considerable tax revenues and many residents, businesses, and governmental operations along the waterfront could be displaced. However, the District is unable to predict whether seal level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether, they will have a material adverse effect on the business operations or financial condition of the District. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water, hazardous substances, and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the District.

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, tornadoes, and hurricanes, which could result in negative economic impacts on communities including the District. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage the Projects, including the Series 2025A Project, or the local infrastructure that provides essential services to the District. The economic impacts resulting from such extreme weather events could include a loss of property values, a decline in revenue base (e.g., the Capital Outlay Millage revenues), escalated recovery costs, and increased insurance costs. No assurance can be given as to whether future extreme weather events will occur that could materially impair the financial condition of the District or damage the Projects.

Hurricane Helene made landfall on September 26, 2024, near Perry, Florida, as a Category 4 Hurricane. For the County, it was primarily a storm surge event of 5-7 feet along the coast of the County. With the exception of Anna Maria Elementary School, there was no material damage to property of the District. Anna Maria Elementary School did not sustain any damage to its main building, but two other buildings used for art and music classes experienced water intrusion. The District made arrangements for Stewart Elementary School to temporarily host 190 students, including Pre-K students, and 21 teachers from Anna Maria Elementary School. The two schools shared classrooms and used a team teaching model. Students and staff returned to Anna Maria Elementary School on November 4, 2025. The District has submitted a damage inventory to Federal Emergency Management Agency ("FEMA") and is finalizing summaries of costs for sheltering and pre- and post-protective measures for submission to FEMA.

Hurricane Milton made landfall on October 9, 2024, near Siesta Key, Florida, as a Category 3 Hurricane. The County experienced high winds and extreme rainfall amounts, primarily resulting in widespread power outages and flooding. 17 schools served as shelters for the community during the storm hosting more than 11,000 evacuees. All schools reopened on October 14, 2025. The District is continuing to collect and document damages and costs for submission to FEMA.

The District has sought or will seek public assistance from FEMA and the Florida Department of Emergency Management to replenish some or all expenses incurred with Hurricanes Helene and Milton that are not otherwise covered by insurance. The District expects to have sufficient resources to meet its storm-related financial obligations even if federal and state assistance is unavailable, and the District does

not expect the financial impacts of Hurricanes Helene and Milton to impact its ability to Basic Rent Payments under the Master Lease.

Cybersecurity

The District, like many other school districts, relies on a technology environment to conduct its operations. As such, it may face multiple cybersecurity threats, including, but not limited to, hacking, viruses, malware, and other attacks on computer or other sensitive digital systems and networks. There can be no assurance that any security and operational control measures implemented by the District will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attack could impact operations and/or digital networks and the costs of remedying any such damage could be significant. The District has a multilayered information security program with several established protocols and procedures which include acceptable usage policies and information security guidelines. The District has a comprehensive Security Awareness Program and requires annual training for all staff users and additional required training for high risk users. The District has an approved Cyber Incident Response Team and Risk Assessment Plan.

Construction Cost Maximums

Section 1013.64(6)(b), Florida Statutes, prohibits a district school board from using funds from any sources (including the Capital Outlay Millage, the Sales Surtax and educational impact fees) for new construction of educational plant space with a total cost per student station, including change orders, greater than the amounts set forth in Section 1013.64(6)(b)1., Florida Statutes, as adjusted. However, as of July 1, 2019, if the new construction of educational plant space is subject to a lease-purchase agreement entered into pursuant to Section 1011.71(2)(e), Florida Statutes, a district school board (i) may use certain local funding sources (including the Surtax, school impact fees, and voter approved ad valorem taxes, in each case if legally available for such purpose) to pay for the new construction of educational plant space, and (ii) may, but is not required to, use Capital Outlay Millage revenues and certain state funding sources to pay for the portion of the cost for new construction of educational plant space which does not exceed the total cost per student station requirements or for certain other costs that are not included in cost per student station calculation (such as legal and administrative costs, site improvement costs and school security hardening/capital costs).

HB 1, which was signed into law on March 27, 2023, provides that, among other things, an unfinished construction project for new construction of educational plant space started on or before July 1, 2026, is exempt from the cost per student station limits of Section 1013.64(6)(b)1., Florida Statutes. In 2024, the Florida Legislature enacted SB 7002, which extended the exemption from the cost per student station limits until July 1, 2028. The Series 2025A Project is a construction project for new construction of educational plant space that will be started on or before July 1, 2028 and is exempt from the cost per student station limits of Section 1013.64(6)(b)1., Florida Statutes.

Effects of Sequestration on Lease Payments

Pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended, the President of the United States ordered that certain automatic spending cuts be implemented pursuant to calculations provided by the United States Office of Management and Budget in its Report to the Congress on sequestration dated March 1, 2013. The cuts include mandatory reductions in the amounts

scheduled to be paid by the federal government to issuers of Build America Bonds, Qualified Zone Academy Bonds, Qualified School Construction Bonds, New Clean Renewable Energy Bonds and Qualified Energy Conservation Bonds (collectively, "Direct-Pay Bonds") under Section 6431 of the Internal Revenue Code.

Payments to issuers of Direct-Pay Bonds from the budget accounts associated with these bonds were originally subject to an effective reduction of 8.7% of the amount budgeted for such payments on and after March 1, 2013 through September 30, 2013. For payments to issuers of Direct-Pay Bonds during federal fiscal year 2014, which ended September 30, 2014, the annual sequester rate was reduced to 7.2%. For federal fiscal year 2016, which ended September 30, 2016, the annual sequestration rate was reduced to 6.8%. For payments to issuers of Direct-Pay Bonds for federal fiscal year 2017, which ended September 30, 2017, the annual sequester rate was 6.9%. For payments to issuers of Direct-Pay Bonds for federal fiscal year 2018, which ended September 30, 2018, the annual sequester rate was 6.6%. For payments to issuers of Direct-Pay Bonds for federal fiscal year 2019, which ended September 30, 2019, the annual sequester rate was 6.2%. For payments to issuers of Direct-Pay Bonds for federal fiscal year 2020, which ends September 30, 2020, the annual sequester rate is 5.9%. For payments to issuers of Direct-Pay Bonds for federal fiscal years 2021 through 2030, the annual sequester rate is 5.7%. Unless otherwise resolved, sequestration may continue through the end of federal fiscal year 2030, with reductions in subsidy payments expected of 5.7% of what would otherwise be received.

For federal Fiscal Year 2024-25, the Board anticipates its aggregate expected annual Issuer Subsidy of \$1,090,800 to be reduced by 5.7%, resulting in a corresponding increase in interest costs for the District that must be paid from other revenue sources. Payment of the Lease Payments on the Series 2010A-QSCB Certificates is not contingent upon receipt by the Board of such subsidy payments and the Board does not expect that any such reduction in its subsidy payments will affect its ability to make Lease Payments on the Series 2010A-QSCB Certificates.

Spread of Highly Contagious, Epidemic, or Pandemic Diseases (COVID-19)

Coronavirus 2019 ("COVID-19") pandemic, along with various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global financial markets and economies, including financial markets and economic conditions in the United States. The impact of the COVID-19 pandemic on the U.S. economy was broad based and negatively impacted national, state, and local economies. In response to such expectations, on March 13, 2020, then-President Trump declared a "national emergency," which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation.

The State's finances were expected to be adversely affected by the continued spread of COVID-19, the various governmental actions in response thereto and changes in the behavior of businesses and people. The State derives a significant portion of its annual revenues from the collection of sales tax. The impact of COVID-19 was expected to result in significant decreases in state and local sales tax revenues as a result of decreased tourism and commercial activity throughout the State, but sales tax revenue has generally rebounded to pre-pandemic levels. In anticipation of potential budget reductions or State funding prorations, the District implemented cost containment measures in Fiscal Year 2019-20, which resulted in savings from the closure of school facilities. Notwithstanding the foregoing, no significant State budget reductions or prorations occurred in Fiscal Years 2022-23 through 2023-24, and none are currently expected for Fiscal Year 2024-25. See "OPERATING REVENUES OF THE DISTRICT – State

Sources," "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – State Sources" and "Local Sources," "RISK FACTORS – State Revenues," and "RATINGS" herein.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was signed into law. Among other provisions, the CARES Act created an Education Stabilization Fund to support K-12 schools and colleges and universities during the COVID-19 outbreak. The Educational Stabilization Fund includes a total of \$30.75 billion in relief divided into three separate pools: (1) funds to K-12 schools; (2) funds to higher education; and (3) funds to governors. Florida received approximately \$873.8 million in funds for K-12 schools, approximately \$770.2 million in funds for higher education and approximately \$173 million in funds to the Governor for use as grants to local educational agencies. Funds for K-12 schools were distributed to school districts and charter schools based on their share of Title I-A funds. The District received approximately \$19,506,817 of such CARES Act funds. However, such funds are also required to be shared with charter schools in the County. Funds to local districts can be used for coronavirus-response activities, such as planning for and coordinating during long-term school closures, purchasing educational technology to support online learning for all students, and additional activities authorized by federal elementary and secondary education laws. Funds in the Governor's Education Relief Fund can be used at the Governor's discretion to provide emergency support grants to K-12 schools, colleges and universities and child care/early education providers. The CARES Act requires that any entity that receives funds from the education stabilization fund must continue to pay its employees and contractors to the extent practicable during the period of any disruptions or closures related to coronavirus. The District cannot currently predict the full impact of the CARES Act on the District's operations.

On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (the "CRRSA") was signed into law. Among other provisions, the CRRSA created a second Education Stabilization Fund ("ESSER II") to support K-12 schools and colleges and universities during the COVID-19 outbreak. Funds for elementary and secondary public schools were allocated to each state as a grant and each state is required to allocate at least 90% of such funds as sub-grants to local education agencies (including charter schools classified as local education agencies) in the state based upon their share of Title I-A funds. The ESSER II Fund includes a total of \$81.88 billion in relief. The State is expected to receive approximately \$2.82 billion in ESSER II funds for use as sub-grants to K-12 schools. The District was awarded approximately \$41,565,737 in ESSER II funds for use through September 30, 2023. However, such funds are also required to be shared with charter schools and private schools in the County. Funds to local districts can be used for coronavirus-response activities, such as planning, coordinating and implementing activities during long-term school closures, purchasing educational technology to support online learning for all students, addressing learning loss, school repairs and improvements to reduce risk of virus transmission and additional activities authorized by federal elementary and secondary education laws. The District cannot currently predict the full impact of the CRRSA on the District's operations.

On March 11, 2021, President Biden signed The American Rescue Plan Act of 2021 (the "Rescue Act") into law to address the impacts of COVID-19. The Rescue Act, among other things, provides (1) \$123.8 billion in emergency relief funds to elementary and secondary public schools, (2) \$2.75 billion in emergency assistance to non-public schools (including an estimated \$7 billion for Florida) and (3) \$39.6 billion in emergency relief for higher education. Funds for elementary and secondary public schools will be allocated to each state as a grant and each state is required to allocate at least 90% of such funds as sub-grants to local education agencies (including charter schools classified as local education agencies) in the state based upon their share of Title I-A funds. Under the Rescue Act, at least 20% of the funds allocated to local education agencies must be used to address learning loss. School districts may use the remaining

funds for certain activities specified in the Rescue Act to help schools reopen safely, including repairing ventilation systems, reducing class size to ensure social distancing and purchasing personal protective equipment. Each state is required to grant allocations of such funds within 60 days of receipt, and such funds shall remain available for allocation through September 30, 2024. The District received, or expects to receive, approximately \$101,986,532 in Rescue Act funds.

Due to the evolving nature of the outbreak and federal, State and local responses thereto, the long-term impacts of the COVID-19 crisis are unknown and dependent on factors such as the length of any shutdown or partial inaccessibility of school facilities, the extent to which the faculty and staff or the student population is directly affected and is unable to attend class, teach or provide services, and the impact on the economy as a whole within the State. While the District has seen increased costs associated with the reopening of District schools, including an increase in operational costs incurred to implement distance learning strategies, to provide students and staff with personal protective equipment and to clean, sanitize and maintain its facilities, such increased costs were offset with CARES Act funds, Rescue Act funds or other federal funds. At this time, the Board also cannot predict with certainty the impacts of the outbreak on the District's revenues for the 2024-25 Fiscal Year and beyond, including whether there will be a reduction in State funding, a decline in student enrollment, a reduction in taxable assessed values of properties in the District, or a reduction in ad valorem tax collections.

Municipal Bond Insurance Risk Factors

The Board has received a commitment from the Insurer for the Policy to guarantee the scheduled payment of principal and interest on the Insured Series 2025A Certificates, if any. The Board has yet to determine whether the Policy will be purchased. If the Policy is purchased, the following are risk factors relating to the Policy would apply to the Insured Series 2025A Certificates.

In the event of default of the payment of principal or interest with respect to the Insured Series 2025A Certificates, if any, when all or some becomes due, any owner of the Insured Series 2025A Certificates shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of optional or mandatory prepayment or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Insured Series 2025A Certificates by the Board, which is recovered by the Board from the certificate owner as a voidable preference under applicable bankruptcy law is covered by the Policy; however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the Board unless the Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Insurer without appropriate consent. The Insurer may direct and must consent to any remedies and the Insurer's consent may be required in connection with amendments to the Series 2025A Trust Agreement and the Series 2025A Lease Agreement.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Insured Series 2025A Certificates are payable solely from the moneys received pursuant to the Series 2025A Trust Agreement and the Series 2025A Lease Agreement. In the

event the Insurer becomes obligated to make payments with respect to the Insured Series 2025A Certificates no assurance is given that such event will not adversely affect the market price of the Insured Series 2025A Certificates or the marketability (liquidity) for the Insured Series 2025A Certificates.

The long-term ratings on the Insured Series 2025A Certificates are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Insured Series 2025A Certificates will not be subject to downgrade and such event could adversely affect the market price of the Insured Series 2025A Certificates or the marketability (liquidity) for the Insured Series 2025A Certificates. See "RATINGS" herein.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Board nor the Underwriters have made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Board to pay principal and interest on the Insured Series 2025A Certificates and the claims paying ability of the Insurer, particularly over the life of the investment. See "MUNICIPAL BOND INSURANCE POLICY OPTION" herein for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

No Right of Insured Series 2025A Certificate Owners to Direct Remedies or Consent to Amendments

If the Board determines to purchase the Policy, termination of the Series 2025A Lease Agreement will not result in termination of the Policy. Unless the Insurer is in default of its payment obligations under the Policy, the Insurer is entitled to control and direct any of the rights or remedies of the Trustee with respect to the Insured Series 2025A Certificates, including the right to direct the Trustee as to whether or not to relet or sell the Series 2025A Project (excluding Designated Equipment). The Insurer, to the extent it insures a majority of the Series 2025A Certificates, may elect, subsequent to the termination of the Series 2025A Lease Agreement, to accelerate the maturity of all of the Series 2025A Certificates then outstanding, in which case the Principal Component and the Interest Component of the Basic Rent Payments represented by the Series 2025A Certificates shall become due and payable immediately. If the Insurer, to the extent it insures a majority of the Series 2025A Certificates, does not elect to accelerate the maturity of all Series 2025A Certificates outstanding, it has an obligation to continue to make payments to Owners of the Insured Series 2025A Certificates in accordance with the original schedule of Basic Rent Payments represented by the Insured Series 2025A Certificates. However, the Insurer has no fiduciary responsibility to the Owners of the Insured Series 2025A Certificates with respect to the direction of such remedies and has no obligation to preserve the exclusion from gross income for federal income tax purposes of amounts paid to Insured Series 2025A Certificate Owners by the Insurer and designated as interest.

If the Board determines to purchase the Policy, the Insurer is deemed to be the owner of the Insured Series 2025A Certificates for certain purposes, including consenting to certain amendments to the

Series 2025A Trust Agreement, the Series 2025A Assignment, the Series 2025A Lease Agreement, and other documents executed to facilitate the issuance of the Series 2025A Certificates.

SHORT TERM FINANCING

On October 22, 2024, the District issued its Tax Anticipation Notes, Series 2024 (the "TAN") in the amount of \$48,000,000. The TAN matures on February 27, 2025. The TAN is payable from ad valorem taxes collected for operating purposes and, if necessary, legally available non-ad valorem revenues and is not payable from the Capital Outlay Millage Levy.

CONTINUING DISCLOSURE

The Board has covenanted and undertaken for the benefit of Series 2025A Certificate holders to execute and deliver a Disclosure Dissemination Agent Agreement with Digital Assurance Certification, L.L.C., as its dissemination agent (the "Disclosure Agreement") wherein the Board will agree to provide certain financial information and operating data relating to the Board, the District and the Series 2025A Certificates in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. Such undertaking shall only apply so long as the Series 2025A Certificates remain Outstanding under the Series 2025A Trust Agreement, the Series 2025A Lease Agreement has not been terminated or there has not occurred an Event of Non-Appropriation resulting in a termination of the Master Lease. The covenant shall also terminate upon the termination of the Rule 15c2-12(b)(5) of the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, each as amended (the "Rule"), by legislative, judicial or administrative action. The Annual Report and the notices of material events, if any, will be filed by the Board or its dissemination agent with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access System described in the Disclosure Agreement. The specific nature of the information to be contained in the Annual Report and the notices of material events, are described in the Disclosure Agreement to be dated and delivered at the time of issuance of the Series 2025A Certificates. See "APPENDIX H – FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT" attached hereto. With respect to the Series 2025A 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.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2025A 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 G – FORM OF OPINION OF SPECIAL COUNSEL") will be available at the time of delivery of the Series 2025A 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. The 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 on for the Board and the Corporation by Dye Harrison Knowles Kirkland Pratt Pratt & DePaola PLLC, Bradenton, Florida, Counsel to the Board and the Corporation. Certain legal matters will be passed on for the Board by Bryant Miller Olive P.A., Tallahassee, Florida, Disclosure Counsel to the Board. Certain legal matters will be passed on for the Underwriters by their Counsel, Greenberg Traurig, P.A., Miami, Florida. Nabors, Giblin & Nickerson,

P.A. and Bryant Miller Olive P.A. may, from time to time, serve as counsel to the Underwriters. The Underwriters have not identified any potential or actual material conflicts that require disclosure.

LITIGATION

Concurrently with the delivery of the Series 2025A 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 Counsel to the Board, threatened against the Board (i) that seeks to restrain or enjoin the issuance or delivery of the Series 2025A Certificates, the Series 2025A Trust Agreement, the Series 2025A Ground Lease, or the Series 2025A Lease Agreement or (ii) questioning or affecting the validity of the Series 2025A Certificates, the Series 2025A Trust Agreement, the Series 2025A Ground Lease, or the Series 2025A Lease Agreement or any proceedings of the Board or actions of the Trustee with respect to the authorization, sale, execution, or issuance of the Series 2025A Certificates or the transactions contemplated by this Offering Statement, the Series 2025A Trust Agreement, the Series 2025A Lease Agreement, the Series 2025A Ground Lease, 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 2025A 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. There is no litigation, claim or series of claims currently pending, or, to the best knowledge of the Board, threatened that would have a material adverse consequence on the financial condition of the District.

RATINGS

If the Board elects to insure any of the Series 2025A Certificates, S&P Global Ratings ("S&P") is expected to assign an insured rating of "AA" (stable outlook), to the Insured Series 2025A Certificates, with the understanding that, upon issuance and delivery of the Insured Series 2025A Certificates, the Policy will be issued by the Insurer. In addition, S&P and Fitch Ratings have assigned ratings of "A+" (stable outlook) and "A+" (positive outlook), respectively, to the Series 2025A Certificates without regard to the Policy.

Such ratings and outlook reflect only the views of such organizations and any desired explanation of the significance of such ratings and outlook should be obtained from the rating agency furnishing the same at the following addresses: S&P Global Ratings, 55 Water Street, 38th Floor, New York, New York 10041 and Fitch Ratings, Inc., One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating and outlook on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings and outlook will continue for any given period of time or that such ratings and outlook will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings and outlook may have an adverse effect on the market price of the Series 2025A Certificates.

CONTINGENT FEES

The Board has retained Special Counsel, Disclosure Counsel, the Underwriters (who in turn engaged Underwriters' counsel), the Financial Advisor, and the Trustee (who in turn engaged Trustee's Counsel), and the Corporation has retained Counsel to the Corporation, with respect to the authorization, sale, execution, and delivery of the Series 2025A Certificates. Payment of the fees of such professionals are each contingent upon the issuance of the Series 2025A Certificates.

UNDERWRITING

The Series 2025A Certificates are to be purchased by BofA Securities, Inc. on behalf of themselves and J.P. Morgan Securities LLC, Jefferies LLC, and Raymond James & Associates, Inc. (collectively, the "Underwriters"). The Series 2025A Certificates are being purchased by the Underwriters at a price of \$_____ (which represents the par amount of the Series 2025A Certificates plus/less [net] original issue premium/discount of \$_____ and less an Underwriters' discount of \$_____). The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all of the Series 2025A Certificates if any Series 2025A Certificates are purchased. The Series 2025A Certificates may be offered and sold to certain dealers (including dealers depositing such Series 2025A 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.

BofA Securities, Inc., an underwriter of the Series 2025A Certificates, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2025A Certificates.

J.P. Morgan Securities LLC ("JPMS"), an underwriter of the Series 2025A Certificates, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2025A Certificates from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2025A Certificates that such firm sells.

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.

FINANCIAL ADVISOR

The Board has retained PFM Financial Advisors LLC, Orlando, Florida, as financial advisor in connection with the Board's financing plans and with respect to the issuance of the Series 2025A Certificates. 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 2025A Certificates.

TAX MATTERS

General

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 2025A Certificates in order that the Interest Component of the Basic Rent Payments received by the Owners of the Series 2025A 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 2025A Certificates, regardless of the date on which such non-compliance occurs or is ascertained. The Board and the Corporation have covenanted in the Series 2025A Lease Agreement 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 are included as APPENDIX G hereto, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the aforementioned covenants, prior to the termination of the Series 2025A Lease Agreement 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; provided, however, with respect to certain corporations, the Interest Component of Basic Rent Payments is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2025A Certificates, including among other things, restrictions relating to the use or investment of the proceeds of the Series 2025A Certificates and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2025A 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 2025A 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 2025A Certificates. Prospective purchasers of the Series 2025A Certificates should be aware that the ownership of the Series 2025A 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 2025A 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 2025A 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 2025A CERTIFICATE HOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2025A CERTIFICATE HOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

The Interest Component of the Basic Rent Payments related to the Series 2025A Certificates may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2025A Certificates should consult their own tax advisors as to the income tax status of such Interest Component in their particular state or local jurisdiction.

The Inflation Reduction Act, H.R. 5376 (the "IRA") was signed by the President on August 16, 2022. As enacted, the IRA includes a 15% alternative minimum tax to be imposed on the "adjusted financial statement income," as defined in the IRA, of certain corporations for tax years beginning after December 31, 2022. The Interest Component of the Basic Rent Payments represented by the Series 2025A Certificates will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2025A Certificates.

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 2025A 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 2025A 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 2025A 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 2025A Certificates.

Original Issue Discount

Certain of the Series 2025A Certificates (the "Discount Certificates") may be offered and sold to the public at an original issue discount, which is the difference between the principal amount of 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. 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 Series 2025A Lease Agreement 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 on the Discount Certificates following the termination of the Series 2025A Lease Agreement resulting from an Event of Non-Appropriation or Event of Default thereunder.

Original Issue Premium

Certain of the Series 2025A Certificates (collectively, the "Premium Certificates") may be offered and sold to the public at a price in excess of the principal amount of such Premium Certificate, which excess constitutes to an initial purchaser amortizable bond 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. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Certificates which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. 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 on the Premium Certificates following the termination of the Series 2025A Lease Agreement 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 2025A CERTIFICATES OR THE RECEIPT BY THE OWNERS THEREOF OF PAYMENTS ON THE SERIES 2025A CERTIFICATES FOLLOWING THE TERMINATION OF THE SERIES 2025A LEASE AGREEMENT, AS APPLICABLE, RESULTING FROM AN EVENT OF NON-APPROPRIATION OR EVENT OF DEFAULT THEREUNDER.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations of such entity that have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private businesses). The District is not and has not since December 31, 1975, been in default as to principal and interest on its bonds or other debt obligations.

FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report of the School District of Manatee County, Florida for the Fiscal Year Ended June 30, 2024, included in this Offering Statement have been audited by the Cherry Bekaert LLP (the "Auditor"), as set forth in its report dated January 10, 2025. The Auditor has not participated in the preparation or review of this Offering Statement and the financial statements are included as a publicly available record.

Budgeted figures for the Fiscal Year 2024-25 set forth in this Offering Statement reflect figures included in the final adopted budget which was approved by the Board on September 10, 2024, and are subject to change throughout the Fiscal Year.

ACCURACY AND COMPLETENESS OF OFFERING STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the Board and the Projects financed under the Master Lease 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 2025A Certificates, the security for the payment of the Series 2025A 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 2025A 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 2025A 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 of registration, as to all of which no opinion will be expressed), as of its date and as of the date of delivery of the Series 2025A 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, which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

**THE SCHOOL DISTRICT OF MANATEE
COUNTY, FLORIDA**

By: _____
Chair of The School Board of Manatee County,
Florida

By: _____
Superintendent of Schools, Ex-Officio Secretary
of the Board

APPENDIX A

GENERAL INFORMATION RELATING TO MANATEE COUNTY, FLORIDA

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THE FOLLOWING INFORMATION CONCERNING MANATEE COUNTY, FLORIDA (THE "COUNTY") 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 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 ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023.

General Information

Manatee County (the "County"), founded in 1856, encompasses approximately 740 square miles and is located approximately half way down the west coast of Florida. The County is bounded on the north by Hillsborough County, on the south by Sarasota County, on the east by Hardee and DeSoto Counties, and on the west by the Gulf of Mexico. The incorporated cities of Anna Maria, Bradenton, Bradenton Beach, Holmes Beach, Longboat Key and Palmetto are located within the County. In 2023 the County's population was 439,566 persons.

There are approximately 150 miles of waterfront land in the County, including more than 14 miles of Gulf beaches. Temperatures range from an average of approximately 62 degrees (F.) in January to approximately 83 degrees (F.) in August. Other natural advantages include an abundance of, and numerous, mineral deposits and unique soils suitable for agriculture. These factors have allowed the County to maintain an even and steady economic growth rate through the years, and have enabled the County to develop a year-round tourist industry.

Interstate 75 is the primary north-south access road to the County. Interstate 275, State Road 64 and State Road 70 are the major east-west access roads to the County. Interstate 275 utilizes the Skyway Bridge to St. Petersburg and Tampa.

County Government

The County is a non-charter county established under the Constitution and laws of the State of Florida governed by a seven-member Board of County Commissioners (the "Board"), one from each of five districts and two elected at large (County wide) for staggered terms of four years. In addition to the Members of the Board, there are five elected County Officials: Tax Collector, Property Appraiser, Supervisor of Elections, Clerk of the Circuit Court and Comptroller and Sheriff.

The County provides a variety of services characteristic of local multi-purpose governments, including transportation, building, planning and zoning, environmental protection, utilities, welfare, children's services, civil defense, veteran's services, traffic control and others. The Board provides and oversees expenditures of such operations. There were approximately 2,288 County employees as of September 30, 2023.

Population

The County has experienced a very rapid population growth in recent years. The 2020 U.S. Census listed the County population at 399,710 persons. In 2023 the County's population was 439,566 and the

estimated 2024 County population is 453,021. As shown in the following table, the population of the County has more than quadrupled since 1970. The County population is projected to be 464,947 in the year 2025.

Manatee County		
	Population	% Increase
2020 Federal Census	399,710	23.8%
2010 Federal Census	322,833	22.3
2000 Federal Census	264,002	24.7
1990 Federal Census	211,707	42.6
1980 Federal Census	148,445	52.9
1970 Federal Census	97,115	40.4
1960 Federal Census	69,168	99.3
1950 Federal Census	34,704	-

Source: U.S. Census Bureau.

The 2020 Census also reported that of the 399,710 persons living in the County, 28.4% were age 65 and over. The population's median age is 49.

Age Group	Estimated 2025	Estimated 2020	2010	2000	Age Group	1990
0-4	23,559	21,041	18,322	14,902	0-14	34,686
5-17	59,272	55,848	47,961	39,745	15-24	20,644
18-24	30,844	28,666	22,833	17,203	25-44	55,035
25-54	135,067	126,290	113,528	97,640	45-59	28,168
55-64	61,317	60,116	45,080	28,865	60+	73,174
65-79	93,372	78,905	53,618	47,989		
80+	34,209	27,637	21,491	17,658		
Total	437,640	398,503	322,833	264,002		211,707

Sources: University of Florida, Bureau of Economic and Business Research, Florida Population Studies, Bulletin 190; U.S. Census Bureau.

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Employment

The following chart shows the labor force in the County and the percent of the estimated labor force unemployed from 2014 to July of 2023 for the County, the State of Florida and the United States.

LABOR FORCE ESTIMATES BY EMPLOYMENT STATUS

Year	Labor Force	Employment	Unemployment Number	Unemployment Rate		
				Manatee County	State	United States
2014	160,276	150,831	9,445	5.9%	6.4%	6.2%
2015	165,527	157,051	8,476	5.1%	5.5%	5.3%
2016	171,148	163,281	7,867	4.6%	4.9%	4.9%
2017	173,427	166,400	7,027	4.1%	4.3%	4.4%
2018	176,903	170,710	6,193	3.5%	3.6%	3.9%
2019	179,123	173,365	5,758	3.2%	3.3%	3.7%
2020	175,309	162,762	12,547	7.2%	8.1%	8.1%
2021	180,190	172,818	7,372	4.1%	4.7%	5.3%
2022	185,845	180,356	5,489	3.0%	3.0%	3.6%
2023	193,407	187,525	5,882	3.0%	2.9%	3.6%

Source: Florida Department of Economic Opportunity, Labor Market Statistics, Local Area Unemployment Statistics Program, 2014 through 2023; U.S. Bureau of Labor Statistics.

The following table shows the distribution of the North Port-Bradenton-Sarasota Metropolitan Statistical Area total employment by industry and wage data as of 2023.

North Port-Bradenton-Sarasota Metropolitan Statistical Area Employment by Industry

Industry Sectors	Average Annual Employment	Average Annual Wage
Trade, Transportation and Utilities	65,253	\$50,913
Education and Health Services	72,174	62,242
Professional and Business Services	43,041	77,702
Leisure and Hospitality	48,870	35,223
Construction	30,687	64,914
Manufacturing	18,230	69,677
Financial Activities	16,829	93,881
Other Services	12,366	44,872
Natural Resources and Mining	2,860	38,322
Information	3,582	120,561
Unclassified	836	63,834

Source: Quarterly Census of Employment and Wages – Bureau of Labor Statistics, 2023 Annual Averages.

The following table reflects the demographic and economic statistics in the County for the last ten fiscal years.

**Manatee County, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	Per Capita Personal Income (000s)	Personal Income (000s)	Median Age	School Enrollment	Unemployment Rate
2014	337,546	\$46.7	\$15,763,398	46	46,800	6.1%
2015	341,405	43.8	14,953,539	47	47,700	5.1
2016	356,133	44.8	15,954,758	47	48,600	4.7
2017	368,782	45.9	16,927,094	48	48,867	3.3
2018	377,826	47.3	17,871,170	49	49,152	2.9
2019	387,414	48.3	18,712,096	49	49,835	3.0
2020	398,503	50.0	19,925,150	49	49,599	5.2
2021	411,209	54.5	22,410,891	49	51,145	3.7
2022	421,768	63.3	26,697,914	50	52,000	2.6
2023	439,566	62.1	27,297,048	50	54,924	3.4

Source: Manatee County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023.

The following table reflects the principal employers in the County for the fiscal year ended September 30, 2023.

Employer	Employees	Rank	Percentage to Total County Employment
Manatee County School Board	6,864	1	3.55%
Manatee Healthcare System	2,500	2	1.29
Manatee County Government	2,288	3	1.18
Publix	2,224	4	1.15
Beall's, Inc.	1,857	5	0.96
Blake Medical Center	1,500	6	0.78
Manatee County Sheriff's Department	1,213	7	0.63
Tropicana Products, Inc.	1,000	8	0.52
IMG Academies	800	9	0.41
State College of Florida, Manatee-Sarasota	710	10	0.37

Source: Manatee County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023.

Personal Income

The following table reflects the personal per capita income for the periods shown for the County, the State of Florida and the United States.

PERSONAL PER CAPITA INCOME ON A PLACE-OF-RESIDENCE BASIS

Year	Manatee County	State of Florida	United States
2012	\$39,126	\$40,517	\$44,548
2013	39,699	41,162	44,798
2014	42,535	43,516	46,887
2015	45,169	45,659	48,725
2016	45,870	46,454	49,613
2017	47,734	49,055	51,550
2018	49,267	51,520	53,786
2019	53,269	54,560	56,250
2020	55,550	57,292	59,763
2021	59,152	62,270	64,117
2022	59,691	64,806	65,470
2023	64,096	68,703	69,810

Source: U.S. Bureau of Economic Analysis; Personal Income Summary for Manatee County, State of Florida and United States, Updated November 16, 2023.

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Property Taxes

The following table reflects the assessed valuations, taxes levied, and taxes collected by the County for the last ten fiscal years.

**Manatee County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(Amounts expressed in thousands)**

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2014	2013	\$166,094	\$160,149	96.42%
2015	2014	178,675	172,227	96.39
2016	2015	194,056	187,607	96.68
2017	2016	210,057	202,699	96.50
2018	2017	229,285	221,227	96.49
2019	2018	247,832	239,272	96.55
2020	2019	267,473	258,065	96.48
2021	2020	286,906	276,284	96.30
2022	2021	307,018	295,714	96.32
2023	2022	353,497	340,178	96.23

Source: Manatee County, Florida, Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023.

Property tax levies, based on assessed values as of January 1st, become due and payable on November 1st of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Accordingly, taxes collected will never be 100 percent 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 no later than June 1st of each year. Collections received subsequent to the tax sales are remitted by the Tax Collector directly to the certificate holders. Collections in subsequent years include delinquent taxes received, less refunds issued due to tax roll corrections.

The following table reflects the direct and overlapping property tax millage rates imposed by the County over the last ten years.

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Manatee County, Florida
Direct and Overlapping Property Tax

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Direct Rates									
County									
Operating									
General Operation Fund	4.7942	5.1442	5.2942	5.2942	5.2942	5.5982	5.5982	5.5822	5.4902
Transportation Trust Fund	0.4036	0.4036	0.2536	0.2536	0.2536	0.2513	0.2416	0.2416	0.2416
Library Operating Fund	0.2475	0.1975	0.2475	0.2475	0.2475	0.2475	0.2475	0.2475	0.2475
Parks & Recreation Fund	0.3040	0.3040	0.3040	0.3040	0.3040	0.0000	0.0000	0.0000	0.0000
Children's Service Fund	0.3333	0.3333	0.3333	0.3333	0.3333	0.3333	0.3333	0.3333	0.3333
Environmental Lands Fund	0.1500	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Debt	0.0000	0.0000	0.0000	0.0000	0.0000	0.0023	0.0120	0.0280	0.1200
Total	6.2326	6.3826	6.4326	6.4326	6.4326	6.4326	6.4326	6.4326	6.4326
Overlapping Rates									
School Board	6.5220	6.8760	6.9720	7.1350	7.3310	6.6080	6.9200	7.2670	7.3760
Taxing Districts	0.4651	0.4926	0.4663	0.4795	0.4949	0.4804	0.5061	0.5104	0.5274
Unincorporated Municipal Service Tax	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109
County Millage Paid by County Taxpayers	13.8306	14.3621	14.4818	14.6580	14.8694	14.1319	14.4696	14.8209	14.9469
Ad Valorem Fire Districts									
Cedar Hammock Fire Rescue	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000
East Manatee Fire Rescue	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000
Southern Manatee Fire Rescue	1.2061	1.2061	1.2061	1.2061	1.2061	1.2061	1.2061	1.2061	1.2061
Other	0.2546	0.2546	0.2546	0.2546	0.2546	0.2546	0.2546	5.2546	5.2546
Municipalities	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500
Anna Maria, City of	2.3329	2.3329	2.3329	2.3329	2.3329	2.3329	2.3329	2.3329	2.3329
Bradenton Beach, City of	5.8351	5.8976	5.8976	5.8976	5.8976	5.8976	5.8976	5.8976	5.8976
Bradenton, City of	2.0500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	1.7500
Holmes Beach, City of	2.0700	3.2384	3.3574	2.9466	3.0373	3.0748	3.1315	3.2286	3.2993
Longboat Key, Town of	2.9288	5.9671	5.9671	5.9671	5.9671	5.9671	5.9671	5.9671	5.7171
Palmetto, City of	5.9671	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500
Total Direct and Overlapping	38.5752	39.6588	39.8975	39.6629	39.9650	39.2650	39.6594	45.1078	44.5545

Source: Manatee County, Florida, Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023.

Tourism

The proximity of the Gulf beaches and the favorable climate in the County provide the basis for a year-round tourist industry. There are numerous motels and retail service establishments in the County to serve the tourist trade.

Transportation

Three international airports can be found within 50 miles of the County. Sarasota Bradenton International Airport ("SRQ") is ten minutes from downtown Bradenton and provides commercial flights and general aviation services to more than 1.5 million passengers annually. Non-stop, year-round daily flights to Atlanta, Baltimore, Charlotte, Chicago, Cincinnati, New York, and Washington, D.C. are available, while seasonal flights are accessible to Boston, Detroit, Indianapolis, Memphis and Toronto. SRQ is strategically located on the Manatee/Sarasota county line. Further domestic and international air transportation options can be accessed through Tampa International Airport ("TPA") within 47 miles and St. Petersburg-Clearwater International Airport ("PIE") within 36 miles of Bradenton.

Commuters take advantage of a large web of interstate and intrastate highway systems that wind throughout the area, including Interstates 4, 75 and 275; U.S. Highways 41, 19 and 301; and State Routes 62, 64, 70, 675, 684, and 789. The Manatee County Area Transit provides bus, trolley and paratransit services to residents and visitors. Ten fixed bus routes traverse Bradenton, Ellenton, Palmetto, and the county's Gulf Beach communities.

Port Manatee

Port Manatee, one of the largest of fifteen Florida deepwater seaports, is located in the northwestern corner of the County where Tampa Bay meets the Gulf of Mexico. It is the closest U.S. deepwater seaport to the expanded Panama Canal, with ten 40-foot-draft berths serving container, bulk, breakbulk, heavy lift, project and general cargo customers. The self-sustaining port generates more than \$5.1 billion in annual economic impacts while providing for more than 37,287 direct and indirect jobs. Port Manatee is the community's largest gateway to international trade and commerce and has become one of Florida's fastest growing seaports. Located on over 1,100 acres with 5,000 acres of contiguous land available, Port Manatee is the hub for a wide variety of agricultural and industrial products. It hosts shipments of orange juice and other citrus juices and beverages, forestry products, bananas, melons, aluminum, steel, paper products, linerboard, wood pulp, petroleum products, construction-grade aggregate, cement and fertilizer. In the Fiscal Year 2023, Manatee's containerized cargo throughput of 167,385 twenty-foot-equivalent (TEU) container units remained nearly double the Port's Fiscal 2020 TEU count. For the 12-month period ended September 30, 2023, Port Manatee reported total cargo tonnage of 11,017,670 short tons making it the second busiest fiscal year in the Manatee County Port's 53-year history. The Port Manatee facilities are operated by the Manatee County Port Authority, with daily operations supervised by a Port Director appointed by the Manatee County Port Authority. The governing body of Manatee County is also the governing body of the Manatee County Port Authority.

APPENDIX B

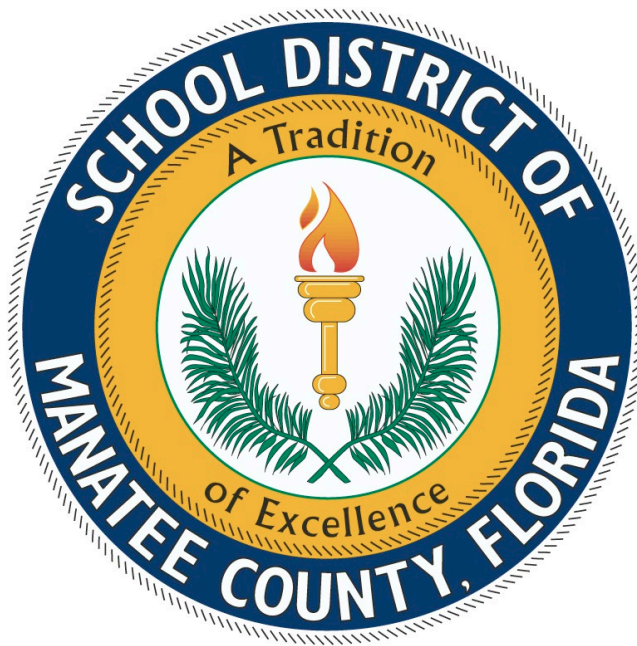
**ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE
COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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Annual Comprehensive Financial Report

The School District of Manatee County, Florida

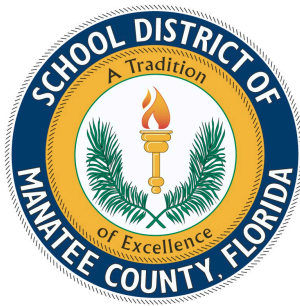
for the Fiscal Year Ended June 30, 2024



School District of Manatee County
Bradenton, Florida

Annual Comprehensive Financial Report

The School District of
 Manatee County, Florida
 For the Fiscal Year Ended June 30, 2024



Prepared by the
 Finance Department

School District of Manatee County
 215 Manatee Avenue West
 Bradenton, Florida 34205
www.manatee.k12.fl.us

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Table of Contents

Table of Contents i

Section 1. Introductory Section

Letter of Transmittalv
 School Board Members..... xiv
 List of Principal Officials - Appointedxv
 Organizational Chart..... xvi
 Certificate of Excellence in Financial Reporting (ASBO) xvii

Section 2. Financial Section

Independent Auditor’s Report.....1
 Management’s Discussion and Analysis5

Basic Financial Statements

Government-wide Financial Statements:
 Statement of Net Position21
 Statement of Activities.....22

Fund Financial Statements:
 Balance Sheet – Governmental Funds24
 Reconciliation of the Governmental Funds Balance Sheet to the
 Statement of Net Position27
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Governmental Funds28
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
 and Changes in Fund Balances to the Statement of Activities33
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – General Fund34
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – Federal Education Stabilization Fund36
 Statement of Net Position – Proprietary Funds.....37

Basic Financial Statements (continued)

Statement of Revenues, Expenses, and Changes in
 Net Position – Proprietary Funds38
 Statement of Cash Flows – Proprietary Funds.....39
 Statement of Fiduciary Net Position – Fiduciary Funds.....40
 Statement of Changes in Fiduciary Net Position – Fiduciary Funds41
 Notes to the Financial Statements.....43

Required Supplementary Information:

Schedule of Changes in the District’s Total
 Other Postemployment Benefits Liability and Related Ratios85
 Schedule of District’s Proportionate Share of Net Pension Liability
 Florida Retirement System (FRS) Defined Benefit Pension Plan86
 Schedule of District’s Proportionate Share of Net Pension Liability Retiree
 Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan86
 Schedule of District Contributions Florida Retirement System (FRS)
 Defined Benefit Pension Plan87
 Schedule of District Contributions Retiree Health Insurance Subsidy
 (HIS) Program Defined Benefit Pension Plan87

**Other Supplemental Information:
 Combining and Individual Fund Financial Statements and Schedules**

Nonmajor Governmental Funds:
 Nonmajor Governmental Funds 89-95
 Combining Balance Sheet – Nonmajor Governmental Funds90
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Nonmajor Governmental Funds92
 Special Revenue Funds 97-99
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – Special Revenue – Food Services Fund98
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget
 and Actual – Special Revenue-Federal Contracted Programs Fund99
 Debt Service Funds 101-104
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Debt Service – Other Debt Service Fund.....102
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Debt Service – ARRA Economic Stimulus Fund.....103
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Debt Service – State Board of Education Bonds Fund104

Other Supplemental Information:

Combining and Individual Fund Financial Statements and Schedules (continued)

Capital Projects Funds 105-109
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Capital Projects – Section 1011.71(2), Florida Statutes,
 Local Capital Improvement Tax Fund.....106
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Capital Projects – Other Capital Projects Fund107
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Capital Projects – Public Education Capital Outlay Fund108
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Capital Projects – Capital Outlay & Debt Service Fund.....109
 Proprietary Fund Types:
 Internal Service Funds 111-114
 Combining Statement of Net Position112
 Combining Statement of Revenues, Expenses, and
 Changes in Fund Net Position.....113
 Combining Statement of Cash Flows114
 Fiduciary Fund Types:
 Fiduciary Funds 115-117
 Combining Statement of Fiduciary Net Position116
 Combining Statement of Changes in Fiduciary Net Position117

Other Schedules:

Component Units 119-136
 Combining Statement of Net Position120
 Combining Statement of Activities122
 Combining Statement of Activities – !HOLA! Elementary @ MSA123
 Combining Statement of Activities – Imagine School at Lakewood Ranch124
 Combining Statement of Activities – Imagine Charter School at North Manatee125
 Combining Statement of Activities – Lakewood Ranch Preparatory Academy126
 Combining Statement of Activities – Manatee Charter School127
 Combining Statement of Activities – Manatee School for the Arts128
 Combining Statement of Activities – Manatee School of Arts and Sciences, Inc.....129
 Combining Statement of Activities – Oasis Middle School, Inc.130
 Combining Statement of Activities – Palmetto Charter School, Inc.131
 Combining Statement of Activities – Parrish Charter Academy, Inc132
 Combining Statement of Activities – Team Success A School of Excellence, Inc133
 Combining Statement of Activities – Visible Men Academy, Inc.134
 Combining Statement of Activities – William Monroe Rowlett Academy for Arts &
 Communication, Inc.....135
 Combining Statement of Activities – William Monroe Rowlett Middle Academy for
 Leadership, Arts & Communication, Inc.136

SCHOOL DISTRICT OF MANATEE COUNTY



SCHOOL BOARD

Chad Choate III
Chair

Cindy Spray
Vice Chair

Heather Fellon
Charlie Kennedy
Richard Tatem

SUPERINTENDENT

Jason C. Wysong, Ed.D.

January 21, 2025

Dear Chair, Members of the School Board of Manatee County, Florida, and Citizens of Manatee County:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the School Board of Manatee County, Florida (District) for the fiscal year ended June 30, 2024. State law requires all school districts publish within 9 months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with auditing standards generally accepted in the United States by an independent certified public accountant.

This report consists of management’s representations concerning the finances of the District. Responsibility for the accuracy, completeness and fairness of the information presented, 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 District 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. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance 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.

This report will provide the taxpayers of the District with financial data in a format enabling them to gain an understanding of the financial affairs and standing of the District.

Independent Audit

Cherry Bekaert LLP has independently audited the District’s financial statements for the fiscal year ended June 30, 2024. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District are free of material misstatement. 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 report on the basic financial statements by Cherry Bekaert LLP is included in the financial section of the ACFR. The independent auditor concluded there is a reasonable basis for rendering an unmodified opinion that, based on the audit and reports of other auditors, the District’s financial statements are fairly presented in all material respects, in conformity with GAAP.

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Section 3. Statistical Section

Statistical Section 137-172

Schedule 1 – Net Position by Component 138

Schedule 2 – Expenses, Program Revenues, and Net (Expense)/Revenue 140

Schedule 3 – General Revenues and Total Change in Net Position 142

Schedule 4 – Fund Balances of Governmental Funds 144

Schedule 5 – Governmental Funds Revenues 146

Schedule 6 – Governmental Funds Expenditures and Debt Service Ratio 148

Schedule 7 – Other Financing Sources and Uses and Net Change in Fund Balances, Governmental Funds 150

Schedule 8 – Assessed and Estimated Actual Value of Taxable Property 153

Schedule 9 – Property Tax Rates Direct and Overlapping Governments 154

Schedule 10 – Principal Property Taxpayers 156

Schedule 11 – Property Tax Levies and Collections 157

Schedule 12 – Historical Sales Surtax Collection 158

Schedule 13 – Public Education Capital Outlay and Capital Outlay & Debt Service Funds 159

Schedule 14 – Ratios of Outstanding Debt by Type 160

Schedule 15 – Direct and Overlapping Governmental Activities Debt 161

Schedule 16 – Comparative Ratios of Bonded Debt and Certificates of Participation to Taxable Assessed Valuation and Per Capita Indebtedness 162

Schedule 17 – Anticipated Capital Outlay Millage Levy Required to Cover Certificates of Participation Payments 163

Schedule 18 – Demographic and Economic Statistics 164

Schedule 19 – Principal Employers 165

Schedule 20 – Schedule of Selected Operating Information Grades K-12 166

Schedule 21 – School Building Information and Full-Time Equivalent Enrollment Data 167

Schedule 22 – Number of Personnel 171

Schedule 23 – Teachers Base Salaries 172

Section 4. Reports and Schedules

Schedule of Expenditures of Federal Awards 173

Notes to the Schedule of Expenditures of Federal Awards 174

Affidavit on Impact Fees 175

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 177

Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance 179

Schedule of Findings and Questioned Costs 182

Independent Auditor’s Management Letter 184

Report of Independent Accountant on Compliance with Local Government Investment Policies 186

Prior Audit Follow-Up 187

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The District is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also the audited government's internal controls and compliance with the legal requirements with special emphasis on internal controls and legal requirements involving the administration of Federal awards. Information related to this Single Audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, summary of prior audit findings, and the report of independent auditor on the internal control over compliance and on compliance with applicable requirements, are included in the Reports and Schedules section.

The ACFR includes all funds of the District, the Manatee School Board Leasing Corporation, and several charter schools, which comprise the reporting entity. The Leasing Corporation was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. The charter schools are public schools educating students under state-regulated operating contracts with the District. The charter schools are included in the ACFR as discretely presented component units. One charter school, the State College of Florida Collegiate School, operates under another governmental agency and, therefore, is not included as discretely presented component units of the District.

The ACFR is presented in three sections as follows:

1. The Introductory Section, which contains the Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the District.
2. The Financial Section, which includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), basic financial statements, notes to the financial statements, required supplementary information, and other supplemental information.

The basic financial statements and notes provide an overview of the District's financial position and operating results. The required supplementary information includes information related to retirement and other postemployment liabilities of the District. Other supplemental information provides more detailed information relative to the basic financial statements, which includes combining statements for non-major governmental funds, combining statements for each fund type, budget to actual statements for all governmental funds, and combining statements for the discretely presented component units. The MD&A immediately follows the report of independent auditor and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements the letter of transmittal and should be read in conjunction with it.

3. The Statistical Section presents on a multi-year basis, selected social and economic data, financial trends, and the fiscal capacity of the District.

Reports and schedules required by *Governmental Auditing Standards* and United States Office of Management and Budget (OMB) follow the three sections identified above. Also included is the Affidavit on Impact Fees.

Profile of the School District

The District and its governing body 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 the District in accordance with Chapter 1001, Florida Statutes. The District consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Manatee County. The Superintendent of Schools is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and District policies. Section 1010.01, Florida Statutes, requires each school district to prepare and maintain financial records and accounts as prescribed by law and rules of the State Board of Education.

The geographic boundaries of the District are those of Manatee County. The County encompasses a 742 square mile area located in west central Florida and is approximately 45 miles south of the city of Tampa. The County operates under a constitution adopted in 1921 and has a projected estimated population of 453,021 persons. Within its borders are six municipalities: City of Anna Maria, Bradenton, Bradenton Beach, Holmes Beach, Palmetto, and the Town of Longboat Key.

During the 2023-24 fiscal year, the District operated 54 schools at 52 sites; including 31 elementary schools, 9 middle schools, 7 high schools, 2 K-8 combination schools, 1 alternative education school, 1 ESE center, 1 post-secondary school (operated at 2 school sites) and 2 virtual schools. The District also managed 12 contract sites, including 4 Department of Juvenile Justice sites, and authorized operating contracts with 15 charter schools. The charter schools are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The average age of schools for the District is 26 years. The District reported serving approximately 54,640 unweighted, full-time equivalent students based on the fourth calculation of the 2023-24 fiscal year and projects it will enroll 56,470 students for the 2024-25 fiscal year.

The District receives most of its operating funds through a State funding formula intended to equalize funding received from the State and local property tax among districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based on the number of reported full-time equivalent students enrolled at the charter schools.

The District serves students from infants through adults. Students in the District represent a diverse community of learners, including a variety of ethnic and cultural backgrounds. Approximately 12.8 percent of student were classified as English Language Learners and 61.6 percent were economically disadvantaged. The student population is 44 percent White, 36 percent Hispanic, 11.7 percent Black/African American, 6 percent Multiracial, 2.2 percent Asian and 0.1 percent American Indian/Alaskan Native.

In addition to the various educational programs offered to K-12 students, the District offers services including programs for babies of teen parents who are progressing toward achieving high school diplomas; programs for special education from age 3 to 21; preschool programs for children from birth through five years; programs for eligible homeless or at risk of becoming homeless students; and voluntary pre-kindergarten services.

The District also offers programs for adults to learn the necessary skills to enter the workforce or increase opportunities for advancement in current positions. Adults who did not finish high school may prepare for the official GED Test to be able to earn a State of Florida high school diploma, and students from other countries can learn communication skills through the District's English for Speakers of other Languages (ESOL) program. Fee-supported courses are also available at the District's Technical College for adult students to obtain career specific skills, certifications, licenses in over fifty different programs such as computers, information technology, construction, health fields, manufacturing, law enforcement, first responders and other wherein many of these programs qualify for the use of PELL grants.

District Vision

The School District of Manatee County will be an exemplary student-focused school system that develops lifelong learners to be globally competitive.

District Mission

The School District of Manatee County will educate and develop all students today for their success tomorrow.

Economic Condition and Outlook

Manatee County is part of the North Port-Bradenton-Sarasota Metropolitan Statistical Area (MSA), which includes Manatee and Sarasota Counties. Since 2020, the population of Manatee County has increased 10% to 439,566. For the 2023 calendar year, the Office of Economic & Demographic Research ranks Manatee County as the 16th most populous county (out of 67 counties) in the State with 1.9 percent of Florida's population. Manatee County's unemployment rate was 3.0 percent.

The County experienced increased growth in the housing market. In 2022, there were 8,457 new private housing structures permitted in Manatee County up from 8,119 in 2021. The median sales price for an existing single-family home in Manatee County was \$509,240, a year-over-year decrease (as of December 2023) of 2.1 percent, according to the Realtor Association of Sarasota and Manatee.

The District recognizes it benefits financially from the growth in population as well as the increase in property values. The District anticipates continued growth in the number of students served by District schools. The 2025 population projection for Manatee County is 459,471.

Major Initiatives and Accomplishments

Fiscal year 2023-24 was a busy and successful year for the School District of Manatee County. The District's accomplishments include:

WE ARE SUSTAINING SUCCESS UNDER NEW LEADERSHIP

- Dr. Jason Wysong completed his first school year as superintendent on May 24, 2024. A former deputy superintendent in Seminole County, he came to Manatee County in July 2023.
- Members of the district's Class of 2024 earned \$21.2 million in scholarships and were accepted into colleges and universities across the country and all five branches of the military.
- Manatee was one of 3 U.S. districts named "District of the Year" by Cambridge International for increasing access to rigorous curriculum and strong performance on course exams.
- District students won 29 "Best in State" awards at the Florida TSA Conference – the most by any district - and Braden River High won the high school state championship.
- The American Boat & Yacht Council named Manatee Technical College instructor Freddie Fowler the 2023 Marine Service Technology Instructor of the Year.

WE ARE BUILDING ACADEMIC MOMENTUM

- Student learning outcomes in 2023-24 increased in every metric in Florida's school accountability system.
- Twenty-four schools in Manatee County earned an "A" grade from the Florida Department of Education, including 20 district-operated, School Board-led schools and 4 charter schools.
- The percentage of students reading on grade level in grade 3 rose from 47% in 2021-22 to 50% in 2022-23 and 54% in 2023-24, an overall improvement of 7 percentage points in two years.
- Student outcomes in Social Studies rose by 5 percentage points in 2023-24, with a total of 71% of students scoring at or above grade level.

WE ARE FINANCIALLY SOUND

- The School District's General Fund Balance has grown from \$14.4 million on June 30, 2014 to \$112.7 million at the end of June 30, 2024 as a result of both careful stewardship and strategic use of pandemic relief funding from the federal government.
- During 2023-24 fiscal year, SDMC ratings from the major financial ratings firms, including Moody's, Standard and Poor's, and Fitch Ratings have remained unchanged, based upon the financial performance of the District.

WE ARE PAYING COMPETITIVE SALARIES

- This past school year marked the eighth-consecutive year the District provided pay increases to teachers and other employees.
- Pay for a beginning teacher increased from \$48,586 in 2022-23 to \$49,210 in 2023-24, and now represents one of the highest starting teachers' salaries amounts in the state. In addition, the teachers received a millage payment of \$8,362 in 2023-24, these funds bring SDMC competitive with the top districts in the state.

WE ARE PREPARING FOR GROWTH

- Palmetto High School has a major addition and renovation project that includes a new two-story classroom building, new cafeteria, administration building renovation/addition, upgrades to the baseball facilities, new bus loop, and site improvements.
- The Buffalo Creek Middle School addition project was completed this past school year. The scope of this project included a new multi-story media center with a library and eight additional classrooms, renovations to the administration building, enhancements to the main entry, three additional labs in the existing media center and improved vehicular access off 69th Street East.
- Major renovations and additions are continuing at Haile Middle School, Tara Elementary, Blackburn Elementary, and Oneco Elementary Schools. Construction on the campuses commenced in the fall of 2023 and the projects are funded by the 2023 COPS.
- The Palma Sola Elementary School renovation and additions project is under design. The project will include the replacement of the majority of the existing campus buildings and renovation/remodeling of the newer structures on campus with campus-wide utility and infrastructure upgraded and is funded by the 2023 COPS.
- This past school year major addition projects were completed for two high schools: Southeast - science classroom addition and Lakewood Ranch - 20 classroom addition.
- The Parrish Community High School addition is under construction and will include an additional 16 classrooms.
- The East County K-8 is under construction with the elementary portion of the campus scheduled for completion for the 2025-26 school year and the middle school the following school year.
- Construction has commenced for the new Middle School facility in the North River Ranch area with a planned completion for the 2025-26 school year.
- Planning is under way for two new Elementary Schools located in the Rye Ranch and Artisan Lakes areas with projected openings for the 2026-27 school year.
- The Maintenance Division continues to focus on energy conservation by identifying and replacing inefficient lighting with LEDs at Stadiums, Gymnasiums, Parking Lots, Media Centers, Classrooms, and Auditoriums along with chillers and other HVAC infrastructure components.
- The District is participating in the Electric School Bus Grant offered through the Department of Environmental Protection. Four Electric School Buses were delivered this school year and construction was completed for the charging stations this spring.
- For the 2023-2024 School Year Food and Nutrition Services (FNS) served over 8.4 million meals, averaging 16,000 breakfasts, 28,000 lunches and 3,000 after school meals daily.
- FNS in 2023-2024 completed a successful U.S.D.A. Summer Meals Administrative Review which included procurement, resource management, and menu compliance.

WE ARE IMPLEMENTING OUR STRATEGIC PLAN AND TECHNOLOGY PLAN

- Successfully implementing the District's READY 2026 Strategic Plan.
- Board approved District Technology Plan is in effect through June 30, 2029.
- Digitized over 6.8 million student, staff, and department records.
- Electronically transferred 6,610 student records between districts in the last two years.
- Dark fiber infrastructure upgrades completed at 54 sites connecting to (2) data centers.
- Network switch and wireless access point upgraded to 17 elementary schools.
- 9,000+ student and staff computer devices deployed.

- Five elementary school media centers received innovative and modern renovation, furniture, and technology upgrades.

WE ARE INCREASING SECURITY

- Phases 1, 2 and 3 of the security fencing projects have been completed.
- Annual Florida Safe Schools Assessment Tool (FSSAT) performed by school officials to identify threats and vulnerabilities in all schools.
- School Safety Guardians completed training and are prepared to protect staff and students on our school campuses.
- Prepared all schools and district buildings for a crisis utilizing a Crisis Alert System in compliance with Alyssa's Law.
- Expanded Weapons Detection in schools by adding Evolv Weapons Detection Systems and a Firearms Detection Canine.

WE ARE SUPPORTED BY OUR COMMUNITY

- Manatee County voters renewed a 15-year, Half-Cent Sales Tax for District capital needs in November 2016.
- Manatee County voters overwhelmingly renewed a 1-mill property tax in November 2021 by a margin of 69% to 31% to support additional instructional time, competitive teacher pay, STEAM programs and charter schools.

WE ARE CELEBRATING STUDENT AND STAFF ACHIEVEMENTS

- The School Board honored 16 employees with 40 or more years of service in our school district, including two employees with 50 years of service each.
- A total of 77 district students auditioned and were accepted into the National Youth Choir. They traveled to New York with their Choral Directors and sang at Carnegie Hall.
- Prine Elementary third-grade teacher Katie Bagley was named the district's Educator of the Year at the Excellence in Education Awards in February at Manatee High.
- Sea Breeze Elementary Paraprofessional Denise Costello was named Support Employee of the Year at the Excellence in Education Awards in February at Manatee High.

WE ARE CHAMPIONS

- District high schools have won four-straight softball state championships: Lakewood Ranch High 2021 and 2022, and Parrish Community High 2023 and 2024.
- Chukwunoneeru "Nonee" Smarty, a ninth-grade student from Braden River High School, won the Girls Overall Singles State Tennis Championship in Class 3A.
- Kale Bunce, a senior at Palmetto High, won his third-straight Class 3A-State Weightlifting Championship at 169 pounds.

Financial Information

The District is responsible for maintaining budgetary controls and ensuring spending follows the annual appropriated budget approved by the District. All governmental fund types utilized by the District are included in the annual appropriated budget. The legal level of budgetary control is established at the fund-function-object level for all funds; this is the level at which expenditures cannot exceed the appropriated amount.

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

To provide budgetary control for salaries, the District on an annual basis adopts a staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administration positions are created based on established criteria.

On November 2, 2021, Manatee County voters demonstrated their commitment to the District by voting for a renewal of a 1-mill levy to lengthen instructional time by 30 minutes each school day; increase pay for teachers, bus drivers and other staff who work directly with students; and to expand career science, technical, engineering, arts, and math programs.

On June 30, 2024, the District's General Fund balance totaled \$112,741,820, an increase of \$26,779,847. The General Fund balance is comprised of four classifications; non-spendable (i.e., inventory and prepaid items), restricted (i.e., state categorical, grants, millage roll forward), assigned (i.e., encumbrances, programs), and unassigned (residual spendable amount not contained in any other category). The fund balance is broken down as follows: \$517,798 non-spendable, \$24,150,309 restricted, \$3,691,267 assigned, and \$84,382,446 unassigned fund balance. The increase is mainly attributed to staff vacancies, increases in non-recurring revenue related to interest on investments, COVID-19 reimbursements, and legal fee insurance reimbursements; overcollection of taxes above budgeted 96%, and unspent funds in restricted and categorical programs (which are reappropriated in 2024-2025).

The District continues to demonstrate strong financial stewardship. For the tenth consecutive fiscal year, the District closed the year with a positive fund balance which exceeded the Section 1011.051, Florida Statute requirement to hold 3% of the projected general fund revenues during the current fiscal year in the general fund's ending fund balance not classified as restricted, committed, or non-spendable. The District's general fund assigned and unassigned fund balance totaled \$88,073,713 or 15.52 percent of general fund revenues, a 1.54 percent increase over the prior year of 13.96 percent and total fund balance equated to 19.87 percent of revenues. The District provided financial oversight to support a staffing and academic plan to enhance the educational environment.

Certificate of Excellence in Financial Reporting

The Association of School Business Officials, International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This is the 18th year the District received this prestigious award. To be awarded the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized Annual Report. The Certificate of Excellence is valid for a period of one year only. Upon completion of the Annual Report this year, the District will once again apply for consideration of this award.

Acknowledgements

The preparation of the ACFR was made possible by the dedicated service of the entire staff of the District's Finance Department. Our sincere appreciation is extended to each member of the department for their contributions in the preparation and completion of this report.

In closing, we would like to thank the members of the District School Board and the Audit Committee for their leadership which has aided in the accomplishments of the School District of Manatee County. We also thank the District's teachers, staff, and the citizens of Manatee County, who have greatly contributed to the educational success of the students and to the operation of this innovative school system.

Respectfully submitted,


Dr. Jason C. Wysong
Superintendent


Rachel P. Sellers
Deputy Superintendent of Business Services


Catherine Miley
Director of Finance

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL BOARD MEMBERS

School District of Manatee County, Florida
List of Principal Officials – Appointed

Mr. Wesley Chad Choate, III, , Chair
Member from District 4
Member since August 2021 (Appointed by Governor to fill vacant seat)
Elected November 2022
Current term expires November 2026

Mr. Richard Tatem
Member from District 5
Member since November 2022
Current term expires November 2026

Ms. Cindy Spray, Vice-Chair
Member from District 2
Member since November 2022
Current term expires November 2026

Ms. Gina Messenger
Member from District 1
Member since November 2016
Current term expires November 2024

Ms. Mary Foreman
Member from District 3
Member since November 2020
Current term expires November 2024

Dr. Jason Wysong, Superintendent

Derek Jensen, Deputy Superintendent Instruction

Joseph Ranaldi, Deputy Superintendent Operations

Rachel Sellers, Deputy Superintendent Business Services

Paul D’Amico, Chief of Safety & Security

Scott Hansen, Chief Technology Officer

Richard Bailey, Chief of Human Resources

Willie Clark, Executive Director School Supports

Dr. Stephanie Callaway, Executive Director Elementary Education

Dr. Annette Codelia, Executive Director Elementary Education

Sharon Scarbrough, Executive Director Secondary Education

Kaththea Johnson, Executive Director School Improvement & Leadership
Development

Dr. Paul Gansemer, Executive Director Adult, Career & Technical Education

Dr. Laurie Breslin, Executive Director Student Support & Family Engagement



Students, Parents, and Citizens of Manatee County

School Board of Manatee County
Chad Choate III, Cindy Spray, Gina Messenger, Mary Foreman, Richard Tatem

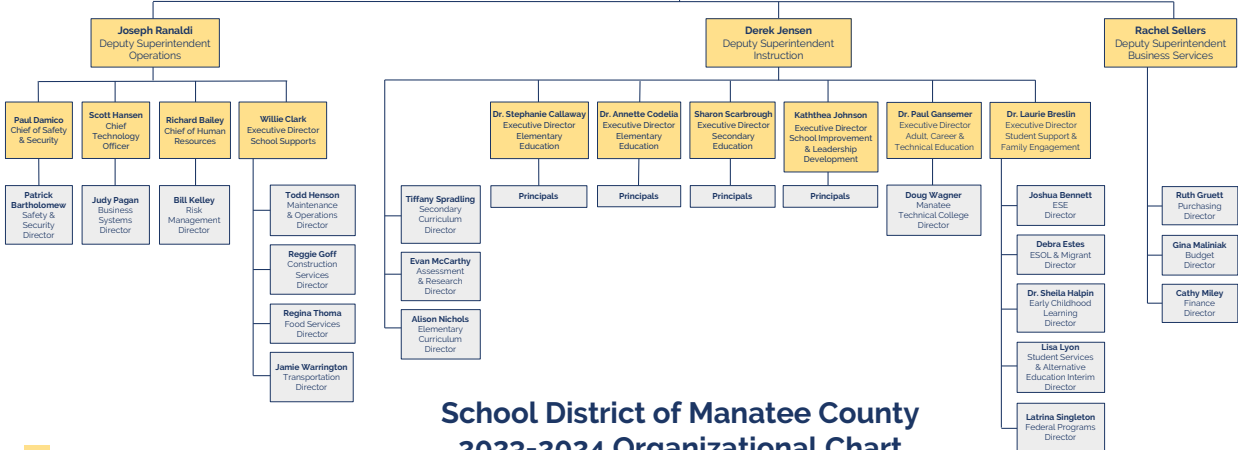
Dr. Jason Wysong
Superintendent

Mike Barber
Communications Director

Jamara Clark
Director Student Enrollment & Educational Choice

Kevin Chapman
Executive Director Administration

Kevin Pendley
General Counsel



Cabinet Members are indicated by gold background.
Effective 6/30/24

**School District of Manatee County
2023-2024 Organizational Chart**

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The Certificate of Excellence in Financial Reporting
is presented to

School District of Manatee County

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



Ryan S. Stechschulte
President

James M. Rowan, CAE, SFO
CEO/Executive Director



Report of Independent Auditor

To the Honorable Members of the School Board
School District of Manatee County
Bradenton, Florida

Report on the Audit of the Financial Statements

Opinions

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 Manatee County (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the 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 District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Federal Education Stabilization Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2024. 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 solely on the report of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Other Supplementary 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 Other Supplemental Information, as listed in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 by us and other auditors. In our opinion, based on our audit and the report of other auditors, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the affidavit on Impact fees, introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2025, 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 solely 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 the effectiveness of the District's 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 District's internal control over financial reporting and compliance.



Tampa, Florida
January 10, 2025

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

The management of the District School Board of Manatee County, Florida (the "District") has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the District's financial activities, (c) identify changes in the District's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the District's financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources on June 30, 2024, by \$977,955,570 (net position). Of this amount, \$214,998,219 represents a deficit unrestricted net position.
- The deficit in unrestricted net position was due primarily to the District's long-term liabilities and related deferrals for employee benefits on June 30, 2024. Significant liabilities and deferrals included: Net Pension Liability \$345,197,952, Compensated Absences Payable \$33,369,810, and Deferred Inflows of Resources related to Pensions of \$22,896,551.
- The District's total net position increased by \$84,545,492 or 9.46 percent. The increase is the result of current year operations.
- As of the close of the current fiscal year, the District's total governmental funds reported combined fund balances of \$449,493,520, a decrease of \$866,383 in comparison with the prior fiscal year. This balance is mainly attributed to an increase in expenses for construction projects in Capital Funds.
- The District's assigned and unassigned fund balance for the General Fund was \$88,073,713 or 15.52 percent of total General Fund revenues, which exceeds the three percent reporting threshold, and the Board established goal of five percent. The total General Fund balance was \$112,741,820, or 19.87 percent of total General Fund revenues.

Overview of the Financial Statements

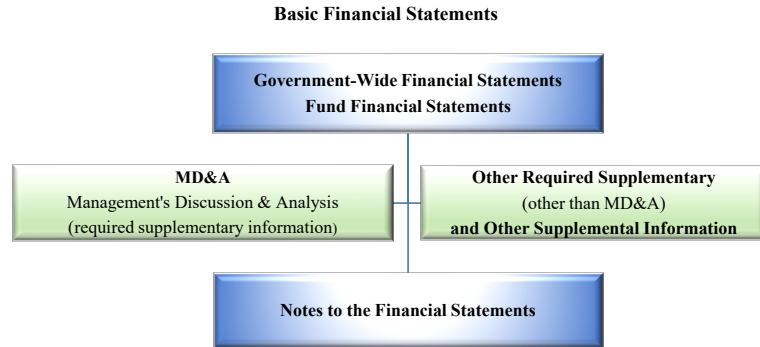
This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The government-wide financial statements provide both long-term and short-term information



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about the District's overall financial status. The subsequent statements are fund financial statements that focus on individual parts of the District and provide greater detail of the District's operations than the government-wide statements. Additionally, the basic financial statements include notes, which explain some of the information in the statements and provide more detailed data. The illustration below shows how the various parts of the financial section are arranged and relate to one another.



Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position provides information about the District's financial position, its assets, liabilities, and deferred inflows/outflows of resources, using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities, and deferred inflows of resources, equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position, and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

The statement of activities provides information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both above government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from

other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include such functions as instruction, student personnel services, administration, student transportation, maintenance, and other items. The District does not report any business-type activities.

The government-wide financial statements include not only the District itself (known as the primary government), the statements also include 14 charter schools that the District is financially accountable for. Financial information for these component units is reported separately from the financial information presented for the primary government itself. One other charter school, the State College of Florida Collegiate School, operates under another governmental agency and therefore, is not included as a discretely presented component unit.

Charter schools are public schools that operate under a performance contract, or a "charter" which frees them from many regulations created for traditional public schools while holding them accountable for academic and financial results. The charter contract between each charter school's governing board and the District details the school's mission, program, goals, students served, methods of assessment and ways to measure success. The length of time for which charters are granted varies by each school authorized.

Charter schools are created when a legal entity applies to the District; the District reviews the application, if the application is approved, the applicants form a governing board that negotiates a contract with the District School board; and the applicants and the District agree upon a charter or contract. The District then becomes the sponsor of the charter school. The negotiated contract outlines expectations of both parties regarding the school's academic and financial performance.

A charter school is statutorily required to (s.1002.33(9), F.S.):

- Be nonsectarian in its programs, admission policies, employment practices, and operations;
- Be accountable to the school district for its performance;
- Not charge tuition or fees;
- Comply with all applicable state and local health, safety, and civil rights requirements;
- Not discriminate based on race, national origin, sex, handicap, or marital status;
- Subject itself to and pay for an annual financial audit;
- Maintain all financial records that constitute its accounting system in accordance with current law;
- Annually adopt and maintain an operating budget;
- Fully participate in the state's education accountability program.

First and central to charter school accountability is the charter or contract between the charter school and the District. The sponsor may close a charter school if the school fails to meet the student performance outcomes agreed upon in the charter, fails to meet generally accepted standards of fiscal management, violates the law, or shows other good cause. When a charter is not renewed or is terminated, any unencumbered public funds from the charter school reverts to the District; all property and improvements, furnishings, and equipment purchased with public

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

funds automatically revert to full ownership by the District subject to complete satisfaction of any lawful liens or encumbrances.

The Manatee School Board Leasing Corporation (Leasing Corporation), although legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and Leasing Corporation, the Leasing Corporation has been included as a blended component unit of the primary government.

The government-wide financial statements can be found on pages 21 through 23 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the District's funds may be classified within one of three 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing 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.

The District maintains 12 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 balance. The General Fund, one special revenue fund (Federal Education Stabilization Fund), one debt service fund (Other Debt Service Fund) and two capital projects funds (1011.71(2), F.S., Local Capital Improvement Tax Fund and Other Capital Projects Fund) are major funds and are presented in the same manner. Data from the other seven 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 maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriations budget approved by the Board. Budgetary to actual comparisons have been provided for the General Fund as well as other major and nonmajor funds to demonstrate budgetary compliance.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

The basic governmental fund financial statements can be found on pages 24 through 35 of this report.

Proprietary Funds. The District's proprietary funds consist of internal service funds. 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 self-insurance programs for Health and Life; Casualty, Liability and Workers' Compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the District's self-insurance programs. The two internal service funds are combined in a single, aggregated presentation in the proprietary fund financial statements. Internal service funds financial statements are provided on pages 37 through 39 of this report.

Fiduciary Funds. Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as donation, trust, and scholarship funds. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring the assets reported in these funds are used only for their intended purposes. The fiduciary fund financial statements can be found on pages 40 through 41 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 43 through 84 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide Other Postemployment Benefits (OPEB) to its employees and required supplementary information concerning the District's proportionate share of net pension liability and contributions to the defined benefit pension plans. The required supplementary information can be found on pages 85 through 87 of this report.

Other Supplementary Information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to financial statements. Combining and individual fund statements and schedules and budget to actual schedules for the nonmajor governmental funds can be found on pages 90 through 136 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$978.0 million at the close of the current fiscal year. The

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

following is a summary of the District's net position as of June 30, 2024, compared to net position as of June 30, 2023:

	Net Position, End of Year Governmental Activities		Difference Increase (Decrease)	Percentage Change
	June 30, 2024	June 30, 2023		
Current and other assets	\$ 559,104,579	\$ 539,435,377	\$ 19,669,202	3.65%
Capital assets, net	1,186,809,626	1,063,193,498	123,616,128	11.63%
Total assets	<u>1,745,914,205</u>	<u>1,602,628,875</u>	<u>143,285,330</u>	8.94%
Deferred charges on refunding	3,859,634	4,601,527	(741,893)	-16.12%
Deferred outflows related to OPEB	4,103,598	4,165,610	(62,012)	-1.49%
Deferred outflows related to pensions	98,122,534	108,726,751	(10,604,217)	-9.75%
Total deferred outflows of resources	<u>106,085,766</u>	<u>117,493,888</u>	<u>(11,408,122)</u>	-9.71%
Total assets and deferred outflows of resources	<u>\$ 1,851,999,971</u>	<u>\$ 1,720,122,763</u>	<u>\$ 131,877,208</u>	7.67%
Current and other liabilities	\$ 71,768,168	\$ 51,398,531	\$ 20,369,637	39.63%
Long-term liabilities, current	32,348,460	31,371,346	977,114	3.11%
Long-term liabilities, noncurrent	743,821,568	722,754,221	21,067,347	2.91%
Total Liabilities	<u>847,938,196</u>	<u>805,524,098</u>	<u>42,414,098</u>	5.27%
Deferred inflows related to OPEB	3,209,654	4,173,955	(964,301)	-23.10%
Deferred inflows related to pensions	22,896,551	17,014,632	5,881,919	34.57%
Total deferred inflows of resources	<u>26,106,205</u>	<u>21,188,587</u>	<u>4,917,618</u>	23.21%
Total liabilities and deferred inflows of resources	<u>874,044,401</u>	<u>826,712,685</u>	<u>47,331,716</u>	5.73%
Net Position				
Net Investment in Capital Assets	802,493,078	671,424,999	131,068,079	19.52%
Restricted	390,460,711	397,617,208	(7,156,497)	-1.80%
Unrestricted (Deficit)	(214,998,219)	(175,632,130)	(39,366,089)	22.41%
Total net position	<u>977,955,570</u>	<u>893,410,078</u>	<u>84,545,492</u>	9.46%
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,851,999,971</u>	<u>\$ 1,720,122,763</u>	<u>\$ 131,877,208</u>	7.67%

The District's total net position was higher on June 30, 2024, than the previous fiscal year, increasing \$84.5 million or 9.46 percent to \$977,955,570. The increase is primarily due to an increase in Cash and Cash Equivalents with Fiscal Agent for Capital Projects.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

The District's total assets increased by \$143.3 million, or 8.94 percent due to increases in Capital Assets, Construction in Progress.

The largest portion of the District's net position of \$802.5 million, is 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 these capital assets to educate the students of Manatee County, Florida; consequently, these assets are not available for future spending. Although the District's investment in 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 the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position, \$390.5 million, represents resources that are subject to external restrictions on how they may be used. The unrestricted net position, a deficit amount of \$215.0 million, was in part, the result of accruing net pension liabilities and related deferred inflows and outflows of resources.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2024, and June 30, 2023, are as follows:

	Governmental Activities		Difference Increase (Decrease)	Percentage Change
	2024	2023		
Revenues:				
Program Revenues:				
Charges for Services	\$ 18,487,334	\$ 17,057,135	\$ 1,430,199	8.38%
Operating Grants and Contributions	28,766,512	27,301,439	1,465,073	5.37%
Capital Grants and Contributions	4,174,042	5,260,787	(1,086,745)	-20.66%
General Revenues:			-	
Property Taxes Levied for Operational Purposes	342,075,648	290,734,599	51,341,049	17.66%
Property Taxes Levied for Capital Purposes	104,265,829	86,830,455	17,435,374	20.08%
Sales Taxes	51,689,130	49,701,086	1,988,044	4.00%
Grants and Contributions, not Restricted to Specific Programs	273,099,001	282,221,031	(9,122,030)	-3.23%
Unrestricted Investment Earnings	30,049,013	13,579,529	16,469,484	121.28%
Miscellaneous	13,444,705	24,089,800	(10,645,095)	-44.19%
Total Revenues	866,051,214	796,775,861	69,275,353	8.69%
Functions/Program Expenses:				
Instruction	450,134,548	383,725,050	66,409,498	17.31%
Student Support Services	34,007,060	28,450,157	5,556,903	19.53%
Instructional Media Services	6,462,536	5,409,343	1,053,193	19.47%
Instruction and Curriculum Development Services	19,599,485	15,787,807	3,811,678	24.14%
Instructional Staff Training Services	9,297,351	7,934,090	1,363,261	17.18%
Instruction Related Technology	21,237	81,224	(59,987)	-73.85%
School Board	1,157,802	1,216,729	(58,927)	-4.84%
General Administration	6,488,354	5,979,155	509,199	8.52%
School Administration	38,362,622	33,597,295	4,765,327	14.18%
Facilities Services	33,165,834	29,781,285	3,384,549	11.36%
Fiscal Services	4,419,354	3,535,779	883,575	24.99%
Food Services	38,928,244	35,096,204	3,832,040	10.92%
Central Services	15,688,285	11,729,666	3,958,619	33.75%
Student Transportation Services	19,426,322	17,196,789	2,229,533	12.96%
Operation of Plant	50,098,496	43,434,387	6,664,109	15.34%
Maintenance of Plant	11,278,066	9,945,143	1,332,923	13.40%
Administrative Technology Services	8,950,346	8,461,391	488,955	5.78%
Community Services	18,200,464	16,060,379	2,140,085	13.33%
Interest on Long-Term Debt	15,819,316	10,409,779	5,409,538	51.97%
Total Expenses	781,505,722	667,831,652	113,674,070	17.02%
Increase in Net Position	84,545,492	128,944,209	(44,398,717)	-34.43%
Net Position - Beginning	893,410,078	764,465,869	128,944,209	16.87%
Net Position - Ending	<u>\$ 977,955,570</u>	<u>\$ 893,410,078</u>	<u>\$ 84,545,492</u>	<u>9.46%</u>

The District's revenues increased by 8.69 percent to \$866.1 million. Property taxes, FEFP funding, grants and contributions accounted for the largest portion of the District's revenue. The remainder

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

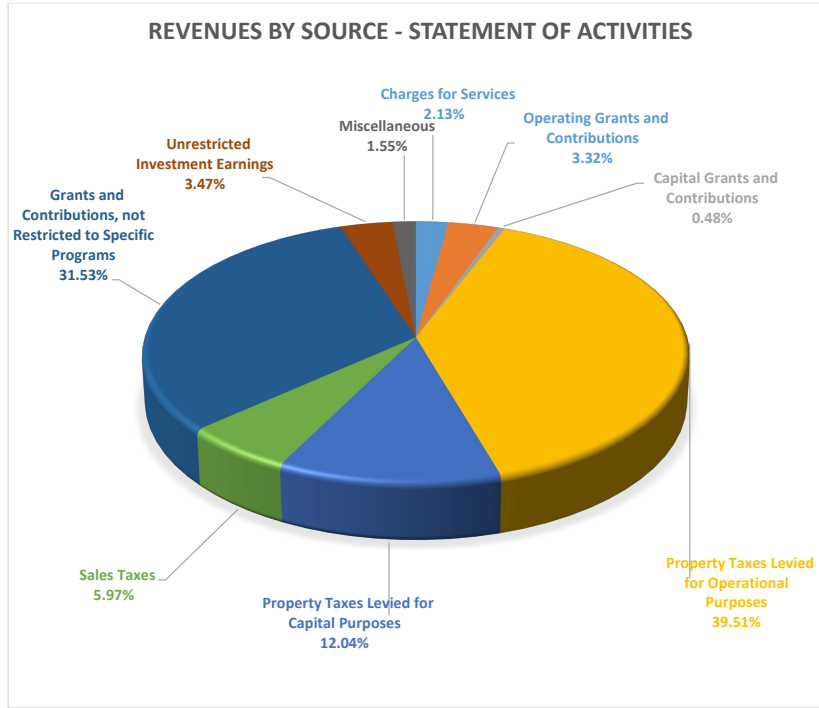
came from operating grants and contributions, capital grants and contributions, sales tax, charges for services, and other sources.

The total cost of all programs and services increased by 17.02 percent to \$781.5 million. Approximately 88.05 percent of the District's expenses are related to student instruction, student services, facilities services, transportation, operation of plant and maintenance of schools. The District's administrative activities, including school administration, account for approximately 11.95 percent of total costs.

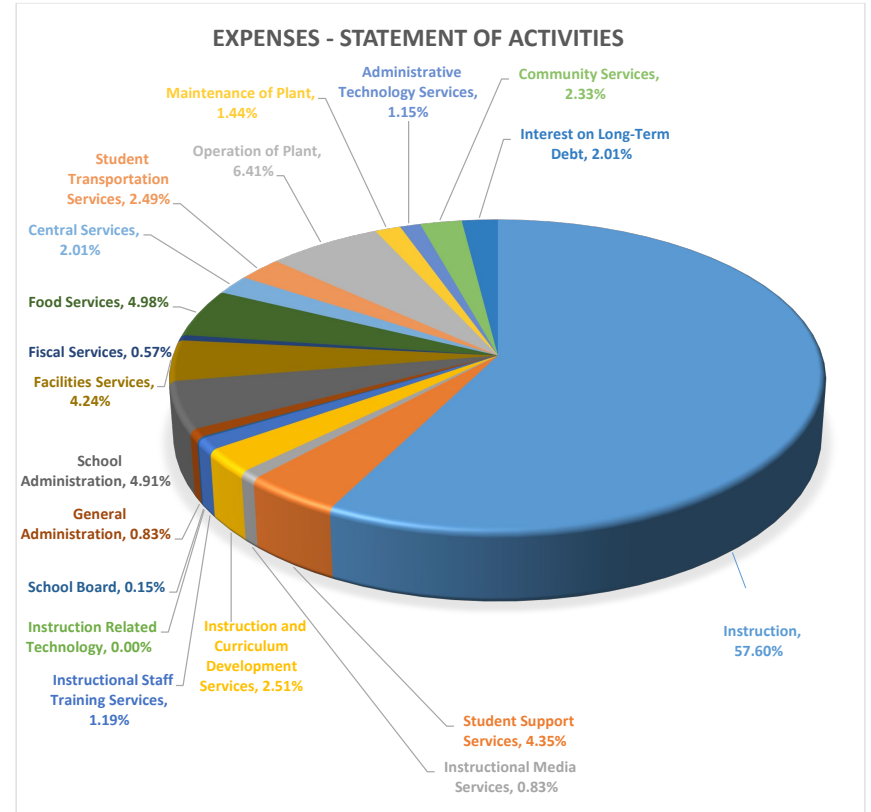
The total revenues surpassed expenses, increasing the net position by over \$84.5 million. Key components of this change are as follows:

- Property taxes for all governmental activities increased by \$68.8 million over the previous year. This change is related to growth in property values combined with an increased millage tax roll value.
- Unrestricted investment earnings increased by \$16.5 million.
- Operating grants and contributions increased by \$1.5 million. These were mainly attributed to COVID-19 reimbursements.
- Miscellaneous revenue decreased by \$10.6 million, primarily due to changes in reporting categories related to capital assets. Projects that were classified as construction in progress were completed and moved to buildings and fixed equipment.
- Operation of plant and food services related expenses increased by \$10.5 million, mainly due to increase in costs for these services.
- Instruction, student support services and facility services related expenses increased by approximately \$75.4 million mainly due to salary increases and the District's proportional share of net pension expense.
- Interest on Long-Term Debt increase of \$5.4 million is attributed to the new COPS, Series 2023 debt service payment.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 Fiscal Year Ended June 30, 2024



SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 Fiscal Year Ended June 30, 2024



SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

Financial Analysis of the Government's Funds

Major Governmental Funds

The General Fund is the chief operating fund of the District. Presented below is an overall analysis of the General Fund as compared to the prior year.

Categories	Changes in General Fund Activity For End of Year		Difference Increase (Decrease)
	June 30, 2024	June 30, 2023	
Revenues	\$ 567,515,374	\$ 509,662,180	\$ 57,853,194
Other Financing Sources (Uses)	16,920,323	19,559,535	(2,639,212)
Beginning Fund Balance	85,961,973	50,388,336	35,573,637
Total	670,397,670	579,610,051	90,787,619
Expenditures	557,655,850	493,648,078	64,007,772
Ending Fund Balances			
Nonspendable	517,798	643,367	(125,569)
Restricted	24,150,309	14,186,759	9,963,550
Assigned	3,691,267	9,528,799	(5,837,532)
Unassigned	84,382,446	61,603,048	22,779,398
Total Ending Fund Balance	112,741,820	85,961,973	26,779,847
Total	\$ 670,397,670	\$ 579,610,051	\$ 90,787,619

At the end of the current fiscal year, the District's assigned and unassigned fund balance for the General Fund was \$88,073,713 or 15.52 percent of total General Fund revenues, while total fund balance was \$112,741,820 or 19.87 percent of total General Fund revenues. The remainder of fund balance is not available for new spending because it is (1) nonspendable in the form of inventory amounts, \$517,798 and (2) restricted for specific State categorical programs, grants, local tax levy, and other purposes, \$24,150,309.

The fund balance of the District's General Fund increased by \$26,779,847. This increase is primarily due to an increase in Ad Valorem Tax revenue.

The Special Revenue – Federal Education Stabilization Fund – is used to report revenues and expenditures for federal awards and includes Elementary and Secondary Emergency Relief funds (ESSER), other CARES Act Relief Funding (including Governor's Emergency Education Relief) and Emergency Connectivity Fund. Because grant revenues are not recognized until expenditures are incurred, this fund generally does not accumulate a fund balance.

The Debt Service - Other Debt Service Fund is used to account for the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues and other debt issues. The fund balance in this fund is \$25,251 which is for debt service expenses.

The Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund is used to account for the financial resources generated by the local capital improvement tax levied under

Section 1011.71(2), Florida Statutes. The fund balance at June 30, 2024, which was restricted for capital projects, was \$66,903,528. This was an increase of \$9,170,499 over the prior fiscal year's fund balance of \$57,733,029. The increase in fund balance is attributed an increase in revenue.

The Capital Projects - Other Capital Projects Fund is used to account for the financial resources generated by various sources. Included in this fund are sales tax revenues and impact fee revenues and other miscellaneous capital outlay funded projects. The fund balance for this fund at the current fiscal year end, which was restricted for capital projects, was \$236,344,058. The fund balance decreased during the fiscal year by \$36,550,743, due to increases in activity in building and construction projects.

Proprietary Funds. The District's proprietary fund financial statements provide the same type of information found in the government-wide financial statements. Net position at the end of the current fiscal year for the District's Self-Insurance programs was \$15,354,757. The total increase in the District's self-insurance program's net position was \$919,372. The increase in net position is due to the District's transfer of general funds to the health self-insurance fund to resolve solvency issues and the State's required reserve in the health insurance fund because of flat premium contributions and an increase in medical claim costs during the fiscal year.

General Fund Budgetary Highlights

The District's original budget is prepared in accordance with Florida Statutes and is based on the modified accrual basis of accounting, which is the same basis as is used to account for actual transactions. The most significant budgeted fund is the General Fund.

The General Fund budget is amended based on the changing expenditure requirements of the District, new sources of revenue, and changes in current revenue estimates based on updates to the FL DOE FEFP, actual trends, and new local grant and state awards. The amendments resulted in an increase in total budgeted revenues, transfers in, and other financing sources of \$31,231,088 or 5.64 percent. Final budgeted expenditures are more than the original budgeted amounts by \$2,514,460. Budget revisions occurred primarily to the addition of local grant and state awards, and FL DOE FEFP changes. The variance between the final General Fund budgeted amounts and actuals is due to unspent funds in restricted, categorical, and assigned programs (which are reappropriated in 2024-2025), and significant staffing vacancies in areas such as classroom assistants, bus drivers, vehicle mechanics, maintenance mechanics, and custodians. The original budget projected a \$42,339,442 net decrease in fund balance, with an ending fund balance of \$43,622,531. At fiscal year-end, the District showed a \$26,779,847 net increase in fund balance, with a final ending unassigned fund balance of \$84,382,446.

District's final budgeted revenues were \$595,889 more than actual revenues and final budgeted expenditures were \$40,886,473 more than actual expenditures, primarily due to restricted and assigned programs and grants that will be reappropriated in the 2024-2025 fiscal year. Most functional areas of the District experienced cost savings compared to budgeted amounts.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for the governmental activities as of June 30, 2024, totals \$1,186,809,626 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, motor vehicles, lease assets, and computer software. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$123,616,129 or 11.63 percent.

The increase in additions to net capital assets of \$172.6 million is primarily due to construction and building projects, offset by deductions in capital assets of \$48.9 million, net of depreciation expense.

Major capital asset events during the fiscal year included the following:

- Additions at Buffalo Creek Middle School, Freedom Elementary School, and Lakewood Ranch High School are completed. A new science building is completed at Southeast High School.
- An addition at Parrish Community High School is in progress.
- Major renovations at Blackburn Elementary, Haile Middle School, Palmetto High School, Tara Elementary School, and Oneco Elementary School are in progress.
- A new middle grades campus in North County and a new K-8 School in East County are in progress.
- 5 of the 7 high school football fields have received synthetic turf. The remaining 2 high schools are in the 2024-25 budget.

	Capital Assets (net of depreciation)			
	Governmental Activities		Difference Increase (Decrease)	Percentage Change
	2024	2023		
Land	\$ 47,273,639	\$ 46,384,529	\$ 889,110	1.92%
Construction in Progress	117,994,328	41,955,655	76,038,673	181.24%
Improvements Other Than Buildings	18,972,794	13,595,872	5,376,922	39.55%
Buildings and Fixed Equipment	968,456,285	933,221,014	35,235,271	3.78%
Furniture, Fixtures, and Equipment	22,127,713	20,495,447	1,632,266	7.96%
Motor Vehicles	8,261,749	7,252,281	1,009,468	13.92%
Lease Assets	3,719,229	247,319	3,471,910	1403.82%
Computer Software	3,889	41,381	(37,492)	-90.60%
Total	<u>\$ 1,186,809,626</u>	<u>\$ 1,063,193,497</u>	<u>\$ 123,616,129</u>	11.63%

Additional information on the District's capital assets can be found in Note II.D of the Notes to Financial Statements.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

Long-Term Debt. At the end of the current fiscal year, the District had total debt principal outstanding of \$330,523,893:

Principal Balance	Long-Term Debt		Difference Increase (Decrease)	Percentage Change
	Governmental Activities			
	June 30, 2024	June 30, 2023		
Bonds Payable	\$ 91,399,000	\$ 109,950,179	\$ (18,551,179)	-16.87%
Installment-Purchases Payable	275,141	1,716,410	(1,441,269)	-83.97%
Leases Payable	3,624,752	215,515	3,409,237	0.00%
Certificates of Participation	235,225,000	273,254,547	(38,029,547)	-13.92%
Total	<u>\$ 330,523,893</u>	<u>\$ 385,136,650</u>	<u>\$ (54,612,757)</u>	-14.18%

Further information on the District's long-term debt can be found in Note II.J of the Notes to Financial Statements.

Fiscal Year 2025 Budget and Economic Factors

The District's primary source of General Fund discretionary operating revenue is District School Taxes derived from local Ad Valorem taxes and the FLDOE Florida Education Finance Program (FEFP). Revenue from local taxes is expected to increase by 6.30 percent or \$21.4 million over fiscal year 2023-24. The increase is primarily attributed to a growth in assessed property values. This increase in taxable value was offset by a decrease in the required local effort millage rate, from 3.173 in fiscal year 2023-24 to 3.051 in fiscal year 2024-25, as established by the Florida Department of Revenue.

Future budgets are dependent on the Florida Legislature, voter support and property tax values. County voters demonstrated their commitment to the School District of Manatee County by renewing a 1-mill referendum on November 3, 2021. This funding has allowed the District to increase instruction time by 30 minutes each day, increase pay for teachers, bus drivers and other staff who work directly with students and expand career, technical/science/engineering and arts programs to address the continuous growth in our county. The referendum will be taken to the Manatee County voters again this November 2024.

FEFP provides funding to Florida schools districts based upon student enrollment (FTE) including charter and family empowerment students whose funding does not benefit the district operated schools. Enrollment is projected to increase by 1,829 or 3.24 percent to 56,470 unweighted FTE. FEFP funding for the 2024-25 fiscal year is anticipated to increase by \$31.3 million or 6.72 percent.

Overall, General Fund operating revenues for the 2024-2025 fiscal year, including transfers in, are projected to increase by 2.23 percent from the prior fiscal year.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
June 30, 2024

General fund salaries and benefits are the largest operating expenditure of the District, accounting for 59.56 percent of the general fund operating budget, or \$424.8 million. The budgeted salary and benefits expenditures account for 29.09 percent, or \$463.8 million, of all District budgeted funds.

The District's self-insured health insurance program provides affordable plans for District employees and their dependent children. Spouses of employees may also participate in the District program at a rate commensurate with the per member cost of coverage. Determination of the share of costs between the employer and employee is subject to negotiations with bargaining units which have not yet been ratified for the 2024-25 fiscal year.

The District relies upon capital funding from District School Taxes (Ad Valorem), a half-cent sales tax approved by referendum in 2002 and extended in November 2016, and Impact Fee revenue from Manatee County to maintain, construct or purchase District facilities, equipment, and technology.

District capital improvement taxes are anticipated to be \$9.0 million higher in fiscal year 2024-25 over fiscal year 2023-24. The capital improvement taxes are shared with the charter schools. The current half-cent sales tax referendum is scheduled to expire in December 2032. In fiscal year 2024-25, sales tax revenues are estimated to generate \$53.8 million, a \$2.0 million increase or 4.00 percent higher than fiscal year 2023-24.

Certificates of Participation in the amount of \$140 million are expected to be issued in 2024-25 for new construction of two new schools, Rye Ranch and Artisan Lakes Elementary Schools.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

School District of Manatee County
Finance Department
215 Manatee Avenue West
Bradenton, Florida 34205

Visit our website at:
<http://www.manateeschools.net>

View an electronic copy at:
<https://www.manateeschools.net/Domain/1142>.

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash and Cash Equivalents	\$ 352,907,387	\$ 23,774,637
Cash and Cash Equivalents with Fiscal Agent	158,561,323	-
Investments	33,736	125,299
Accounts Receivable	3,880,803	157,756
Due from Related Parties	-	953,872
Due from Other Agencies	28,043,610	3,382,280
Deposits Receivable	-	496,529
Inventories	1,345,603	-
Prepaid Items	-	1,033,655
Restricted Investments	14,331,517	3,749,319
Capital Assets:		
Non-depreciable	165,267,967	29,670,090
Depreciable (Net)	1,021,541,659	168,182,331
Total Assets	1,745,914,205	231,525,768
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges on Refunding	3,859,634	312,502
Other Postemployment Benefits	4,103,598	-
Pensions	98,122,534	4,369,576
Total Deferred Outflows of Resources	106,085,766	4,682,078
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,851,999,971	236,207,846
LIABILITIES		
Salaries and Wages Payable	12,475,452	3,024,330
Payroll Deductions and Withholdings Payable	5,694,900	-
Accounts Payable	10,999,602	2,508,164
Construction Contracts Payable	21,827,257	-
Construction Contracts Payable - Retainage	869,055	-
Sales Tax Payable	3,610	-
Due to Other Agencies	-	1,167,670
Due to Related Parties	-	3,165,505
Matured Debt Payable	10,282,141	-
Matured Interest Payable	4,888,641	-
Accrued Interest Payable	1,164,850	400,224
Unearned Revenue	3,562,860	-
Long-Term Liabilities:		
Portion Due or Payable Within One Year:		
Notes Payable	-	1,376,147
Installment-Purchases Payable	275,141	-
Leases Payable	868,029	1,971,009
Bonds Payable	8,450,000	475,000
Certificates of Participation Payable	11,070,000	-
Early Retirement Plan Payable	9,680	-
Estimated Insurance Claims Payable	8,280,000	-
Compensated Absences Payable	3,395,610	134,113
Portion Due or Payable After One Year:		
Notes Payable	-	37,248,230
Leases Payable	2,756,723	83,594,235
Bonds Payable	92,132,354	69,451,207
Certificates of Participation Payable	249,927,823	-
Early Retirement Plan Payable	19,359	-
Estimated Insurance Claims Payable	7,863,342	-
Total Other Postemployment Benefits Payable	15,949,815	-
Net Pension Liability	345,197,952	9,457,083
Compensated Absences Payable	29,974,200	264,369
Total Liabilities	847,938,196	214,237,286
DEFERRED INFLOWS OF RESOURCES		
Other Post Employment Benefits	3,209,654	-
Pensions	22,896,551	612,624
Total Deferred Inflows of Resources	26,106,205	612,624
NET POSITION		
Net Investment in Capital Assets	802,493,078	8,391,102
Restricted for:		
State Required Carryover Programs	9,077,460	-
Food Service	12,588,545	-
Debt Service	12,699,489	2,583,213
Capital Projects	333,686,161	114,743
Other Purposes	22,409,056	4,707,843
Unrestricted	(214,998,219)	5,561,035
Total Net Position	977,955,570	21,357,936
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 1,851,999,971	\$ 236,207,846

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Instruction	\$ 450,134,548	\$ 5,048,007	\$ -	\$ -
Student Support Services	34,007,060	-	-	-
Instructional Media Services	6,462,536	-	-	-
Instruction and Curriculum Development Services	19,599,485	-	-	-
Instructional Staff Training Services	9,297,351	-	-	-
Instruction-Related Technology	21,237	-	-	-
School Board	1,157,802	-	-	-
General Administration	6,488,354	-	-	-
School Administration	38,362,622	-	-	-
Facilities Services	33,165,834	170,748	-	2,895,486
Fiscal Services	4,419,354	-	-	-
Food Services	38,928,244	6,300,928	28,766,512	-
Central Services	15,668,285	371,636	-	-
Student Transportation Services	19,426,322	-	-	-
Operation of Plant	50,098,496	-	-	-
Maintenance of Plant	11,278,066	-	-	-
Administrative Technology Services	8,950,346	-	-	-
Community Services	18,200,464	6,596,015	-	-
Interest on Long-Term Debt	15,819,316	-	-	1,278,556
Total Primary Government	\$ 781,505,722	\$ 18,487,334	\$ 28,766,512	\$ 4,174,042
Component Units:				
Charter Schools	\$ 125,254,715	\$ 4,251,436	\$ 9,469,500	\$ 5,252,134

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

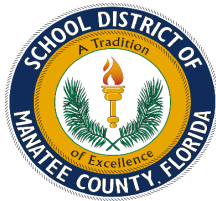
Functions/Programs	Net (Expense) Revenue and Changes in Net Position	
	Primary Government	Component Units
Primary Government:		
Governmental Activities:		
Instruction	\$ (445,086,541)	\$ -
Student Support Services	(34,007,060)	-
Instructional Media Services	(6,462,536)	-
Instruction and Curriculum Development Services	(19,599,485)	-
Instructional Staff Training Services	(9,297,351)	-
Instruction-Related Technology	(21,237)	-
School Board	(1,157,802)	-
General Administration	(6,488,354)	-
School Administration	(38,362,622)	-
Facilities Services	(30,099,600)	-
Fiscal Services	(4,419,354)	-
Food Services	(3,860,803)	-
Central Services	(15,316,649)	-
Student Transportation Services	(19,426,322)	-
Operation of Plant	(50,098,496)	-
Maintenance of Plant	(11,278,066)	-
Administrative Technology Services	(8,950,346)	-
Community Services	(11,604,449)	-
Interest on Long-Term Debt	(14,540,760)	-
Total Primary Government	(730,077,834)	-
Component Units:		
Charter Schools	-	(106,281,645)
General Revenues:		
Taxes:		
Property Taxes, Levied for Operational Purposes	342,075,648	-
Property Taxes, Levied for Capital Projects	104,265,829	-
Sales Taxes	51,689,130	-
Grants and Contributions, not Restricted to Specific Programs	273,099,001	103,469,281
Unrestricted Investment Earnings	30,049,013	181,804
Miscellaneous	13,444,705	115,292
Total General Revenues and Special Item	814,623,326	103,766,377
Changes in Net Position	84,545,492	(2,515,268)
Net Position - Beginning	893,410,078	21,398,556
Adjustment to Beginning Net Position (1)	-	2,474,648
Restated Net Position - Beginning	893,410,078	23,873,204
Net Position - Ending	\$ 977,955,570	\$ 21,357,936

(1) The adjustment to net position was made by jHola! Elementary@MSA for \$53,003 to record the previous year's initial activity related to establishing the new school and an adjustment made by MSA in the amount of \$2,421,645 to adjust for expenses incorrectly recorded in 2022-2023.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	Debt Service		Capital Projects		Special Revenue		
	General Fund	Other Debt Service Fund	Section 1011.7(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Education Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 124,520,957	\$ 25,055	\$ 75,193,232	\$ 102,641,307	\$ -	\$ 18,755,605	\$ 321,136,156
Cash and Cash Equivalents with Fiscal Agent	-	15,170,978	-	143,900,945	-	-	158,561,923
Investments	-	-	-	-	-	-	-
Accounts Receivable	3,813,737	-	-	-	-	33,736	33,736
Due from Other Funds	7,239,608	-	-	-	-	66,964	3,880,701
Due from Other Agencies	1,299,066	-	18,386	13,845,351	4,266,604	-	7,239,608
Inventories	517,798	-	-	-	-	8,614,203	28,043,610
Restricted Investments	-	-	-	-	-	827,805	1,345,603
	-	-	-	-	-	14,331,517	14,331,517
TOTAL ASSETS	\$ 137,391,166	\$ 15,196,033	\$ 75,211,618	\$ 259,877,603	\$ 4,266,604	\$ 42,629,830	\$ 534,572,854
LIABILITIES							
Liabilities:							
Salaries and Wages Payable	\$ 12,475,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,475,452
Payroll Deductions and Withholdings Payable	5,694,900	-	-	-	-	-	5,694,900
Accounts Payable	2,982,618	-	5,715,467	586,773	173,764	-	10,726,368
Construction Contracts Payable	-	-	2,481,775	18,481,498	-	-	21,827,057
Construction Contracts Payable - Retainage	-	-	110,848	708,346	-	1,267,746	863,784
Sales Tax Payable	3,610	-	-	-	-	49,861	869,055
Due to Other Funds	-	-	-	-	4,092,840	-	3,610
Matured Debt Payable	-	10,282,141	-	-	-	-	10,282,141
Matured Interest Payable	-	4,888,641	-	-	-	3,146,768	7,239,608
Unearned Revenue	3,492,766	-	-	-	-	-	4,888,641
	-	-	-	-	-	-	70,094
Total Liabilities	24,649,346	15,170,782	8,308,090	19,776,617	4,266,604	5,398,253	77,569,692
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue	-	-	-	3,756,028	-	-	-
Total Deferred Inflows of Resources	-	-	-	3,756,028	-	3,752,714	7,509,642
FUND BALANCES							
Nonspendable							
Inventories	517,798	-	-	-	-	-	-
Restricted							
State Required Carryover Programs	9,077,460	-	-	-	-	827,805	1,345,603
Local Sales Tax and Other Tax Levy	10,395,488	-	-	-	-	-	9,077,460
Food Services	-	-	-	-	-	-	10,395,488
Debt Service	-	25,251	66,903,528	236,344,058	-	11,938,429	13,859,088
Capital Projects	-	-	-	-	-	232,821	303,480,407
Grants	1,009,672	-	-	-	-	-	1,009,672
Other Purposes	3,667,689	-	-	-	-	6,640,720	10,308,409
Assigned							
Encumbrances	1,534,955	-	-	-	-	-	1,534,955
School and Local Programs	2,156,312	-	-	-	-	-	2,156,312
Unassigned	84,382,446	-	-	-	-	-	84,382,446
Total Fund Balance	112,741,820	25,251	66,903,528	236,344,058	-	33,478,863	449,493,520
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 137,391,166	\$ 15,196,033	\$ 75,211,618	\$ 259,877,603	\$ 4,266,604	\$ 42,629,830	\$ 534,572,854

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



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2024**

Total Fund Balance - Governmental Funds		\$	449,493,520
Amounts reported for governmental activities in the Statement of Net Position are different because:			
	Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		1,186,809,626
	Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.		(1,164,850)
	The difference between the acquisition price and the net carrying amount of refunded debt is reported as a deferred outflow of resources in the government-wide statements, but is not reported in the governmental funds.		3,859,634
	Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		15,354,757
	Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
	Leases Payable	\$ (3,624,752)	
	Installment-Purchases Payable	(275,141)	
	Bonds Payable	(100,582,354)	
	Certificates of Participation Payable	(260,997,823)	
	Early Retirement Plan Payable	(29,039)	
	Compensated Absences Payable	<u>(33,369,810)</u>	(398,878,919)
	Earned revenues not received within the availability period are reported as unavailable revenues in the governmental funds, but are recorded as revenue in the government-wide statements.		7,509,642
	Deferred outflows of resources and deferred inflows of resources related to other postemployment benefits liability are applicable to future periods and therefore, are not reported in the governmental funds.		
	Total Other Postemployment Benefits Payable (OPEB)	\$ (15,949,815)	
	Deferred outflows of resources related to OPEB	4,103,598	
	Deferred inflows of resources related to OPEB	<u>(3,209,654)</u>	(15,055,871)
	On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current year). On the Statement of Net Position, the District's proportionate share of the net pension liability of the cost sharing defined benefit pension plans in which the District participates is reported as a noncurrent liability, and deferred outflows of resources and deferred inflows of resources related to pensions are also reported.		
	Net Pension Liability	\$ (345,197,952)	
	Deferred outflows of resources related to pensions	98,122,534	
	Deferred inflows of resources related to pensions	<u>(22,896,551)</u>	(269,971,969)
Total Net Position - Governmental Activities		<u>\$</u>	<u>977,955,570</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2024**

	Debt Service		Capital Projects		Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Other Debt Service Fund	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Education Stabilization Fund		
REVENUES							
Federal Direct Sources:							
Reserve Officers Training Corps (ROTC)	\$ 720,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 720,704
Other Federal Direct Sources	6,035	-	-	-	-	2,011,711	2,017,746
Miscellaneous Federal Direct	-	-	-	-	-	1,867,207	1,867,207
Total Federal Direct Sources	726,739	-	-	-	-	3,878,918	4,605,657
Federal Through State and Local Sources:							
Career and Technical Education	21,221	-	-	-	-	860,490	881,711
Medicaid	1,093,539	-	-	-	-	-	1,093,539
Individuals with Disabilities	252,977	-	-	-	-	12,000,730	12,253,707
Educational Stabilization K-12	-	-	-	-	-	-	41,001,799
Educational Stabilization Workforce	45,016	-	-	-	-	-	182,968
Educational Stabilization VPK	-	-	-	-	-	-	227,984
Food Service	-	-	-	-	-	-	86,748
Other Federal Through State Sources	2,248,222	-	-	-	-	28,304,669	28,304,669
Total Federal Through State and Local Sources	3,660,975	-	-	-	41,460,655	21,284,252	23,721,614
State Sources:							
Florida Education Finance Program (FEFP)	115,319,535	-	-	-	-	-	115,319,535
Categorical/Earmarked Programs	67,092,548	-	-	-	-	-	67,092,548
CO&DS Withheld for Bond Administrative Expenses	31,919	-	-	-	-	-	31,919
CO&DS Withheld for SBE/COBI Bond	-	-	-	-	-	325,760	325,760
CO&DS Distribution	-	-	-	-	-	1,771,556	1,771,556
Public Education Capital Outlay	-	-	-	-	-	1,022,784	1,022,784
Charter School Capital Outlay	-	-	-	5,202,301	-	-	5,202,301
Other State Sources	2,564,657	-	-	828,583	-	-	3,393,240
Total State Sources	185,008,659	-	-	6,030,884	-	367,589	3,760,829
Local Sources:							
Ad Valorem Taxes	342,075,647	-	104,265,829	-	-	-	446,341,476
Sales Taxes	-	-	-	51,689,130	-	-	51,689,130
Food Service	-	-	-	-	-	6,304,810	6,304,810
Interest Income	16,431,464	20,097	-	12,315,898	-	1,249,959	30,017,418
Impact Fees	-	-	-	42,385,540	-	-	42,385,540
Other Local Sources	19,611,890	-	33,973	809,704	-	-	31,383,526
Total Local Sources	378,119,001	20,097	104,299,802	107,200,272	-	10,927,959	608,121,900
Total Revenues	\$ 567,515,374	\$ 20,097	\$ 104,299,802	\$ 113,231,156	\$ 41,460,655	\$ 88,299,476	\$ 914,826,560

(Continued)

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2024

	Debt Service		Capital Projects		Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Other Debt Service Fund	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Education Stabilization Fund		
(Continued)							
EXPENDITURES							
Current:							
Instruction	\$ 365,978,998	\$ -	\$ -	\$ -	\$ 26,180,780	\$ 19,532,429	\$ 411,692,207
Student Support Services	22,072,115	-	-	-	5,308,350	2,848,566	30,229,031
Instructional Media Services	5,593,720	-	-	-	52,000	-	5,645,720
Instruction and Curriculum Development Services	8,299,135	-	-	-	774,985	7,984,222	17,058,342
Instructional Staff Training Services	1,132,522	-	-	-	2,149,042	5,175,712	8,457,276
Instruction-Related Technology	438	-	-	-	-	20,071	20,509
School Board	1,045,489	-	-	-	1,000	-	1,046,489
General Administration	3,188,074	-	-	-	1,782,723	1,118,276	6,089,073
School Administration	33,503,034	-	-	-	344,306	52,450	33,899,790
Facilities Services	7,090,896	-	30,927,057	9,679,084	14,000	-	47,711,037
Fiscal Services	3,428,798	-	-	-	167,204	48,729	3,644,731
Food Services	-	-	-	-	305,930	36,264,103	36,570,033
Central Services	13,481,909	-	-	-	361,388	15,116	13,858,413
Student Transportation Services	16,945,833	-	-	-	552,269	72,067	17,570,169
Operation of Plant	46,934,719	-	-	-	665,421	-	47,600,140
Maintenance of Plant	10,012,619	-	-	-	89,612	-	10,102,231
Administrative Technology Services	7,726,620	-	-	-	348,848	-	8,075,468
Community Services	6,994,255	-	-	-	22,670	10,255,006	17,271,931
Capital Outlay:							
Facilities Acquisition and Construction	-	-	20,776,843	119,517,124	-	2,619,670	142,913,637
Charter School Capital Outlay	-	-	2,132,158	1,045,093	-	-	3,177,251
Other Capital Outlay	2,498,134	-	8,364,423	480,304	-	1,770,679	13,540,757
Debt Service:							
Principal	-	17,825,000	848,041	1,216,896	-	255,000	20,144,937
Interest and Fiscal Charges	1,728,542	15,735,364	45,209	31,399	-	1,087,551	18,628,065
Total Expenditures	557,655,850	33,560,364	63,093,731	131,969,900	39,547,745	89,119,647	914,947,237
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,859,524	(33,540,267)	41,206,071	(18,738,744)	1,912,910	(820,171)	(120,677)
OTHER FINANCING SOURCES (USES)							
Inception of Lease Assets	-	-	4,032,905	-	-	-	4,032,905
Other Loss Recovery	821,389	-	-	-	-	-	821,389
Transfers In	21,098,934	33,538,545	-	-	-	557,593	55,195,072
Transfers Out	(5,000,000)	-	(36,068,477)	(17,811,999)	(1,912,910)	(1,686)	(60,795,072)
Total Other Financing Sources (Uses)	16,920,323	33,538,545	(32,035,572)	(17,811,999)	(1,912,910)	555,907	(745,706)
Net Change in Fund Balances	26,779,847	(1,722)	9,170,499	(36,550,743)	-	(264,264)	(666,383)
Fund Balances, Beginning	85,961,973	26,973	57,733,029	272,894,801	-	33,743,127	450,359,903
Fund Balances, Ending	\$ 112,741,820	\$ 25,251	\$ 66,903,528	\$ 236,344,058	\$ -	\$ 33,478,863	\$ 449,493,520

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



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024**

Net Change in Fund Balances - Governmental Funds \$ (866,383)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds 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 exceed depreciation expense in the current period.

Capital Outlays	\$ 161,808,977	
Less Depreciation Expense	(34,310,443)	127,498,534

Donated capital assets are reported as revenues on the Statement of Activities; however, they do not provide current financial resources and are not reported as revenues in the governmental funds. 170,000

In the government funds, the costs of capital assets was recognized as an expenditure in the year purchased. Thus the change in net position differs from the change in fund balances by the un depreciated cost of the disposed assets. (4,052,405)

Leased asset proceeds provide current financial resources to the governmental funds, but issuance of leased assets increase long-term liabilities in the Statement of Net Position. (4,032,905)

Debt proceeds are reported as other financing sources in the governmental funds, while payments to the escrow agent for refunding of outstanding debt are shown as other financing uses. Government-wide statements are affected only to the extent these amounts differ. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payments on Bonds	\$ 8,040,000	
Principal Payments on Certificates of Participation	10,040,000	
Principal Payments on Lease Assets	623,668	
Principal Payments on Installment-Purchases Payable	1,441,269	20,144,937

Expenses in the Statement of Activities that do not require the use of current financial resources are not reported in the governmental funds.

Amortization of Deferred Cost of Refunding	\$ (741,894)	
Amortization of Premium on Debt	3,544,548	
Decrease in Accrued Interest Payable	6,095	
Increase in Other Postemployment Benefits (OPEB) Payable	(1,241,478)	
Decrease in Compensated Absences Payable	205,906	1,773,177

Governmental funds report contributions to defined benefit pension plans as expenditures, however, in the Statement of Activities, the amount contributed to defined benefit pension plans reduces future net pension liability and is reported as part of deferred outflows of resources. 36,588,524

Governmental funds report District OPEB contributions as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned net of employee contributions, as determined through an actuarial valuation, is reported as OPEB expense. 902,289

In the governmental funds, revenues cannot be recognized until they are available to pay liabilities of the current period. In the statement of activities, revenue is recognized as soon as it is earned regardless of its availability. (817,080)

In the Statement of Activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the District participates. (93,682,568)

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The change in net position of internal service funds is reported with governmental activities.

Internal Service Funds - Change in Net Position		919,372
---	--	---------

Change in Net Position - Governmental Activities \$ 84,545,492

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2024

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Reserve Officers Training Corps (ROTC)	\$ 673,800	\$ 720,704	\$ 720,704	\$ -
Other Federal Direct Sources	2,000	6,035	6,035	-
Total Federal Direct Sources	675,800	726,739	726,739	-
Federal Through State and Local Sources:				
Career and Technical Education	-	21,221	21,221	-
Medicaid	1,180,000	1,093,539	1,093,539	-
Individuals with Disabilities	111,000	276,973	252,977	(23,996)
Educational Stabilization VPK	-	-	45,016	45,016
Other Federal Through State Sources	-	1,159,457	2,248,222	1,088,765
Total Federal Through State and Local Sources	1,291,000	2,551,190	3,660,975	1,109,785
State Sources:				
Florida Education Finance Program (FEFP)	100,158,206	115,319,535	115,319,535	-
Categorical/Earmarked Programs	61,449,928	67,092,548	67,092,548	-
CO&DS Withheld for Bond Administrative Expenses	28,000	28,000	31,919	3,919
Other State Sources	849,461	3,188,241	2,564,657	(623,584)
Total State Sources	162,485,595	185,628,324	185,008,659	(619,665)
Local Sources:				
Ad Valorem Taxes	340,961,503	342,075,647	342,075,647	-
Interest Income	6,000,000	16,431,464	16,431,464	-
Other Local Sources	17,401,945	20,697,899	19,611,890	(1,086,009)
Total Local Sources	364,363,448	379,205,010	378,119,001	(1,086,009)
Total Revenues	\$ 528,815,843	\$ 568,111,263	\$ 567,515,374	\$ (595,889)

(Continued)

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2024

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
(Continued)				
EXPENDITURES				
Current:				
Instruction	\$ 387,203,873	\$ 392,790,657	\$ 365,978,998	\$ 26,811,659
Student Support Services	23,986,953	22,858,730	22,072,115	786,615
Instructional Media Services	5,842,562	5,702,435	5,593,720	108,715
Instruction and Curriculum Development Services	9,230,978	9,182,834	8,299,135	883,699
Instructional Staff Training Services	1,379,015	1,593,603	1,132,522	461,081
Instruction-Related Technology	-	585	-	147
School Board	1,369,794	1,439,904	1,045,489	394,415
General Administration	3,009,991	3,720,334	3,188,074	532,260
School Administration	37,412,551	34,842,468	33,503,034	1,339,434
Facilities Services	6,801,515	7,540,561	7,090,896	449,665
Fiscal Services	3,715,284	3,868,386	3,428,798	439,598
Central Services	15,822,725	15,730,411	13,481,909	2,248,502
Student Transportation Services	21,316,080	16,945,833	16,945,833	-
Operation of Plant	50,733,367	50,227,833	46,934,719	3,293,114
Maintenance of Plant	11,478,499	12,004,679	10,012,619	1,992,060
Administrative Technology Services	8,703,478	8,739,062	7,726,620	1,012,442
Community Services	6,518,918	7,074,136	6,994,255	79,881
Capital Outlay:				
Facilities Acquisition and Construction	3,000	1,534	-	1,534
Other Capital Outlay	473,695	2,498,134	2,498,134	-
Total Capital Outlay	476,695	2,499,668	2,498,134	1,534
Debt Service:				
Interest and Fiscal Charges	1,025,000	1,780,194	1,728,542	51,652
Total Debt Service	1,025,000	1,780,194	1,728,542	51,652
Total Expenditures	596,027,863	598,542,323	557,655,850	40,886,473
Excess (Deficiency) of Revenues Over (Under) Expenditures	(67,212,020)	(30,431,060)	9,859,524	40,290,584
OTHER FINANCING SOURCES (USES)				
Other Loss Recovery	-	821,389	821,389	-
Transfers In	24,872,578	20,986,857	21,098,934	112,077
Transfers Out	-	(5,000,000)	(5,000,000)	-
Total Other Financing Sources	24,872,578	16,808,246	16,920,323	112,077
Net Change in Fund Balance	(42,339,442)	(13,622,814)	26,779,847	40,402,661
Fund Balance, Beginning	85,961,973	85,961,973	85,961,973	-
Fund Balance, Ending	\$ 43,622,531	\$ 72,339,159	\$ 112,741,820	\$ 40,402,661

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE - FEDERAL EDUCATION STABILIZATION FUND
For the Fiscal Year Ended June 30, 2024**

	Federal Education Stabilization Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Through State and Local Sources:				
Educational Stabilization K-12	\$ 20,334	\$ 41,001,799	\$ 41,001,799	\$ -
Educational Stabilization Workforce	-	182,968	182,968	-
Educational Stabilization VPK	-	86,748	86,748	-
Miscellaneous Federal Through State Sources	-	189,140	189,140	-
Total Federal Through State and Local Sources	<u>20,334</u>	<u>41,460,655</u>	<u>41,460,655</u>	<u>-</u>
Total Revenues	<u>20,334</u>	<u>41,460,655</u>	<u>41,460,655</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	20,334	26,180,780	26,180,780	-
Student Support Services	-	5,308,350	5,308,350	-
Instructional Media Services	-	52,000	52,000	-
Instruction and Curriculum Development Services	-	774,985	774,985	-
Instructional Staff Training Services	-	2,149,042	2,149,042	-
School Board	-	1,000	1,000	-
General Administration	-	1,782,723	1,782,723	-
School Administration	-	344,306	344,306	-
Facilities Services	-	14,000	14,000	-
Fiscal Services	-	167,204	167,204	-
Food Services	-	305,930	305,930	-
Central Services	-	361,388	361,388	-
Student Transportation Services	-	552,269	552,269	-
Operation of Plant	-	665,421	665,421	-
Maintenance of Plant	-	89,612	89,612	-
Administrative Technology Services	-	348,848	348,848	-
Community Services	-	22,670	22,670	-
Capital Outlay:				
Other Capital Outlay	-	427,217	427,217	-
Total Expenditures	<u>20,334</u>	<u>39,547,745</u>	<u>39,547,745</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>1,912,910</u>	<u>1,912,910</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	-	(1,912,910)	(1,912,910)	-
Total Other Financing Uses	<u>-</u>	<u>(1,912,910)</u>	<u>(1,912,910)</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024**

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 31,771,231
Accounts Receivable	<u>102</u>
Total Assets	<u>31,771,333</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	273,234
Estimated Insurance Claims Payable	<u>8,280,000</u>
Total Current Liabilities	<u>8,553,234</u>
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	<u>7,863,342</u>
Total Liabilities	<u>16,416,576</u>
NET POSITION	
Unrestricted	<u>15,354,757</u>
Total Net Position	<u>\$ 15,354,757</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024**

	<u>Governmental Activities - Internal Service Funds</u>
OPERATING REVENUES	
Premium Revenues	\$ 55,411,813
Total Operating Revenues	<u>55,411,813</u>
OPERATING EXPENSES	
Salaries	776,948
Employee Benefits	438,398
Purchased Services	2,839,420
Materials and Supplies	2,641
Insurance Claims	55,437,080
Insurance Premiums	285,152
Other Expenses	312,802
Total Operating Expenses	<u>60,092,441</u>
Operating Loss	<u>(4,680,628)</u>
OTHER FINANCING SOURCES	
Transfers In	<u>5,600,000</u>
Total Other Financing Sources	<u>5,600,000</u>
Change in Net Position	919,372
Total Net Position, Beginning	<u>14,435,385</u>
Total Net Position, Ending	<u>\$ 15,354,757</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024**

	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Premiums	\$ 55,422,275
Cash Payments to Suppliers for Goods and Services	(2,789,237)
Cash Payments to Employees for Services	(1,271,863)
Cash Payments for Insurance Claims	(55,379,519)
Cash Payment for Premiums and Other Fees	<u>(597,954)</u>
Net Cash Used in Operating Activities	<u>(4,616,298)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	<u>5,600,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>5,600,000</u>
Net Change in Cash	983,702
Cash and Cash Equivalents, Beginning	<u>30,787,529</u>
Cash and Cash Equivalents, Ending	<u>\$ 31,771,231</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	<u>\$ (4,680,628)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	10,462
Decrease in Accounts Payable	(3,693)
Increase in Estimated Insurance Claims Payable	<u>57,561</u>
Total Adjustments	<u>64,330</u>
Net Cash Used in Operating Activities	<u>\$ (4,616,298)</u>

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2024

	Private-Purpose Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 1,389,959
Accounts Receivable	72,445
Total Assets	1,462,404
LIABILITIES	
Unearned Revenue	215,323
Total Liabilities	215,323
NET POSITION	
Restricted for Scholarships and Other Purposes	\$ 1,247,081

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2024

	Private-Purpose Trust Funds
ADDITIONS	
Contributions:	
Financial Aid Fees	\$ 233,191
Miscellaneous	632,169
Total Additions	865,360
DEDUCTIONS	
Miscellaneous	739,940
Total Deductions	739,940
Change in Net Position	125,420
Total Net Position, Beginning	1,121,661
Total Net Position, Ending	\$ 1,247,081

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents the comparison between direct expenses and program revenues for each function or program of the School District of Manatee County (District) governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense, if not specifically associated with a particular function, is reported as unallocated.

B. Reporting Entity

The Manatee County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education (FDOE), and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Manatee County.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the School Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading.

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

Blended Component Unit. Blended component units are, in substance, part of the District's operations, even though they are legally separate entities. Thus, the blended component units are appropriately presented as funds of the District. The Manatee School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note II.J.1. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

Discretely Presented Component Units. The component units' columns in the government-wide financial statements include the financial data of the District's other component units. A separate column is used to emphasize that they are legally separate from the District.



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SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; The Lee Foundation Inc., d/b/a Manatee Charter School; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; Team Success A School of Excellence, Inc.; Visible Men Academy, Inc.; William Monroe Rowlett Academy for Arts & Communication, Inc.; William Monroe Rowlett Academy for the Arts & Communication, Inc. d/b/a William Monroe Rowlett Middle Academy for Leadership, Arts and Communication; Southwest Charter Foundation, Inc., d/b/a Lakewood Ranch Preparatory Academy; and Parrish Charter Academy, Inc., are not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. Imagine – Manatee County, LLC, d/b/a Imagine Charter School at North Manatee; and Imagine – East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch; ¡HOLA! Elementary at Manatee School of the Arts are organized as limited liability corporations pursuant to Chapter 605, Florida Statutes, the Florida Limited Liability Company Act, and Section 1002.23, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Manatee County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to provide specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2024. The reports are filed in the District's administrative offices at 215 Manatee Avenue West, Bradenton, Florida 34205.

Related Organizations. One charter school, the State College of Florida Collegiate School, operates under another governmental agency and therefore, is not included as a discretely presented component unit of the District. The school operates under a charter approved by their sponsor, the Manatee County District School Board.

C. Basis of Presentation: Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and the internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used.

D. Basis of Presentation: Fund Financial Statements

The fund financial statements provide information about the District's funds, including the proprietary funds and fiduciary funds. Separate statements for each fund category – governmental, proprietary, 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 nonmajor funds.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

The District reports the following major governmental funds:

- **General Fund** – the primary operating fund of the District 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.
- **Special Revenue – Federal Education Stabilization Fund** – to account for certain Federal grant program resources provided as emergency relief to address the impact of COVID-19 on elementary and secondary education.
- **Debt Service – Other Debt Service Fund** – to account for the accumulation of resources for and the payment of debt principal, interest, and related costs on the sales tax revenue bond, certificates of participation, and other debt service.
- **Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund** – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, motor vehicle purchases, and debt service payments on revenue anticipation notes and certificates of participation.
- **Capital Projects – Other Capital Projects Fund** – to account for various financial resources (e.g., certificates of participation, capital outlay sales tax, impact fees, sales tax revenue bonds, etc.) to be used for educational capital outlay needs, including new construction and renovation and remodeling projects.

Additionally, the District reports the following proprietary and fiduciary fund types:

- **Internal Service Funds** – to account for the District's individual self-insurance programs.
- **Private-Purpose Trust Funds** – to account for financial fees and other moneys for which principal and income benefit individuals or private organizations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 45 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made, provided revenues are received within 45 days or within period of availability. Entitlements are recorded as revenues when all eligibility requirements are met, including time requirements, and the amount is received during the period or within the availability period for this revenue sources (within 45 days of year-end). Property taxes, sales taxes, state education funding, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgements, pension benefits, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under installment-purchases and leases are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

F. Budgetary Information

Budgetary Basis of Accounting

The Board follows procedures established by State law and SBE rules in establishing budget balances for governmental funds, as described below:

- 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 SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student support services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- 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 fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, liquid investments with original maturities of 3 months or less from the date of acquisition. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME, FL PALM, FL CLASS, FL FIT, and First American Treasury Obligations Funds.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

2. Investments

Investments consist of amounts placed with the SBA debt service accounts for investment of debt service moneys, certain amounts placed with the SBA for participation in the Florida PRIME investment pool created by Section 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME, FL PALM, FL CLASS, FL FIT, First American Treasury Obligations Funds, and First American Institutional Government Funds are similar to money market funds in which shares are owned in the fund rather than in the underlying investments. These investments meet the requirements to be measured at amortized cost.

Investments made locally consist of commercial paper, a United States Treasury bonds, United States Treasury notes, United States Treasury bill, and United States Treasury State and Local Government Services - Certificates of Indebtedness and are reported at fair value.

Types and amounts of investments held at fiscal year-end are described in a subsequent note.

3. Accounts Receivable

All receivables are deemed collectible by the District; therefore, the District does not report an allowance for doubtful accounts. Receivables are analyzed for their collectability based on the terms and conditions of agreements, as well as current economic conditions and consideration of the creditor ability to pay.

4. Inventories and Prepaid Items

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost on the first-in, first-out-basis, except that United States Department of Agriculture donated foods are stated at their estimated acquisition value as

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. 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 reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$5,000, except for improvements other than buildings, and building service system replacements, which are considered capital assets if costing more than \$250,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at acquisition value at the date of donation. Land and buildings acquired or constructed prior to July 1, 1967, are stated at estimated historical cost. Land acquired prior to July 1, 1967, is valued at 1974 assessed values (Manatee County Property Appraiser's report of assessed values dated August 23, 1975). Buildings acquired prior to July 1, 1967, are valued at their "depreciated value" (estimated replacement costs, multiplied by the percent of remaining estimated life) at June 30, 1978. Improvements other than buildings (parking lots, sidewalks, fences, etc.) include assets acquired after July 1, 1979.

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

<u>Description</u>	<u>Estimated Useful Lives</u>
Improvements Other Than Buildings	10 - 20 years
Buildings and Fixed Equipment	10 - 60 years
Furniture, Fixtures, and Equipment	4 - 15 years
Motor Vehicles	5 - 10 years
Lease assets	4 - 5 years
Computer Software	5 years

Current year information relative to changes in capital assets is described in a subsequent note.

6. Self -Insurance

The District is self-insured for health (health insurance for employees and eligible dependents) and portions of its general and automobile liability and workers' compensation (insurance for various risks of loss related to torts; theft of; damage to; destruction of assets; errors and omissions; injury to employees; and natural disasters). The estimated liability for self-insured risks represents an estimate of the amount to be paid on insurance claims reported and on insurance claims incurred

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

but not reported (see Note H). Consistent with GAAP guidelines, in the proprietary fund financial statements, the liability for self-insured risks is recorded under the accrual basis of accounting.

7. Pensions

In the government-wide statement of net position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The District's retirement plans, and related amounts are described in a subsequent note.

8. Other Postemployment Benefits (OPEB)

The District provides healthcare and prescription drug insurance benefits for retirees and their dependents. Pursuant to Section 112.0801 Florida Statutes, retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB 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, retiree healthcare costs are generally greater than active employee healthcare costs.

9. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds and certificates of participation payable are reported net of the applicable premium or discount.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued along with related premiums are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

Changes in long-term liabilities for the current year are reported in a subsequent note.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

in this category. The deferred outflows of resources related to pensions and OPEB are discussed in subsequent notes. The deferred charge on refunding reported in the government-wide statement of net position results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources related to pensions and OPEB are discussed in subsequent notes. The District has one type of item, unavailable revenue, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category in the governmental funds balance sheet.

11. Net Position Flow Assumption

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted net position and unrestricted net position in the government-wide, proprietary fund and fiduciary fund financial statements, a flow assumption must be made about the order in which the resources are applied. Consequently, it is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

12. Fund Balance Flow Assumptions

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

13. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). Fund balances are classified as follows, as applicable:

Nonspendable: Fund balances are classified as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted: Fund balances are classified as restricted when there are limitations imposed on their use either through the enabling legislation, constitutional provisions, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Committed: The committed fund balance classification includes amounts that can be used only for specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed fund balances at June 30, 2024.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by policy authorized the Superintendent to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned: Fund balances classified as unassigned are the residual spendable amounts not contained in any other of the above classifications. The General Fund is the only fund that may report a positive unassigned fund. When expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it is necessary to report a negative unassigned fund balance.

In addition, the District has adopted Board Policy 6235 – Fund Balance, which provides for an adequate fund balance reserve necessary to cover unforeseen events (e.g., revenue short falls, student enrollment under projections, etc.). During the annual budget development process, the Superintendent shall plan for a general fund reserve not classified as restricted, committed, or nonspendable of at least five percent (5%) of the projected general fund revenues, to include a three percent (3%) statutory reserve, a two percent (2%) strategic reserve, and an additional contingency fund of up to three and one-half percent (3.5%), or provide the board a written report explaining why these targets are not feasible.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

2. State Revenue Sources

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the FDOE under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the FDOE. The FDOE performs certain edit checks

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

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 during specified time periods following the date of the original reporting. The FDOE 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 or additions of revenue in the fiscal year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. SBE rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following fiscal year to be expended for the same educational programs. The FDOE generally requires these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the balance of categorical and earmarked educational program resources.

The District received an allocation from the State under the School Hardening Grant program and Public Education Capital Outlay. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the FDOE.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

3. District 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 values are determined by the Manatee County Property Appraiser, and property taxes are collected by the Manatee County Tax Collector.

The Board adopted the 2023 tax levy on September 5, 2023. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become a lien on the property on January 1, and are delinquent on April 1, of the year following the year of 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. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Manatee County Tax Collector at fiscal year-end but not yet remitted to the District.

Millage and taxes levied for the current year are presented in a subsequent note.

4. Capital Outlay Surtax

In November 2016, the voters of Manatee County approved a one-half cent discretionary sales surtax on sales in the County for 15 years, effective January 1, 2018 through December 31, 2032,

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

to pay construction, reconstruction or improvements of school facilities and related costs, land acquisitions, improvements and related costs, and costs for retrofitting and providing for technology implementation, including hardware and software for the various sites within the District in accordance with Section 212.055(6), Florida Statutes.

5. Educational Impact Fees

Manatee County imposes an educational impact fee based on an ordinance adopted by the County Commissioners in 2002. This ordinance was most recently amended in November 2017 when Ordinance 2017-046 established, in part, revised fees to be collected. The educational impact fees are collected for most new residential construction by the County and each municipality within the County based on an interlocal agreement. The fees are to be used solely for the purpose of providing capital improvements to the public educational system necessitated by new residential development and are not to be used for any expenditures that would be classified as maintenance or repair expense. The authorized uses include, but are not limited to, land acquisition; facility design and construction costs; furniture and equipment; and payment of principal, interest and related cost of indebtedness necessitated by new residential development.

6. Voted Additional Millage

In November 2021, the voters of Manatee County approved a renewal of the one mill ad valorem tax increase in the County for 4 years, effective July 1, 2022, to pay for essential operating expenses in accordance with Section 1011.71(9), Florida Statutes. Revenues will be used to fund an increase in student achievement through more instructional time and support; recruit and retain teachers and staff with competitive salaries; expand Career and Technical Education, STEM and Visual/Performing Arts programs; and to distribute proportional funds to Charter Schools pursuant to Florida Statute 1011.71.

7. Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards 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. The FDOE may require adjustments to subsequent fiscal period expenditures and related revenues based upon an audit of the District's compliance with applicable Federal awards requirements. Normally, such adjustments are treated as reductions of expenditures and related revenues in the fiscal year when the adjustments are made.

8. Compensated Absences

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

9. Proprietary Funds Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with the proprietary funds principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for employee health insurance and casualty premiums. Operating expenses include insurance claims and excess coverage premiums. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

Custodial Credit Risk. In the case of deposits, this is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk. All bank balances of the District are fully insured and collateralized as required by Chapter 280, Florida Statutes.

B. Investments

The District's investments on June 30, 2024, are reported as follows:

Investments	Maturities	Fair Value
SBA:		
Florida PRIME (1)	35 Days Average	\$ 125,940,437
Debt Service Accounts	6 Months	33,736
Local Government Investment Pools:		
Florida Assets for Liquidity Management (FLPALM) (1)	30 Day Average	72,626,737
Money Market Funds:		
Florida Fixed Income Trust - Enhanced Cash Pool (FL-FIT) (1)	245 Day Average	257,435
Florida Fixed Income Trust - Cash Pool (FL-FIT) (1)	23 Day Average	75,158,929
Florida Fixed Income Trust - Cash Pool (FL-FIT MILLAGE) (1)	23 Day Average	14,435,908
Florida Fixed Income Trust - Cash Pool (FL-FIT) (1)	23 Day Average	39,759,660
Florida Fixed Income Trust - Choice Pool (FL-FIT) (1)	July 2024-April 2025	102,959,797
Florida Cooperative Liquid Assets Securities System (FLCLASS) (1)	36 Day Average	56,200,577
US Securities		
U.S. Treasury Securities	Sept 2024-October 2029	14,136,074
First American Institutional Gov Fund (1)		4,464,872
First American Treasury Obligations Fund Class Y (1)	43 Day Average	11,416,501
Total Investments		\$ 517,547,199

(1) These investments are reported as cash equivalents for financial statement reporting purposes, except for \$38,907 of First American Treasury Obligations Fund Class Y which is reported as restricted investments.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District's investments in SBA debt service accounts are valued using Level 1 inputs.

Certain investments are measured at fair value using the net asset value per share (or its equivalent) practical expedient or amortized cost, which approximates fair value. These amounts have not been classified in the fair value hierarchy. The District invests in these types of investments to obtain competitive market returns while ensuring the safety and liquidity of the portfolio. These types of investments may be redeemed without advance notice and there are no unfunded commitments for further investment. There are currently no limitations as to the frequency of redemptions.

	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
SBA - Debt Service Account	\$ 33,736	\$ 33,736	\$ -	\$ -
United States Treasury Bond (3)	190,198	-	190,198	-
United States Treasury Notes (3)	13,396,909	-	13,396,909	-
United States Treasury - Certificate of Indebtedness (3)	548,967	-	548,967	-
United States Securities (3)	156,536	-	156,536	-
First American Institutional Gov Fund (2)	4,464,872	-	4,464,872	-
First American Treasury Obligations Fund Class Y (2)	11,416,501	-	11,416,501	-
Total Investments by Fair Value Level	30,207,719	33,736	30,173,983	-
Investments Measured at Net Asset Value (NAV)				
Local Government Investment Pools				
Florida Fixed Income Trust - Enhanced Cash Pool (FIT) (1)	\$ 257,435			
Florida Fixed Income Trust - Cash Pool (FIT) (1)	75,158,929			
Florida Fixed Income Trust - Cash Pool (MILLAGE) (1)	14,435,908			
Florida Fixed Income Trust - Cash Pool (FIT) (1)	39,759,660			
Florida Fixed Income Trust - Choice Pool (FIT) (2)	102,959,797			
Florida Cooperative Liquid Assets Securities System (FLCLASS) (1)	56,200,577			
Total Investments Measured at NAV	\$ 288,772,306			
Investments Measured at Amortized Cost				
Local Government Investment Pools				
Florida PRIME (1)	\$ 125,940,437			
Florida Assets for Liquidity Management (FLPALM) (1)	72,626,737			
Total Investments Measured at Amortized Cost	\$ 198,567,174			
Total Investments	\$ 517,547,199			

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

- (1) Investments are reported as cash equivalents for financial statement reporting purposes.
- (2) At June 30, 2024, investments held under trust agreements in connection with the Certificates of Participation, Series 2015 (\$4,212,155), Series 2010 QSCB (\$38,907), Series, 2016A (\$3,701,012), Series 2017 (\$3,454,427) and Series 2023A (\$142,719,457) are reported as cash and cash equivalents with fiscal agent, except for \$38,907 which is reported as restricted investments (see Note III.K).
- (3) At June 30, 2024, investments held under trust agreements in connection with the Series 2010A Qualified School Construction Bonds (\$13,396,909, \$190,198 and \$548,947) and investments held under trust and scholarship agreements (\$156,536) are reported as restricted investments (see Note III.K).

A reconciliation of cash and investments as shown in the statement of net position follows:

	Total		
Cash on Hand and Carrying Amount of Deposits			\$ 9,677,324
Carrying Amount of Investments			517,547,199
Cash on Hand and Carrying Amount of Investments			\$ 527,224,523
	Government-wide	Fiduciary	Total
Cash and Cash Equivalents	\$ 352,907,387	\$ 1,389,960	\$ 354,297,347
Cash and Cash Equivalents with Fiscal Agent	158,561,923	-	158,561,923
Investments	33,736	-	33,736
Restricted Investments	14,331,517	-	14,331,517
	\$ 525,834,563	\$ 1,389,960	\$ 527,224,523

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy limits investments to a maximum of 5 years, unless specifically matched with cash flow needs as a means of managing its exposure to fair value losses arising from increasing interest rates.

Florida PRIME, the money market funds, FLPALM, FLCLASS and FL-FIT use weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

For Florida PRIME, with regard to redemption rates, Section 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2024, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the Local Government Surplus Funds Trust Fund [Florida PRIME], or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury.

The District's investment policy authorizes the following investments which are limited to credit quality ratings from nationally recognized rating agencies as follows:

- Florida PRIME when rated at least AAAM by S&P Global Ratings or the equivalent by another Nationally Recognized Statistical Rating Organization (NRSRO)
- United States Government Securities
- United States Government Agencies
- Federal Instrumentalities (United States Government Sponsored Enterprise limited to the Federal Farm Credit Bank Federal Home Loan Bank or its District banks, Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation including Federal Home Loan Mortgage Corporation participation certificates
- Interest Bearing Time Deposit or Savings Accounts
- Repurchase Agreements
- Commercial Paper of any United States company that is rated, at the time of purchase, P-1 by Moody's Investors Service and A-1 by S&P Global Ratings (prime commercial paper)
- Corporate Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum, single A category by any two NRSROs.
- State and/or Local Government Taxable and/or Tax-Exempt Debt, general obligation and/or revenue bonds, rated at the time of purchase, at a minimum single A category by any two NRSROs for long-term debt, or rated at least MIG-1 by Moody's Investors Service or SP-1 by S&P Global Ratings for short-term debt
- Money Market Mutual Funds rated AAAM by S&P Global Ratings or the equivalent by another NRSRO

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

- Short Term Bonds rated AAF or better by S&P Global Ratings or the equivalent by another NRSRO
- Intergovernmental Investment Pools rated AAAM/AAF by S&P Global Ratings or the equivalent by another NRSRO

The District's investments in the SBA debt service accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

The District's investment in Florida PRIME is rated AAAM by S&P Global Ratings.

The District's investment in the FLPALM was rated AAAM by S&P Global Ratings.

The District's investment in the FLCLASS was rated AAAM by S&P Global Ratings.

The District's investment in the FL-FIT was rated AAAf/S1 by S&P Global Ratings.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Section 218.415(18), Florida Statutes, requires the District to earmark all investments and (1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; (2) if in book-entry form, the investment must be held for the credit of the governing body 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 this State, 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 this State, 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, the investment must be immediately placed for safekeeping in a secured vault.

The District's investment policy addresses custodial credit risk in that all securities, with the exception of certificates of deposit, are held with a third-party custodian; and all securities purchased by, and all collateral obtained by the District should be properly designated as an asset of the District. The securities must be held in an account separate and apart from the assets of the financial institution. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

Concentration of Credit Risk

The District's investment policy has established permitted investment sectors which are designed to reduce concentration of credit risk of the District's investment portfolio. Adequate diversification of the District's portfolio is necessary to minimize market risk. It is the policy of the District to diversify its investment portfolio to protect against issuer defaults, market price changes, and technical

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

complications of assets in a specific maturity, a specific issuer, a specific geographical distribution, or a specific class of securities.

C. Receivables

All receivables are deemed collectable by the District. Therefore, the District does not report an allowance for doubtful accounts.

Due from Other Agencies

Most receivables are due from other agencies. At June 30, 2024, the District has recorded due from other agencies as follows:

	General Fund	Capital Projects - Other Capital Projects Fund	Capital Projects -Local Capital Improvement Fund	Special Revenue - Federal Education Stabilization Fund	Other Governmental Funds	Total
Federal and State Sources						
Grants and Entitlements	\$ 821,823	\$ 4,080,747	\$ -	\$ 4,266,604	\$ 8,537,795	\$ 17,706,969
Interest on CO&DS	-	-	-	-	66,403	66,403
Local Sources						
Ad Valorem Taxes	60,652	-	18,386	-	-	79,038
Impact Fees	-	3,156,171	-	-	-	3,156,171
Sales Tax Revenue	-	6,608,433	-	-	-	6,608,433
VPK Early Learning	336,068	-	-	-	-	336,068
Other	80,523	-	-	-	10,005	90,528
	\$ 1,299,066	\$ 13,845,351	\$ 18,386	\$ 4,266,604	\$ 8,614,203	\$ 28,043,610

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

D. Changes in Capital Assets

Changes in capital assets are presented in the following table:

	Beginning Balance	Additions	Deletions	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 46,384,529	\$ 1,354,640	\$ 465,530	\$ 47,273,639
Construction in Progress	41,955,655	120,935,923	44,897,250	117,994,328
Total Capital Assets Not Being Depreciated	88,340,184	122,290,563	45,362,780	165,267,967
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	36,314,325	7,046,421	-	43,360,746
Buildings and Fixed Equipment	1,328,607,898	59,513,572	156,754	1,387,964,716
Furniture, Fixtures, and Equipment	60,771,783	10,185,641	5,083,399	65,874,025
Motor Vehicles	27,078,098	3,998,883	3,907,250	27,169,731
Lease Assets	265,327	3,841,147	-	4,106,474
Computer Software	25,198,077	-	-	25,198,077
Total Capital Assets Being Depreciated	1,478,235,508	84,585,664	9,147,403	1,553,673,769
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	22,718,453	1,669,499	-	24,387,952
Buildings and Fixed Equipment	395,386,884	24,278,301	156,754	419,508,431
Furniture, Fixtures, and Equipment	40,276,336	6,249,761	2,779,785	43,746,312
Motor Vehicles	19,825,818	1,706,153	2,623,989	18,907,982
Lease Assets	18,008	369,237	-	387,245
Computer Software	25,156,696	37,492	-	25,194,188
Total Accumulated Depreciation	503,382,195	34,310,443	5,560,528	532,132,110
Total Capital Assets Being Depreciated, Net	974,853,313	50,275,221	3,586,875	1,021,541,659
Governmental Activities Capital Assets, Net	\$ 1,063,193,497	\$ 172,565,784	\$ 48,949,655	\$ 1,186,809,626

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 1,334,072
Instructional Media Services	32,345
Instructional Staff Training Services	11,192
Student Transportation Services	48,961
Facilities Services	32,254,084
Food Services	407,834
Central Services	5,563
Operation of Plant	104,528
Maintenance of Plant	67,407
Administrative Technology Services	44,457
Total Depreciation Expense - Governmental Activities	\$ 34,310,443

E. Retirement Plans

1. FRS – Defined Benefit Pension Plans

General Information about the FRS

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The District's FRS and HIS pension expense totaled \$93,682,570 for the fiscal year ended June 30, 2024.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are:

- Regular – Members of the FRS who do not qualify for membership in the other classes.
- Elected County Officers – Members who hold specified elective offices in local government.
- Senior Management Service – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 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. All members enrolled in the 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 creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The 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. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed based on age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>Percent Value</u>
Regular Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Members Initially Enrolled On or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent 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 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2023-24 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	13.57
FRS, Elected County Officers	3.00	58.68
FRS, Senior Management Service	3.00	34.52
DROP - Applicable to		
Members from All of the Above Classes	0.00	21.13
FRS, Reemployed Retiree	(2)	(2)

Notes: (1) Employer rates include 2.00 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The District's contributions to the Plan totaled \$30,275,339 for the fiscal year ended June 30, 2024.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At June 30, 2024, the District reported a liability of \$224,422,812 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.5632 percent, which was an decrease of 0.0325 from its proportionate share of 0.5957 percent measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized the Plan pension expense of \$46,063,118. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 21,071,366	\$ -
Change of Assumptions	14,629,741	-
Net Difference Between Projected and Actual Earnings on FRS Pension Plan Investments	9,372,504	-
Changes in Proportion and Differences Between District FRS Contributions and Proportionate Share of Contributions	8,149,230	8,463,580
District FRS Contributions Subsequent to the Measurement Date	30,275,339	-
Total	\$ 83,498,180	\$ 8,463,580

The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$30,275,339 will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2025	\$ 7,802,251
2026	(1,543,120)
2027	36,397,937
2028	1,621,508
2029	480,685
Total	\$ 44,759,261

Actuarial Assumptions. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Investment Rate of Return	6.70 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2023 valuation was based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100%			
Assumed Inflation - Mean			2.4%	1.4%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.7 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate was unchanged from the previous year.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.7 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.7 percent) or 1 percentage point higher (7.7 percent) than the current rate:

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

	1% Decrease (5.7%)	Current Discount Rate (6.7%)	1% Increase (7.7%)
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District's Proportionate Share of the Net Pension Liability	\$ 383,359,860	\$ 224,422,812	\$ 91,452,953
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Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the District reported a payable of \$1,400,678 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2024.

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Federal Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2.00 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Pension Plan totaled \$6,313,185 for the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the District reported a net pension liability of \$120,775,140 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the HIS Plan's

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, and update procedures were used to determine the net pension liability as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.7605 percent, which was a decrease of 0.0227 percent from its proportionate share of 0.7832 percent measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized the HIS Plan pension expense of \$45,619,452. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,768,065	\$ 283,477
Change of Assumptions	3,175,142	10,465,573
Net Difference Between Projected and Actual Earnings on HIS Pension Investments	62,370	-
Changes in Proportion and Differences Between District HIS Contributions and Proportionate Share of Contributions	3,305,592	3,683,921
District HIS Contributions Subsequent to the Measurement Date	6,313,185	-
Total	\$ 14,624,354	\$ 14,432,971

The deferred outflows of resources related to pensions resulting from District contributions to the HIS plan subsequent to the measurement date, totaling \$6,313,185 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2025	\$ (449,359)
2026	(136,696)
2027	(1,267,515)
2028	(2,552,024)
2029	(1,511,891)
Thereafter	(204,317)
Total	\$ (6,121,802)

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Actuarial Assumptions. The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.65 percent

Mortality rates were based on the PUB-2010 base table, projected generationally Scale MP-2018.

While an experience study had not been completed for the HIS Pension Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.65 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The Municipal Bond rate changed from 3.54 percent to 3.65 percent.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	<u>Decrease</u> <u>(2.65%)</u>	<u>Discount Rate</u> <u>(3.65%)</u>	<u>Increase</u> <u>(4.65%)</u>
District's Proportionate Share of the HIS Net Pension Liability	\$ 137,785,586	\$ 120,775,140	\$ 106,674,624

Pension Plan Fiduciary Net Position. Detailed information about HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the District reported a payable of \$1,400,678 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2024.

2. FRS - Defined Contribution Pension Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Annual Comprehensive Financial Report.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2023-24 fiscal year were as follows:

<u>Class</u>	<u>Percent of</u> <u>Gross</u> <u>Compensation</u>
FRS, Regular	11.30
FRS, Elected County Officers	16.34
FRS, Senior Management Service	12.67

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which 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 Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled \$13,135,257 for the fiscal year ended June 30, 2024.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Payables to the Investment Plan. At June 30, 2024, the District reported a payable of \$252,627 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended June 30, 2024.

3. Early Retirement Plans

As authorized by Section 1012.685, Florida Statutes, the Board implemented Early Retirement Plans as described below:

On March 20, 1995, the School Board approved the Manatee County School Board One-time Only Retirement Incentive Plan (Plan). This plan provided that eligible employees who elected to retire by June 30, 1995, be paid special termination benefits. The Plan was offered to members of the instructional and classified bargaining units and administrative personnel who signed an agreement to participate in the Plan, who agreed to retire from employment under the provisions of the Florida Retirement System (FRS), and who met certain age and length of service requirements. One hundred fifty-nine (159) employees elected to participate in the Plan. Special termination benefits included payment for 100 percent of accrued sick and vacation leave, either a bonus based on 25 percent of the retiree's final year's compensation or an amount to compensate the employee for the FRS early retirement penalty, single coverage for health insurance, and a specified amount of life insurance. The Plan provided that the accrued sick and vacation leave, bonus pay, and the FRS early retirement penalty be paid out to the retirees and to a third-party administrator over a period of 5 years. The premiums for health insurance are to be paid for a period of 8 years, while the premiums for the life insurance are to be paid out over the respective retiree's life. The total paid by the District pursuant to this retirement incentive during the 2023-24 fiscal year was \$9,680. The District reported a liability of \$29,039 in the statement of net position representing the present value of the estimated future payments under the Plan.

F. Other Postemployment Benefit Obligations

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to Section 112.0801, Florida Statutes, former employees who retire from the District, are eligible to participate in the District's health and hospitalization plan for medical and prescription drug coverage. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB 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, retiree healthcare costs are generally greater than active employee healthcare costs. The OPEB plan contribution requirements and benefit terms of the District and the OPEB plan members are established and may be amended through recommendation of the Health Insurance Committee and action from the Board. No assets are accumulated in a trust that meet the criteria.

Benefits Provided. The OPEB plan provides healthcare and prescription drug insurance benefits for retirees and their dependents. The OPEB plan only provides an implicit subsidy as described above. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The rates paid by retirees eligible for Medicare are reduced by the Medicare

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

premium. The OPEB Plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity.

Changes in Plan Provisions. The financial accounting valuation does not reflect any plan changes since the prior year.

Employees Covered by the Benefit Terms. The actuarial valuation was based on personnel records as of July 1, 2023. At this time, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	140
Active Employees	<u>5,780</u>
Total	<u>5,920</u>

Total OPEB Liability. The District's total OPEB liability of \$15,949,815 was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023, and updated procedures were used to determine the OPEB liability as of June 30, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60 percent
Salary Increases	4.25 percent
Discount Rate	3.93 percent
Healthcare Cost Trend Rate	7.80 percent for pre-65. These rates grade to 4.50 percent for fiscal year ending June 30, 2034 and beyond.

The discount rate was based on the Bond Buyer GO 20-Bond Municipal Bond Index as of the measurement date.

Mortality rates are based on the PUB TH-2010 employees and healthy annuitants' mortality table projected generationally using Scale MP-2021.

Healthcare cost trend rates were based on national average information from a variety of sources, including S&P Healthcare Economic Index, NHCE data, plan renewal data, and vendor prescription reports, with adjustments based on the District's benefit provisions.

The District selected the economic, demographic and health care claim costs assumptions used in the actuarial valuation. The actuary provided guidance with respect to the mortality, health claims, medical trend, plan participation, and spousal assumptions. All other assumptions selected align with the FRS Pension valuation.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Changes in the Total OPEB Liability

	<u>Amount</u>
Balance at June 30, 2023	\$ 14,708,337
Changes for the year:	
Service Cost	1,258,853
Interest	540,439
Differences Between Expected and Actual Experience	1,668,437
Changes in Assumptions or Other Inputs	116,027
Benefit Payments	<u>(2,342,278)</u>
Net Changes	<u>1,241,478</u>
Balance at June 30, 2024	<u>\$ 15,949,815</u>

The financial accounting valuation reflects the following assumption changes:

- The discount rate was updated from 3.65 percent as of June 30, 2023 to 3.93 percent as of June 30, 2024.
- A change in retirement rates from those based on the 2019 experience study for the Florida Retirement System (FRS) plan to rates based on the 2023 experience study for the FRS plan.
- A change in the medical trend rates and claims from those developed as of July 1, 2023 to rates and claims developed as of July 1, 2024.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$17,037,466	\$15,949,815	\$14,910,153

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates. The following table represents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower and 1 percentage point higher than the current rate.

	1% Decrease 6.8%, grading to 3.5%	Trend Rate 7.8%, grading to 4.5%	1% Increase 8.8%, grading to 5.5%
Total OPEB Liability	\$14,211,816	\$15,949,815	\$17,990,338

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$2,681,467. On June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 2,993,130	\$ 3,384
Changes of Assumptions or Other Inputs	1,110,468	3,206,270
Total	<u>\$ 4,103,598</u>	<u>\$ 3,209,654</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2025	\$ 1,134,368
2026	(117,986)
2027	(156,906)
2028	(149,429)
2029	(37,537)
Total Thereafter	221,434
Total	<u>\$ 893,944</u>

G. Construction and Other Significant Commitments

Construction Contracts. The following is a summary of major construction contract commitments on June 30, 2024:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
Blackburn Elementary Renovation	\$ 38,552,427	\$ 9,789,464	\$ 28,762,963
Haile Middle School Addition/ Renovation	34,663,512	22,597,944	12,065,568
Manatee Technical College-Law Academy	6,852,422	1,251,999	5,600,423
New K-8 School - East County	100,527,750	9,432,229	91,095,521
New Middle School - North County	72,298,727	10,226,343	62,072,384
Oneco Elementary Renovation	36,767,602	5,601,820	31,165,782
Palma Sola Elementary Renovation	1,927,544	615,839	1,311,706
Palmetto High School Renovation	32,460,484	26,761,423	5,699,061
Parrish Community High School Addition	11,083,924	1,546,043	9,537,881
Tara Elementary School Renovation	33,695,039	12,773,048	20,921,991
Total	<u>\$ 368,829,432</u>	<u>\$ 100,596,152</u>	<u>\$ 268,233,280</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Encumbrances. Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The following is a schedule of encumbrances on June 30, 2024:

Major Funds					
General	Capital Projects - Section 1011.71(2), F.S., Local Capital Improvement Tax	Capital Projects - Other Capital Projects	Special Revenue- Federal Education Stabilization Funds	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,976,404	\$ 14,217,396	\$ 31,601,815	\$ 3,586,686	\$ 75,815	\$ 51,458,116

H. Risk Management Programs

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, and the District has entered into agreements with various insurance companies to provide specific excess coverage of property claim amounts above the self-insured retention amount, excess coverage for workers compensation, general liability, automobile liability and school Board liability; currently \$100,000 for property excluding named storm, wind/hail and flood damages. Named windstorm deductible is 5 percent of replacement value per building, per occurrence for wind and hail damages with \$250,000 minimum; and \$1,000,000 for automobile and general liability. The District has contracted with an insurance administrator, Johns Eastern Company, to administer these self-insurance programs, including the processing, investigating, and payment of claims.

A third-party administrator, Meritain Health, Inc., effective January 1, 2022, administers the District's health and hospitalization insurance program. In plan year 2024, the District paid \$19.00 per employee, per month for administrative fees. The payment agreement with Meritain Health provides for liability limits based on fixed rates and average numbers of insured employees and dependents. In 2024, there was a \$1,000,000 specific stop loss deductible including medical and pharmacy, with an unlimited lifetime maximum per covered member. To remain in compliance with health care reform and the Patient Protection and Affordable Care Act, there are no longer lifetime maximums included in the Meritain plans.

A liability in the amount of \$16,143,342 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2024. The estimated insurance claims payable for the casualty, liability and workers' compensation programs of \$7,863,342 is determined using the actuarial central estimate for unpaid losses on a discounted basis. The discounted basis recognized the expected rate of return on investments held in the Internal Service Fund using a discount rate of 4 percent. The estimated insurance claims payable for the self-insured health insurance program is \$8,280,000 including medical and pharmacy claims. This figure was not discounted and was calculated according to Actuarial Standards of Practice No. 5.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

The following schedule represents the changes in claims liability for the past 2 fiscal years for the District's self-insurance program:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2022-2023	\$ 13,035,286	\$ 63,110,271	\$ (60,059,776)	\$ 16,085,781
2023-2024	\$ 16,085,781	\$ 55,437,080	\$ (55,379,519)	\$ 16,143,342

I. Changes in Short-Term Debt

The following is a schedule of changes in short-term debt:

	Beginning Balance	Additions	Deductions	Ending Balance
GOVERNMENTAL ACTIVITIES				
Tax Anticipation Note, Series 2023, issued October 4, 2023, with an interest rate of 0.4580 percent, and a maturity date of May 30, 2024.	\$ -	\$ 58,000,000	\$ 58,000,000	\$ -

Proceeds from the tax anticipation note were used as working capital reserves in the General Fund as permitted under State and Federal tax laws.

J. Long-Term Liabilities

1. Certificates of Participation

Certificates of Participation at June 30, 2024 are as follows:

Series	Amount Outstanding	Interest Rates (Percent)	Lease Term Maturity	Original Amount
2010A, QSCB	\$ 19,920,000	(1)	2029	\$ 21,600,000
2015, Refunding	12,615,000	2.920	2027	38,470,000
2016, Refunding	26,875,000	5.000	2029	36,780,000
2017, Refunding	24,085,000	2.570	2031	55,890,000
2023A	151,730,000	5.000	2038	151,730,000
Total Certificates of Participation	\$ 235,225,000			\$ 304,470,000

Note (1): The Federal government pays Interest on QSCB certificates to the purchasers of the certificates in the form of tax credits.

The District entered into financing arrangements, which were characterized as lease-purchase agreements, with the Leasing Corporation whereby the District secured financing of various educational facilities. The financing was accomplished through the issuance of certificates of

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024**

participation to be repaid from the proceeds of rents paid by the District. Except for the Qualified School Bond (QSCB) Certificates which are discussed below, the financing was accomplished through the issuance of Certificates of Participation, Series 2015 for \$38,470,000, Series 2016 for \$36,780,000, Series 2017 for \$55,890,000, and Series 2023 for \$151,730,000.

As a condition of the financing arrangements, the District gave ground leases on District property to the Leasing Corporation, with a rental fee of \$10 per year for Certificates of Participation, Series 2015, 2016, 2017, 2023 respectively. The master lease-purchase agreement is automatically renewable each fiscal year through July 1, 2038. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates for a period of time specified by the arrangements.

The American Recovery and Reinvestment Act (ARRA) of 2009, signed into law on February 17, 2009, created a new category of direct subsidy debt for school districts known as QSCBs. The QSCB does not represent incremental Federal funding; the District must repay it.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The initial term of the lease for the Series 2010A-QSCB is 19 years commencing October 29, 2010. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates.

For the Series 2010A-QSCB, the principal portion of the basic lease payment, \$19,920,000, is due on October 1, 2029. The interest portion of the basic lease payments is due each April 1 and October 1, commencing April 1, 2011. The sinking fund payments are made by the District with respect to the Series 2010A-QSCB and are deposited by the Trustee into the Series 2010 Sinking Fund Account pursuant to the Trust Agreement. Such funds are invested in investment securities in accordance with the Trust Agreement. The District may offset sinking fund payments with the interest earnings on amounts in the Series 2010 Sinking Fund Account, provided that the sinking fund payments will be funded at a rate not more rapid than equal, annual installments in an aggregate amount not in excess of the principal component due at maturity. Sinking fund payments on deposit in the Series 2010 Sinking Fund Account will be retained therein until transferred to the Series 2010 Lease Payment Account and applied to the payment of the \$19,920,000 principal component due on the Series 2010 Certificates at maturity (October 1, 2029) or upon earlier prepayment.

The District properties included in the various ground leases under these arrangements include:

Series 2010A-QSCB Certificates of Participation

Lease Schedule No. 2010A
Manatee High School (Davis Building project)

Series 2015 Certificates of Participation

Amended and Restated No. 2005A

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024**

Anna Maria Elementary School
King Middle School
Amended and Restated No. 2007
Annie Lucy Williams Elementary School
Daughtrey Elementary School
King Middle School
Palmetto Elementary School
Manatee Technical College – Public Safety Academy
Manatee Technical College – Fire Academy
Sea Breeze Elementary School
Myakka Elementary School

Series 2016 Certificates of Participation

Lease Schedule No. 2009
G. D. Rogers Garden Elementary
Transportation and Maintenance Facility
Palmetto High School Auditorium
Myakka Elementary School

Series 2017 Certificates of Participation

Third Amended and Restated No. 1996
Bayshore High School
Carlos Haile Middle School
Lakewood Ranch High School

Amended and Restated No. 2011
Manatee Technical College

Series 2023 Certificates of Participation

Blackburn Elementary School
Haile Middle School
Oneco Elementary School
Palma Sola Elementary School
Tara Elementary School

The lease payments are payable by the District semiannually, on July 1 and January 1 at interest rates ranging from 2.57 to 5.0 percent.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 20,987,592	\$ 11,070,000	\$ 9,917,592
2026	20,991,334	11,465,000	9,526,334
2027	20,990,009	11,870,000	9,120,009
2028	13,509,875	12,290,000	1,219,875
2029	20,986,845	12,820,000	8,166,845
2030-2034	128,998,100	97,630,000	31,368,100
2035-2038	88,078,000	78,080,000	9,998,000
Total Minimum Lease Payments	\$ 314,541,755	235,225,000	\$ 79,316,755
Add: Unamortized Premium		25,772,823	
Total Certificates of Participation		\$ 260,997,823	

2. Bonds Payable

Bonds payable at June 30, 2024, are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Rates (Percent)</u>	<u>Maturity To</u>	<u>Issued Amount</u>
State School Bonds:				
Series 2017A-Refunding	\$ 244,000	5.0	2026	\$ 829,000
Series 2019A-Refunding	461,000	5.0	2029	744,000
Series 2020A-Refunding	<u>574,000</u>	2.0-5.0	2031	<u>1,037,000</u>
Total State School Bonds	<u>1,279,000</u>			<u>2,610,000</u>
District Revenue Bonds:				
Series 2017, Sales Tax	<u>90,120,000</u>	5.00	2033	<u>131,785,000</u>
Total District Revenue Bonds	<u>90,120,000</u>			<u>131,785,000</u>
Total Minimum Bond Payments	91,399,000			
Add: Unamortized Premium on Debt	<u>9,183,354</u>			
Total Bonds Payable	\$ 100,582,354			

The various bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

State School Bonds

These bonds are issued by the SBE on behalf of the District. The bonds mature serially and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

remaining amount of the pledge is equal to the remaining principal and interest payments. The State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of debt service fund resources, and compliance with reserve requirements are administered by the SBE and SBA.

District Revenue Bonds

The School Board issued Sales Tax Revenue Bonds, Series 2017 in the amount of \$131,785,000 on February 23, 2017. These bonds are authorized by Chapter 1001, Florida Statutes, and Chapter 212, Florida Statutes. These bonds are secured by a pledge of proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes. The remaining amount of the pledge is equal to the remaining principal and interest payments. Proceeds of the bonds were used to finance fixed capital expenditures or fixed capital costs associated with the construction, reconstruction or improvement of school facilities and campuses which have a useful life expectancy of five or more years and any land acquisition, design and engineering cost related thereto and for costs of retrofitting and providing for technology implementation including hardware and software for various sites within the District.

The sales tax collections began on January 1, 2003. On November 8, 2016, the voters of Manatee County approved the extension of the one-half cent Sales Tax to be effective January 1, 2018 through December 31, 2032, thereby maintaining revenues statutorily available to be used for capital expenditures to reduce overcrowding, reduce portable classrooms, renovate existing schools, build new schools where needed, purchase technology, and improve student safety and achievement.

During the 2023-24 fiscal year, the District recognized sales tax revenues totaling \$51,689,130 and expended \$12,485,625 (24.16 percent) of these revenues for debt service directly collateralized by these revenues.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

Annual requirements to amortize all bonded debt outstanding as of June 30, 2024, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2025	\$ 338,950	\$ 275,000	\$ 63,950
2026	347,200	297,000	50,200
2027	219,350	184,000	35,350
2028	226,150	200,000	26,150
2029	231,150	215,000	16,150
2030	<u>113,400</u>	<u>108,000</u>	<u>5,400</u>
Total State School Bonds	<u>1,476,200</u>	<u>1,279,000</u>	<u>197,200</u>
District Revenue Bonds:			
2025	12,476,625	8,175,000	4,301,625
2026	12,462,750	8,580,000	3,882,750
2027	12,453,000	9,010,000	3,443,000
2028	12,441,250	9,460,000	2,981,250
2029	12,431,375	9,935,000	2,496,375
2030-2033	<u>49,593,000</u>	<u>44,960,000</u>	<u>4,633,000</u>
Total District Revenue Bonds	<u>111,858,000</u>	<u>90,120,000</u>	<u>21,738,000</u>
Total	<u>\$ 113,334,200</u>	<u>\$ 91,399,000</u>	<u>\$ 21,935,200</u>

3. Leases Payable

The classes and amount of property being acquired under leases are as follows:

	<u>Asset Balances</u>
Copiers/Printers	\$ 2,465,102
Metal Detectors	215,037
Vehicles	<u>1,352,766</u>
Total	<u>\$ 4,032,905</u>

Future minimum lease payments and the present value of the minimum lease payments as of June 30 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 956,319	\$ 868,029	\$ 88,290
2026	964,137	875,849	88,288
2027	922,111	833,821	88,290
2028	864,616	777,406	87,210
2029	228,111	176,086	52,025
2030	<u>93,561</u>	<u>93,561</u>	-
Total Minimum Lease Payments	<u>\$ 4,028,855</u>	<u>\$ 3,624,752</u>	<u>\$ 404,103</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

4. Installment-Purchases Payable

Computers were acquired under installment-purchase agreements. Future minimum installment-purchase payment and the present value of the minimum installment-purchase as of June 30 is as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	<u>275,141</u>	<u>275,141</u>	-
Total	<u>275,141</u>	<u>275,141</u>	<u>-</u>

5. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
GOVERNMENTAL ACTIVITIES					
Bonds Payable					
Direct Borrowing and Direct Placement	\$ 97,905,000	\$ -	\$ 7,785,000	\$ 90,120,000	\$ 8,175,000
Plus: Premium	10,272,273	-	1,284,034	8,988,239	-
Other	1,534,000	-	255,000	1,279,000	275,000
Plus: Premium	238,905	-	43,790	195,115	-
Total Bonds Payable	<u>109,950,179</u>	<u>-</u>	<u>9,367,824</u>	<u>100,582,354</u>	<u>8,450,000</u>
Certificates of Participation Payable (COP)					
Direct Borrowing and Direct Placement	245,265,000	-	10,040,000	235,225,000	11,070,000
Plus: Premium on COP's	27,989,547	-	2,216,723	25,772,824	-
Total Certificates of Participation Payable	<u>273,254,547</u>	<u>-</u>	<u>12,256,723</u>	<u>260,997,824</u>	<u>11,070,000</u>
Leases Payable	215,515	4,032,905	623,668	3,624,752	868,029
Installment-Purchases Payable	1,716,410	-	1,441,269	275,141	275,141
Early Retirement Plan Payable	29,039	9,680	9,680	29,039	9,680
Estimated Insurance Claims Payable	16,085,781	55,437,080	55,379,519	16,143,342	8,280,000
Total Other Postemployment Benefits Payable	14,708,337	3,583,756	2,342,278	15,949,815	-
Net Pension Liability	304,590,044	168,414,368	127,806,460	345,197,952	-
Compensated Absences Payable	33,575,716	2,969,873	3,175,779	33,369,810	3,395,610
Total Governmental Activities	<u>\$ 754,125,568</u>	<u>\$ 234,447,662</u>	<u>\$ 212,403,200</u>	<u>\$ 776,170,029</u>	<u>\$ 32,348,460</u>

For the governmental activities, compensated absences, pensions, early retirement plan, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the proprietary funds.

The District's outstanding bonds and certificates of participation from direct borrowings and direct placements related to governmental activities of \$99,108,239 and \$260,997,824, respectively; contain a provision that in an event of default, outstanding amounts become immediately due if the District is unable to make payment, except for those Certificates which require the written consent of the Insurer if the Insurer is not in payment default. In addition, the District's outstanding direct placement sales tax bonds are secured by the associated sales tax revenues, whereas the Certificates of Participation

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

from direct placement are secured by the applicable properties listed in the associated ground leases as noted above.

K. Interfund Receivables and Payables

The following is a summary of interfund receivables and payables reported in the fund financial statements:

<u>Funds</u>	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
Major:		
General	\$ 7,239,608	\$ -
Special Revenue:		
Federal Education Stabilization	-	4,092,840
Other Nonmajor Governmental	-	3,146,768
Total	<u>\$ 7,239,608</u>	<u>\$ 7,239,608</u>

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the moneys were received in the funding providing the advancement. All amounts are expected to be repaid within the 2024-25 fiscal year.

L. Revenues

1. Schedule of State Revenue Sources

The following is a schedule of the District's State revenue sources for the 2023-24 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 115,319,535
Categorical Educational Program-Class Size Reduction	53,621,821
Workforce Development Program	10,844,521
Charter School Capital Outlay	5,202,301
Voluntary Prekindergarten Program	2,626,206
Motor Vehicle License Tax (Capital Outlay & Debt Service)	2,129,235
Miscellaneous	4,783,613
Total	<u>\$ 194,527,232</u>

Accounting policies relating to certain State revenue sources are described in note I.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024

2. Property Taxes

The following is a summary of millage, and taxes levied on the 2023 tax roll for the 2023-24 fiscal year; taxes budgeted are stated at 96 percent of the actual tax roll levy to allow for early payment discounts and uncollectable amounts.

<u>General Fund</u>	<u>Millages</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort	3.173	\$ 219,847,766
Basic Discretionary Local Effort	1.748	121,113,739
Capital Projects - Local Capital Improvement Fund		
Nonvoted Tax:		
Local Capital Improvements	1.500	103,930,554
Total	<u>6.421</u>	<u>\$ 444,892,059</u>

M. Interfund Transfers

The following is a summary of interfund transfers reported in the fund financial statements:

<u>Funds</u>	<u>Interfund</u>	
	<u>Transfers In</u>	<u>Transfers Out</u>
Major:		
General	\$ 21,098,934	\$ 5,000,000
Debt Service:		
Other Debt Service	33,538,545	-
Capital Projects:		
Section 1011.71(2), F.S. LCI Tax	-	36,068,477
Other Capital Projects	-	17,811,999
Special Revenue:		
Federal Education Stabilization	-	1,912,910
Other Nonmajor	557,594	1,686
Internal Service	5,600,000	-
Total	<u>\$ 60,795,072</u>	<u>\$ 60,795,072</u>

The transfers into the General Fund from the Capital Projects Funds – Other Capital Projects, Local Capital Improvement Tax, and Special Revenue Fund-Federal Education Stabilization were for capital outlay to charter schools, reimbursing the General Fund for maintenance, repairs and equipment costs, and payment of premiums for property and casualty insurance, and reimbursement to the General Fund for prior year expenses related to speech and language professional services.

The transfers from Capital Projects Funds – Other Capital Projects and Local Capital Improvement Tax to the Debt Service – Other Debt Service Fund and Other Nonmajor Funds were made for debt service payments.

The transfers from Special Revenue Fund -Federal Education Stabilization and the General Fund to the Internal Service Fund were for costs attributable to an increase in health insurance claims of the

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2024**

District. Transfer from Special Revenue Fund -Federal Education Stabilization to the General Fund was for prior year expenses related to speech and language professional services.

III. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

The District is defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's management, the resolution of these matters will not have a material effect on the financial condition of the District.

B. Other Loss Contingencies

The District received financial assistance from Federal and State agencies in the form of grants and appropriations. The disbursement of funds received under these programs generally requires compliance with specified terms and conditions and is subject to final determination by the applicable Federal and State agencies. Any disallowed claims should become a liability of the General Fund or other applicable funds.

IV. SUBSEQUENT EVENTS

A. Tax Anticipation Note

The Board authorized the issuance of a tax anticipation note (Note) in the amount of \$48,000,000. The proceeds will be used for operating expenses for the fiscal year ending June 30, 2025. The closing of the Note took place on October 25, 2024, and the Note is to mature on February 27, 2025. The stated interest rate is 4.50 percent.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER
POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS**

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability							
Service Cost	\$ 1,462,379	\$ 765,235	\$ 765,616	\$ 876,923	\$ 1,812,777	\$ 1,652,367	\$ 1,258,853
Interest	1,413,031	540,769	421,574	256,962	403,998	626,362	540,439
Changes of benefit terms	(33,858,207)	-	-	-	-	-	-
Difference between expected and actual experience	(1,429,002)	399,202	(567,039)	1,586,170	932,247	1,006,165	1,668,437
Changes of Assumptions	(1,882,249)	(3,114,070)	(437,633)	4,939,055	(1,578,948)	(3,247,949)	116,027
Benefit payments	(657,705)	(768,420)	(315,927)	(1,197,755)	(1,935,693)	(2,716,512)	(2,342,278)
Net changes in total OPEB liability	(24,551,753)	(2,167,284)	(114,409)	6,551,405	(365,549)	(2,779,567)	1,241,478
Total OPEB Liability-beginning	38,135,494	13,683,741	11,416,457	11,302,048	17,853,453	17,487,904	14,708,337
Total OPEB Liability-ending	13,583,741	11,416,457	11,302,048	17,853,453	17,487,904	14,708,337	15,949,815
Covered employee payroll	\$ 247,764,434	\$ 272,090,580	\$ 285,667,414	\$ 283,428,729	\$ 294,007,933	\$ 316,026,642	\$ 331,518,924
Total OPEB Liability as a percentage of covered employee payroll	5.48%	4.20%	3.96%	6.30%	5.95%	4.65%	4.81%

* The amounts presented for each fiscal year were determined as of June 30. The District implemented GASB Statement No. 75 for the fiscal year ended June 30, 2018. Information for prior years is not available.

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each measurement period. The following are the discount rates in each measurement period:

Year	Discount Rate
2018	3.97%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

As of June 30, 2024, the financial accounting valuation reflects the following assumption changes:

A change in retirement rates from those based on the 2019 experience study for the Florida Retirement System (FRS) plan to rates based on the 2023 experience study for the FRS plan.
A change in the medical trend rates from those developed as of July 1, 2023, to rates developed as of July 1, 2024.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of District's Proportionate Share of Net Pension Liability
Florida Retirement System (FRS) Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	District's Proportion of the FRS Net Pension Liability	District's Proportionate Share of the FRS Net Pension Liability	District's Covered Employee Payroll as of Measurement Date	District's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2024	2023	0.5632%	\$ 224,422,812	\$ 301,474,711	77.44%	82.38%
2023	2022	0.5956%	221,636,970	285,459,262	77.64%	82.89%
2022	2021	0.6013%	45,422,020	279,889,083	16.23%	96.40%
2021	2020	0.5607%	243,023,907	279,565,211	86.93%	78.85%
2020	2019	0.5539%	190,757,709	261,204,830	73.03%	82.61%
2019	2018	0.5204%	156,763,014	235,532,656	66.56%	84.26%
2018	2017	0.5108%	151,155,560	225,356,536	67.07%	83.89%
2017	2016	0.5354%	135,191,544	227,455,559	59.44%	84.88%
2016	2015	0.5554%	71,741,222	217,014,659	33.06%	92.00%
2015	2014	0.5861%	33,932,975	208,553,332	16.27%	96.09%

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of District Contributions
Florida Retirement System (FRS) Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	District's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2024	\$ 30,275,339	\$ 30,275,339	\$ -	\$ 315,650,984	9.59%
2023	27,094,199	27,094,199	-	301,474,711	8.99%
2022	25,418,307	25,418,307	-	285,459,262	8.90%
2021	22,907,254	22,907,254	-	279,889,083	8.18%
2020	18,630,210	18,630,210	-	279,565,211	6.66%
2019	17,175,569	17,175,569	-	261,204,830	6.58%
2018	14,832,480	14,832,480	-	235,532,656	6.30%
2017	13,298,480	13,298,480	-	225,356,536	5.90%
2016	13,056,836	13,056,836	-	227,455,559	5.74%
2015	13,541,853	13,541,853	-	217,014,659	6.24%

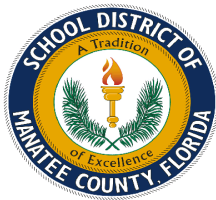
**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of District's Proportionate Share of Net Pension Liability
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	District's Proportion of the HIS Net Pension Liability	District's Proportionate Share of the HIS Net Pension Liability	District's Covered Employee Payroll as of Measurement Date	District's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2024	2023	0.7605%	\$ 120,775,140	\$ 301,474,711	40.06%	4.12%
2023	2022	0.7832%	82,953,074	285,459,262	29.06%	4.81%
2022	2021	0.7904%	96,958,925	279,889,083	34.64%	3.56%
2021	2020	0.8052%	98,310,759	279,565,211	35.17%	3.00%
2020	2019	0.7805%	87,325,809	261,204,830	33.43%	2.63%
2019	2018	0.7209%	76,308,168	235,532,656	32.40%	2.15%
2018	2017	0.7060%	75,528,276	225,356,536	33.52%	1.64%
2017	2016	0.7363%	85,814,414	227,455,559	37.73%	0.97%
2016	2015	0.7149%	72,912,288	217,014,659	33.60%	0.50%
2015	2014	0.7019%	65,629,435	208,553,332	31.47%	0.99%

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of District Contributions
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	District's Covered Employee Payroll	HIS Contributions as a Percentage of Covered Payroll
2024	\$ 6,313,185	\$ 6,313,185	\$ -	\$ 315,650,984	2.00%
2023	5,002,604	5,002,604	-	301,474,711	1.66%
2022	4,739,002	4,739,002	-	285,459,262	1.66%
2021	4,646,193	4,646,193	-	279,889,083	1.66%
2020	4,639,856	4,639,856	-	279,565,211	1.66%
2019	4,333,826	4,333,826	-	261,204,830	1.66%
2018	3,909,833	3,909,833	-	235,532,656	1.66%
2017	3,738,311	3,738,311	-	225,356,536	1.66%
2016	3,774,082	3,774,082	-	227,455,559	1.66%
2015	2,732,933	2,732,933	-	217,014,659	1.26%

Notes:
1. Changes in Assumptions: In 2023, the municipal bond rate used to determine total pension liability increased from 3.54% to 3.65%.



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Nonmajor Governmental Funds

Special Revenue Funds

The Special Revenue Funds account for certain revenues derived from the State of Florida, Federal government, and other local and private sources that are required to finance designated activities. Activities included within the fund are as follows:

Food Services Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

Federal Contracted Programs Fund - To account for and report on activities of various Federal programs according to the specifications and requirements of each funding source.

Miscellaneous Special Revenue Fund - Miscellaneous funds are used to account for student and club activity funds that are collected by schools and held for students, athletics, classes, club activities and more.

Debt Service Funds

The Debt Service Funds account for the payment of principal and interest on long-term debt.

ARRA Economic Stimulus Fund - To account for the accumulation of resources for and the payment of sinking fund interest and related costs on the Certificates of Participation, Series 2010A Qualified School Construction Bonds.

State Board of Education Bonds Fund - To account for and report on the payment of principal, interest, and related costs of the school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.

Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

Public Education Capital Outlay Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay and Debt Service program used for construction and maintenance of schools.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Total Nonmajor Governmental Funds	Special Revenue Funds			
		Total Nonmajor Special Revenue Funds	Food Services Fund	Federal Contracted Programs Fund	Miscellaneous Special Revenue Fund
ASSETS					
Cash and Cash Equivalents	\$ 18,755,605	\$ 18,096,044	\$ 11,567,314	\$ -	\$ 6,528,730
Investments	33,736	-	-	-	-
Accounts Receivable	66,964	66,964	-	1,284	65,680
Due from Other Agencies	8,614,203	4,374,584	577,024	3,787,555	10,005
Inventories	827,805	827,805	650,116	-	177,689
Restricted Investments	14,331,517	156,536	-	-	156,536
Total Assets	\$ 42,629,830	\$ 23,521,933	\$ 12,794,454	\$ 3,788,839	\$ 6,938,640
LIABILITIES					
Accounts Payable	\$ 1,267,746	\$ 1,267,746	\$ 135,815	\$ 1,026,435	\$ 105,496
Construction Contracts Payable	863,784	-	-	-	-
Construction Contracts Payable Retainage	49,861	-	-	-	-
Due to Other Funds	3,146,768	2,777,139	-	2,762,404	14,735
Unearned Revenue	70,094	70,094	70,094	-	-
Total Liabilities	5,398,253	4,114,979	205,909	3,788,839	120,231
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	3,752,714	-	-	-	-
Total Deferred Inflows of Resources	3,752,714	-	-	-	-
FUND BALANCES					
Nonspendable					
Inventories	827,805	827,805	650,116	-	177,689
Restricted					
Food Services	11,938,429	11,938,429	11,938,429	-	-
Debt Service	13,839,088	-	-	-	-
Capital Projects	232,821	-	-	-	-
Other Purposes	6,640,720	6,640,720	-	-	6,640,720
Total Fund Balances	33,478,863	19,406,954	12,588,545	-	6,818,409
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 42,629,830	\$ 23,521,933	\$ 12,794,454	\$ 3,788,839	\$ 6,938,640

Debt Service Funds			Capital Projects Funds		
Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ -	\$ -	\$ -	\$ 659,561	\$ 488,430	\$ 171,131
33,736	-	33,736	-	-	-
-	-	-	4,239,619	4,173,216	66,403
-	-	-	-	-	-
14,174,981	14,174,981	-	-	-	-
\$ 14,208,717	\$ 14,174,981	\$ 33,736	\$ 4,899,180	\$ 4,661,646	\$ 237,534
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	863,784	863,784	-
369,629	369,629	-	49,861	49,861	-
-	-	-	-	-	-
369,629	369,629	-	913,645	913,645	-
-	-	-	3,752,714	3,748,001	4,713
-	-	-	3,752,714	3,748,001	4,713
13,839,088	13,805,352	33,736	-	-	-
-	-	-	232,821	-	232,821
-	-	-	-	-	-
13,839,088	13,805,352	33,736	232,821	-	232,821
\$ 14,208,717	\$ 14,174,981	\$ 33,736	\$ 4,899,180	\$ 4,661,646	\$ 237,534

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2024**

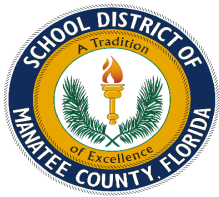
	Special Revenue Funds					Debt Service Funds			Capital Projects Funds		
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Food Services Fund	Federal Contracted Programs Fund	Miscellaneous Special Revenue Fund	Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
REVENUES											
Federal Direct Sources:											
Other Federal Direct Sources	\$ 2,011,711	\$ 2,011,711	\$ -	\$ 2,011,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Federal Direct	1,867,207	914,411	-	914,411	-	952,796	952,796	-	-	-	-
Total Federal Direct Sources	3,878,918	2,926,122	-	2,926,122	-	952,796	952,796	-	-	-	-
Federal Through State and Local Sources:											
Career and Technical Education	860,490	860,490	-	860,490	-	-	-	-	-	-	-
Individuals with Disabilities	12,000,730	12,000,730	-	12,000,730	-	-	-	-	-	-	-
Food Service	28,304,669	28,304,669	28,304,669	-	-	-	-	-	-	-	-
Other Federal Through State Sources	21,284,252	21,284,252	-	21,284,252	-	-	-	-	-	-	-
Total Federal Through State and Local Sources	62,450,141	62,450,141	28,304,669	34,145,472	-	-	-	-	-	-	-
State Sources:											
CO&DS Withheld for SBE/COBI Bond	325,760	-	-	-	-	325,760	-	-	-	-	-
CO&DS Distribution	1,771,556	-	-	-	-	-	325,760	-	-	-	-
Public Education Capital Outlay	1,022,784	-	-	-	-	-	-	1,771,556	-	1,771,556	
Other State Sources	367,589	309,866	309,866	-	-	-	-	1,022,784	1,022,784	-	
Total State Sources	3,487,689	309,866	309,866	-	-	325,760	-	57,723	57,723	57,723	
Local Sources:											
Food Service	6,304,810	6,304,810	6,304,810	-	-	-	-	-	-	-	-
Interest Income	1,249,959	711,099	711,099	-	-	-	-	-	-	-	-
Other Local Sources	10,927,959	10,927,959	151,978	-	10,775,981	538,860	538,860	-	-	-	
Total Local Sources	18,482,728	17,943,868	7,167,887	-	10,775,981	538,860	538,860	-	-	-	
Total Revenues	\$ 88,299,476	\$ 83,629,997	\$ 35,782,422	\$ 37,071,594	\$ 10,775,981	\$ 1,817,416	\$ 1,491,656	\$ 325,760	\$ 2,852,063	\$ 1,022,784	\$ 1,829,279

(Continued)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2024**

	Special Revenue Funds				
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Food Services Fund	Federal Contracted Programs Fund	Miscellaneous Special Revenue Fund
EXPENDITURES					
Current:					
Instruction	\$ 19,532,429	\$ 19,532,429	\$ -	\$ 19,532,429	\$ -
Student Support Services	2,848,566	2,848,566	-	2,848,566	-
Instruction and Curriculum Development Services	7,984,222	7,984,222	-	7,984,222	-
Instructional Staff Training Services	5,175,712	5,175,712	-	5,175,712	-
Instruction Related Technology	20,071	20,071	-	20,071	-
General Administration	1,118,276	1,118,276	-	1,118,276	-
School Administration	52,450	52,450	-	52,450	-
Fiscal Services	48,729	48,729	-	48,729	-
Food Services	36,264,103	36,264,103	36,264,103	-	-
Central Services	15,116	15,116	-	15,116	-
Student Transportation Services	72,067	72,067	-	72,067	-
Community Services	10,255,006	10,255,006	-	1,040	10,253,966
Capital Outlay:					
Facilities Acquisition and Construction	2,619,670	-	-	-	-
Other Capital Outlay	1,770,679	1,770,679	1,536,898	201,230	32,551
Debt Service:					
Principal	255,000	-	-	-	-
Interest and Fiscal Charges	1,087,551	-	-	-	-
Total Expenditures	<u>89,119,647</u>	<u>85,157,426</u>	<u>37,801,001</u>	<u>37,069,908</u>	<u>10,286,517</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(820,171)</u>	<u>(1,527,429)</u>	<u>(2,018,579)</u>	<u>1,686</u>	<u>489,464</u>
OTHER FINANCING SOURCES					
Transfers In	557,593	-	-	-	-
Transfers Out	(1,686)	(1,686)	-	(1,686)	-
Total Other Financing Sources	<u>555,907</u>	<u>(1,686)</u>	<u>-</u>	<u>(1,686)</u>	<u>-</u>
Net Change in Fund Balances	(264,264)	(1,529,115)	(2,018,579)	-	489,464
Fund Balances, Beginning	33,743,127	20,936,069	14,607,124	-	6,328,945
Fund Balances, Ending	<u>\$ 33,478,863</u>	<u>\$ 19,406,954</u>	<u>\$ 12,588,545</u>	<u>\$ -</u>	<u>\$ 6,818,409</u>

Debt Service Funds			Capital Projects Funds		
Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,619,670	1,022,784	1,596,886
-	-	-	-	-	-
255,000	-	255,000	-	-	-
<u>1,085,016</u>	<u>1,008,269</u>	<u>76,747</u>	<u>2,635</u>	<u>-</u>	<u>2,535</u>
<u>1,340,016</u>	<u>1,008,269</u>	<u>331,747</u>	<u>2,622,205</u>	<u>1,022,784</u>	<u>1,599,421</u>
477,400	483,387	(5,987)	229,858	-	229,858
<u>557,593</u>	<u>557,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
557,593	557,593	-	-	-	-
1,034,993	1,040,980	(5,987)	229,858	-	229,858
<u>12,804,095</u>	<u>12,764,372</u>	<u>39,723</u>	<u>2,963</u>	<u>-</u>	<u>2,963</u>
<u>\$ 13,839,088</u>	<u>\$ 13,805,352</u>	<u>\$ 33,736</u>	<u>\$ 232,821</u>	<u>\$ -</u>	<u>\$ 232,821</u>



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Special Revenue Funds

The Special Revenue Funds account for certain revenues derived from the State of Florida, Federal government, and other local and private sources that are required to finance designated activities. Activities within the funds are as follows:

Nonmajor Special Revenue Funds

Food Services Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

Federal Contracted Programs Fund - To account for and report on activities of various Federal programs according to the specifications and requirements of each funding source.

Miscellaneous Special Revenue Fund - Miscellaneous funds are used to account for student and club activity funds that are collected by schools and held for students, athletics, classes, club activities and more. The District does not create a budget for the school internal accounts. As no other activity is presented in the Miscellaneous Special Revenue Fund, a budgetary comparison schedule is not presented.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE - FOOD SERVICES FUND
For the Fiscal Year Ended June 30, 2024**

	Food Services Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State Sources:				
Food Service	\$ 26,252,431	\$ 28,346,882	\$ 28,304,669	\$ (42,213)
Total Federal Through State Sources	26,252,431	28,346,882	28,304,669	(42,213)
State Sources:				
Other State Sources	320,000	320,000	309,866	(10,134)
Total State Sources	320,000	320,000	309,866	(10,134)
Local Sources:				
Food Service	5,923,000	6,137,147	6,304,810	167,663
Interest Income	200,000	710,000	711,099	1,099
Other Local Sources	130,000	130,000	151,978	21,978
Total Local Sources	6,253,000	6,977,147	7,167,887	190,740
Total Revenues	32,825,431	35,644,029	35,782,422	138,393
EXPENDITURES				
Current:				
Food Services	35,292,258	36,738,923	36,264,103	474,820
Capital Outlay:				
Other Capital Outlay	1,480,144	1,537,030	1,536,898	132
Total Expenditures	36,772,402	38,275,953	37,801,001	474,952
Net Change in Fund Balance	(3,946,971)	(2,631,924)	(2,018,579)	613,345
Fund Balance, Beginning	14,607,124	14,607,124	14,607,124	-
Fund Balance, Ending	\$ 10,660,153	\$ 11,975,200	\$ 12,588,545	\$ 613,345

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE - FEDERAL CONTRACTED PROGRAMS FUND
For the Fiscal Year Ended June 30, 2024**

	Federal Contracted Programs Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ -	\$ 2,006,861	\$ 2,011,711	\$ 4,850
Miscellaneous Federal Direct Sources	53,746	833,670	914,411	80,741
Total Federal Direct Sources	53,746	2,840,531	2,926,122	85,591
Federal Through State and Local Sources:				
Career and Technical Education	-	947,929	860,490	(87,439)
Adult General Education	-	617,662	618,825	1,163
English Literacy and Civics Education	-	95,206	93,733	(1,473)
Adult Migrant Education	-	286,823	271,152	(15,671)
Teacher/Principal Training and Recruiting	-	2,433,975	1,664,126	(769,849)
Individuals with Disabilities	16,468,765	18,763,793	12,000,730	(6,763,063)
Elementary and Secondary Education	12,788,029	20,425,787	16,179,740	(4,246,047)
Language Instruction Title III	-	1,271,952	1,088,165	(183,787)
Twenty-First Century Schools	-	1,375,870	1,157,072	(218,798)
Miscellaneous Federal Through State and Local Sources	-	267,855	211,439	(56,416)
Total Federal Through State and Local Sources	29,256,794	46,486,852	34,145,472	(12,341,380)
Total Revenues	29,310,540	49,327,383	37,071,594	(12,255,789)
EXPENDITURES				
Current:				
Instruction	15,676,148	26,147,354	19,532,429	6,614,925
Student Support Services	1,589,670	3,272,205	2,848,566	423,639
Instruction and Curriculum Development:	7,884,649	9,629,566	7,984,222	1,645,344
Instructional Staff Training Services	3,198,449	8,270,622	5,175,712	3,094,910
Instruction Related Technology	2,478	16,582	20,071	(3,489)
General Administration	886,941	1,460,022	1,118,276	341,746
School Administration	-	52,500	52,450	50
Fiscal Services	-	53,813	48,729	5,084
Central Services	20,000	58,613	15,116	43,497
Student Transportation Services	51,705	115,374	72,067	43,307
Community Services	-	1,040	1,040	-
Capital Outlay:				
Other Capital Outlay	500	248,006	201,230	46,776
Total Expenditures	29,310,540	49,325,697	37,069,908	12,255,789
Excess (Deficiency) of Revenues Over Expenditures	-	1,686	1,686	-
OTHER FINANCING SOURCES				
Transfers Out	-	-	(1,686)	(1,686)
Total Other Financing Sources	-	-	(1,686)	(1,686)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -



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Debt Service Funds

The Debt Service Funds are used to account for the payment of principal and interest on long-term debt.

Major Debt Service Funds

Other Debt Service Fund - To account for and report on the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues, and other debt issues.

Nonmajor Debt Service Funds

ARRA Economic Stimulus Fund - To account for the accumulation of resources for and the payment of sinking fund interest and related costs on the Certificates of Participation, Series 2010A Qualified School Construction Bonds.

State Board of Education Bonds Fund - To account for and report on the payment of principal, interest, and related costs on the school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - OTHER DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2024

	Other Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$ -	\$ 20,097	\$ 20,097	\$ -
Total Local Sources	-	20,097	20,097	-
Total Revenues	-	20,097	20,097	-
EXPENDITURES				
Debt Service:				
Principal	17,825,000	17,825,000	17,825,000	-
Interest and Fiscal Charges	15,763,339	15,759,013	15,735,364	23,649
Total Expenditures	33,588,339	33,584,013	33,560,364	23,649
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,588,339)	(33,563,916)	(33,540,267)	23,649
OTHER FINANCING SOURCES				
Transfers In	33,561,366	33,538,545	33,538,545	-
Total Other Financing Sources	33,561,366	33,538,545	33,538,545	-
Net Change in Fund Balance	(26,973)	(25,371)	(1,722)	23,649
Fund Balance, Beginning	26,973	26,973	26,973	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 1,602</u>	<u>\$ 25,251</u>	<u>\$ 23,649</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - ARRA ECONOMIC STIMULUS FUND
For the Fiscal Year Ended June 30, 2024

	ARRA Economic Stimulus Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Miscellaneous Federal Direct	\$ 1,005,960	\$ 1,005,960	\$ 952,796	\$ (53,164)
Total Federal Direct Sources	1,005,960	1,005,960	952,796	(53,164)
Local Sources:				
Interest Income	275,000	538,860	538,860	-
Total Local Sources	275,000	538,860	538,860	-
Total Revenues	1,280,960	1,544,820	1,491,656	(53,164)
EXPENDITURES				
Debt Service:				
Principal	555,284	555,284	-	555,284
Interest and Fiscal Charges	1,007,885	1,236,971	1,008,269	228,702
Total Expenditures	1,563,169	1,792,255	1,008,269	783,986
Excess (Deficiency) of Revenues Over (Under) Expenditures	(282,209)	(247,435)	483,387	730,822
OTHER FINANCING SOURCES				
Transfers In	557,209	557,593	557,593	-
Total Other Financing Sources	557,209	557,593	557,593	-
Net Change in Fund Balance	275,000	310,158	1,040,980	730,822
Fund Balance, Beginning	12,764,372	12,764,372	12,764,372	-
Fund Balance, Ending	<u>\$ 13,039,372</u>	<u>\$ 13,074,530</u>	<u>\$ 13,805,352</u>	<u>\$ 730,822</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - STATE BOARD OF EDUCATION BONDS FUND
For the Fiscal Year Ended June 30, 2024**

	State Board of Education Bonds Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
CO&DS Withheld for SBE/COBI Bond	\$ 332,550	\$ 332,550	\$ 325,760	\$ (6,790)
Total State Sources	332,550	332,550	325,760	(6,790)
Total Revenues	332,550	332,550	325,760	(6,790)
EXPENDITURES				
Debt Service:				
Principal	255,000	255,000	255,000	-
Interest and Fiscal Charges	77,550	77,550	76,747	803
Total Expenditures	332,550	332,550	331,747	803
Net Change in Fund Balance	-	-	(5,987)	(5,987)
Fund Balance, Beginning	39,723	39,723	39,723	-
Fund Balance, Ending	\$ 39,723	\$ 39,723	\$ 33,736	\$ (5,987)

Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings, additions to existing buildings, or major renovation projects. Specific funding sources included herein are:

Major Capital Projects Funds

Section 1011.71(2), F.S., Local Capital Improvement Tax Fund - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on revenue anticipation notes and certificates of participation.

Other Capital Projects Fund - To account for and report on funds received from various sources designated for construction remodeling and renovation, expansion of schools and ancillary facilities, and maintenance of schools. Those various sources include sales tax funds collected through a voter approved sales tax referendum; funds received through the issuance of certificates of participation; impact fees levied by the county and city which are transferred to the District through an interlocal agreement; and local capital improvement funds not required to be accounted for separately.

Nonmajor Capital Projects Funds

Public Education Capital Outlay Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service program used for construction and maintenance of schools.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - SECTION 1011.71(2), F.S., LOCAL CAPITAL IMPROVEMENT TAX FUND
For the Fiscal Year Ended June 30, 2024**

	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 103,930,554	\$ 104,265,829	\$ 104,265,829	\$ -
Other Local Sources	-	33,973	33,973	-
Total Local Sources	<u>103,930,554</u>	<u>104,299,802</u>	<u>104,299,802</u>	<u>-</u>
Total Revenues	<u>103,930,554</u>	<u>104,299,802</u>	<u>104,299,802</u>	<u>-</u>
EXPENDITURES				
Current:				
Facilities Services	54,716,374	44,493,457	30,927,057	13,566,400
Capital Outlay:				
Facilities Acquisition and Construction	46,988,153	22,119,028	20,776,843	1,342,185
Charter School Local Capital Improvement	2,078,883	2,132,158	2,132,158	-
Other Capital Outlay	5,417,403	9,615,018	8,364,423	1,250,595
Debt Service:				
Principal	1,066,559	1,211,353	848,041	363,312
Interest and Fiscal Charges	2,471	45,209	45,209	-
Total Debt Service	<u>1,069,030</u>	<u>1,256,562</u>	<u>893,250</u>	<u>363,312</u>
Total Expenditures	<u>110,269,843</u>	<u>79,616,223</u>	<u>63,093,731</u>	<u>16,522,492</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,339,289)</u>	<u>24,683,579</u>	<u>41,206,071</u>	<u>16,522,492</u>
OTHER FINANCING USES				
Inception of Lease Assets	-	4,032,905	4,032,905	-
Transfers Out	(41,841,387)	(36,068,477)	(36,068,477)	-
Total Other Financing Uses	<u>(41,841,387)</u>	<u>(32,035,572)</u>	<u>(32,035,572)</u>	<u>-</u>
Net Change in Fund Balance	<u>(48,180,676)</u>	<u>(7,351,993)</u>	<u>9,170,499</u>	<u>16,522,492</u>
Fund Balance, Beginning	<u>57,733,029</u>	<u>57,733,029</u>	<u>57,733,029</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 9,552,353</u>	<u>\$ 50,381,036</u>	<u>\$ 66,903,528</u>	<u>\$ 16,522,492</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - OTHER CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2024**

	Other Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
Charter School Capital Outlay	\$ 4,492,248	\$ 5,202,301	\$ 5,202,301	\$ -
Other State Sources	3,555,937	828,583	828,583	-
Total State Sources	<u>8,048,185</u>	<u>6,030,884</u>	<u>6,030,884</u>	<u>-</u>
Local Sources:				
Sales Taxes	51,689,130	51,689,130	51,689,130	-
Interest Income	7,515,668	12,315,898	12,315,898	-
Impact Fees	33,150,906	42,385,540	42,385,540	-
Other Local Sources	909,875	809,704	809,704	-
Total Local Sources	<u>93,265,579</u>	<u>107,200,272</u>	<u>107,200,272</u>	<u>-</u>
Total Revenues	<u>101,313,764</u>	<u>113,231,156</u>	<u>113,231,156</u>	<u>-</u>
EXPENDITURES				
Current:				
Facilities Services	14,262,519	9,827,706	9,679,084	148,622
Capital Outlay:				
Facilities Acquisition and Construction	301,967,392	119,517,124	119,517,124	-
Charter School Capital Outlay Sales Tax	1,172,133	1,246,854	1,045,093	201,761
Other Capital Outlay	73,965	480,304	480,304	-
Debt Service:				
Principal	1,216,896	1,216,896	1,216,896	-
Interest and Fiscal Charges	31,399	31,399	31,399	-
Total Debt Service	<u>1,248,295</u>	<u>1,248,295</u>	<u>1,248,295</u>	<u>-</u>
Total Expenditures	<u>318,724,304</u>	<u>132,320,283</u>	<u>131,969,900</u>	<u>350,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(217,410,540)</u>	<u>(19,089,127)</u>	<u>(18,738,744)</u>	<u>350,383</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(17,149,766)	(17,811,999)	(17,811,999)	-
Total Other Financing Sources	<u>(17,149,766)</u>	<u>(17,811,999)</u>	<u>(17,811,999)</u>	<u>-</u>
Net Change in Fund Balance	<u>(234,560,306)</u>	<u>(36,901,126)</u>	<u>(36,550,743)</u>	<u>350,383</u>
Fund Balance, Beginning	<u>272,894,801</u>	<u>272,894,801</u>	<u>272,894,801</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 38,334,495</u>	<u>\$ 235,993,675</u>	<u>\$ 236,344,058</u>	<u>\$ 350,383</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - PUBLIC EDUCATION CAPITAL OUTLAY FUND
For the Fiscal Year Ended June 30, 2024

	Public Education Capital Outlay Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State Sources:				
Public Education Capital Outlay	\$ 4,770,785	\$ 1,022,784	\$ 1,022,784	\$ -
Total State Sources	4,770,785	1,022,784	1,022,784	-
Total Revenues	4,770,785	1,022,784	1,022,784	-
EXPENDITURES				
Capital Outlay:				
Facilities Acquisition and Construction	4,770,785	1,022,784	1,022,784	-
Total Expenditures	4,770,785	1,022,784	1,022,784	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - CAPITAL OUTLAY & DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2024

	Capital Outlay & Debt Service Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State Sources:				
CO&DS Distribution	\$ 1,567,895	\$ 1,771,556	\$ 1,771,556	\$ -
Other State Sources	28,991	57,723	57,723	-
Total State Sources	1,596,886	1,829,279	1,829,279	-
Total Revenues	1,596,886	1,829,279	1,829,279	-
EXPENDITURES				
Capital Outlay:				
Facilities Acquisition & Construction	1,596,886	1,596,886	1,596,886	-
Debt Service:				
Interest and Fiscal Charges	-	2,535	2,535	-
Total Expenditures	1,596,886	1,599,421	1,599,421	-
Net Change in Fund Balance	-	229,858	229,858	-
Fund Balance, Beginning	2,963	2,963	2,963	-
Fund Balance, Ending	<u>\$ 2,963</u>	<u>\$ 232,821</u>	<u>\$ 232,821</u>	<u>\$ -</u>



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Internal Service Funds

Internal Service Funds are nonmajor proprietary funds reported as governmental activities. They are used to account for the self-insurance activities of the school district. The following funds are included in the Internal Service Funds:

Self Insurance - Health and Life - To account for and report on funds received for and used to pay for healthcare and life insurance claims under the District's self-insured health and life program.

Self Insurance - Casualty, Liability, and Workers' Compensation - To account for and report on funds received for and used to pay for claims under the District's self-insured property, casualty, liability, and workers' compensation program.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2024
(With Comparative Totals for June 30, 2023)**

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Health and Life	Self-Insurance Casualty, Liability, and Workers' Compensation	Totals	
		2024	2023	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 21,842,224	\$ 9,929,007	\$ 31,771,231	\$ 30,787,529
Accounts Receivable	102	-	102	10,564
Total Assets	<u>21,842,326</u>	<u>9,929,007</u>	<u>31,771,333</u>	<u>30,798,093</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	198,607	74,627	273,234	276,927
Estimated Insurance Claims Payable	<u>8,280,000</u>	<u>-</u>	<u>8,280,000</u>	<u>8,364,000</u>
Total Current Liabilities	<u>8,478,607</u>	<u>74,627</u>	<u>8,553,234</u>	<u>8,640,927</u>
Long-Term Liabilities:				
Estimated Insurance Claims Payable	-	7,863,342	7,863,342	7,721,781
Total Liabilities	<u>8,478,607</u>	<u>7,937,969</u>	<u>16,416,576</u>	<u>16,362,708</u>
NET POSITION				
Unrestricted	<u>\$ 13,363,719</u>	<u>\$ 1,991,038</u>	<u>\$ 15,354,757</u>	<u>\$ 14,435,385</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)**

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Health and Life	Self-Insurance Casualty, Liability, and Workers' Compensation	Totals	
		2024	2023	
OPERATING REVENUES				
Premium Revenues	\$ 51,361,041	\$ 4,050,772	\$ 55,411,813	\$ 49,192,230
Total Operating Revenues	<u>51,361,041</u>	<u>4,050,772</u>	<u>55,411,813</u>	<u>49,192,230</u>
OPERATING EXPENSES				
Salaries	590,355	186,593	776,948	821,068
Employee Benefits	345,722	92,676	438,398	255,229
Purchased Services	2,839,420	-	2,839,420	2,792,265
Materials & Supplies	2,641	-	2,641	2,392
Insurance Claims	52,382,402	3,054,678	55,437,080	63,110,271
Insurance Premiums	285,152	-	285,152	279,358
Other Expenses	21,970	290,832	312,802	307,001
Total Operating Expenses	<u>56,467,662</u>	<u>3,624,779</u>	<u>60,092,441</u>	<u>67,567,584</u>
Operating Income (Loss)	<u>(5,106,621)</u>	<u>425,993</u>	<u>(4,680,628)</u>	<u>(18,375,354)</u>
OTHER FINANCING SOURCES				
Transfers In	5,600,000	-	5,600,000	22,100,000
Total Other Financing Sources	<u>5,600,000</u>	<u>-</u>	<u>5,600,000</u>	<u>22,100,000</u>
Change in Net Position	493,379	425,993	919,372	3,724,646
Total Net Position, Beginning	<u>12,870,340</u>	<u>1,565,045</u>	<u>14,435,385</u>	<u>10,710,739</u>
Total Net Position, Ending	<u>\$ 13,363,719</u>	<u>\$ 1,991,038</u>	<u>\$ 15,354,757</u>	<u>\$ 14,435,385</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
Health and Life	Casualty, Liability, and Workers' Compensation	2024	2023	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Premiums	\$ 51,371,503	\$ 4,050,772	\$ 55,422,275	\$ 6,216
Cash Payments to Suppliers for Goods and Services	(2,842,061)	52,824	(2,789,237)	(713,087)
Cash Payments to Employees for Services	(992,594)	(279,269)	(1,271,863)	-
Cash Payments for Insurance Claims	(52,466,402)	(2,913,117)	(55,379,519)	(13,035,286)
Cash Payments for Premiums and Other Fees	(307,122)	(290,832)	(597,954)	-
Net Cash Provided (Used) by Operating Activities	(5,236,676)	620,378	(4,616,298)	(13,742,157)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from Other Funds	5,600,000	-	5,600,000	-
Net Cash Provided by Noncapital Financing Activities	5,600,000	-	5,600,000	-
Net Change in Cash	363,324	620,378	983,702	(13,742,157)
Cash and Cash Equivalents, Beginning	21,478,900	9,308,629	30,787,529	24,452,896
Cash and Cash Equivalents, Ending	<u>\$ 21,842,224</u>	<u>\$ 9,929,007</u>	<u>\$ 31,771,231</u>	<u>\$ 10,710,739</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Loss	(5,106,621)	425,993	(4,680,628)	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Decrease in Accounts Receivable	10,462	-	10,462	6,216
Increase (Decrease) in Accounts Payable	(56,517)	52,824	(3,693)	(16,804)
Decrease in Claims Payable	-	-	-	(696,282)
Increase (Decrease) in Estimated Insurance Claims Payable	(84,000)	141,561	57,561	(13,035,286)
Total Adjustments	(130,055)	194,385	64,330	(13,742,157)
Net Cash Provided (Used) by Operating Activities	<u>\$ (5,236,676)</u>	<u>\$ 620,378</u>	<u>\$ (4,616,298)</u>	<u>\$ (13,742,157)</u>

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District on behalf of outside related organizations or on behalf of other funds within the District.

The Private-Purpose Trust Fund serves to account for financial aid trust fund fees and other moneys for which principal and income benefit individuals or private organizations. They include:

The Donations Trust Fund accounts for employee and public donations held by the District to be used to assist homeless students enrolled in Manatee County schools.

The Financial Aid Fee Trust Fund accounts for the collection of financial aid fees at Manatee Technical Institute. These fees provide scholarships for students meeting the criteria for the award.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2024**

	Total Private-Purpose Trust Funds	Donations Trust Fund	Financial Aid Fee Trust Fund
ASSETS			
Cash and Cash Equivalents	\$ 1,389,959	\$ 238,710	\$ 1,151,249
Accounts Receivable	72,445	-	72,445
Total Assets	<u>1,462,404</u>	<u>238,710</u>	<u>1,223,694</u>
LIABILITIES			
Unearned Revenue	215,323	-	215,323
Total Liabilities	<u>215,323</u>	<u>-</u>	<u>215,323</u>
NET POSITION			
Restricted for Scholarships and Other Purposes	<u>\$ 1,247,081</u>	<u>\$ 238,710</u>	<u>\$ 1,008,371</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2024**

	Total Private-Purpose Trust Funds	Donations Trust Fund	Financial Aid Fee Trust Fund
Additions:			
Contributions:			
Financial Aid Fees	\$ 233,191	\$ 233,191	\$ -
Miscellaneous	632,169	331,838	300,331
Total Additions	<u>865,360</u>	<u>565,029</u>	<u>300,331</u>
Deductions:			
Miscellaneous	739,940	589,956	149,984
Total Deductions	<u>739,940</u>	<u>589,956</u>	<u>149,984</u>
Changes in Net Position	125,420	(24,927)	150,347
Total Net Position, Beginning	1,121,661	263,637	858,024
Total Net Position, Ending	<u>\$ 1,247,081</u>	<u>\$ 238,710</u>	<u>\$ 1,008,371</u>



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Discretely Presented Component Units

The component units' columns in the basic financial statements, pages 21 through 23, include the financial data of the District's discretely presented component units.

Nonmajor Discretely Presented Component Units

Renaissance Arts and Education, Inc., d/b/a !HOLA! Elementary @MSA, Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; The Lee Foundation, Inc, d/b/a Manatee Charter School; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; Team Success A School of Excellence, Inc.; Visible Men Academy, Inc.; William Monroe Rowlett Academy for Arts & Communication, Inc.; William Monroe Rowlett Middle Academy for Leadership, Arts & Communication, Inc.; and Parrish Charter Academy, Inc. are charter schools and separate not-for-profit corporations organized pursuant to Chapter 617, F.S., the Florida Not For Profit Corporation Act, and Section 1002.33, F.S.. Imagine – Manatee County, LLC, d/b/a Imagine Charter School at North Manatee and Imagine - East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch are organized as a limited liability corporations pursuant to Chapter 608, F.S., the Florida Limited Liability Company Act, and Section 1002.23, F.S. The charter schools operate under charters approved by their sponsor, the Manatee County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to provide specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools, and the District is responsible for the operation, control, and supervision of public schools within the District.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
TOTAL COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Functions/Programs	Program Revenues			Component Units Total Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	
Charter Schools				
Governmental Activities:				
Instruction	\$ 57,981,762	\$ 248,302	\$ 5,092,058	\$ (52,641,402)
Student Support Services	3,549,117	-	305,243	(3,243,874)
Instructional Media Services	679,862	-	-	(679,862)
Instruction and Curriculum Development Services	272,088	-	46,265	(225,823)
Instructional Staff Training Services	592,613	-	32,149	(560,464)
Instruction-Related Technology	890,113	-	23,431	(866,682)
School Board	544,626	-	-	(544,626)
General Administration	2,993,731	-	-	(2,993,731)
School Administration	14,937,088	-	50,068	(14,887,020)
Facilities Services	740,513	-	-	(740,513)
Fiscal Services	1,330,481	-	5,006	(1,325,455)
Food Services	4,480,216	1,665,148	2,588,558	-
Central Services	451,007	-	3,225	(447,782)
Student Transportation Services	3,975,119	165,013	81,251	(3,728,855)
Operation of Plant	13,642,877	13,440	583,685	3,049,823
Maintenance of Plant	1,221,526	-	25,336	(1,196,190)
Administrative Technology	45,897	-	-	(45,897)
Community Services	2,298,674	2,159,533	633,225	494,084
Interest on Long-Term Debt	11,255,594	-	-	2,202,311
Unallocated Depreciation/Amortization*	3,371,831	-	-	(3,371,831)
Total Component Units	125,254,715	4,251,436	9,469,500	5,252,134
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				103,469,281
Unrestricted Investment Earnings				181,804
Miscellaneous				115,292
Total General Revenues and Special Item				103,766,377
Changes in Net Position				(2,515,268)
Net Position - Beginning				21,398,556
Adjustment to Beginning Net Position (1)				2,474,648
Restated Net Position - Beginning				23,873,204
Net Position - Ending				\$ 21,357,936

*This amount exceeds the depreciation and amortization that is included in the direct expense of the various funds.
(1) See individual Component Unit statements (¡Hola! Elementary@MSA, Manatee School for the Arts)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Renaissance Arts and Education, Inc., d/b/a ¡Hola! Elementary@MSA

Functions/Programs	Program Revenues			¡Hola! Elementary @MSA
	Expenses	Charges for Services	Operating Grants and Contributions	
Charter School				
Governmental Activities:				
Instruction	\$ 2,268,976	\$ -	\$ 13,550	\$ (2,255,426)
Student Support Services	20,398	-	-	(20,398)
Instructional Staff Training Services	15,942	-	-	(15,942)
Instruction-Related Technology	241,128	-	-	(241,128)
General Administration	101,607	-	-	(101,607)
School Administration	826,168	-	-	(826,168)
Facilities Services	77,090	-	-	(77,090)
Fiscal Services	38,948	-	-	(38,948)
Food Services	259,681	11,646	258,789	10,754
Student Transportation Services	238,760	-	-	(238,760)
Operation of Plant	438,502	-	-	(438,502)
Maintenance of Plant	11,185	-	-	(11,185)
Community Services	14,282	84,173	-	69,891
Interest on Long-Term Debt	752,146	-	-	(752,146)
Unallocated Depreciation/Amortization	461,957	-	-	(461,957)
Total Charter School	5,766,770	95,819	272,339	(5,398,612)
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				4,527,818
Total General Revenues				4,527,818
Changes in Net Position				(870,794)
Net Position - Beginning				-
Adjustment to Beginning Net Position (1)				53,003
Restated Net Position				53,003
Net Position - Ending				\$ (817,791)

(1) The adjustment to net position was to record the previous year's initial activity related to bond and construction expenses in establishing a new school.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Imagine - East Manatee County, LLC - d/b/a Imagine School at Lakewood Ranch

Functions/Programs	Program Revenues				Imagine School at Lakewood Ranch
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 2,783,352	\$ 172,077	\$ 289,598	\$ -	\$ (2,321,677)
Student Support Services	46,088	-	-	-	(46,088)
Instructional Media Services	15,880	-	-	-	(15,880)
Instruction and Curriculum Development Services	66,968	-	27,161	-	(39,807)
Instructional Staff Training Services	600	-	-	-	(600)
Instruction-Related Technology	53,707	-	-	-	(53,707)
School Board	71,268	-	-	-	(71,268)
General Administration	538,296	-	-	-	(538,296)
School Administration	562,752	-	-	-	(562,752)
Fiscal Services	31,521	-	-	-	(31,521)
Food Services	93,096	-	-	-	(93,096)
Central Services	621	-	-	-	(621)
Student Transportation Services	167,597	-	-	-	(167,597)
Operation of Plant	368,490	-	44,431	-	(324,059)
Maintenance of Plant	130,379	-	25,336	-	(105,043)
Community Services	166,991	116,705	-	-	(50,286)
Interest on Long-Term Debt	537,307	-	-	286,549	(250,758)
Unallocated Depreciation/Amortization	879,614	-	-	-	(879,614)
Total Charter School	6,514,527	288,782	386,526	286,549	(5,552,670)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					5,221,551
Total General Revenues					5,221,551
Changes in Net Position					(331,119)
Net Position - Beginning					966,357
Net Position - Ending					\$ 635,238

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Imagine - Manatee County, LLC d/b/a Imagine Charter School at North Manatee

Functions/Programs	Program Revenues				Imagine Charter School at North Manatee
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 3,584,333	\$ 76,225	\$ 80,409	\$ -	\$ (3,427,699)
Student Support Services	53,782	-	-	-	(53,782)
Instructional Media Services	66,187	-	-	-	(66,187)
Instruction and Curriculum Development Services	174,008	-	18,549	-	(155,459)
Instructional Staff Training Services	31,342	-	8,344	-	(22,998)
Instruction-Related Technology	95,000	-	23,431	-	(71,569)
School Board	25,610	-	-	-	(25,610)
General Administration	844,113	-	-	-	(844,113)
School Administration	774,109	-	-	-	(774,109)
Fiscal Services	101,724	-	-	-	(101,724)
Food Services	158,656	1,826	-	-	(156,830)
Central Services	1,714	-	-	-	(1,714)
Student Transportation Services	405,458	-	521	-	(404,937)
Operation of Plant	581,148	13,440	-	-	(567,708)
Maintenance of Plant	304,302	-	-	-	(304,302)
Community Services	131,620	87,691	-	-	(43,929)
Interest on Long-Term Debt	794,441	-	-	430,168	(364,273)
Unallocated Depreciation/Amortization	489,761	-	-	-	(489,761)
Total Charter School	8,617,308	179,182	131,254	430,168	(7,876,704)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					7,859,886
Total General Revenues					7,859,886
Changes in Net Position					(16,818)
Net Position - Beginning					(289,463)
Net Position - Ending					\$ (306,281)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Southwest Charter Foundation, Inc. - d/b/a Lakewood Ranch Preparatory Academy

Functions/Programs	Program Revenues				Lakewood Ranch Preparatory Academy
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 6,779,683	\$ -	\$ 176,382	\$ -	\$ (6,603,301)
Student Support Services	633,593	-	-	-	(633,593)
Instructional Media Services	474	-	-	-	(474)
Instruction and Curriculum Development Services	19,187	-	-	-	(19,187)
Instructional Staff Training Services	32,987	-	4,810	-	(28,177)
Instruction-Related Technology	205,971	-	-	-	(205,971)
School Board	86,492	-	-	-	(86,492)
School Administration	927,324	-	-	-	(927,324)
Fiscal Services	41,698	-	-	-	(41,698)
Food Services	431,620	218,883	136,717	-	(76,020)
Central Services	124,157	-	-	-	(124,157)
Operation of Plant	2,990,084	-	48,872	-	(2,941,212)
Maintenance of Plant	327,375	-	-	-	(327,375)
Community Services	661,544	298,863	504,761	-	142,080
Interest on Long-Term Debt	3,749,419	-	-	1,025,198	(2,724,221)
Total Charter School	17,011,608	517,746	871,542	1,025,198	(14,597,122)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					13,947,625
Unrestricted Investment Earnings					28,431
Miscellaneous					39,512
Total General Revenues					14,015,568
Changes in Net Position					(581,554)
Net Position - Beginning					85,421
Net Position - Ending					\$ (496,133)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

The Lee Foundation, Inc. - d/b/a Manatee Charter School

Functions/Programs	Program Revenues				Manatee Charter School
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 3,123,643	\$ -	\$ 381,335	\$ -	\$ (2,742,308)
Student Support Services	300,939	-	79,849	-	(221,090)
Instructional Media Services	418	-	-	-	(418)
Instruction and Curriculum Development Services	11,925	-	555	-	(11,370)
Instructional Staff Training Services	18,653	-	15,249	-	(3,404)
Instruction-Related Technology	141,194	-	-	-	(141,194)
School Board	28,229	-	-	-	(28,229)
School Administration	671,224	-	4,247	-	(666,977)
Fiscal Services	78,183	-	-	-	(78,183)
Food Services	320,843	30	320,843	-	30
Central Services	110,041	-	3,225	-	(106,816)
Student Transportation Services	969	-	-	-	(969)
Operation of Plant	1,212,835	-	130,391	-	(1,082,444)
Maintenance of Plant	151,530	-	-	-	(151,530)
Community Services	162,869	107,778	117,187	-	62,096
Interest on Long-Term Debt	778,012	-	-	460,396	(317,616)
Total Charter School	7,111,507	107,808	1,052,881	460,396	(5,490,422)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					5,493,063
Unrestricted Investment Earnings					52,472
Total General Revenues					5,545,535
Changes in Net Position					55,113
Net Position - Beginning					(591,898)
Net Position - Ending					\$ (536,785)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Renaissance Arts and Education, Inc. d/b/a Manatee School for the Arts

Functions/Programs	Program Revenues				Manatee School for the Arts
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 11,445,069	\$ -	\$ 2,031,560	\$ -	\$ (9,413,509)
Student Support Services	495,671	-	-	-	(495,671)
Instructional Media Services	115,612	-	-	-	(115,612)
Instructional Staff Training Services	17,123	-	-	-	(17,123)
Instruction-Related Technology	142,649	-	-	-	(142,649)
School Board	21,700	-	-	-	(21,700)
School Administration	2,188,220	-	-	-	(2,188,220)
Facilities Services	323,498	-	-	-	(323,498)
Fiscal Services	255,900	-	-	-	(255,900)
Food Services	698,672	353,049	511,305	-	165,682
Student Transportation Services	1,774,658	-	-	-	(1,774,658)
Operation of Plant	1,727,435	-	-	1,243,991	(483,444)
Maintenance of Plant	177,115	-	-	-	(177,115)
Community Services	412,737	454,053	-	-	41,316
Interest on Long-Term Debt	937,979	-	-	-	(937,979)
Unallocated Depreciation/Amortization	1,424,767	-	-	-	(1,424,767)
Total Charter School	22,158,805	807,102	2,542,865	1,243,991	(17,564,847)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					19,021,652
Total General Revenues and Special Item					19,021,652
Changes in Net Position					1,456,805
Net Position - Beginning					9,899,947
Adjustment to Beginning Net Position (1)					2,421,645
Restated Net Position					12,321,592
Net Position - Ending					<u>\$ 13,778,397</u>

(1) This adjustment reflects the construction expenses paid by the School for another charter school under the same charter-holder in the 2022-23 fiscal year awaiting reimbursement. These expenses were incorrectly expensed in the 2022-23 fiscal year.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Manatee School of Arts and Sciences, Inc.

Functions/Programs	Program Revenues				Manatee School of Arts and Sciences, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 758,650	\$ -	\$ -	\$ -	\$ (758,650)
Student Support Services	42,453	-	-	-	(42,453)
School Board	18,469	-	-	-	(18,469)
General Administration	38,830	-	-	-	(38,830)
School Administration	324,087	-	-	-	(324,087)
Operation of Plant	143,910	-	-	-	(143,910)
Maintenance of Plant	4,064	-	-	-	(4,064)
Community Services	7,981	-	11,277	-	3,296
Interest on Long-Term Debt	2,287	-	-	-	(2,287)
Total Charter School	1,340,731	-	11,277	-	(1,329,454)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					1,149,812
Unrestricted Investment Earnings					178
Miscellaneous					76,082
Total General Revenues					1,226,072
Changes in Net Position					(103,382)
Net Position - Beginning					1,198,472
Net Position - Ending					<u>1,095,090</u>

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024

Oasis Middle School, Inc.

Functions/Programs	Program Revenues				Oasis Middle School, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 447,867	\$ -	\$ 183,039	\$ -	\$ (264,828)
School Board	41,130	-	-	-	(41,130)
General Administration	20,598	-	-	-	(20,598)
School Administration	190,415	-	-	-	(190,415)
Fiscal Services	27,208	-	-	-	(27,208)
Student Transportation Services	26,867	-	-	-	(26,867)
Operation of Plant	141,881	-	-	-	(141,881)
Interest on Long-Term Debt	63,428	-	-	-	(63,428)
Total Charter School	959,394	-	183,039	-	(776,355)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					555,020
Total General Revenues					555,020
Changes in Net Position					(221,335)
Net Position - Beginning					713,982
Net Position - Ending					\$ 492,647

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024

Palmetto Charter School, Inc.

Functions/Programs	Program Revenues				Palmetto Charter School, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 3,428,368	\$ -	\$ -	\$ -	\$ (3,428,368)
Instructional Staff Training Services	121,884	-	-	-	(121,884)
School Administration	960,793	-	-	-	(960,793)
Operation of Plant	338,500	-	-	363,144	24,644
Community Services	242,678	133,490	-	-	(109,188)
Interest on Long-Term Debt	261,409	-	-	-	(261,409)
Total Charter School	5,353,632	133,490	-	363,144	(4,858,998)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					4,687,548
Unrestricted Investment Earnings (Loss)					87,366
Miscellaneous					(302)
Total General Revenues					4,774,612
Changes in Net Position					(82,386)
Net Position - Beginning					2,530,664
Net Position - Ending					\$ 2,448,278

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Parrish Charter Academy, Inc.

Functions/Programs	Expenses	Program Revenues		Parrish Charter Academy, Inc.
		Charges for Services	Operating Grants and Contributions	
Charter School				
Governmental Activities:				
Instruction	\$ 3,521,310	\$ -	\$ 727,068	\$ -
Student Support Services	318,969.00	-	-	(2,794,242)
School Board	8,150	-	-	(318,969.00)
General Administration	1,018,516	-	-	(8,150)
School Administration	790,483	-	-	(1,018,516)
Fiscal Services	176,321	-	-	(790,483)
Food Services	296,758	117,863	186,973	(176,321)
Central Services	62,826	-	-	8,078
Student Transportation Services	136,193	-	-	(62,826)
Operation of Plant	1,553,848	-	-	(136,193)
Administrative Technology Services	45,897	-	-	(933,177)
Community Services	39,253	363,590	-	(45,897)
Interest on Long-Term Debt	1,932,403	-	-	324,337
Total Charter School	9,900,927	481,453	914,041	620,671
				(7,884,762)
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				7,718,679
Unrestricted Investment Earnings				13,357
Total General Revenues and Special Item				7,732,036
Changes in Net Position				(152,726)
Net Position - Beginning				153
Net Position - Ending				\$ (152,573)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Team Success A School of Excellence, Inc.

Functions/Programs	Expenses	Program Revenues			Team Success A School of Excellence, Inc.
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 6,636,610	\$ -	\$ 1,116,602	\$ -	\$ (5,520,008)
Student Support Services	496,510	-	225,394	-	(271,116)
School Board	181,432	-	-	-	(181,432)
General Administration	40,169	-	-	-	(40,169)
School Administration	5,170,388	-	45,821	-	(5,124,567)
Facilities Services	339,925	-	-	-	(339,925)
Fiscal Services	59,798	-	-	-	(59,798)
Food Services	1,173,931	-	1,173,931	-	-
Student Transportation Services	122,327	-	80,730	-	(41,597)
Operation of Plant	2,221,275	-	354,676	781,725	(1,084,874)
Interest on Long-Term Debt	1,350,881	-	-	-	(1,350,881)
Total Charter School	17,793,246	-	2,997,154	781,725	(14,014,367)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					13,524,657
Total General Revenues					13,524,657
Changes in Net Position					(489,710)
Net Position - Beginning					3,858,877
Net Position - Ending					\$ 3,369,167

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

Visible Men Academy, Inc.

Functions/Programs	Program Revenues				Visible Men Academy, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 778,809	\$ -	\$ 92,515	\$ -	\$ (686,294)
Student Support Services	73,573	-	-	-	(73,573)
Instructional Staff Training Services	3,746	-	3,746	-	-
Instruction-Related Technology	10,484	-	-	-	(10,484)
School Board	62,146	-	-	-	(62,146)
General Administration	14,994	-	-	-	(14,994)
School Administration	376,182	-	-	-	(376,182)
Fiscal Services	42,952	-	5,006	-	(37,946)
Food Services	11,656	-	-	-	(11,656)
Student Transportation Services	111,487	-	-	-	(111,487)
Operation of Plant	244,361	-	5,315	40,292	(198,754)
Maintenance of Plant	93	-	-	-	(93)
Community Services	148,526	-	-	-	(148,526)
Interest on Long-Term Debt	2,287	-	-	-	(2,287)
Unallocated Depreciation/Amortization	115,732	-	-	-	(115,732)
Total Charter School	1,997,008	-	106,582	40,292	(1,850,134)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					2,171,634
Total General Revenues					2,171,634
Changes in Net Position					321,500
Net Position - Beginning					555,367
Net Position - Ending					\$ 876,867

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

William Monroe Rowlett Academy for Arts & Communication, Inc.

Functions/Programs	Program Revenues				William Rowlett Academy for Arts & Communication, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 7,581,788	\$ -	\$ -	\$ -	\$ (7,581,788)
Student Support Services	421,777	-	-	-	(421,777)
Instructional Media Services	155,364	-	-	-	(155,364)
Instructional Staff Training Services	347,382	-	-	-	(347,382)
General Administration	339,973	-	-	-	(339,973)
School Administration	477,604	-	-	-	(477,604)
Fiscal Services	280,593	-	-	-	(280,593)
Food Services	616,306	552,071	-	-	(64,235)
Central Services	95,188	-	-	-	(95,188)
Student Transportation Services	623,030	165,013	-	-	(458,017)
Operation of Plant	691,921	-	-	-	(691,921)
Maintenance of Plant	16,245	-	-	-	(16,245)
Community Services	226,631	363,706	-	-	137,075
Total Charter School	11,873,802	1,080,790	-	-	(10,793,012)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					10,138,220
Total General Revenues					10,138,220
Changes in Net Position					(654,792)
Net Position - Beginning					887,534
Net Position - Ending					\$ 232,742

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2024**

William Monroe Rowlett Middle Academy for Leadership, Arts & Communication, Inc.

Functions/Programs	Program Revenues				William Rowlett Middle Academy for Leadership, Arts & Communication, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 4,843,304	\$ -	\$ -	\$ -	\$ (4,843,304)
Student Support Services	645,364	-	-	-	(645,364)
Instructional Media Services	325,927	-	-	-	(325,927)
Instructional Staff Training Services	2,954	-	-	-	(2,954)
General Administration	36,635	-	-	-	(36,635)
School Administration	697,339	-	-	-	(697,339)
Fiscal Services	195,615	-	-	-	(195,615)
Food Services	418,997	409,780	-	-	(9,217)
Central Services	56,460	-	-	-	(56,460)
Student Transportation Services	367,773	-	-	-	(367,773)
Operation of Plant	988,687	-	-	-	(988,687)
Maintenance of Plant	99,238	-	-	-	(99,238)
Community Services	83,562	149,484	-	-	65,922
Interest on Long-Term Debt	93,595	-	-	-	(93,595)
Total Charter School	8,855,450	559,264	-	-	(8,296,186)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					7,452,116
Total General Revenues					7,452,116
Changes in Net Position					(844,070)
Net Position - Beginning					1,583,143
Net Position - Ending					\$ 739,073

STATISTICAL SECTION

This part of the School District of Manatee County, Florida's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the School Board's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	138
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	153
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. The District has no legal debt limit, and therefore, legal debt limit information is not reported in these schedules.	158
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	164
Operating Information	
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.	166

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Governmental Activities:				
Net Investment in Capital Assets	\$ 644,883,556	\$ 660,374,668	\$ 538,676,767	\$ 616,037,356
Restricted	41,177,665	46,436,593	205,478,056	157,776,020
Unrestricted	(152,113,137)	(137,002,536)	(145,961,707)	(153,582,134)
Total Primary Government Net Position	\$ 533,948,084	\$ 569,808,725	\$ 598,193,116	\$ 620,231,242

Note: The District implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 68 effective for fiscal year ended June 30, 2015. Fiscal years prior to 2015 have not been restated for implementation of GASB 68.

Note: The District implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 75 effective for fiscal year ended June 30, 2018. Fiscal years prior to 2018 have not been restated for implementation of GASB 75.

Source: District Records

	Fiscal Year Ended					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
\$ 718,608,486	\$ 739,261,921	\$ 751,474,636	\$ 794,572,362	\$ 671,424,999	\$ 802,493,078	
91,871,541	100,516,038	136,197,636	171,195,037	397,617,208	390,460,711	
(157,757,820)	(206,601,571)	(232,734,144)	(201,301,530)	(175,632,130)	(214,998,219)	
\$ 652,722,207	\$ 633,176,388	\$ 654,938,128	\$ 764,465,869	\$ 893,410,078	\$ 977,955,570	

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Expenses:				
Governmental Activities:				
Instruction	\$ 242,559,984	\$ 252,033,744	\$ 261,700,571	\$ 258,445,015
Student Support Services	17,897,004	18,028,665	18,560,266	17,973,608
Instructional Media Services	4,167,346	3,905,835	3,956,593	3,641,225
Instruction and Curriculum Development Services	8,883,331	10,570,509	11,933,839	10,258,447
Instructional Staff Training Services	5,877,894	5,430,234	6,258,506	6,541,783
Instruction-Related Technology	592,642	46,919	1,356,836	888,187
School Board	1,052,935	817,629	1,014,501	1,275,781
General Administration	2,532,599	2,785,198	2,669,390	3,083,377
School Administration	22,225,141	23,274,561	24,981,310	23,411,531
Facilities Services	35,818,641	37,922,654	42,351,772	53,305,196
Fiscal Services	2,018,689	1,977,509	2,404,317	2,035,396
Food Services	23,945,709	25,710,911	25,991,762	26,930,304
Central Services	6,279,091	11,960,112	8,275,008	5,876,197
Student Transportation Services	12,471,794	12,495,737	13,865,576	14,554,879
Operation of Plant	28,032,855	28,634,346	29,565,964	31,242,909
Maintenance of Plant	9,069,078	8,888,260	9,896,369	10,123,890
Administrative Technology Services	4,977,450	6,022,660	6,617,813	7,743,778
Community Services	3,443,556	3,649,393	4,266,622	4,285,472
Unallocated Interest on Long-Term Debt	10,627,676	9,042,582	12,774,042	11,283,879
Unallocated Depreciation/Amortization	18,803	23,182	22,996	227,239
Total Governmental Activities	442,492,018	463,220,640	488,464,073	493,138,093
Program Revenues:				
Governmental Activities:				
Charges for Services				
Food Services	4,993,388	5,040,973	5,023,054	4,399,329
Other	8,020,290	8,809,491	10,090,426	9,696,165
Operating Grants and Contributions	19,851,990	21,630,789	21,799,044	22,811,786
Capital Grants and Contributions	1,849,548	1,867,788	1,908,702	1,928,213
Total Primary Government Program Revenues	34,715,216	37,339,041	38,821,226	38,835,493
Net (Expense)/Revenue				
Total Primary Government Net Expense	\$ (407,776,802)	\$ (425,881,599)	\$ (449,642,847)	\$ (454,302,600)

Source: District Records

	Fiscal Year Ended					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
	\$ 309,050,436	\$ 343,838,480	\$ 348,946,876	\$ 335,539,870	\$ 383,725,050	\$ 450,134,548
	22,658,321	27,950,645	28,234,875	25,715,166	28,450,157	34,007,060
	4,633,350	5,363,767	5,326,031	4,870,842	5,409,343	6,462,536
	13,193,966	13,834,209	14,411,847	13,542,051	15,787,807	19,599,485
	7,207,763	8,071,269	7,609,873	6,679,972	7,934,090	9,297,351
	655,460	203,367	194,021	199,201	81,224	21,237
	1,167,264	1,304,100	1,617,354	1,485,777	1,216,729	1,157,802
	3,160,643	3,574,577	4,385,667	5,839,287	5,979,155	6,488,354
	28,748,049	32,950,523	34,715,244	31,141,144	33,597,295	38,362,822
	59,126,271	65,481,914	70,132,828	62,973,991	29,781,285	33,165,834
	2,882,282	3,460,433	3,288,915	2,734,180	3,535,779	4,419,354
	28,954,537	30,694,260	27,378,401	31,471,494	35,096,204	38,928,244
	10,369,381	11,209,223	11,489,995	10,398,774	11,729,666	15,688,285
	17,368,652	18,019,584	15,980,600	15,919,674	17,196,789	19,426,322
	34,030,078	35,418,946	37,497,250	38,893,481	43,434,387	50,098,496
	11,273,575	10,929,205	10,381,312	8,926,521	9,945,143	11,278,066
	8,757,262	9,989,141	8,144,900	7,527,170	8,461,391	8,950,346
	5,765,260	5,688,647	10,929,810	13,732,705	16,060,379	18,200,464
	11,413,661	10,110,631	9,617,417	8,810,312	10,409,779	15,819,316
	3,660	11,585	12,959	9,283	-	-
Total Governmental Activities	580,419,871	638,104,506	650,260,175	626,010,304	667,831,652	781,505,722
	5,152,570	4,202,265	1,514,515	1,479,892	5,492,523	6,300,928
	10,734,301	4,875,242	8,000,015	11,170,285	11,564,612	12,186,406
	22,515,144	22,075,489	27,472,240	35,343,531	27,301,439	28,766,512
	1,935,298	2,530,791	4,091,177	2,307,209	5,260,787	4,174,042
Total Primary Government Program Revenues	40,337,313	33,683,787	41,077,947	50,300,917	49,619,361	51,427,888
Net (Expense)/Revenue						
Total Primary Government Net Expense	\$ (540,082,558)	\$ (604,420,719)	\$ (609,182,228)	\$ (575,709,387)	\$ (618,212,290.6)	\$ (730,077,834)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Net (Expense)/Revenue				
Total Primary Government Net Expense	\$ (407,776,802)	\$ (425,881,599)	\$ (449,642,847)	\$ (454,302,600)
General Revenues and Other Changes				
In Net Position:				
Governmental Activities:				
Taxes:				
Property taxes, Levied for Operational Purposes*	158,614,689	170,841,398	172,944,705	177,675,400
Property Taxes, Levied for Capital Projects*	40,494,409	44,435,342	47,865,648	52,170,890
Local Sales Taxes	28,209,372	30,062,884	30,278,920	30,599,625
Grants and Contributions Not Restricted	210,197,838	210,821,583	215,726,629	220,941,589
Unrestricted Investment Earnings	354,605	706,695	1,834,486	4,212,826
Miscellaneous	5,404,855	4,486,941	9,376,850	19,703,523
Gain on Disposal of Capital Assets	-	387,397	-	88,704
Total Primary Government	<u>443,275,768</u>	<u>461,742,240</u>	<u>478,027,238</u>	<u>505,392,557</u>
Changes in Net Position				
Total Primary Government	<u>\$ 35,498,966</u>	<u>\$ 35,860,641</u>	<u>\$ 28,384,391</u>	<u>\$ 51,089,957</u>

* Changes in property tax revenues are a product of underlying changes in property values and tax rates. See schedules 8-11.

Source: District Records

	Fiscal Year Ended					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Total Primary Government Net Expense	\$ (540,082,568)	\$ (604,420,719)	\$ (609,182,228)	\$ (575,709,387)	\$ (618,212,291)	\$ (730,077,834)
General Revenues and Other Changes						
In Net Position:						
Governmental Activities:						
Taxes:						
Property taxes, Levied for Operational Purposes*	218,404,658	227,345,430	234,434,449	247,484,131	290,734,599	342,075,648
Property Taxes, Levied for Capital Projects*	56,186,483	60,516,116	64,261,360	69,048,580	86,830,455	104,265,829
Local Sales Taxes	31,128,377	31,282,122	36,684,612	45,130,466	49,701,086	51,689,130
Grants and Contributions Not Restricted	228,504,699	236,416,986	253,086,864	278,452,650	282,221,031	273,099,001
Unrestricted Investment Earnings	5,312,645	3,094,904	721,042	856,946	13,579,529	30,049,013
Miscellaneous	33,088,526	26,219,342	34,180,655	44,264,355	24,089,800	13,444,705
Gain on Disposal of Capital Assets	-	-	-	-	-	-
Total Primary Government	<u>572,625,388</u>	<u>584,674,900</u>	<u>623,368,982</u>	<u>685,237,128</u>	<u>747,156,500</u>	<u>814,623,326</u>
Changes in Net Position						
Total Primary Government	<u>\$ 32,542,830</u>	<u>\$ (19,545,819)</u>	<u>\$ 14,186,754</u>	<u>\$ 109,527,741</u>	<u>\$ 128,944,209</u>	<u>\$ 84,545,492</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
General Fund				
Nonspendable				
Inventories	\$ 743,221	\$ 738,001	\$ 680,710	\$ 647,626
SBA Fund B	-	-	-	-
Restricted				
State Required Carryover Programs	1,488,150	1,780,584	6,759,806	8,955,032
Local Sales Tax and Other Tax Levy	-	-	-	-
Grants	921,821	255,885	-	-
Other Purposes	-	-	-	-
Assigned				
Encumbrances	-	-	-	-
Local Sales Tax and Other Tax Levy	-	-	-	-
School and Local Programs	2,877,127	4,815,340	5,294,697	4,840,580
Unassigned	11,317,831	8,599,308	12,826,861	15,797,588
Total General Fund	\$ 17,348,150	\$ 16,189,118	\$ 25,562,074	\$ 30,240,826
All Other Governmental Funds				
Nonspendable				
Inventories and Prepays	\$ 246,630	\$ -	\$ -	\$ -
SBA Fund B	-	-	-	-
Restricted				
Food Services	7,116,416	7,138,240	7,912,726	8,003,926
Debt Service	6,489,657	7,730,042	8,849,336	10,034,528
Capital Projects	27,859,088	32,372,981	182,015,378	129,225,235
Other Purposes	-	-	-	-
Total All Other Governmental Funds ^a	\$ 41,711,791	\$ 47,241,263	\$ 198,777,440	\$ 147,263,689

^a The fluctuations in total fund balances are primarily due to the timing of debt issues.

Source: District Records

	Fiscal Year Ended					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
	\$ 621,256	\$ 589,122	\$ 864,873	\$ 691,636	\$ 643,367	\$ 517,798
	-	-	-	-	-	-
	16,751,415	11,747,589	1,053,168	845,487	3,482,193	9,077,460
	-	-	2,881,210	2,029,558	5,950,025	10,395,488
	-	-	145,866	920,525	1,689,827	1,009,672
	-	-	8,637,867	3,154,937	3,064,714	3,667,689
	-	-	1,066,290	1,192,246	1,821,549	1,534,955
	-	-	1,285,841	1,381,951	1,758,245	-
	5,765,591	5,877,706	2,565,422	3,908,728	5,949,005	2,156,312
	16,076,634	10,804,302	23,759,649	36,263,268	61,603,049	84,382,446
Total General Fund	\$ 39,214,896	\$ 29,018,719	\$ 42,260,186	\$ 50,388,336	\$ 85,961,973	\$ 112,741,820
	\$ 600,127	\$ 496,381	\$ 681,937	\$ 598,139	\$ 692,099	\$ 827,805
	-	-	-	-	-	-
	6,672,865	2,602,139	6,535,010	12,336,359	14,028,485	11,938,429
	9,900,546	11,100,580	12,202,979	11,889,269	12,831,068	13,864,339
	61,842,669	77,873,695	93,921,482	125,245,985	330,630,793	303,480,407
	-	-	4,974,453	5,754,703	6,215,484	6,640,720
Total All Other Governmental Funds ^a	\$ 79,016,207	\$ 92,072,795	\$ 118,315,861	\$ 155,824,455	\$ 364,397,929	\$ 336,751,700

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	2015	2016	2017	2018
Federal Direct Sources:				
Reserve Officers Training Corps (ROTC)	\$ 514,685	\$ 539,649	\$ 550,661	\$ 540,210
Other Federal Direct Sources	2,604,138	2,288,736	2,394,180	2,314,181
Miscellaneous Federal Direct	967,799	1,024,430	1,011,615	1,001,493
Total Federal Direct Sources	4,086,622	3,852,815	3,956,456	3,855,884
Federal Through State and Local Sources:				
Vocational Education Acts	703,142	832,832	729,053	30,000
Food Service	18,269,983	19,572,294	19,578,983	21,308,921
Donated Foods and Cash in Lieu of Donated Foods	1,287,600	1,753,239	1,905,449	1,955,958
Race-to-the-Top	676,404	62,285	2,600	-
Medicaid	967,992	2,536,281	1,665,922	1,928,601
Educational Stabilization K-12	-	-	-	-
Educational Stabilization Workforce	-	-	-	-
Educational Stabilization VPK	-	-	-	-
Other Federal Through State Sources	28,550,136	29,173,138	29,036,870	30,634,623
Total Federal Through State and Local Sources	50,455,257	53,930,149	52,918,877	55,858,103
State Sources:				
Florida Education Finance Program (FEFP)	105,901,217	106,171,607	110,775,250	112,617,761
Workforce Development	9,653,822	9,624,628	9,653,242	9,373,925
Categorical	52,625,677	51,956,172	53,364,352	52,740,895
District Discretionary Lottery Funds	170,525	-	809,867	86,023
School Recognition	2,461,552	1,908,465	904,182	2,048,850
Mobile Home License Tax	337,552	340,752	338,933	338,155
Voluntary Pre-Kindergarten Program	1,929,689	1,790,079	1,612,212	1,634,843
CO&DS Distribution	235,396	383,710	382,582	1,454,148
CO&DS Withheld for SBE/COBI Bonds	1,585,659	1,445,620	1,466,684	413,739
CO&DS Withheld for Bond Administrative Expenses	27,142	28,183	28,161	28,445
Public Education Capital Outlay	827,659	740,035	1,111,704	689,756
Charter School Capital Outlay	1,743,616	1,215,646	1,610,007	953,552
Food Services	-	-	-	-
State Grants and Other State Sources	775,648	1,662,335	1,624,361	4,278,746
Total State Sources	178,185,154	177,267,232	183,681,537	186,658,838
Local Sources:				
Ad Valorem Taxes	199,109,098	215,276,740	220,810,354	229,846,291
Food Service	4,990,498	5,040,973	4,994,781	4,398,387
Sales Taxes	28,209,373	30,062,884	30,278,920	30,599,626
Interest Income	354,607	560,616	1,756,159	4,032,865
Impact Fees	-	47,644	6,892,715	13,546,947
Net Increase (Decrease) in Fair Value of Investments	-	146,079	78,328	179,960
Other Local Sources	11,847,274	13,205,042	13,603,873	14,503,912
Total Local Sources	244,510,850	264,339,978	278,415,130	297,107,088
Total Revenues	\$ 477,237,883	\$ 499,390,174	\$ 518,972,000	\$ 543,479,913

Source: District Records

	Fiscal Year Ended					
	2019	2020	2021	2022	2023	2024
Federal Direct Sources:						
Reserve Officers Training Corps (ROTC)	\$ 571,186	\$ 649,841	\$ 704,314	\$ 702,807	\$ 732,434	\$ 720,704
Other Federal Direct Sources	2,031,849	2,491,503	1,782,123	2,105,647	1,974,942	2,017,746
Miscellaneous Federal Direct	974,548	1,592,371	1,040,830	1,667,250	1,663,052	1,867,207
Total Federal Direct Sources	3,577,583	4,733,715	3,527,267	4,475,704	4,370,429	4,605,657
Federal Through State and Local Sources:						
Vocational Education Acts	655,414	413,792	693,613	1,185,794	922,487	881,711
Food Service	20,469,530	21,773,856	28,050,243	35,082,022	29,172,787	28,304,669
Donated Foods and Cash in Lieu of Donated Foods	1,745,335	-	-	-	-	-
Race-to-the-Top	-	-	-	-	-	-
Medicaid	1,380,787	2,231,335	1,666,885	1,180,005	1,370,349	1,093,539
Educational Stabilization K-12	-	-	11,999,812	42,288,004	44,094,646	41,001,799
Educational Stabilization Workforce	-	-	1,632,026	3,399,515	1,980,462	182,968
Educational Stabilization VPK	-	-	-	468,499	416,479	131,764
Other Federal Through State Sources	33,053,451	31,532,994	31,960,111	32,163,322	36,874,819	35,975,321
Total Federal Through State and Local Sources	57,304,517	55,951,977	76,002,690	115,767,161	114,832,030	107,571,771
State Sources:						
Florida Education Finance Program (FEFP)	119,512,932	123,838,026	129,100,470	123,364,892	117,738,050	115,319,535
Workforce Development	9,465,433	9,465,433	9,465,433	9,460,558	9,890,985	10,844,521
Categorical	53,345,373	53,604,335	54,611,701	50,320,297	54,007,545	53,621,822
District Discretionary Lottery Funds	165,406	49,689	-	-	-	-
School Recognition	2,176,166	2,193,119	-	-	-	-
Mobile Home License Tax	391,621	340,481	347,499	368,305	359,595	372,958
Voluntary Pre-Kindergarten Program	1,521,041	2,134,504	1,891,057	1,868,884	2,680,941	2,626,206
CO&DS Distribution	1,224,242	1,293,177	1,356,739	1,442,884	1,567,895	1,771,556
CO&DS Withheld for SBE/COBI Bonds	645,993	591,731	486,602	472,543	410,181	325,760
CO&DS Withheld for Bond Administrative Expenses	28,481	28,704	28,072	29,169	30,104	31,919
Public Education Capital Outlay	699,873	-	-	119,704	109,511	1,022,784
Charter School Capital Outlay	3,150,075	3,333,614	3,427,353	3,895,369	4,485,828	5,202,501
Food Services	-	-	-	-	-	309,866
State Grants and Other State Sources	6,446,278	2,904,539	2,216,737	2,278,004	1,191,455	3,078,004
Total State Sources	192,763,914	199,777,352	202,931,663	193,620,609	192,472,088	194,527,232
Local Sources:						
Ad Valorem Taxes	274,591,141	287,491,212	298,695,809	316,532,711	377,565,054	376,839,644
Food Service	5,152,570	4,165,299	1,504,674	1,479,891	5,492,501	6,304,810
Sales Taxes	31,128,377	31,282,122	36,684,612	45,130,466	49,701,086	51,689,130
Interest Income	5,098,554	2,860,864	690,566	866,697	13,562,287	30,017,418
Impact Fees	17,236,868	21,759,271	29,073,369	31,150,908	37,442,455	42,385,540
Net Increase (Decrease) in Fair Value of Investments	214,091	239,188	13,409	-	29,440,392	-
Other Local Sources	24,428,429	9,734,966	19,814,659	26,701,904	-	100,885,358
Total Local Sources	357,850,030	357,532,922	386,437,098	421,862,575	513,203,774	608,121,900
Total Revenues	\$ 611,496,044	\$ 617,995,966	\$ 668,898,718	\$ 735,726,049	\$ 824,878,321	\$ 914,826,560

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	2015	2016	2017	2018
Expenditures:				
Current:				
Instruction	\$ 247,226,992	\$ 260,712,412	\$ 256,276,353	\$ 268,449,355
Student Support Services	18,396,052	18,944,434	18,108,941	19,255,530
Instructional Media Services	4,102,303	4,138,120	3,846,097	3,881,008
Instruction and Curriculum Development Services	9,274,420	11,201,010	11,684,863	10,962,161
Instructional Staff Training Services	5,859,552	5,493,690	6,093,475	6,620,196
Instruction-Related Technology	592,842	46,919	1,356,817	888,187
School Board	1,092,272	855,187	965,144	1,347,879
General Administration	2,628,479	2,993,141	2,571,338	3,401,175
School Administration	23,326,317	24,571,559	24,506,044	25,177,258
Facilities Services	12,675,995	15,472,906	17,387,540	16,381,810
Fiscal Services	2,051,315	2,147,875	2,291,640	2,203,165
Food Services	23,811,536	25,719,583	25,061,536	26,565,667
Central Services	6,494,031	12,350,544	8,053,862	6,228,289
Student Transportation Services	12,713,423	13,046,653	13,701,260	15,148,530
Operation of Plant	28,376,595	29,217,678	29,519,729	31,986,144
Maintenance of Plant	9,194,873	9,122,054	9,672,310	10,360,261
Administrative Technology Services	5,153,758	6,317,131	6,507,623	8,194,976
Community Services	3,524,656	3,796,746	4,060,662	4,429,046
Charter School Local Capital Improvement	-	-	-	2,717,067
Capital Outlay:				
Facilities Acquisition and Construction	312,796	3,668,099	17,202,727	66,429,306
Charter School Capital Outlay Sales Tax	-	-	-	-
Other Capital Outlay	3,931,864	8,983,510	14,495,483	21,610,211
Debt Service:				
Principal	26,475,413	27,330,322	28,522,680	28,542,609
Interest and Fiscal Charges	10,895,436	9,937,318	11,786,744	13,718,404
Total Expenditures	\$ 458,110,740	\$ 496,066,891	\$ 513,672,468	\$ 594,498,054
Debt Service as a Percentage of Noncapital Expenditures	8.97%	8.35%	9.13%	9.10%

Source: District Records

	Fiscal Year Ended					
	2019	2020	2021	2022	2023	2024
	\$ 301,021,419	\$ 316,831,230	\$ 326,108,313	\$ 341,957,230	\$ 366,886,479	\$ 411,692,207
	22,002,527	25,152,482	25,832,266	26,481,990	26,828,293	30,229,031
	4,455,325	4,795,102	4,735,073	4,932,002	5,089,535	5,645,720
	12,960,528	12,289,274	12,954,000	14,112,074	14,959,601	17,058,342
	6,902,455	7,218,930	6,821,000	6,939,521	7,585,661	8,457,276
	655,219	195,609	188,110	200,934	74,633	20,509
	1,122,166	1,168,954	1,501,137	1,542,157	1,186,783	1,046,489
	3,125,457	3,295,424	4,070,090	5,741,540	5,861,819	6,089,073
	28,108,048	29,671,174	31,159,565	31,892,040	32,232,220	33,899,790
	34,036,642	31,526,007	34,477,799	33,996,245	42,559,788	47,711,037
	2,767,677	3,066,574	2,953,161	2,855,225	3,359,990	3,644,731
	26,211,836	28,732,728	25,925,624	31,287,593	33,667,322	36,570,033
	10,242,494	9,947,070	10,208,219	10,713,793	11,067,715	13,858,413
	17,048,246	16,507,103	14,822,041	16,208,495	16,375,373	17,570,169
	33,564,937	33,593,934	36,005,313	38,942,420	42,312,625	47,600,140
	10,899,225	9,968,808	9,579,487	9,089,002	9,531,043	10,102,231
	8,681,984	9,364,223	7,444,604	7,662,004	8,139,661	8,075,468
	5,537,747	5,167,440	10,506,585	13,973,880	15,895,620	17,271,931
	-	-	-	-	-	-
	101,762,760	21,879,104	33,144,926	47,099,615	63,710,676	142,913,637
	-	-	2,026,902	2,481,379	2,866,726	3,177,251
	6,867,602	13,231,609	8,799,528	7,699,631	8,186,619	13,540,757
	20,517,108	19,749,182	21,462,234	19,797,961	19,049,028	20,144,937
	12,412,606	11,768,019	10,846,858	10,082,539	11,781,339	18,628,065
Total Expenditures	\$ 672,904,208	\$ 615,139,980	\$ 641,572,835	\$ 685,689,870	\$ 749,208,548	\$ 914,947,237
Debt Service as a Percentage of Noncapital Expenditures	6.20%	5.75%	5.41%	4.75%	4.57%	5.13%

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	Fiscal Year Ended			
	2015	2016	2017	2018
Excess of Revenues over (under) Expenditures	\$ 19,127,143	\$ 3,323,263	\$ 5,299,532	\$ (51,018,141)
Other Financing Sources (Uses)				
Bonds Issued	-	-	131,785,000	-
Loss Recoveries	-	-	-	-
Inception of Installment Purchases	-	-	-	-
Refunding Bonds/COPs Issued	2,769,000	38,470,000	37,609,000	55,890,000
Premium on Refunding of Bonds	263,323	-	7,725,358	-
Certificates of Participation Issued	-	-	-	-
Premium on Certificates of Participation	-	-	-	-
Premiums on Long-Term Debt Issued	-	-	19,260,513	-
Lease Agreements	-	425,826	912,829	665,886
Payment to Refunding Bonds/COPs Escrow Agent	(3,089,758)	(38,236,066)	(43,887,159)	(55,694,429)
Proceeds from Sales of Capital Assets	750,000	387,397	2,204,060	3,321,685
Transfers In	50,213,085	49,722,423	49,352,172	56,148,961
Transfers Out	(56,177,905)	(49,722,423)	(49,352,172)	(56,148,961)
Total Other Financing Sources (Uses)	(5,272,255)	1,047,157	155,609,601	4,183,142
Net Change in Fund Balance	\$ 13,854,888	\$ 4,370,440	\$ 160,909,133	\$ (46,834,999)

	Fiscal Year Ended					
	2019	2020	2021	2022	2023	2024
Excess of Revenues over (under) Expenditures	\$ (61,408,164)	\$ 2,855,986	\$ 27,325,883	\$ 50,036,179	\$ 75,669,773	\$ (120,677)
Other Financing Sources (Uses)						
Bonds Issued	-	-	-	-	-	-
Loss Recoveries	-	-	-	-	-	821,389
Inception of Installment Purchases	-	-	-	1,100,565	265,327	-
Refunding Bonds/COPs Issued	744,000	1,037,000	-	-	-	-
Premium on Refunding of Bonds	117,632	180,609	-	-	-	-
Certificates of Participation Issued	-	-	-	-	151,730,000	-
Premium on Certificates of Participation	-	-	-	-	24,482,011	-
Premiums on Long-Term Debt Issued	-	-	-	-	-	-
Lease Agreements	677,063	-	4,583,664	-	-	4,032,905
Payment to Refunding Bonds/COPs Escrow Agent	(853,943)	(1,213,184)	-	-	-	-
Proceeds from Sales of Capital Assets	1,450,000	-	-	-	14,100,000	-
Transfers In	46,514,739	52,077,904	51,666,006	53,406,757	49,242,462	55,195,072
Transfers Out	(46,514,739)	(52,077,904)	(51,666,006)	(58,906,757)	(71,342,462)	(60,795,072)
Total Other Financing Sources (Uses)	2,134,752	4,425	4,583,664	(4,399,435)	168,477,339	(745,706)
Net Change in Fund Balance	\$ (59,273,412)	\$ 2,860,411	\$ 31,909,547	\$ 45,636,744	\$ 244,147,112	\$ (866,383)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**



Fiscal Year	Just Value			Less: Exemptions	Total School Taxable Value	Total Direct Rate
	Real Property	Personal Property	Central Assessed			
2023-2024	\$ 96,178,240,759	\$ 4,819,773,727	\$ 8,912,430	\$ 8,976,958,446	\$ 72,026,619,963	6.4210
2022-2023	77,970,986,580	4,233,591,912	8,933,050	8,278,005,716	59,935,768,812	6.5220
2021-2022	56,429,391,308	3,705,126,237	9,629,951	7,600,618,870	47,668,050,988	6.8760
2020-2021	52,000,158,289	3,686,766,153	10,560,886	7,251,066,493	44,398,287,814	6.9720
2019-2020	49,354,143,540	3,544,713,849	9,171,688	6,866,037,268	41,780,543,525	7.1350
2018-2019	45,873,929,443	3,398,172,723	9,478,608	6,499,216,631	38,766,742,392	7.3310
2017-2018	45,930,429,514	3,283,760,529	9,471,191	6,464,230,674	35,999,618,456	6.6080
2016-2017	39,458,732,427	3,106,498,488	8,385,758	9,458,967,439	33,114,649,234	6.9200
2015-2016	35,990,421,239	3,095,531,886	7,971,396	8,477,293,975	30,616,630,546	7.2670
2014-2015	31,747,370,491	2,961,644,950	7,992,261	6,784,230,192	27,932,777,510	7.3760

Note: Net Taxable Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

Source: Florida Department of Revenue, Manatee County Property Appraiser

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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(per \$1,000 Assessed Valuation)
(UNAUDITED)**

	Fiscal Year Ended			
	2014-2015	2015-2016	2016-2017	2017-2018
District School Board:				
Required Local Effort	5.1280	5.0190	4.6720	4.3600
Discretionary Local	0.7480	0.7480	0.7480	0.7480
Capital Improvement	1.5000	1.5000	1.5000	1.5000
Total District School Board	7.3760	7.2670	6.9200	6.6080
Other County-Wide:				
Board of County Commissioners	6.4326	6.4326	6.4326	6.4326
Unincorporated Municipal Service Tax	0.6109	0.6109	0.6109	0.6109
County-Wide Special Districts	0.5274	0.5104	0.5061	0.4804
Total Other County-Wide	7.5709	7.5539	7.5496	7.5239
Total County-Wide	14.9469	14.8209	14.4696	14.1319
Municipalities:				
Anna Maria	2.0500	2.0500	2.0500	2.0500
Bradenton	5.8976	5.8976	5.8976	5.8976
Bradenton Beach	2.3329	2.3329	2.3329	2.3329
Holmes Beach	1.7500	2.2500	2.2500	2.2500
Longboat Key	3.2993	3.2286	3.1515	3.0748
Palmetto	5.7171	5.9671	5.9671	5.9671
Total Municipalities	21.0469	21.7262	21.6491	21.5724

Property is assessed as of January 1st and taxes on those assessments are levied according to the tax rate in effect during that tax year and become due on November 1st. Therefore, assessments and tax levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

Source: Manatee County Property Appraiser

	Fiscal Year Ended					
	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
District School Board:						
Required Local Effort	4.0630	3.8870	3.7240	3.6280	3.2740	3.1730
Discretionary Local	1.7480	1.7480	1.7480	1.7480	1.7480	1.7480
Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Total District School Board	7.3310	7.1350	6.9720	6.8760	6.5220	6.4210
Other County-Wide:						
Board of County Commissioners	6.4326	6.4326	6.4326	6.3926	6.2326	5.7493
Unincorporated Municipal Service Tax	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109
County-Wide Special Districts	0.4949	0.4795	0.4663	0.4926	0.4651	3.7995
Total Other County-Wide	7.5384	7.5230	7.5098	7.4861	7.3086	10.1597
Total County-Wide	14.8694	14.6580	14.4818	14.3621	13.8306	16.5807
Municipalities:						
Anna Maria	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500
Bradenton	5.8976	5.8976	5.8976	5.8976	5.8351	5.7726
Bradenton Beach	2.3329	2.3329	2.3329	2.3329	2.3329	2.3329
Holmes Beach	2.2500	2.2500	2.2500	2.2500	2.0700	2.0500
Longboat Key	3.0373	2.9466	3.0374	3.2384	2.9288	2.8380
Palmetto	5.9671	5.9671	5.9671	5.9671	5.9671	5.9671
Total Municipalities	21.5349	21.4442	21.8550	21.7360	21.1839	21.0106

Source: Manatee County Property Appraiser

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
September 30, 2023 and Nine Years Ago ⁽¹⁾
(Amounts Expressed in Thousands)
(UNAUDITED)**

Taxpayer	For the Year Ended September 30					
	2022-2023			2013-2014		
	Rank	Taxable Value (in thousands)	Percentage of Total Taxable Value ⁽²⁾	Rank	Taxable Value (in thousands)	Percentage of Total Taxable Value ⁽¹⁾
Florida Power & Light Co. - Plant	1	\$ 1,537,139	2.91%	1	\$ 825,542	3.42%
Tropicana Products, Inc.	2	337,780	0.64%	2	366,826	1.52%
Mosaic Fertilizer, LLC	3	183,297	0.35%	7	110,405	0.46%
Manatee Memorial Hospital LP	4	148,294	0.28%	4	113,790	0.47%
Peace River Electric Coop, Inc.	5	145,846	0.28%	8	94,404	0.39%
Gulfstream Natural Gas System LLC	6	130,345	0.25%	3	190,616	0.79%
93 FLRPT LLC	7	99,521	0.19%	-	-	-
IMG Academy LLC	8	96,963	0.18%	-	-	-
Gulf Coast Factory Shops	9	94,637	0.18%	5	126,233	0.52%
295 107 Circle Owner LLC	10	88,635	0.17%	-	-	-
Verizon Florida, Inc/Frontier Florida LLC	-	-	-	6	105,107	0.43%
Wal-Mart Stores Inc.	-	-	-	9	76,731	0.32%
HCA Health Services of Florida	-	-	-	10	49,216	0.20%
Total		\$ 2,862,457	5.43%		\$ 2,058,870	8.52%

⁽¹⁾ Manatee County's fiscal year ends September 30th. June 30th year end information is not available from the County.
⁽²⁾ Percent of total taxable value is calculated using total school taxable value from Schedule 8.

Source: Manatee County Annual Comprehensive Financial Report

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of The Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount (1)	Percentage of Levy
2024	\$ 462,480,018	\$ 446,069,002	96.45%	\$ -	446,069,002	96.45%
2023	390,898,726	377,200,363	96.50%	272,475	377,472,838	96.50%
2022	328,162,533	316,058,394	96.31%	397,344	316,455,738	96.43%
2021	309,957,923	298,411,731	96.27%	506,766	298,918,497	96.44%
2020	298,101,730	287,630,908	96.49%	310,207	287,941,115	96.59%
2019	284,196,769	274,393,270	96.55%	256,097	274,649,367	96.64%
2018	237,884,607	229,598,848	96.52%	100,227	229,699,075	96.56%
2017	229,325,697	221,040,158	96.39%	270,897	221,311,055	96.51%
2016	222,703,404	215,050,457	96.56%	226,283	215,276,740	96.67%
2015	206,282,880	194,849,908	94.46%	335,140	195,185,048	94.62%

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

Sources: Manatee County Tax Collector and District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
HISTORICAL SALES SURTAX COLLECTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Actual Sales Tax Revenues Received by the School Board	Debt Service Payment	Debt Service Coverage
2024	\$ 51,689,130	\$ 12,485,625	4.14
2023	49,701,086	12,495,625	3.98
2022	45,130,466	12,502,500	3.61
2021	36,684,612	12,020,605	3.05
2020	31,282,122	12,549,550	2.49
2019	31,128,377	12,553,150	2.48
2018	30,599,626	21,928,368	1.40
2017	30,278,920	16,148,497	1.88
2016	30,062,884	15,471,164	1.94
2015	28,209,372	15,468,243	1.82

Source: District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PUBLIC EDUCATION CAPITAL OUTLAY AND CAPITAL OUTLAY & DEBT SERVICE FUNDS
REVENUES
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Public Education Capital Outlay Fund			Capital Outlay & Debt Service Fund
	New Construction	Maintenance	Total	
2023-2024	\$ 1,022,784	\$ -	\$ 1,022,784	\$ 1,829,279
2022-2023	109,511	-	109,511	1,602,281
2021-2022	119,704	-	119,704	1,456,717
2020-2021	2,000,000	-	2,000,000	1,387,809
2019-2020	-	-	-	1,349,311
2018-2019	-	690,873	690,873	1,259,432
2017-2018	-	689,756	689,756	436,905
2016-2017	-	1,111,704	1,111,704	413,457
2015-2016	-	740,035	740,035	383,710
2014-2015	-	827,659	827,659	223,524

Source: District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	State Board of Education Bonds	Certificates Of Participation	District Revenue Bonds	Notes Payable	Installment-Purchases and Leases Payable*	Total Primary Government (A)	Percentage of Personal Income (B)	Per Capita (B)
2023-2024	1,474,115 (1)	260,997,823 (1)	99,108,239 (1)	-	3,899,893	365,480,070	N/A	831
2022-2023	1,772,906 (1)	273,254,547 (1)	108,177,273 (1)	-	1,931,925	385,136,651	1.504%	913
2021-2022	2,147,139 (1)	107,327,125 (1)	116,876,308 (1)	-	3,324,775	229,675,347	0.941%	559
2020-2021	2,574,815 (1)	118,564,168 (1)	125,220,342 (1)	-	3,934,717	250,294,042	1.162%	628
2019-2020	3,000,492 (1)	131,807,459 (1)	133,229,376 (1)	-	1,050,287	269,087,614	1.373%	695
2018-2019	3,646,724 (1)	144,655,751 (1)	140,978,410 (1)	-	1,607,469	290,888,354	1.555%	770
2017-2018	4,243,161 (1)	158,677,553 (1)	148,477,444 (1)	-	1,362,514	312,760,672	1.768%	848
2016-2017	5,598,100 (1)	167,366,556 (1)	165,111,198 (1)	-	1,181,940	339,257,794	2.044%	949
2015-2016	6,880,420 (1)	174,850,075 (1)	30,419,440 (1)	-	560,791	212,710,726	1.358%	609
2014-2015	8,092,975 (1)	185,270,509 (1)	45,219,161 (1)	-	257,638	238,840,283	1.660%	703

Note: The District does not have any business-type activities outstanding debt.

(1) Amount includes premiums and discounts.

NA - Information not yet available

*The District implemented the provision of Governmental Accounting Standards Board Statement No. 87 effective for fiscal year ended June 30, 2022.

Sources:

(A) District Records

(B) Total Primary Government Debt divided by Personal Income and Population from Schedule 18.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2024
(UNAUDITED)**

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
School District of Manatee County			
Bonds Payable	\$ 1,474,115 (b)	100.00%	\$ 1,474,115
Certificates of Participation	260,997,823 (b)	100.00%	260,997,823
Leases Payable	3,624,752	100.00%	3,624,752
Installment-Purchases Payable	275,141	100.00%	275,141
Total General Bonded Debt			266,371,831
Revenue Bond Payable	99,108,239	100.00%	99,108,239
Total Net General Bonded Direct Debt			\$ 365,480,070
Overlapping Debt: (a)			
City of Anna Maria	n/a	100.00%	n/a
City of Bradenton	\$ 19,682,485	100.00%	\$ 19,682,485
Town of Longboat Key	46,416,882	100.00%	46,416,882
City of Palmetto	17,969,191	100.00%	17,969,191
Manatee County	289,170,000	100.00%	289,170,000
Total Overlapping Debt			373,238,558
Total Direct and Overlapping Debt			\$ 738,718,628

(a) Information was obtained from the September 30, 2023, financial statements of each respective governmental entity. Since the geographic boundaries of each governmental entity is within the geographic boundaries for which the District serves, 100 percent of the debt has been included.

(b) Amount includes premiums and discounts.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMPARATIVE RATIOS OF BONDED DEBT
AND CERTIFICATES OF PARTICIPATION
TO TAXABLE ASSESSED VALUATION AND PER CAPITA INDEBTEDNESS
AS OF JUNE 30, 2024
(UNAUDITED)**

Population (2024)	453,021
Total taxable valuation (2024 Fiscal Year)	\$ 72,026,619,963
Direct non-general obligation debt and certificates of participation at June 30, 2024	\$ 365,480,070
(a) As a percent of taxable valuation	0.51%
(b) Per capita	\$ 806.76

Sources: District Records
Population obtained from World Population Review

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Taxable Assessed Value</u>	<u>Annual Lease Payment</u>	<u>Millage Levy to Provide 1.00x Coverage ^a</u>
2023-2024	\$ 72,026,619,963	\$ 21,060,215	0.308 mills
2022-2023	59,935,768,812	12,706,374	0.223 mills
2021-2022	47,666,050,988	13,975,271	0.309 mills
2020-2021	44,398,287,814	16,401,499	0.389 mills
2019-2020	41,780,543,525	16,403,642	0.413 mills
2018-2019	38,766,742,392	17,930,958	0.487 mills
2017-2018	35,999,618,456	17,114,391	0.500 mills
2016-2017	33,114,649,234	18,574,408	0.590 mills
2015-2016	30,616,630,546	18,786,423	0.646 mills
2014-2015	27,932,777,510	18,928,666	0.713 mills

^a Millage rate calculated using 95 percent of the school taxable valuation.

Note: Lease-Purchase arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

Sources: District Records
Schedule 8

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Population ⁽¹⁾	Personal Income (in thousands) ⁽¹⁾	Per Capita Income ⁽¹⁾	Unemployment Rate ⁽¹⁾
2023	439,566	N/A	N/A	3.00%
2022	421,768	\$25,614,913	\$59,691	2.90%
2021	411,209	\$24,412,119	\$58,861	3.90%
2020	398,503	\$21,545,679	\$52,395	6.90%
2019	387,414	\$19,605,227	\$48,618	3.10%
2018	377,826	\$18,707,402	\$47,378	3.40%
2017	368,782	\$17,689,898	\$45,880	3.90%
2016	357,591	\$16,598,277	\$44,158	4.60%
2015	349,334	\$15,668,920	\$43,121	5.00%
2014	339,545	\$14,384,591	\$40,895	5.70%

Sources:
N/A Not available
(1) Office of Economic & Demographic Research, State of Florida

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
September 30, 2023 and Nine Years Ago ⁽¹⁾
(UNAUDITED)**

Employer	For the Year Ended September 30					
	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Manatee County School Board	6,864	1	3.55%	5,500	1	3.84%
Manatee Healthcare System	2,500	2	1.29%	1,445	4	1.01%
Manatee County Government	2,288	3	1.18%	1,748	3	1.22%
Publix	2,224	4	1.15%	875	8	0.61%
Beall's, Inc	1,857	5	0.96%	1,924	2	1.34%
Blake Medical Center	1,500	6	0.78%	1,100	7	0.77%
Manatee County Sheriff's Department	1,213	7	0.63%	1,120	6	0.78%
Tropicana Products, Inc.	1,000	8	0.52%	1,200	5	0.84%
IMG Academy	800	9	0.41%	564	9	0.39%
State College of Florida, Manatee-Sarasota	710	10	0.37%	472	10	0.33%
Total number of individuals employed within Manatee County	193,313			143,093		

⁽¹⁾Manatee County's fiscal year ends September 30th. June 30th year end information is not available from the County.

Source: Manatee County Annual Comprehensive Financial Report

**SCHEDULE OF SELECTED OPERATING INFORMATION
GRADES K - 12
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Number of Schools	Number of Classroom Instructors	Unweighted Full-Time Equivalent Students	Average General Fund Expenditures Per Student
2023-2024	54	4,050	54,631	\$ 10,208
2022-2023	54	3,842	52,050	9,484
2021-2022	54	3,773	50,680	9,100
2020-2021	53	3,734	48,826	9,453
2019-2020	53	3,770	49,436	9,453
2018-2019	50	3,545	48,853	9,063
2017-2018	54	3,534	48,454	8,021
2016-2017	53	3,414	48,284	7,692
2015-2016	54	3,467	47,644	7,899
2014-2015	53	3,193	46,931	7,497

Sources: Florida Department of Education and District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Placed in Service (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data		
				2014-2015	2015-2016	2016-2017
Elementary Schools						
Anna Maria Elementary	1949	56,552	2	264.20	269.51	268.81
Ballard Elementary	1922	74,982	-	466.65	436.76	466.77
Bayshore Elementary (3)	1958	116,808	3	750.48	778.88	779.74
Manatee Elementary	1926	110,400	5	500.27	489.69	557.00
Miller Elementary (3)	1951	97,584	-	800.09	780.32	746.19
Myakka City Elementary	1915	72,196	-	246.20	241.52	257.55
Oneco Elementary	1922	112,150	22	513.50	540.14	617.81
Orange Ridge Elementary	1958	-	-	707.28	704.58	-
Rogers Garden-Bullock Elementary	2009	81,566	7	-	-	573.39
Palm View K-8	1926	117,853	-	361.06	337.85	365.94
Palma Sola Elementary	1961	100,105	2	565.08	571.05	571.26
Palmetto Elementary	1961	97,277	-	653.75	673.22	708.56
Prine Elementary	1961	118,396	6	849.43	798.69	799.95
Daughtry Elementary (3)	1964	103,519	1	757.96	734.93	787.52
Samoset Elementary	1926	85,637	2	539.43	513.90	598.29
Tillman Elementary	1964	96,928	-	535.73	544.10	506.68
Blackburn Elementary	1970	115,281	12	435.46	421.24	465.28
Moody Elementary	1974	86,461	8	647.57	645.33	657.93
Abel Elementary	1973	79,574	2	533.09	553.78	550.25
Stewart Elementary	1973	81,641	-	416.12	403.15	401.82
Bashaw Elementary	1985	101,940	-	590.49	541.45	559.91
Braden River Elementary	1988	90,924	5	658.49	666.99	682.37
Sea Breeze Elementary	1990	101,853	-	604.33	572.67	589.47
Tara Elementary	1991	135,536	10	578.75	610.27	647.33
Witt Elementary	1993	106,355	1	638.87	684.62	706.04
Kinnan Elementary	2001	101,043	-	629.27	560.85	535.59
Rowlett Elementary	2001	123,399	5	-	-	-
McNeal Elementary	2003	122,133	1	749.64	760.66	767.95
Freedom Elementary	2003	134,788	-	776.30	768.91	787.64
Mills Elementary	2004	134,072	11	1,112.65	1,161.95	1,183.38
Willis Elementary	2005	120,960	-	720.01	746.87	771.69
Williams Elementary	2007	110,754	7	882.67	903.83	908.56
Gullett Elementary	2007	121,646	12	653.89	769.33	857.17
Harvey Elementary	2020	120,703	24	-	-	-
Total Elementary				19,848.98	19,931.50	20,190.16
Middle Schools						
Lincoln Memorial Academy	1944	143,028	-	528.12	532.55	476.84
Sugg Middle	1974	157,841	-	763.63	698.84	691.70
Harlee Middle	1974	130,642	3	410.34	453.43	204.22
King Middle (3)	1978	164,199	-	1,123.52	1,093.00	1,081.62
Braden River Middle	1990	164,253	2	983.39	985.84	1,090.88
Johnson K-8	1992	134,285	2	484.80	486.59	551.74
Haile Middle	1995	163,193	2	1,057.37	1,071.54	1,130.78
Lee Middle	2000	145,215	2	1,022.01	972.26	1,075.74
Nolan Middle	2004	140,823	6	1,115.69	1,146.05	1,092.18
Buffalo Creek Middle	2007	161,843	-	1,093.87	1,037.83	993.26
Jain Middle	2020	147,396	-	-	-	-
Total Middle Schools				8,582.74	8,477.93	8,388.96
High Schools						
Bayshore High	1959	27,062	4	1,447.32	1,407.00	1,467.83
Manatee High	1926	357,011	5	2,289.28	2,221.62	2,215.11
Palmetto High	1956	344,355	7	2,017.04	2,047.57	2,165.31
Southeast High	1960	363,753	3	1,369.93	1,534.10	1,606.24
Lakewood Ranch High	1996	351,317	6	2,163.40	2,181.77	2,247.89
Braden River High	2005	298,141	13	1,900.03	1,992.93	2,125.27
Parrish Community High	2020	290,433	-	-	-	-
Total High Schools				11,187.00	11,384.99	11,827.65

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NUMBER OF PERSONNEL
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Full-Time Equivalent Enrollment Data						
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Specialty Schools							
Manasota ARC (Access to Education)	46.94	46.59	47.55	44.52	42.99	43.02	50.53
Horizons Academy	186.01	257.81	351.65	367.08	355.53	427.65	535.52
Manatee Technical Institute (4)	-	-	0.46	0.16	0.10	-	0.07
Total Specialty Schools	232.95	304.40	399.66	411.76	398.62	470.67	586.12
Charter Schools							
Manatee School of Arts and Sciences	155.75	169.04	147.25	138.57	115.00	129.84	106.89
Team Success formerly PAL Academy Charter Mkt	888.11	775.24	902.39	994.27	1,159.68	1,213.24	1,315.15
Manatee School for the Arts	2,034.35	2,079.90	1,974.74	1,819.98	1,848.93	1,901.15	1,930.13
Oasis Middle School	118.69	116.46	115.53	97.61	72.05	44.59	52.40
Imagine Charter School - North Manatee	565.86	571.29	550.24	579.80	613.72	634.60	723.37
Imagine Charter School - Lakewood Ranch	456.00	477.58	456.82	460.42	499.27	505.24	482.06
Manatee Charter School	433.05	410.49	423.70	438.57	489.93	518.59	547.87
Palmto Charter	362.81	362.19	363.84	361.36	362.02	416.52	434.23
Parrish Charter School	-	-	224.64	337.88	490.66	565.68	741.70
William Monroe Rowlett Academy	917.96	499.74	918.10	917.04	918.13	918.15	917.06
William Monroe Rowlett Middle	297.18	917.60	642.57	664.10	663.98	668.14	664.32
State College of Florida College Charter	497.46	512.02	502.90	492.46	488.47	473.33	471.50
Just for Girls Academy, Inc.	-	-	-	-	-	-	-
Lakewood Ranch Preparatory Academy	-	-	-	-	742.04	-	1,210.08
Lincoln Memorial Academy	-	478.14	440.33	-	-	-	-
Visible Men Academy	99.02	98.04	102.01	82.61	72.16	61.57	67.81
Holal Elementary @ MSA	-	-	-	-	-	-	400.90
Total Charter Schools	6,626.24	7,467.73	7,765.06	7,383.77	7,792.00	8,792.88	10,065.57
Other Programs							
Juvenile Detention Center	70.81	88.89	86.73	53.41	52.00	61.96	85.15
Hospital Homebound Instruction	3.39	2.44	2.88	5.38	4.08	2.58	2.30
Easter Seals	37.50	41.42	43.49	31.55	21.65	15.38	17.89
Practical and Cultural Education - PACE	68.67	67.22	73.69	72.19	75.61	71.72	66.11
Just for Girls Academy, Inc.	80.76	79.05	82.13	75.89	46.10	43.06	32.00
Just for Girls, Inc.	39.12	35.02	45.02	41.29	36.31	28.01	31.48
Pinnacle Academy, Inc.	0.45	5.01	1.50	4.00	2.28	1.50	0.69
McKay Scholarships	641.00	665.50	671.50	705.00	693.00	-	-
Palmto Youth Academy	61.09	49.12	28.64	-	-	-	-
Duette Elementary	-	-	-	-	-	-	-
e-TECH Virtual	108.38	88.18	56.82	63.22	-	-	-
Sable	11.91	16.79	19.85	13.42	13.55	16.46	10.72
Family Empowerment Scholarships	-	-	-	313.50	1,307.50	2,354.00	3,363.00
Miscellaneous	122.42	145.39	312.03	138.54	216.46	171.72	225.81
Total Other Programs	1,245.50	1,305.03	1,424.28	1,517.19	2,468.54	2,766.39	3,835.15
Total District	48,454.38	48,852.61	49,436.44	48,825.69	50,679.60	52,050.18	54,630.94

(1) - Original date that the school was placed in service. This date does not reflect additions, renovati
 (2) - Square footage is current including portables
 (3) - Total Replacement of Existing Facilities: Bayshore (2003), Miller (2007), and Daughtrey (2007)
 Middle School (2006), Horizons Academy (2007), and Sugg Middle School (2023)
 N/A - Information Not Applicable

Source: District Records

Fiscal Year	(A) Instructional	(B) Administrative	(C) Support Services	Total	Ratio of	Ratio of
					Students to Instructional Personnel	Instructional Personnel to Administrators
2023-2024	4,050	288	2,689	7,027	13.49	14.06
2022-2023	3,842	269	2,583	6,694	13.55	14.28
2021-2022	3,773	259	2,520	6,552	13.43	14.57
2020-2021	3,734	255	2,575	6,564	13.08	14.64
2019-2020	3,770	372	2,645	6,787	13.11	10.13
2018-2019	3,545	362	2,508	6,415	13.78	9.79
2017-2018	3,534	316	2,419	6,269	13.71	11.18
2016-2017	3,414	313	2,195	5,922	14.14	10.91
2015-2016	3,467	227	2,403	6,097	13.74	15.27
2014-2015	3,193	190	2,198	5,581	14.70	16.81

Note: Full-Time Employees funded out of the General Fund.

- A. Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists
Other Professional Instructional Staff
- B. Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors
Directors, Managers, Coordinators
- C. Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, etc.

Sources: Florida Department of Education

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
TEACHERS BASE SALARIES
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2024**

Fiscal Year	Minimum Salary ^a	Maximum Salary ^a	County Average Salary ^b	Statewide Average Salary ^b
2023-2024	\$ 49,210	\$ 77,181	\$ 53,165	\$ 54,875
2022-2023	48,586	74,697	52,419	53,142
2021-2022	47,500	74,547	50,517	51,599
2020-2021	46,439	74,235	51,102	51,167
2019-2020	40,504	74,235	49,739	49,269
2018-2019	40,399	74,130	48,472	48,486
2017-2018	40,397	74,128	46,919	48,168
2016-2017	38,287	65,187	45,778	47,858
2015-2016	38,285	65,185	47,569	48,179
2014-2015	38,000	64,700	47,387	47,950

^a - 10 Month Teachers with Bachelor's Degree

^b - Averages include all degree levels

Sources: District Records
Florida Department of Education

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Assistance Listing Number	Pass - Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
Clustered				
Child Nutrition Cluster				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	22002	\$ -	\$ 6,394,411
National School Lunch Program	10.555	22001, 22003	-	19,420,102
Supply Chain Assistance (SAC) - National School Lunch Program	10.555	22001, 22003	-	1,134,782
Total National School Lunch Program	10.555	22001, 22003	-	20,549,295
Total Child Nutrition Cluster				26,949,295
Student Financial Assistance Cluster				
United States Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	-	50,562
Federal Work-Study Program	84.033	N/A	-	15,405
Federal Pell Grant Program	84.063	N/A	-	2,011,711
Total Student Financial Assistance Cluster				2,077,679
Special Education Cluster				
United States Department of Education:				
Special Education - Grants to States:				
Florida Department of Education	84.027	262, 263	209,616	13,742,354
Sarasota County District School Board	84.027	None	-	140,786
Putnam County District School Board	84.027	None	-	112,191
Total Special Education - Grants to States			209,616	13,995,331
Special Education - Preschool Grants:				
Florida Department of Education	84.173	267	-	486,767
Total Special Education Cluster			209,616	14,482,098
Not Clustered				
United States Department of Agriculture				
Florida Department of Health:				
Child and Adult Care Food Program	10.558	A 4195	-	1,260,704
Total United States Department of Agriculture				1,260,704
United States Department of Defense				
Army Junior Reserve Officers Training Corps				
	12.UNK	N/A	-	720,704
United States Department of Justice				
Office of Juvenile Justice and Delinquency Prevention:				
Enhancing School Capacity To Address Youth Violence	16.839	15PJDP-22-GK-03892-STOP	-	151,345
United States Department of Labor				
Florida Department of Education:				
National Farmworker Jobs Program	17.264	405	-	271,152
United States Department of Treasury				
State of Florida Department of Economic Opportunity (DEO):				
Florida Job Growth Workforce Training	COVID-19, 21.027	G0103	-	45,016
United States Federal Communications Commission				
Pass through the Universal Service Administrative Company (USAC):				
Emergency Connectivity Program	32.009	N/A	-	189,140
United States Department of Education				
School Safety National Activities				
	84.184	190300	-	697,099
Education Stabilization Fund:				
Higher Education Emergency Relief Fund - Institutional Portion	COVID-19, 84.425F	N/A	-	182,967
American Rescue Plan - Elementary and Secondary Emergency Relief Fund	COVID-19, 84.425U	121	5,404,295	34,672,897
COVID-19, 84.425W	122	-	-	370,966
Florida Department of Education:				
Elementary and Secondary School Emergency Relief Fund	COVID-19, 84.425D	124, 128	1,556,981	3,816,293
Governor's Emergency Education Relief Fund & Elementary and Secondary School Emergency Relief Fund	COVID-19, 84.425C-D	123	-	6,476
Total Educational Stabilization Fund			6,961,276	39,049,599
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	-	712,558
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	1,114,547	14,569,892
Migrant Education - State Grant Program	84.011	217	-	432,577
Career and Technical Education - Basic Grants to States	84.048	161	-	881,711
Education for Homeless Children and Youth	84.196	127	-	194,014
Twenty-First Century Community Learning Centers	84.287	244	-	1,157,072
English Language Acquisition State Grants	84.365	102	-	1,088,165
Supporting Effective Instruction State Grants	84.367	224	34,399	1,664,126
Student Support and Academic Enrichment Program	84.424	241	146,694	1,194,695
Total United States Department of Education			8,258,916	61,641,599
Department of Homeland Security				
Pass through the Florida Division of Emergency Management (FDEM):				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Ian)	97.036	DR-4673Z2966	-	639,828
Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Idalia)	97.036	DR-4734Z4154	-	29,502

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2024

Total Department of Homeland Security	-	669,331
Total Expenditures of Federal Awards	\$ 8,468,532	\$ 108,457,973

The accompanying notes are an integral part of this Schedule.

Notes:

- (1) Basis of Presentation - The Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Manatee County District School Board under programs of the Federal government for the fiscal year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- (2) Summary of Significant Accounting Policies - Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate - The District has not elected to use the 10 percent de minimus cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance: National School Lunch Program - Includes \$1,954,232 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
- (5) Supply Chain Assistance Funds - National School Lunch Program - The District received \$1,134,782 from the Supply Chain Assistance Fund to alleviate supply chain disruptions in the School Meal Programs.
- (6) The District received reimbursement from FEMA for prior year expenses for CFDA 97.036 in the amount of \$669,331.

FLORIDA DEPARTMENT OF EDUCATION
 AFFIDAVIT ON IMPACT FEES

STATE OF FLORIDA

MANTEE COUNTY SCHOOL DISTRICT

To the best of my knowledge, I hereby declare that all impact fees collected and expended by my school district, or on its behalf for fiscal year 2023-24, were in full compliance with the spending period provision in the local ordinance or resolution, and that funds expended from each impact fee account were used only to acquire, construct or improve specific infrastructure needs.

NAME OF AFFIANT Rachel Sellers (please print)

SIGNATURE OF AFFIANT *Rachel Sellers*

TITLE Deputy Superintendent of Business Services (CFO or equivalent)

Sworn to and subscribed before me this 17th day of July, 2024

Danielle Helene Peel
 SIGNATURE OF NOTARY PUBLIC, STATE OF FLORIDA

(Print, Type, or Stamp Commissioned Name of Notary Public)



(Check one)

Affiant personally known to notary

Or

Affiant produced identification

Type of Identification Produced: _____



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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To The Honorable Members of the School Board
School District of Manatee County
Bradenton, Florida

We have audited, in accordance with the 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, the 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 Manatee County, Florida (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2025. Our report includes reference to other auditors who audited the financial statements of the discretely presented component units as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
January 10, 2025



**Report of Independent Auditor on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

To the Honorable Members of the School Board
School District of Manatee County
Bradenton, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the School District of Manatee County, Florida's (the "District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The District's basic financial statements include the operations of discretely presented component units which expended federal awards which are not included in the District's schedule of expenditures of federal awards during the year ended June 30, 2024. Our audit, described below, did not include the operations of the discretely presented component units because each discretely presented component unit engaged other auditors to perform audits in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance").

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Uniform Guidance. Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
January 10, 2025

SCHOOL DISTRICT OF MANATEE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2023

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X none reported

Noncompliance material to financial statements noted?

___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X none reported

Noncompliance material to federal awards?

___ yes X no

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

___ yes X no

Identification of major federal programs:

<u>Federal Assistance Listing No.</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ 3,000,000

Auditee qualified as low-risk auditee?

X yes ___ no

SCHOOL DISTRICT OF MANATEE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2023

Part II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There are no findings required to be reported in accordance with *Government Auditing Standards*.

Part III – Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major programs, as required to be reported by 2 CFR 200.516(a).

There were no findings required to be reported by 2 CFR 200.516(a).

Part IV – Summary schedule of prior audit findings

The District did not have prior audit findings required to be reported under 2 CFR 200.511.



Independent Auditor's Management Letter

To the Honorable Members of the School Board
School District of Manatee County
Bradenton, Florida

Report of the Financial Statements

We have audited the financial statements of the School District of Manatee County, Florida (the "District") as of and for the year ended June 30, 2024, and have issued our report thereon dated January 10, 2025. We did not audit the financial statements of the discretely presented component units, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2024. 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 solely on the report of the other auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.800, Rules of the Auditor General.

Other Reporting Required by *Government Auditing Standards*

We have issued our Report of the Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Report of the Independent Auditor on Compliance for Each Major Federal Program and report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Report of the Independent Accountant on Compliance with Local Government Investment Policies, regarding compliance requirements in accordance with Chapter 10.800, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated January 10, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.804(1)(f)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding annual financial audit report.

Financial Condition and Management

Section 10.804(1)(f)2., Rules of the Auditor General, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.804(1)(f)5.a. and 10.805(7), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.804(1)(f)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Section 10.804(1)(f)6., Rules of the Auditor General, requires that we communicate the results of our determination as to whether the District maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, District School Board members, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Cherry Bekaert LLP

Tampa, Florida
January 10, 2025



**Report of Independent Accountant on Compliance
With Local Government Investment Policies**

To the Honorable Members of the School Board
School District of Manatee County
Bradenton, Florida

We have examined the School District of Manatee County, Florida's (the "District") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended June 30, 2024. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Our examination does not provide a legal determination on the District's compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended June 30, 2024.

The purpose of this report is to comply with the audit requirements of Chapter 10.800, Rules of the Auditor General.

Cherry Bekaert LLP

Tampa, Florida
January 10, 2025

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APPENDIX C

**MASTER TRUST AGREEMENT AND
FORM OF SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT**

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MASTER TRUST AGREEMENT

by and among

**SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION,
as Trustee**

and

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**SCHOOL BOARD OF MANATEE COUNTY, FLORIDA,
as Lessee**

Dated as of June 1, 1996

Securing

Certificates of Participation

(School Board of Manatee 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 Manatee County, Florida**

TABLE OF CONTENTS

	Page
ARTICLE I	
DEFINITIONS AND RULES OF CONSTRUCTION	
SECTION 1.01. DEFINITIONS	3
SECTION 1.02. RULES OF CONSTRUCTION	3
ARTICLE II	
RECITALS AND REPRESENTATIONS	
SECTION 2.01. LEASE AGREEMENT	4
SECTION 2.02. ASSIGNMENT OF LEASE AGREEMENT AND LEASE SCHEDULES	4
SECTION 2.03. REPRESENTATIONS	4
SECTION 2.04. DESCRIPTION AND ESTIMATED COST OF THE PROJECT	4
SECTION 2.05. CONDITIONS PRECEDENT SATISFIED	4
ARTICLE III	
APPOINTMENT OF TRUSTEE; DECLARATION OF TRUST	
SECTION 3.01. APPOINTMENT OF TRUSTEE	5
SECTION 3.02. DECLARATIONS OF TRUST	5
SECTION 3.03. TRUST ESTATE	5
SECTION 3.04. TRUST ESTATE FOR BENEFIT OF CERTIFICATE OWNERS	6
ARTICLE IV	
ISSUANCE OF CERTIFICATES	
SECTION 4.01. AUTHORIZATION OF CERTIFICATES	7
SECTION 4.02. DELIVERY OF CERTIFICATES	9
SECTION 4.03. EXECUTION OF CERTIFICATES	11
SECTION 4.04. AUTHENTICATION OF CERTIFICATES	11
SECTION 4.05. EXCHANGE OF CERTIFICATES	11
ARTICLE V	
ESTABLISHMENT AND ADMINISTRATION OF FUNDS AND ACCOUNTS	
SECTION 5.01. PREPAYMENT	22
SECTION 5.02. SELECTION OF CERTIFICATES TO BE PREPAID	22
SECTION 5.03. NOTICE OF PREPAYMENT	22
SECTION 5.04. DEPOSIT OF PREPAYMENT AMOUNT; EFFECT OF CALLING FOR PREPAYMENT	23
SECTION 5.05. PREPAYMENT OF A PORTION OF CERTIFICATES	24
SECTION 5.06. CANCELLATION	24
ARTICLE VI	
ESTABLISHMENT AND ADMINISTRATION OF FUNDS AND ACCOUNTS	
SECTION 6.01. APPLICATION OF CERTIFICATE PROCEEDS	25
SECTION 6.02. CREATION OF FUNDS AND ACCOUNTS	25
SECTION 6.03. PROJECT ACCOUNT	26
SECTION 6.04. COSTS OF ISSUANCE ACCOUNT	29
SECTION 6.05. CAPITALIZED INTEREST ACCOUNT	30
SECTION 6.06. DISPOSITION OF LEASE PAYMENTS	30
SECTION 6.07. RESERVE ACCOUNT	31
SECTION 6.08. PREPAYMENT FUND	32
SECTION 6.09. NO UNAUTHORIZED TRANSFERS	33
SECTION 6.10. DEPOSIT AND INVESTMENT OF MONEYS IN ACCOUNTS	33
ARTICLE VII	
GENERAL COVENANTS AND REPRESENTATIONS	
SECTION 7.01. BOARD TO PERFORM AGREEMENTS	36
SECTION 7.02. CORPORATION TO PERFORM AGREEMENTS	36
SECTION 7.03. NO OBLIGATION WITH RESPECT TO PERFORMANCE BY TRUSTEE	36
SECTION 7.04. NO LIABILITY TO OWNERS FOR PAYMENT	36
SECTION 7.05. COVENANT NOT TO IMPAIR TAX STATUS OF CERTIFICATES	36
SECTION 7.06. DIRECTORS, MEMBERS, OFFICERS AND EMPLOYEES OF TRUSTEE, CORPORATION AND BOARD EXEMPT FROM PERSONAL LIABILITY	37
SECTION 7.07. CORPORATION OBLIGATIONS FOR PROJECTS	37
ARTICLE VIII	
EVENTS OF DEFAULT AND REMEDIES	
SECTION 8.01. EVENTS OF DEFAULT	38
SECTION 8.02. ACCELERATION OF MATURITIES	38
SECTION 8.03. ENFORCEMENT OF REMEDIES	39
SECTION 8.04. PRO-RATA APPLICATION OF FUNDS	40
SECTION 8.05. EFFECT OF DISCONTINUANCE OF PROCEEDINGS	42
SECTION 8.06. CONTROL OF PROCEEDINGS BY OWNERS	42
SECTION 8.07. RESTRICTIONS UPON ACTIONS BY INDIVIDUAL OWNERS	42
SECTION 8.08. APPOINTMENT OF A RECEIVER	43
SECTION 8.09. ENFORCEMENT OF RIGHTS OF ACTION	43
SECTION 8.10. NO REMEDY EXCLUSIVE	43
SECTION 8.11. WAIVERS	43
SECTION 8.12. NOTICE OF DEFAULT	44
SECTION 8.13. RIGHT TO ENFORCE PAYMENT OF CERTIFICATES UNIMPAIRED	44
SECTION 8.14. CONTROL BY INSURER OR CREDIT BANK	44

SECTION 4.06. NEGOTIABILITY, REGISTRATION AND TRANSFER OF CERTIFICATES	12
SECTION 4.07. OWNERSHIP OF CERTIFICATES	12
SECTION 4.08. MUTILATED, DESTROYED, STOLEN OR LOST CERTIFICATES	13
SECTION 4.09. TEMPORARY CERTIFICATES	13
SECTION 4.10. EVIDENCE OF SIGNATURES OF CERTIFICATE OWNERS AND OWNERSHIP OF CERTIFICATES	14
SECTION 4.11. DEPOSITORY TRUST COMPANY AND BOOK ENTRY OBLIGATIONS	14
SECTION 4.12. COMPLETION CERTIFICATES	15
SECTION 4.13. REFUNDING CERTIFICATES	17
SECTION 4.14. PAYMENTS FROM TRUST ESTATE ONLY; DISTRIBUTION OF TRUST ESTATE	21
ARTICLE V	
PREPAYMENT	
SECTION 5.01. PREPAYMENT	22
SECTION 5.02. SELECTION OF CERTIFICATES TO BE PREPAID	22
SECTION 5.03. NOTICE OF PREPAYMENT	22
SECTION 5.04. DEPOSIT OF PREPAYMENT AMOUNT; EFFECT OF CALLING FOR PREPAYMENT	23
SECTION 5.05. PREPAYMENT OF A PORTION OF CERTIFICATES	24
SECTION 5.06. CANCELLATION	24
ARTICLE VI	
ESTABLISHMENT AND ADMINISTRATION OF FUNDS AND ACCOUNTS	
SECTION 6.01. APPLICATION OF CERTIFICATE PROCEEDS	25
SECTION 6.02. CREATION OF FUNDS AND ACCOUNTS	25
SECTION 6.03. PROJECT ACCOUNT	26
SECTION 6.04. COSTS OF ISSUANCE ACCOUNT	29
SECTION 6.05. CAPITALIZED INTEREST ACCOUNT	30
SECTION 6.06. DISPOSITION OF LEASE PAYMENTS	30
SECTION 6.07. RESERVE ACCOUNT	31
SECTION 6.08. PREPAYMENT FUND	32
SECTION 6.09. NO UNAUTHORIZED TRANSFERS	33
SECTION 6.10. DEPOSIT AND INVESTMENT OF MONEYS IN ACCOUNTS	33

ARTICLE IX	
CONCERNING THE TRUSTEE	
SECTION 9.01. ACCEPTANCE OF DUTIES	46
SECTION 9.02. INDEMNIFICATION OF TRUSTEE AS CONDITION FOR REMEDIAL ACTION	47
SECTION 9.03. LIMITATIONS ON OBLIGATIONS AND RESPONSIBILITIES OF TRUSTEE	48
SECTION 9.04. TRUSTEE NOT LIABLE FOR FAILURE OF CORPORATION OR BOARD TO ACT	48
SECTION 9.05. COMPENSATION AND INDEMNIFICATION OF TRUSTEE	48
SECTION 9.06. MONTHLY STATEMENTS FROM TRUSTEE	48
SECTION 9.07. TRUSTEE MAY RELY ON CERTIFICATES	49
SECTION 9.08. TRUSTEE MAY PAY TAXES AND ASSESSMENTS	49
SECTION 9.09. CERTAIN RIGHTS OF THE TRUSTEE	50
SECTION 9.10. RESIGNATION AND REMOVAL OF TRUSTEE SUBJECT TO APPOINTMENT OF SUCCESSOR	50
SECTION 9.11. RESIGNATION OF TRUSTEE	50
SECTION 9.12. REMOVAL OF TRUSTEE	50
SECTION 9.13. APPOINTMENT OF SUCCESSOR TRUSTEE	51
SECTION 9.14. VESTING OF DUTIES IN SUCCESSOR TRUSTEE	52
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	53
ARTICLE XI	
SUPPLEMENTAL TRUST AGREEMENTS	
SECTION 11.01. SUPPLEMENTAL TRUST AGREEMENTS WITHOUT CONSENT OF OWNERS AND CREDIT ENHANCERS	54
SECTION 11.02. MODIFICATION OF TRUST AGREEMENT WITH CONSENT OF OWNERS AND CREDIT ENHANCERS	55
SECTION 11.03. MODIFICATION OF TRUST AGREEMENT WITH CONSENT OF CREDIT ENHANCERS ONLY	56

SECTION 11.04.	RESPONSIBILITIES OF TRUSTEE, BOARD AND CORPORATION UNDER THIS ARTICLE	57
SECTION 11.05.	CONSENT OF BOARD NOT REQUIRED.	57
SECTION 11.06.	NOTICE OF SUPPLEMENTAL TRUST AGREEMENT.	57

ARTICLE XII

DEFEASANCE

SECTION 12.01.	DEFEASANCE	58
----------------	------------	----

ARTICLE XIII

MISCELLANEOUS PROVISIONS

SECTION 13.01.	EFFECT OF DISSOLUTION OF CORPORATION.	61
SECTION 13.02.	NOTICES.	61
SECTION 13.03.	CAPITAL APPRECIATION CERTIFICATES.	62
SECTION 13.04.	SUBSTITUTE MAILING.	62
SECTION 13.05.	PARTIES AND OWNERS ALONE HAVE RIGHTS UNDER TRUST AGREEMENT.	62
SECTION 13.06.	EFFECT OF PARTIAL INVALIDITY.	62
SECTION 13.07.	NO RECOURSE AGAINST MEMBERS, OFFICERS OR EMPLOYEES OF CORPORATION OR THE BOARD.	63
SECTION 13.08.	EXPENSES PAYABLE UNDER TRUST AGREEMENT.	63
SECTION 13.09.	DEALING IN CERTIFICATES.	63
SECTION 13.10.	MULTIPLE COUNTERPARTS.	63
SECTION 13.11.	HEADINGS.	63
SECTION 13.12.	LAWS.	64

EXHIBIT A	DEFINITIONS	A-1
EXHIBIT B	FORM OF CERTIFICATE OF PARTICIPATION	B-1
EXHIBIT C	FORM OF REQUEST AND AUTHORIZATION	C-1

WHEREAS, the Board and the Corporation will enter into a Ground Lease, dated as of May 1, 1996 (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 June 1, 1996, 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 (other than any Completion Certificates for such Series) 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:

MASTER TRUST AGREEMENT

THIS MASTER TRUST AGREEMENT, is made and entered into as of June 1, 1996, by and among SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION, a national banking association with corporate trust powers qualified to accept trusts of the type herein set forth (the "Trustee"), MANATEE 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 MANATEE 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 Manatee County School District (the "District").

WITNESSETH:

WHEREAS, the Board deems it in the best interests 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 June 1, 1996 (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 June 1, 1996, between the Corporation and the Trustee; and

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.

(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 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;

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 Manatee 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 Manatee 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, if deemed appropriate, 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 may otherwise be 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 (whether or not a business 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 of a Series, interest shall be paid by wire transfer on the interest Payment Date to a domestic bank account designated in writing to the Trustee by said Owner at least five days prior to the Record Date 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.

8

(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 Agreement, (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 general principles of equity or public policy;

(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 general principles of equity or public policy;

(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

10

(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 ANY RATING AGENCY THEN RATING ANY OUTSTANDING CERTIFICATES.

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 of Ground Lease Agreement related thereto;

9

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 general principles of equity or public policy, and (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

(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.

(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 and as to the Purchasers and purchase price of the Certificates. 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

11

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

12

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.

14

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.

13

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;

15

(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, the Assignment of Lease Agreement and the Assignment of Ground 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 general principles of equity or public policy;

(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 general principles of equity or public policy;

(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

16

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 a revised Lease Agreement setting forth the new Basic Rent Payment Schedule to be in effect subsequent to such refunding, any necessary revisions to any applicable Ground Lease, Lease Schedule or Schedules relating to the Certificates to be refunded to take into account the Refunding Certificates, the Assignment of Lease Agreement, any applicable Assignment of Ground Lease Agreement, 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 revised Lease Agreement, any applicable Ground Lease, 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 revised Lease Agreement and revised 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

18

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 general principles of equity or public policy, (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 gross income of the Interest Component of all other Outstanding Certificates, to the extent then included;

(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; and

(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 any rating agency then rating such Series of Certificates shall not be downgraded at the time of issuance of the Completion Certificates.

(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 and as to the Purchasers and the purchase price of the Completion Certificates. 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

17

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 general principles of equity or public policy;

(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 general principles of equity or public policy;

(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

19

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 general principles of equity or public policy, (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 (xii), 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 shall be entitled to rely upon the resolutions described in paragraphs (i) and (ii) of Section 4.13(b) hereof as to all matters stated therein and as to the Purchasers and the purchase price of the Refunding Certificates. The Trustee and the Credit Enhancer shall be entitled to rely upon the opinions described in paragraphs (viii), (ix), (x), (xi) and (xii) 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 or Interest 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

20

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, and (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.

(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

22

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 not with any Certificate of any other Series issued pursuant to this Trust Agreement and Outstanding other than Completion Certificates relating to such Series, 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.

21

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 for which proper notice was given.

(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 and a copy of such notice of Prepayment shall be sent, by certified mail, on the date the notice of Prepayment is mailed pursuant to Section 5.03 hereof to 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

23

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.

24

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 a designated account of the Board 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 receipt of 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 conclusively 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

26

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 Manatee 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 Manatee 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 Manatee County, Florida Master Lease Prepayment Fund."
- (iv) The "School Board of Manatee 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.

25

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 be 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.

27

(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 selected by the Board 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.

28

(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 (if one has been provided for) or the Lease Payment Account related to such 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 be 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.

30

(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.

29

(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.

31

(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

32

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

34

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. To the extent available, transfers to the Interest Account of interest and income from investments shall be made by the Trustee prior to the date the Trustee provides its report pursuant to Section 6.11 hereof 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

33

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.

35

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 Agreement 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 applicable 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.

36

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 Enhancer 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

38

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(ii) 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).

37

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 Credit Enhancer for such Certificates (if such Credit Enhancer is not in payment default under its Credit Facility) or (ii) the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding and the Credit Enhancer for such Certificates (if such Credit Enhancer is not in payment default under its Credit Facility), 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

39

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 Disposition 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;

40

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

42

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 Enhancer 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 Enhancer 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)(i) 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,

41

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 conferred upon or to the Owners is intended to be a waiver of 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.

43

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

44

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.

45

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 and 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

46

(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 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.

47

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 and any Credit Enhancer(s) 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 depository other than a Trustee as depository, 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 negligent omission of any depository other than a Trustee depository 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 Trust Agreement. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents and to the Trustee acting as Paying Agent or Certificate Registrar.

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 or cause the Board to 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:

48

- (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 Rebutable 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 conclusively 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

49

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.

50

(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.

51

(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.

52

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

54

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.

53

(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 without the consent of 100% of the Owners of the aggregate principal amount of Certificates then Outstanding. 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,

55

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, Moody's and Fitch 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

56

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 selected by the Board 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

58

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 or adverse to the interests of the Trustee. 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 S&P, Moody's and Fitch at least 5 days prior to the effective date of such Supplemental Trust Agreement.

57

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.

59

(h) Amounts paid by a Credit Enhancer under a Credit Facility shall not be deemed paid for purposes of this Section 12.01 and shall remain Outstanding and continue to 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 Manatee County, Florida
215 Manatee Avenue West
Bradenton, Florida 34205
Attention: Superintendent and Director of Finance and Budget

If to the Corporation: Manatee School Board Leasing Corporation
c/o School Board of Manatee County, Florida
215 Manatee Avenue West
Bradenton, Florida 34205
Attention: Superintendent and Director of Finance and Budget

If to the Trustee: SouthTrust Bank of Florida, National Association
3511 West Commercial Boulevard, Suite 214
Fort Lauderdale, Florida 33309
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.

60

(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

62

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.

63

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.

**SOUTHTRUST BANK OF FLORIDA,
NATIONAL ASSOCIATION, as Trustee**

(SEAL)

By: [Signature]
Authorized Signatory

ATTEST:

[Signature]
Authorized Signatory

**MANATEE SCHOOL BOARD LEASING
CORPORATION, as Lessor**

(SEAL)

By: [Signature]
President

ATTEST:

[Signature]
Secretary

**SCHOOL BOARD OF MANATEE COUNTY,
FLORIDA, as Lessee**

(SEAL)

By: [Signature]
Chairman

ATTEST:

[Signature]
Superintendent/Secretary

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 230, 235 and 236, 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 June 1, 1996, by and between the Corporation and the Trustee, as now or hereafter amended.

"Assignment(s) of Ground Lease Agreement" means the Assignment of Ground Lease Agreement, dated as of June 1, 1996, from the Corporation to the Trustee, as now or hereafter amended and any other Assignment of Ground Lease Agreement thereafter delivered by the Corporation to the Trustee pursuant to the terms of a Ground Lease executed and delivered in connection with a Lease-Schedule.

"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 purpose 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, 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, however, that with respect to Lease Schedule No. 1996 the Basic Rent Payment Dates shall occur on each December 15 and June 15, commencing December 15, 1996; and provided further, 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 Manatee 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 Manatee 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 or any Reserve Account for a Series, a letter of credit, a line of credit or another credit or liquidity enhancement facility (including 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 Manatee 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

A-4

"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 or leased to the Corporation on the Commencement Date.

"Lease Agreement" means the Master Lease-Purchase Agreement, dated as of June 1, 1996, 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.

A-6

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.

"Fitch" means Fitch Investors Service, L.P., or any successor thereto.

"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.

"Ground Leases" means, the Ground Lease Agreement, dated June 1, 1996, 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.

A-5

"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

A-7

- (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,

A-8

(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 (Consolidated debt obligations).
- (ii) Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"): Participation Certificates (mortgage-backed securities); 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 AA-Am-G, AAA-m or AA-m and if rated by Moody's Investors Service Inc. ("Moody's") rated Aaa, Aa1 or Aa2.

(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 and "Prime-1" by Moody's. 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 and "A-1+" or better by S&P.

A-10

restrictions, oil, gas or other mineral reservations and other minor defects, encumbrances and irregularities in the title to any property which do not, in the opinion of the Board, 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 United States of America.

(2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and 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.

A-9

(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 above by S&P and Moody's.

(b) The written Repo contract must include the following:

(i) Securities which are acceptable for transfer are:

(a) Direct U.S. governments.

(b) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA and 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.

A-11

(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, direct U.S. or U.S. guaranteed obligations 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 Redemption Fund, and separate subaccounts, if any, established in the

A-12

"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 Fort Lauderdale, 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

A-14

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.

A-13

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).

A-15

"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 Ratings Services" means Standard & Poor's Ratings Services, or any successor thereto.

A-16

"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 SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, 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.

A-18

"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 includible 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 June 1, 1996, between the Corporation and the Trustee, as now and hereafter amended, modified or supplemented by Supplemental Trust Agreements.

A-17

EXHIBIT B

(FORM OF CERTIFICATE OF PARTICIPATION)

Certificates of Participation
(School Board of Manatee 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 Manatee 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 June 1, 1996 (the "Lease Agreement"), between the Manatee School Board Leasing Corporation, a single-purpose Florida not-for profit educational corporation, as lessor (the "Corporation") and the School Board of Manatee County, Florida, a school board of the State of Florida and the governing body of the School District of Manatee County, Florida, as lessee (the "Board"). Pursuant to a Ground Lease Agreement dated as of June 1, 1996 (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 SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee") under the Master Trust Agreement, dated as of June 1, 1996 (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 June 1, 1996, between the Corporation and the Trustee.

B-1

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 is located in Fort Lauderdale, 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 (whether or not a business day) 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 domestic bank account designated in writing to the Trustee by the Registered Owner at least five days prior to the Record Date for 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 certain 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 and Refunding 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

B-2

CERTIFICATE OF AUTHENTICATION

This Certificate is one of the Certificates designated as Certificates of Participation (School Board of Manatee 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 Manatee County, Florida described in the within-mentioned Trust Agreement.

Date of Authentication:

**SOUTHTRUST BANK OF FLORIDA,
NATIONAL ASSOCIATION**, not in its individual capacity but solely as Trustee, under the Master Trust Agreement, dated as of June 1, 1996.

(SEAL)

By: _____
Authorized Signatory

B-4

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 PRINCIPAL AMOUNT AND CERTIFICATE INTEREST PAYMENTS ARE PAYABLE SOLELY FROM THE BOARD'S AVAILABLE REVENUES SPECIFICALLY BUDGETED FOR SUCH PURPOSE. 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.

**SOUTHTRUST BANK OF FLORIDA,
NATIONAL ASSOCIATION**, not in its individual capacity but solely as Trustee, under the Master Trust Agreement, dated as of June 1, 1996.

(SEAL)

By: _____
Authorized Signatory

B-3

(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

B-5

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 than 60 days or fewer than 30 days prior to said date of redemption, to the Registered Owner of any Certificate to be redeemed. 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 for which proper notice has been given.

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.

B-6

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 Certificate 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.

B-7

EXHIBIT C

(FORM OF REQUEST AND AUTHORIZATION)

1. The undersigned, being the duly qualified and acting _____ of Manatee School Board Leasing Corporation, a single-purpose Florida not-for-profit corporation (the "Corporation"), hereby authorizes and requests SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, as Trustee under that certain Trust Agreement, dated as of June 1, 1996 (the "Trust Agreement"), among it, the Corporation and the School Board of Manatee County, Florida to deliver the _____ aggregate principal amount of Certificates of Participation (School Board of Manatee 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 Manatee County, Florida (the "Series _____ Certificates"), dated as of June 1, 1996, in the respective maturities and at the respective interest rates set forth in Schedule A hereto, as authorized by the Trust 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"	\$ _____

C-1

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 _____.
- (d) "Prepayment Amount" shall mean _____.

4. The redemption provisions relating to the Series _____ Certificates shall be as provided in Schedule A attached hereto.

DATED: _____ **MANATEE SCHOOL BOARD LEASING CORPORATION**

By: _____
Title:

SCHOOL BOARD OF MANATEE COUNTY, FLORIDA

By: _____
Title:

ACCEPTED:

SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION, as Trustee

By: _____
Title:

C-2

SCHEDULE A

TERMS OF SERIES _____ CERTIFICATES

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C-3

SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT

by and among

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as successor Trustee**

and

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA,
as Lessee**

Dated as of March 1, 2025

Relating to
Certificates of Participation
(The School Board of Manatee County, Florida
Master Lease Program), Series 2025A
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 Manatee County, Florida

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	
SECTION 101. DEFINITIONS	3
ARTICLE II THE SERIES 2025A CERTIFICATES	
SECTION 201. AUTHORIZATION OF SERIES 2025A CERTIFICATES	11
SECTION 202. ISSUANCE OF SERIES 2025A CERTIFICATES	12
SECTION 203. THE SERIES 2025A PROJECT	12
SECTION 204. LETTER OF INSTRUCTIONS	12
SECTION 205. FULL BOOK-ENTRY	12
ARTICLE III APPLICATION OF SERIES 2025A CERTIFICATE PROCEEDS	
SECTION 301. APPLICATION OF SERIES 2025A CERTIFICATE PROCEEDS	14
ARTICLE IV ESTABLISHMENT OF SERIES 2025A PLEDGED ACCOUNTS	
SECTION 401. ESTABLISHMENT OF SERIES 2025A PLEDGED ACCOUNTS	15
SECTION 402. SECURITY FOR SERIES 2025A CERTIFICATES	15
SECTION 403. CREDIT ENHANCEMENT	16
SECTION 404. AMENDMENT OF MASTER TRUST AGREEMENT	16
ARTICLE V PREPAYMENT OF SERIES 2025A CERTIFICATES	
SECTION 501. PREPAYMENT OF SERIES 2025A CERTIFICATES	17
ARTICLE VI PROVISIONS RELATING TO SERIES 2025A CERTIFICATES	
SECTION 601. PROVISIONS REGARDING MUNICIPAL BOND INSURANCE POLICY; ADDITIONAL OBLIGATIONS OF THE BOARD	18
ARTICLE VII MISCELLANEOUS	
SECTION 701. PROVISIONS OF MASTER TRUST AGREEMENT NOT OTHERWISE MODIFIED	26
SECTION 702. THIRD PARTY BENEFICIARIES	26

SECTION 703. CONFIRMATION OF SECURITY TRANSACTIONS	26
SECTION 704. PATRIOT ACT OF REQUIREMENTS OF TRUSTEE	26
SECTION 705. COUNTERPARTS	26
SECTION 706. HEADINGS	27
SECTION 707. LAWS	27
SCHEDULE 1. LETTER OF INSTRUCTIONS	S-1

SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT

THIS SERIES 2025A SUPPLEMENTAL TRUST AGREEMENT, dated as of March 1, 2025 (the "Series 2025A Supplemental Trust Agreement"), amending and supplementing the Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented (the "Master Trust Agreement," and together with the Series 2025A Supplemental Trust Agreement, the "Trust Agreement"), by and among **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement, as successor trustee (the "Trustee"), the **MANATEE 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 MANATEE COUNTY, FLORIDA**, acting as the governing body of the School District of Manatee County, Florida (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 June 1, 1996, 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 (each a "Lease Schedule"), direct the Corporation to acquire, construct and lease-purchase to the Board the items of property described in the applicable 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 Master 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 Master Trust Agreement) 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 (as defined in the Master Trust Agreement) from the Corporation and the terms of this Series 2025A Supplemental Trust Agreement; 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 Master 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 June 1, 1996, as amended and supplemented (the "Assignment of Lease Agreement"), between the Corporation and the Trustee; and

WHEREAS, each Series of Certificates (other than Completion Certificates and partial Refunding Certificates) shall be secured independently from each other Series of Certificates; and

WHEREAS, simultaneously herewith, the Board and the Corporation shall enter into Lease Schedule No. 2025A, dated as of the date hereof, for the lease-purchase of various educational facilities more particularly described in said Lease Schedule No. 2025A; and

WHEREAS, the Trustee has received a Request and Authorization from the Corporation relating to the issuance of \$[PAR AMOUNT] aggregate principal amount of "Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida" (the "Series 2025A Certificates"); and

WHEREAS, the Series 2025A Certificates shall be secured in the manner provided in the Trust Agreement and shall have the terms and provisions contained in this Series 2025A Supplemental Trust Agreement; and

WHEREAS, all things necessary to make the Series 2025A 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 2025A Supplemental Trust Agreement, and the creation, execution and issuance of the Series 2025A Certificates subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SERIES 2025A 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 2025A Supplemental Trust Agreement, the following capitalized words and terms as used in this Series 2025A Supplemental Trust Agreement shall have the following meanings unless the context or use indicates another or different meaning or intent:

"AG" or "Insurer" or "Credit Enhancer" means Assured Guaranty Inc., a Maryland corporation, as the issuer of the Municipal Bond Insurance Policy, or any successor thereto or assignee thereof.

"Assignment of Ground Lease" means the Assignment of Ground Lease, dated as of March 1, 2025, from the Corporation to the Trustee.

"Fourteenth Amendment to Assignment of Lease Agreement" means the Fourteenth Amendment to Assignment of Lease Agreement, dated as of March 1, 2025, from the Corporation to the Trustee.

"Ground Lease" means the Ground Lease Agreement, dated as of March 1, 2025, between the Board and the Corporation.

"Insured Series 2025A Certificates" means the Series 2025A Certificates maturing on July 1 in the years 20__ through 20__, inclusive.

"Lease Schedule No. 2025A" means Lease Schedule No. 2025A relating to the Series 2025A Project, dated as of March 1, 2025, which shall be part of the Lease Agreement.

"Municipal Bond Insurance Policy" or "Policy" means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal and interest on the [Insured] Series 2025A Certificates when due. The Municipal Bond Insurance Policy shall be deemed to be a Credit Facility for purposes of the Trust Agreement.

"Payment Date" shall mean January 1 and July 1 of each year, commencing January 1, 2026.

"Permitted Investments" means:

1. (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment

3

- Resolution Funding Corporation (REFCORP)
Debt obligations
- 4. Unsecured certificates of deposit, time deposits and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P.
- 5. Deposits, the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million.
- 6. Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's.
- 7. Money market funds rated "AAm" or "AAm-G" by S&P, or better.
- 8. "State Obligations," which means:
 - A. Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
 - B. Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated "A-1+" by S&P and "MIG-1" by Moody's.
 - C. Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated "AA" or better by S&P and "Aa" or better by Moody's.
- 9. Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:
 - A. the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;
 - B. the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

5

of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

- 2. Federal Housing Administration debentures.
- 3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:
 - Federal Home Loan Mortgage Corporation (FHLMC)
Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
Senior Debt obligations
 - Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives)
Consolidated system-wide bonds and notes
 - Federal Home Loan Banks (FHL Banks)
Consolidated debt obligations
 - Federal National Mortgage Association (FNMA)
Senior debt obligations
Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
 - Student Loan Marketing Association (SLMA)
Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)
 - Financial Corporation (FICO)
Debt obligations

4

- C. the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");
- D. the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- E. no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and
- F. the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.
- 10. Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long-term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Insurer, provided that:
 - A. The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);
 - B. The Trustee or a third party acting solely as agent therefor or for the Board (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);
 - C. The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
 - D. All other requirements of S&P in respect of repurchase agreements shall be met; and

6

E. The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Board or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "A" by S&P and "A" by Moody's; provided that, by the terms of the investment agreement:

A. interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

B. the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Board and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

C. the investment agreement shall state that it is the unconditional and general obligation of, and is not subordinated to any other obligation or, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks *pari passu* with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

D. the Board or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Board, the Trustee and the Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;

7

12. Nonnegotiable Certificates of Deposit with a qualified public depository in accordance with Chapter 280, Florida Statutes.

13. Such other obligations as shall be permitted to be legal investments of the Board by the laws of the State.

14. Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, as amended.

15. Units of participation in intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Florida Statutes, Chapter 163, Section 01.

16. Other forms of investments approved in writing by a majority of the Owners of the Series 2025A Certificates.

For purposes of the foregoing, compliance with any minimum rating requirement shall be determined at the time the investment is made; and the Trustee shall have no duty to monitor rating levels of investments on an ongoing basis.

"**Refunding Securities**" means, except as otherwise provided herein with respect to the Series 2025A Certificates, the investments set forth in paragraphs 1 and 9 of the definition of Permitted Investments.

"**Related Documents**" means the Trust Agreement, the Lease Agreement, Lease Schedule No. 2025A, the Ground Lease, the Fourteenth Amendment to Assignment of Lease Agreement and the Assignment of Ground Lease, as all such documents are supplemented and amended.

"**Reserve Requirement**" means, with respect to the Series 2025A Certificates, zero dollars (\$0.00).

"**Series 2025A Account of the Prepayment Fund**" means the account established in the Prepayment Fund established pursuant to Section 6.02 of the Master Trust Agreement and Section 401 hereof.

"**Series 2025A Certificates**" means the \$[PAR AMOUNT] aggregate principal amount of Certificates of Participation authorized to be issued under Section 4.01 of the Master Trust Agreement and Section 201 hereof.

"**Series 2025A Pledged Accounts**" means the Series 2025A Subaccount of the Project Account, the Series 2025A Subaccount of the Costs of Issuance Account, the Series 2025A Subaccount of the Principal Account, the Series 2025A Subaccount of the Interest Account and the Series 2025A Account of the Prepayment Fund.

9

E. the investment agreement shall provide that if during its term:

(1) the provider's rating by either S&P or Moody's falls below "A" or "A2," respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Board, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(2) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3," respectively, the provider must, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Board or Trustee;

F. The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

G. the investment agreement must provide that if during its term:

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Board), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate, and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate.

8

"**Series 2025A Project**" means the property and improvements described as the "Series 2025A Project" in Lease Schedule No. 2025A, as the same may be amended or modified from time to time.

"**Series 2025A Subaccount of the Costs of Issuance Account**" means the subaccount established in the Costs of Issuance Account pursuant to Sections 6.02 and 6.04 of the Master Trust Agreement and Section 401 hereof.

"**Series 2025A Subaccount of the Interest Account**" means the subaccount established in the Interest Account pursuant to Sections 6.02 and 6.06 of the Master Trust Agreement and Section 401 hereof.

"**Series 2025A Subaccount of the Principal Account**" means the subaccount established in the principal account pursuant to Sections 6.02 and 6.06 of the Master Trust Agreement and Section 401 hereof.

"**Series 2025A Subaccount of the Project Account**" means the subaccount established in the Project Account pursuant to Section 6.02 and 6.03 of the Master Trust Agreement and Section 401 hereof.

"**Series 2025A Supplemental Trust Agreement**" means this instrument, as may be amended and supplemented.

"**Trustee**" means U.S. Bank Trust Company, National Association and any successor thereto.

**ARTICLE II
THE SERIES 2025A CERTIFICATES**

SECTION 201. AUTHORIZATION OF SERIES 2025A CERTIFICATES.

(a) There is hereby created a Series of Certificates to be issued under the Trust Agreement to be known as "Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida." The aggregate principal amount of Series 2025A Certificates which may be issued is hereby expressly limited to \$[PAR AMOUNT]; provided, however, Completion Certificates may be issued in the manner provided in Section 4.12 of the Master Trust Agreement. The Series 2025A Certificates shall be issued for the purposes of (a) financing (including through reimbursement) the acquisition, construction and installation of the Series 2025A Project to be leased to the Board, and (b) paying Costs of Issuance of the Series 2025A Certificates. The Series 2025A 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 2025A Certificates shall be lettered and numbered R-1 and upward.

(b) Except as otherwise provided in the Trust Agreement, the Series 2025A Certificates shall be dated as of their date of delivery. Interest on the Series 2025A Certificates shall be payable on each Payment Date, commencing January 1, 2026. The Series 2025A Certificates shall be payable in the manner provided in the Trust Agreement.

(c) The Series 2025A 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:

Maturity (July 1)	Principal Amount	Interest Rate
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Corporation and the Trustee shall treat and consider the Person in whose name each Series 2025A Certificate is registered in the registration books kept by the Trustee as the Holder and absolute owner of such Series 2025A Certificate for the purpose of payment of principal of, premium, if any, and interest with respect to such Series 2025A Certificate, for providing notices with respect to such Series 2025A Certificate, for the purpose of registering transfers with respect to such Series 2025A 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 2025A 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 2025A 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 2025A 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 2025A 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 2025A 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 2025A 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 2025A 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 previously executed by the Board and delivered to DTC shall apply to the payment of principal of and interest on the Series 2025A Certificates.

(d) All of the Series 2025A Certificates shall be Serial Certificates. The Series 2025A Certificates shall be substantially in the form set forth in Exhibit B to the Master Trust Agreement.

SECTION 202. ISSUANCE OF SERIES 2025A CERTIFICATES. The Series 2025A Certificates shall be issued upon delivery to the Trustee of the documents referred to in Section 4.02(a) of the Master Trust Agreement and the payment of the purchase price therefor.

SECTION 203. THE SERIES 2025A PROJECT. The Series 2025A Project shall be acquired, constructed and installed as provided in the Trust Agreement, the Lease Agreement and Lease Schedule No. 2025A.

SECTION 204. LETTER OF INSTRUCTIONS. Attached hereto as Schedule 1 is the Letter of Instructions relating to the Series 2025A Certificates as required by Section 6.12 of the Master Trust Agreement. The Trustee, the Corporation and the Board agree to abide by the applicable 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 Master Trust Agreement, and pursuant to Section 4.11 of the Master Trust Agreement, the Series 2025A Certificates shall be initially issued in the form of a separate single certificated fully registered Series 2025A Certificate for each of the maturities of the Series 2025A Certificates. Except as described in this Section 205, upon initial issuance, the ownership of each such Series 2025A 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"). As long as the Series 2025A Certificates shall be registered in the name of Cede & Co., all payments of principal and interest on the Series 2025A Certificates shall be made by the Trustee by check or draft or by wire transfer to Cede & Co., as Holder of the Series 2025A Certificates.

With respect to Series 2025A 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 in the Series 2025A 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 2025A 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 2025A Certificates. The Board, the

**ARTICLE III
APPLICATION OF SERIES 2025A CERTIFICATE PROCEEDS**

SECTION 301. APPLICATION OF SERIES 2025A CERTIFICATE PROCEEDS. The proceeds of the Series 2025A Certificates (net of the underwriting discount of \$ _____ and the Municipal Bond Insurance Policy premium of \$ _____) shall be applied by the Trustee as follows:

- (1) Deposit to the credit of the Series 2025A Subaccount of the Costs of Issuance Account an amount equal to the Costs of Issuance of the Series 2025A Certificates (\$ _____);
- (2) Deposit to the credit of the Series 2025A Subaccount of the Project Account the balance of the proceeds from the sale of the Series 2025A Certificates (\$ _____).

All moneys on deposit in the Subaccounts described in this Section 301 shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement.

**ARTICLE IV
ESTABLISHMENT OF SERIES 2025A PLEDGED ACCOUNTS**

SECTION 401. ESTABLISHMENT OF SERIES 2025A PLEDGED ACCOUNTS. In accordance with Section 6.02(b) of the Master Trust Agreement, there is hereby established with the Trustee, solely for the benefit of the Owners of the Series 2025A Certificates, the following accounts and subaccounts:

- (a) The "School Board of Manatee County, Florida Master Lease Series 2025A Subaccount of the Project Account."
- (b) The "School Board of Manatee County, Florida Master Lease Series 2025A Subaccount of the Costs of Issuance Account."
- (c) The "School Board of Manatee County, Florida Master Lease Series 2025A Subaccount of the Interest Account."
- (d) The "School Board of Manatee County, Florida Master Lease Series 2025A Subaccount of the Principal Account."
- (e) The "School Board of Manatee County, Florida Master Lease Series 2025A 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 2025A Pledged Accounts shall be invested solely in Permitted Investments.

SECTION 402. SECURITY FOR SERIES 2025A CERTIFICATES. (a) The Series 2025A 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 which is derived from the sale, re-letting or other disposition of the Series 2025A Project and, subject only to the provisions of the Trust Agreement permitting the application thereof for the other purposes set forth therein, any cash, securities and investments in the Series 2025A Pledged Accounts shall be utilized solely for the benefit of the Owners of the Series 2025A Certificates. The Owners of the Series 2025A 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 Series 2025A Project, or any cash, securities and investments in the Pledged Accounts, other than the Series 2025A Pledged Accounts in the manner and to the extent provided in the Trust Agreement.

- (b) The Board has advised the Trustee that the Rye Ranch Elementary School component of the Series 2025A Project (the "Restricted Use Property") contains deed or other use restrictions requiring that such Restricted Use Property not be used for heavy

15

**ARTICLE V
PREPAYMENT OF SERIES 2025A CERTIFICATES**

SECTION 501. PREPAYMENT OF SERIES 2025A CERTIFICATES. (a) The Series 2025A Certificates are subject to prepayment only as provided in this Section. The Series 2025A Certificates are not subject to extraordinary prepayment prior to maturity pursuant to Section 6.03(g) of the Master Trust Agreement or Section 5.08(c) of the Lease Agreement.

- (b) The Series 2025A Certificates maturing on or before July 1, 20__ are not subject to prepayment at the option of the Board. The Series 2025A Certificates maturing on and after July 1, 20__ may be prepaid, from prepayments of Basic Rent made by the Board pursuant to the Lease Agreement, in whole or in part on July 1, 20__ or any date thereafter, and if in part, in such order of maturities as may be designated by the Board or if not so designated, in the inverse order of maturities, and by lot within a maturity in such manner as may be designated by the Trustee, at a Prepayment Price equal to the principal portion of Series 2025A Certificates to be prepaid, plus accrued interest to the prepayment date.

(c) Notwithstanding the provisions of Section 5.04(a) of the Master Trust Agreement, notice of any prepayment of Series 2025A Certificates shall either (i) explicitly state that the proposed prepayment is conditioned on there being on deposit in the applicable fund or account on the prepayment date sufficient funds to pay the full Prepayment Price of the Series 2025A Certificates to be prepaid, or (ii) be sent only if sufficient funds or Refunding Securities to pay the full Prepayment Price of the Series 2025A Certificates to be prepaid is on deposit in the applicable fund or account. 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 2025A Certificates shall be called for prepayment upon the notice and in the manner provided in Article V of the Master Trust Agreement.

17

industrial, x-rated or pornographic adult entertainment facilities (collectively, the "Prohibited Uses"). Any use of the Restricted Use Property for Prohibited Uses may trigger legal action by the grantors of the Restricted Use Property to enforce the use restrictions applicable thereto. Upon the occurrence of an Event of Non-Appropriation pursuant to Section 7.01(a) of the Lease Agreement or any Event of Default resulting in the termination of the Series 2025A Lease and the return of possession of the Series 2025A Project to the Corporation or its assignee, pursuant to Section 7.01(b) of the Lease Agreement, the Trustee hereby covenants that, at all times, (i) the Restricted Use Property shall not be used for any Prohibited Uses, and (ii) it will undertake no activities that would trigger legal action by the grantors of such Restricted Use Property to enforce such restrictions.

SECTION 403. CREDIT ENHANCEMENT. [The [Insured] Series 2025A Certificates shall be further secured by the Municipal Bond Insurance Policy issued by AG, which shall be the Credit Enhancer and Insurer for the Series 2025A Certificates. AG shall have all the rights provided for such Credit Enhancer under the terms of the Trust Agreement and under the terms hereof and the Related Documents.]

SECTION 404. AMENDMENT OF MASTER TRUST AGREEMENT. Pursuant to the authority set forth in Section 11.01(i) of the Master Trust Agreement, the provisions of Sections 6.03(d)(i) and (ii) shall not apply to the Series 2025A Certificates in connection with any disbursement from the Series 2025A Subaccount of the Project Account.

16

**ARTICLE VI
PROVISIONS RELATING TO SERIES 2025A CERTIFICATES**

SECTION 601. PROVISIONS REGARDING MUNICIPAL BOND INSURANCE POLICY; ADDITIONAL OBLIGATIONS OF THE BOARD. The following provisions relating to the [Insured] Series 2025A Certificates shall apply so long as AG's Municipal Bond Insurance Policy is in full force and effect or any amounts are payable to AG:

- (a) AG shall be deemed to be the sole holder of the [Insured] Series 2025A Certificates for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the [Insured] Series 2025A Certificates are entitled to take pursuant to Article VIII (pertaining to defaults and remedies) and Article IX (pertaining to the Trustee) of the Trust Agreement. In furtherance thereof each Owner of the [Insured] Series 2025A Certificates appoints AG as its agent and attorney-in-fact with respect to the [Insured] Series 2025A Certificates and agrees that AG, to the extent it is not in default of its payment obligations under the Policy, may at any time during the continuation of any proceeding by or against the Board under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of the [Insured] Series 2025A Certificates delegates and assigns to AG, to the fullest extent permitted by law, the rights of each Owner of the [Insured] Series 2025A Certificates in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of the [Insured] Series 2025A Certificates for AG's benefit and agrees to cooperate with AG in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the [Insured] Series 2025A Certificates shall expressly include mandamus.

- (b) Upon the occurrence of an optional prepayment in part, the selection of the [Insured] Series 2025A Certificates to be prepaid shall be subject to the approval of AG. The exercise of any provision of the Trust Agreement which permits the purchase of the [Insured] Series 2025A Certificates in lieu of prepayment shall require the approval of AG if any [Insured] Series 2025A Certificate so purchased is not canceled upon purchase.

- (c) Any amendment, supplement, modification to, or waiver of a Related Document that requires the consent of the Owners of the [Insured] Series 2025A

18

Certificates or adversely affects the rights and interests of AG shall be subject to the prior written consent of AG.

(d) The rights granted under the Related Documents to AG to request, consent to or direct any action are rights granted to AG in consideration of its issuance of the Municipal Bond Insurance Policy. Any exercise by AG of such rights is merely an exercise of AG's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Certificate Owners nor does such action evidence any position of AG, affirmative or negative, as to whether Certificate Owner consent is required in addition to consent of AG.

(e) For purposes of Section 12.01 of the Trust Agreement, "Refunding Securities", as it relates to defeasance of the [Insured] Series 2025A Certificates, shall mean (i) cash, (ii) non-callable direct obligations of the United States ("Treasuries"), (iii) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (iv) subject to the prior written consent of AG, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (v) subject to the prior written consent of AG, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof shall be authorized to be used to effect defeasance of the [Insured] Series 2025A Certificates, unless AG otherwise approves.

To accomplish defeasance, the Board shall cause to be delivered to AG (A) a report of an independent firm of nationally recognized certified public accountants or such other accountants as shall be acceptable to AG ("Accountant") verifying the sufficiency of the escrow established to pay the [Insured] Series 2025A Certificates in full on the maturity or prepayment date (the "Verification"), (B) an escrow deposit agreement or other irrevocable written instructions to the Trustee (each which shall be acceptable in form and substance to AG), and (C) an opinion of nationally recognized bond counsel to the effect that the [Insured] Series 2025A Certificates are no longer "Outstanding" under the Trust Agreement; each Verification and defeasance opinion shall be addressed to the Board, the Trustee and AG and shall be in a form and substance acceptable to AG. AG shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. [Insured] Series 2025A Certificates shall be deemed to be Outstanding under the Trust Agreement unless and until they are in fact paid and retired or the criteria in this paragraph are met.

(f) Amounts paid by AG under the Municipal Bond Insurance Policy shall not be deemed paid for purposes of the Trust Agreement and the [Insured] Series 2025A Certificates to which such amounts relate shall remain Outstanding and continue to be due and owing until paid by the Board in accordance with the Trust Agreement. The Trust

19

(iv) Upon payment of a claim under the Municipal Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the [Insured] Series 2025A Certificates referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Municipal Bond Insurance Policy in trust on behalf of the [Insured] Series 2025A Certificate Owners and shall deposit any amount paid under the Municipal Bond Insurance Policy in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the [Insured] Series 2025A Certificates under the paragraphs hereof regarding payment of [Insured] Series 2025A Certificates. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. The Board agrees to pay to AG, but solely from Available Revenues in accordance with the provisions of the Trust Agreement and the Lease Agreement, (A) a sum equal to the total of all amounts paid by AG under the Municipal Bond Insurance Policy (the "Insurer Advances") and (B) interest on such Insurer Advances from the date paid by AG until payment thereof in full at the Late Payment Rate per annum (the "Insurer Reimbursement Amounts"). "Late Payment Rate" shall mean a rate equal to the lesser of (i) the greater of (x) the per annum interest rate that JP Morgan Chase Bank, N.A. ("JP Morgan") publicly announces at its principal office in The City of New York as its prime or base lending rate (any change in such rate to be effective on the date such change is announced by JP Morgan ("Prime Rate"), plus 3% or (y) the then applicable highest rate of interest on the [Insured] Series 2025A Certificates and (ii) the maximum interest rate permitted to be paid by the Board under applicable law. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JP Morgan ceases to announce its Prime Rate, the Prime Rate shall be the prime rate of such national bank as AG shall designate. The Board hereby covenants and agrees that the Insurer Advances are payable from Available Revenues as Basic Rent, equally and ratably with the [Insured] Series 2025A Certificates. The Board further covenants and agrees that the interest on the Insurer Advances are payable from Available Revenues as Supplemental Rent in accordance with the Lease Agreement. Furthermore, the Board covenants and agrees, subject in all respects to its right of non-appropriation, to include the Insurer Advances and the interest on the Insurer Advances as a line item in its budget in accordance with the Lease Agreement.

(v) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Payment Date shall promptly be remitted to AG.

21

Agreement shall not be discharged unless all amounts due or to become due to AG have been paid in full. Notwithstanding the foregoing, the Board shall not be obligated to pay any such amounts subsequent to an Event of Nonappropriation.

(g) Claims Upon the Municipal Bond Insurance Policy:

(i) If, on the third Business Day prior to the related Payment Date there is not on deposit with the Trustee after making all transfers and deposits required under the Trust Agreement and the Lease Agreement, moneys sufficient to pay the principal of and interest in respect of the [Insured] Series 2025A Certificates due on such Payment Date, the Trustee shall give notice to AG and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest in respect of the [Insured] Series 2025A Certificates due on such Payment Date, the Trustee shall make a claim under the Municipal Bond Insurance Policy and give notice to AG and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest in respect of the [Insured] Series 2025A Certificates and the amount required to pay principal of the [Insured] Series 2025A Certificates, confirmed in writing to AG and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Municipal Bond Insurance Policy.

(ii) The Trustee shall designate any portion of payment of principal on [Insured] Series 2025A Certificates paid by AG, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of [Insured] Series 2025A Certificates registered to the then current [Insured] Series 2025A Certificate Owner, whether DTC or its nominee or otherwise, and shall issue a replacement [Insured] Series 2025A Certificate to AG, registered in the name of Assured Guaranty Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement [Insured] Series 2025A Certificate shall have no effect on the amount of principal or interest payable by the Board on any [Insured] Series 2025A Certificate or the subrogation rights of AG.

(iii) The Trustee shall keep a complete and accurate record of all funds deposited by AG into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal paid in respect of any [Insured] Series 2025A Certificate. AG shall have the right to inspect such records at reasonable times upon one Business Day's prior notice to the Trustee.

20

(vi) AG shall, to the extent it makes any payment of principal or of interest in respect of the [Insured] Series 2025A Certificates, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Subject to the Board's right of non-appropriation, each obligation of the Board to AG under the Related Documents shall survive discharge or termination of such Related Documents.

(h) The Board, to the extent permitted by law, but solely from Available Revenues as Supplemental Rent in accordance with the provisions of the Lease Agreement and the Trust Agreement hereby agrees to pay or reimburse AG any and all charges, fees, costs and expenses which AG may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights in respect of the Related Documents (ii) the pursuit of any remedies under the Lease Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Lease Agreement or any other Related Document whether or not executed or completed or (iv) any litigation or other dispute in connection with the Lease Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of AG to honor its obligations under the Municipal Bond Insurance Policy. AG reserves the right to charge a reasonable fee as a condition to execute any amendment, waiver or comment proposed in respect of any Related Document.

(i) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Board or rebate only after the payment of past due and current debt service on the [Insured] Series 2025A Certificates.

(j) AG shall be entitled to pay principal or interest on the [Insured] Series 2025A Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the [Insured] Series 2025A Certificates as a result of acceleration of the maturity thereof in accordance with the Trust Agreement, whether or not AG has received a Notice of Nonpayment (as such terms are defined in the Policy) or a claim upon the Policy.

(k) Any notices sent to AG shall, until otherwise notified in writing by AG, be sent to the following address:

Assured Guaranty Inc.
1633 Broadway
New York, New York 10019
Attention: Managing Director – Municipal Surveillance
Re: Policy No. _____-N
Telephone: (212) 974-0100
Email: munidisclosure@agltd.com

In each case in which notice or other communication refers to an Event of Default or Event of Non-Appropriation, then a copy of such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of General Counsel at the above address and at generalcounsel@agltd.com.

(l) AG shall be provided by the Trustee or the Board, as the case may be, with the following information:

- (i) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, annual audited financial statements within 240 days after the end of the Board's fiscal year (together with a certification of the Board that it is not aware of any default or Event of Default under the Trust Agreement or the Lease Agreement), and the Board's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;
- (ii) Notice of any default known to the Trustee or the Board within five (5) Business Days after knowledge thereof;
- (iii) Prior notice of the advance refunding or prepayment of any of the [Insured] Series 2025A Certificates, including the principal amount, maturities and CUSIP numbers thereof;
- (iv) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;
- (v) Notice of any Insolvency Proceeding;
- (vi) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential of any payment of principal of, or interest in respect of, the [Insured] Series 2025A Certificates;
- (vii) AG shall be provided with all reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents;
- (viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement or waiver to the Related Documents; and

23

(t) So long as any [Insured] Series 2025A Certificates remain outstanding or any amounts are owed to AG, the Board shall not enter into any interest rate exchange agreement, cap, collar, floor, ceiling or other agreement or instrument involving reciprocal payment obligations between the Board and a counterparty based on interest rates applied to a notional amount of principal which payments made by the Board are secured by and payable from Lease Payments, without the prior written consent of AG.

(u) Unless AG otherwise provides written direction to the Trustee, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Series 2025A Subaccount of the Project Account shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the [Insured] Series 2025A Certificates.

(v) The Board will permit AG to discuss the affairs, finances and accounts of the Board or any information AG may reasonably request regarding the security for the [Insured] Series 2025A Certificates with appropriate officers of the Board and will use commercially reasonable efforts to enable AG to have access to the facilities, books and records of the Board on any business day upon reasonable prior notice.

(ix) All information furnished pursuant to the Disclosure Dissemination Agent Agreement with respect to the [Insured] Series 2025A Certificates shall also be provided to AG, simultaneously with the furnishing of such information to any entity or information repository.

(m) Payments required to be made to AG shall be payable solely from the Lease Payments and the Series 2025A Pledged Accounts held under the Trust Agreement. Payments owing to AG relating to interest on Insurer Advances and pursuant to Section 601(h) herein above shall be considered Supplemental Rent under the Lease Agreement and shall be paid directly to AG; provided, there shall be no grace period for failure to pay such Supplemental Rent.

(n) AG shall have the right to receive such additional information as it may reasonably request.

(o) The Trustee shall notify AG of any failure of the Board to provide notices, certificates and other information under the Related Documents for which the Trustee was intended to receive.

(p) At the time of issuance of any Additional Certificates, no Event of Default shall have occurred and be continuing unless such default shall be cured as a result of the issuance of such Additional Certificates unless otherwise permitted by AG.

(q) Notwithstanding any other provision of such Related Documents, in determining whether the security for the [Insured] Series 2025A Certificates or the rights of Holders will be adversely affected by any amendment, consent, waiver or other action to be taken, or any failure to take action pursuant to the terms and provisions thereof, the Trustee shall consider the effect on the Holders as if there were no Municipal Bond Insurance Policy.

(r) No contract shall be entered into or any action taken by which the rights of AG or security for or sources of payment of the [Insured] Series 2025A Certificates may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of AG.

(s) With respect to the [Insured] Series 2025A Certificates, the rights of AG to direct or consent to Board, Trustee or holders of [Insured] Series 2025A Certificates actions under the Trust Agreement or the Related Documents shall be suspended during any period in which AG is in default in its payment obligations under the Policy (except to the extent of amounts previously paid by AG and due and owing to AG) and shall be of no force or effect in the event the Policy is no longer in effect or AG asserts that the Policy is not in effect or AG shall have provided written notice that it waives such rights.

24

ARTICLE VII MISCELLANEOUS

SECTION 701. PROVISIONS OF MASTER TRUST AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Master Trust Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Master Trust Agreement and this Series 2025A Supplemental Trust Agreement, the terms hereof shall control.

SECTION 702. THIRD PARTY BENEFICIARIES. Nothing in this Series 2025A 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, the Credit Enhancer and the Board any rights, remedies or claims under or by reason of this Series 2025A Supplemental Trust Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Series 2025A 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, the Trustee, the Credit Enhancer [(including AG)] and the Board. [AG shall be deemed a third party beneficiary of the Trust Agreement and this Series 2025A Supplemental Trust Agreement.]

SECTION 703. CONFIRMATION OF SECURITY TRANSACTIONS. The Board and Corporation acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Board or Corporation the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Board and Corporation specifically waive receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Board and Corporation periodic cash transaction statements that include detail for all investment transactions made by the Trustee under the Trust Agreement.

SECTION 704. PATRIOT ACT OF REQUIREMENTS OF TRUSTEE. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identified each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

SECTION 705. COUNTERPARTS. This Series 2025A 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.

25

C-34

26

SECTION 706. 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 2025A Supplemental Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 707. LAWS. This Series 2025A Supplemental Trust Agreement shall be construed and governed in accordance with the laws of the State.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Series 2025A Supplemental Trust Agreement by their officers thereunto duly authorized as of the date and year first written above.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,** as successor
Trustee

By: _____
Assistant Vice President

**MANATEE SCHOOL BOARD LEASING
CORPORATION,** as Lessor

By: _____
President

(SEAL)

ATTEST:

Secretary/Treasurer

**THE SCHOOL BOARD OF MANATEE
COUNTY, FLORIDA,** as Lessee

(SEAL)

ATTEST:

Superintendent/Secretary

By: _____
Chairman

SCHEDULE 1

LETTER OF INSTRUCTIONS

The School Board of Manatee County, Florida
Bradenton, Florida

U.S. Bank Trust Company, National Association
Jacksonville, Florida

Manatee School Board Leasing Corporation
Bradenton, Florida

Re: \$[PAR AMOUNT] Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee 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 Certificates of Participation (the "Series 2025A 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 2025A Certificates have been issued pursuant to a Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented, including, in particular, as amended and supplemented by the Series 2025A Supplemental Trust Agreement, dated as of March 1, 2025 (collectively, the "Trust Agreement"), among U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"), the Manatee School Board Leasing Corporation, a Florida not-for-profit corporation, as lessor (the "Corporation"), and The School Board of Manatee County, Florida, a school board of the State of Florida, as lessee (the "Board"). The Series 2025A Certificates represent undivided proportionate interests of Owners of the Series 2025A Certificates in the Basic Rent Payments to be made under a Master Lease-Purchase Agreement, dated as of

June 1, 1996, as amended and supplemented, in particular as amended and supplemented by Lease Schedule No. 2025A, dated as of March 1, 2025 (collectively, the "Lease Agreement"), between the Corporation and the Board. Pursuant to an Assignment of Lease Agreement, dated as of June 1, 1996, as amended and supplemented by the Fourteenth Amendment to Assignment of Lease Agreement, dated as of March 1, 2025, between the Corporation and the Trustee, the Corporation has assigned all of its rights, title and interest in and to the Lease Agreement (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 2025A 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 2025A 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 2025A 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 2025A Certificates or the Lease Payments or any other funds or take or omit to take any action that would cause the Series 2025A 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 2025A 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 2025A 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 2025A Certificates or the fifth anniversary of the Issue Date.

"**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 2025A Certificates are discharged.

"**Gross Proceeds**" means, with respect to the Series 2025A Certificates:

- (1) Amounts constituting Sale Proceeds of the Series 2025A Certificates (or the New Money Issue or the Refunding Issue).
- (2) Amounts constituting Investment Proceeds of the Series 2025A Certificates (or the New Money Issue or the Refunding Issue).
- (3) Amounts constituting Transferred Proceeds of the Series 2025A Certificates (or the New Money Issue or the Refunding Issue).
- (4) Other amounts constituting Replacement Proceeds of the Series 2025A Certificates (or the New Money Issue or the Refunding Issue).
- (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 2025A Certificates.

"**Investment Proceeds**" means any amounts actually or constructively received from investing proceeds of the Series 2025A Certificates.

"**Investment Property**" shall have the meaning as ascribed to such term in Section 148(b)(2) of the Code, which includes 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(e) of the Regulations.

"**Issue Date**" means March 13, 2025.

S-3

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 contract, "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 2025A Certificates or to the governmental purpose of the Series 2025A Certificates to conclude that the amounts would have been used for that governmental purpose if the Proceeds of the Series 2025A 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 2025A 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 2025A 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 2025A 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

S-5

"**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**" means any Investment Property in which Gross Proceeds are invested which is not an investment that is acquired to carry out the governmental purpose of the Series 2025A Certificates, e.g., obligations acquired with Gross Proceeds that are invested temporarily until needed for the governmental purpose of the Series 2025A Certificates, that are used to discharge a prior issue, or that are invested in a reasonably required reserve or replacement fund, as referenced in Section 1.148(b) of the Regulations.

"**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 2025A 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 2025A 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) \$50,000 (for calendar year 2025), and (b) 0.2% of the "computational base," or, if more, \$5,000; and (2) the Board does not treat as Qualified Administrative Costs more than \$141,000 (for calendar year 2025) 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

S-4

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 2025A Certificates.

"**Value (of a Series 2025A Certificate)**" means with respect to a Series 2025A 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 2025A 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):

S-6

(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" 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 2025A 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 2025A 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 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 2025A Certificates plus the income, if any, from the

S-7

(ii) at least 60% of such Gross Proceeds of the New Money Issue are spent within the 1-year period beginning on the Issue Date; and

(iii) at least 100% of such Gross Proceeds of the New Money Issue are spent within the 18-month period beginning on the Issue Date.

As set forth in Section 1.148-7(d)(2) of the Regulations, for purposes of the expenditure requirements set forth in this paragraph (d), 100% of the Gross Proceeds of the New Money Issue shall be treated as expended for the governmental purposes of the issue within the 18-month period beginning on the Issue Date if such requirement is met within the 30-month period beginning on the Issue Date and such requirement would have been met within such 18-month period but for a reasonable retainage (not exceeding 5% of the Net Proceeds of the New Money Issue). If Gross Proceeds are in fact expended by such dates, then Rebatable Arbitrage need not be calculated and no payment thereof to the United States Department of Treasury need be made. Any failure to satisfy the final spending requirement shall be disregarded if the Board exercises due diligence to complete the project financed by the New Money Issue and the amount of the failure does not exceed the lesser of (i) 3% of the issue price of the New Money Issue or (ii) \$250,000. Use of Gross Proceeds to redeem the New Money Issue shall not be treated as an expenditure of such Gross Proceeds. For purposes of this paragraph (d), "Gross Proceeds" shall be modified as described in paragraph (c) above.

(c) As an alternative to subsection (d) above, the obligation to pay Rebatable Arbitrage to the United States, as described in this letter, is treated as satisfied with respect to the New Money Issue if the "Available Construction Proceeds" (as defined in Section 148(f)(4)(C)(vi) of the Code) are expended for the governmental purposes of the issue within the periods set forth below:

(i) at least 10% of such Available Construction Proceeds are spent within the six-month period beginning on the Issue Date;

(ii) at least 45% of such Available Construction Proceeds are spent within the 1-year period beginning on the Issue Date;

(iii) at least 75% of such Available Construction Proceeds are spent within the eighteen-month period beginning on the Issue Date; and

(iv) at least 100% of such Available Construction Proceeds are spent within the 2-year period beginning on the Issue Date.

For purposes of this Section 3(e), the term Available Construction Proceeds means the Net Proceeds of the New Money Issue, increased by earnings on the Net Proceeds, earnings on amounts in the Reserve Account to the extent that such amounts were not funded from proceeds of the New Money Issue, and earnings on all of the foregoing

S-9

investment of the Rebatable Arbitrage due to 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 2025A Certificates if (i) Gross Proceeds are expended for the governmental purpose of the Series 2025A 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 2025A 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 2025A 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 2025A 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) As an alternative to Section 3(c) above, the obligation of the Board to pay Rebatable Arbitrage to the United States, as described herein, shall be treated as satisfied with respect to the New Money Issue if the Gross Proceeds are expended for the governmental purposes of the issue within the periods set forth below:

(i) at least 15% of such Gross Proceeds of the New Money Issue are spent within the six-month period beginning on the Issue Date;

S-8

earnings, and reduced by the amount, if any, of the Net Proceeds deposited to the Reserve Account and amounts used to pay issuance costs (including bond insurance premium).

As set forth in Section 148(f)(4)(C)(iii) of the Code, for purposes of the expenditure requirements set forth in this paragraph (e), 100% of the Available Construction Proceeds of the Series 2025A Certificates is treated as expended for the governmental purposes of the issue within the 2-year period beginning on the Issue Date if such requirement is met within the 3-year period beginning on the Issue Date and such requirement would have been met within such 2-year period but for a reasonable retainage (not exceeding 5% of the Available Construction Proceeds of the New Money Issue). Any failure to satisfy the final spending requirement shall be disregarded if the Board exercises due diligence to complete the project financed by the New Money Issue and the amount of the failure does not exceed the lesser of (i) 3% of the issue price of the New Money Issue or (ii) \$250,000.

For purposes of Section 148(f)(4)(C)(vii) of the Code, in the event the Board fails to meet the expenditure requirements referred to above, the Board does not elect to pay, in lieu of the Rebatable Arbitrage otherwise required to be paid with respect to such Gross Proceeds, a penalty with respect to the close of each 6-month period after the Issue Date equal to 1.5% of the amount of the Available Construction Proceeds of the New Money Issue which, as of the close of such period, are not spent as required by the expenditure provisions set forth above. The penalty referred to above shall cease to apply only after the New Money Issue (including any refunding obligations issued with respect thereto) are no longer outstanding. The Board makes no election with respect to the above-described penalty.

In order to qualify for the exemption from the obligation to pay Rebatable Arbitrage to the United States pursuant to this paragraph (e), at least 75% of the Available Construction Proceeds of the New Money Issue must be used for construction expenditures with respect to property which is owned by a governmental unit or an organization described in Section 501(c)(3) of the Code (subject in all respects to the provisions of Section 142(b)(1)(B) of the Code). The term "construction" includes reconstruction and rehabilitation of existing property. If only a portion of an issue is to be used for construction expenditures, such portion and such other portion of such issue may, at the election of the Board, be treated as a separate issue for purposes of this subsection (e) (although the remaining portion may not be entitled to the benefits of paragraph 3(d) hereof.

(f) 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 2025A Certificates, including moneys derived from, pledged to, or to be used to make payments on the Series 2025A 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

S-11

(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 2025A Certificate is redeemed including, but not limited to, the following:

S-13

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

S-12

(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 (iv) and (v) above must be obtained to evidence the foregoing.

5. Records. The Board and the Trustee shall 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 2025A Certificates has been paid, whether upon maturity, redemption, defeasance 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

S-14

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.

[Signature page to follow]

S-15

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 MANATEE COUNTY, FLORIDA

By: _____
Chairman

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as successor Trustee

By: _____
Assistant Vice President

MANATEE SCHOOL BOARD LEASING CORPORATION

By: _____
President

S-16

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.

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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.

APPENDIX D

MASTER LEASE-PURCHASE AGREEMENT AND FORM OF LEASE SCHEDULE NO. 2025A

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MASTER LEASE-PURCHASE AGREEMENT

by and between

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**SCHOOL BOARD OF MANATEE COUNTY, FLORIDA,
as Lessee**

Dated as of June 1, 1996

TABLE OF CONTENTS

	Page
ARTICLE I	
DEFINITIONS AND GENERAL PROVISIONS	
SECTION 1.01. DEFINITIONS	1
SECTION 1.02. RULES OF CONSTRUCTION	1
ARTICLE II	
RECITALS	
SECTION 2.01. STATUS AND POWERS OF CORPORATION	2
SECTION 2.02. STATUS AND POWERS OF BOARD	2
SECTION 2.03. PURPOSE OF AGREEMENT	2
SECTION 2.04. RELATED AGREEMENTS	2
SECTION 2.05. CONSTRUCTION OF THIS LEASE AGREEMENT	3
ARTICLE III	
ACQUISITION OF PROJECTS; BOARD TO BE AGENT OF CORPORATION	
SECTION 3.01. DEPOSIT OF MONEYS; LEASE SCHEDULES	4
SECTION 3.02. RIGHT OF ENTRY	5
SECTION 3.03. ACQUISITION AND CONSTRUCTION OF THE PROJECTS	5
SECTION 3.04. PAYMENT OF COSTS OF ISSUANCE	7
SECTION 3.05. LIMITATIONS ON ACQUISITION AND CONSTRUCTION	7
SECTION 3.06. WARRANTIES; DISCLAIMERS	8
SECTION 3.07. UNEXPENDED MONEYS	8
SECTION 3.08. APPOINTMENT OF AGENCY	8
ARTICLE IV	
LEASE OF PROJECTS; LEASE PAYMENTS	
SECTION 4.01. LEASE OF PROJECTS	11
SECTION 4.02. TERM OF AGREEMENT	11
SECTION 4.03. LEASE PAYMENTS	11
SECTION 4.04. PAYMENT IN LAWFUL MONEY; NO SET-OFF	14
SECTION 4.05. SOURCE OF LEASE PAYMENTS	14
SECTION 4.06. OPTIONAL PREPAYMENT; DEFEASANCE	16
SECTION 4.07. TITLE	17
ARTICLE V	
COVENANTS; REPRESENTATIONS AND WARRANTIES	
SECTION 5.01. THE BOARD'S GENERAL COVENANTS	19
SECTION 5.02. ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES	22
SECTION 5.03. QUIET ENJOYMENT	23
SECTION 5.04. LIABILITY INSURANCE	23
SECTION 5.05. FIRE AND EXTENDED COVERAGE INSURANCE	23
SECTION 5.06. NET PROCEEDS OF INSURANCE; FORM OF POLICIES	24
SECTION 5.07. SELF-INSURANCE	25
SECTION 5.08. RISK OF LOSS; STIPULATED LOSS VALUES; USE OF PROCEEDS	25
SECTION 5.09. PAYMENT OF TAXES	27
SECTION 5.10. CARE AND USE OF	27
SECTION 5.11. [RESERVED]	27
SECTION 5.12. OTHER LIENS	28
SECTION 5.13. ENCUMBRANCES OR SALES	28
SECTION 5.14. SUBSTITUTION OF EQUIPMENT	29
SECTION 5.15. PROSECUTION AND DEFENSE OF SUITS	29
SECTION 5.16. FURTHER ASSURANCES	30
SECTION 5.17. REPORTING REQUIREMENTS	30
SECTION 5.18. CORPORATION NOT LIABLE	30
SECTION 5.19. INDEMNIFICATION DUE TO TRUSTEE AND CORPORATION	30
SECTION 5.20. NO RECOURSE UNDER AGREEMENT	31
SECTION 5.21. RESTRICTION AGAINST PLEDGE	31
SECTION 5.22. ASSIGNMENT BY CORPORATION	31
SECTION 5.23. NO VIOLATION OF OTHER AGREEMENTS	31
SECTION 5.24. DEBT NOT ASSUMED BY CORPORATION	32
ARTICLE VI	
ASSIGNMENT; SUBLEASING; NET LEASE; AMENDMENT	
SECTION 6.01. ASSIGNMENT AND SUBLEASING BY THE BOARD	38
SECTION 6.02. TRANSFER OF TAX BENEFITS	38
SECTION 6.03. TAX COVENANTS	39
SECTION 6.04. NET LEASE	39
SECTION 6.05. AMENDMENT	40
ARTICLE VII	
EVENT OF NON-APPROPRIATION; EVENTS OF DEFAULT AND REMEDIES	
SECTION 7.01. EVENT OF NON-APPROPRIATION	41
SECTION 7.02. EVENTS OF DEFAULT	42
SECTION 7.03. REMEDIES ON DEFAULT	43
SECTION 7.04. PROCEEDS OF SALE OR RE-LETTING	44
SECTION 7.05. APPOINTMENT OF CORPORATION AS AGENT	44
SECTION 7.06. NON-WAIVER	45
SECTION 7.07. REMEDIES NOT EXCLUSIVE	45
SECTION 7.08. STATUS QUO ANTE	45
ARTICLE VIII	
ADMINISTRATIVE PROVISIONS	
SECTION 8.01. PRESERVATION AND INSPECTION OF DOCUMENTS	46
SECTION 8.02. PARTIES OF INTEREST	46
SECTION 8.03. NO RECOURSE UNDER AGREEMENT	46

ARTICLE IV

ARTICLE V	
COVENANTS; REPRESENTATIONS AND WARRANTIES	
SECTION 5.01. THE BOARD'S GENERAL COVENANTS	19
SECTION 5.02. ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES	22
SECTION 5.03. QUIET ENJOYMENT	23
SECTION 5.04. LIABILITY INSURANCE	23
SECTION 5.05. FIRE AND EXTENDED COVERAGE INSURANCE	23
SECTION 5.06. NET PROCEEDS OF INSURANCE; FORM OF POLICIES	24
SECTION 5.07. SELF-INSURANCE	25
SECTION 5.08. RISK OF LOSS; STIPULATED LOSS VALUES; USE OF PROCEEDS	25
SECTION 5.09. PAYMENT OF TAXES	27
SECTION 5.10. CARE AND USE OF	27
SECTION 5.11. [RESERVED]	27
SECTION 5.12. OTHER LIENS	28
SECTION 5.13. ENCUMBRANCES OR SALES	28
SECTION 5.14. SUBSTITUTION OF EQUIPMENT	29
SECTION 5.15. PROSECUTION AND DEFENSE OF SUITS	29
SECTION 5.16. FURTHER ASSURANCES	30
SECTION 5.17. REPORTING REQUIREMENTS	30
SECTION 5.18. CORPORATION NOT LIABLE	30
SECTION 5.19. INDEMNIFICATION DUE TO TRUSTEE AND CORPORATION	30
SECTION 5.20. NO RECOURSE UNDER AGREEMENT	31
SECTION 5.21. RESTRICTION AGAINST PLEDGE	31
SECTION 5.22. ASSIGNMENT BY CORPORATION	31
SECTION 5.23. NO VIOLATION OF OTHER AGREEMENTS	31
SECTION 5.24. DEBT NOT ASSUMED BY CORPORATION	32
ARTICLE VI	
ASSIGNMENT; SUBLEASING; NET LEASE; AMENDMENT	
SECTION 6.01. ASSIGNMENT AND SUBLEASING BY THE BOARD	38
SECTION 6.02. TRANSFER OF TAX BENEFITS	38
SECTION 6.03. TAX COVENANTS	39
SECTION 6.04. NET LEASE	39
SECTION 6.05. AMENDMENT	40
ARTICLE VII	
EVENT OF NON-APPROPRIATION; EVENTS OF DEFAULT AND REMEDIES	
SECTION 7.01. EVENT OF NON-APPROPRIATION	41
SECTION 7.02. EVENTS OF DEFAULT	42
SECTION 7.03. REMEDIES ON DEFAULT	43
SECTION 7.04. PROCEEDS OF SALE OR RE-LETTING	44
SECTION 7.05. APPOINTMENT OF CORPORATION AS AGENT	44
SECTION 7.06. NON-WAIVER	45
SECTION 7.07. REMEDIES NOT EXCLUSIVE	45
SECTION 7.08. STATUS QUO ANTE	45
ARTICLE VIII	
ADMINISTRATIVE PROVISIONS	
SECTION 8.01. PRESERVATION AND INSPECTION OF DOCUMENTS	46
SECTION 8.02. PARTIES OF INTEREST	46
SECTION 8.03. NO RECOURSE UNDER AGREEMENT	46

SECTION 8.04. NOTICES	46
SECTION 8.05. BINDING EFFECT	47
SECTION 8.06. SEVERABILITY	47
SECTION 8.07. HEADINGS	47
SECTION 8.08. APPLICABLE LAW	47
SECTION 8.09. CORPORATION AND BOARD REPRESENTATIVES	47
SECTION 8.10. FURTHER ASSURANCES	47
SECTION 8.11. CERTIFICATE OF OFFICERS	48
SECTION 8.12. BUSINESS DAYS	48
SECTION 8.13. EFFECT OF DISSOLUTION OF CORPORATION	48
SECTION 8.14. MEMORANDUM	48
SECTION 8.15. RADON GAS	48
SECTION 8.16. COUNTERPARTS	48
EXHIBIT A. DEFINITIONS	A-1
EXHIBIT B. FORM OF REQUISITION FOR PAYMENTS OF PROJECT COSTS	B-1
EXHIBIT C. FORM OF LEASE SCHEDULE	C-1
EXHIBIT D. MEMORANDUM OF LEASE AND NOTICE OF OPTION	D-1

MASTER LEASE-PURCHASE AGREEMENT

ARTICLE II

RECITALS

THIS MASTER LEASE-PURCHASE AGREEMENT, is made and entered into as of June 1, 1996 (the "Lease Agreement"), by and between **MANATEE 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 MANATEE 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 Manatee 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.

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 or refinance 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

5

provided, however, that (i) this provision shall not apply to any contract the total payments on which do not exceed \$200,000 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 is 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

7

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;

6

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 there 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. NEITHER THE CORPORATION NOR THE TRUSTEE MAKE ANY PATENT WARRANTIES OR REPRESENTATIONS WHATSOEVER. NEITHER THE CORPORATION NOR THE TRUSTEE SHALL 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

8

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. Notwithstanding the foregoing, the Trustee shall have no affirmative duty to inspect any Project.

(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. Notwithstanding the foregoing, the Trustee shall have no affirmative duty to assert such rights and powers.

(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. Notwithstanding the foregoing, the Trustee shall have no affirmative duty to make such inspections.

(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 at least 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.

9

10

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

11

12

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

13

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.

15

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

14

(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 and from Available Revenues provided by the Board.

(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

16

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

17

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, war, 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 and the Credit Enhancer, if any, relating thereto 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.

19

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.

18

(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 and each Credit Enhancer 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 or acquisition thereof, 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 unless otherwise required by the Credit Enhancer, 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:

20

(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

21

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. LIABILITY 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 Trustee, 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. 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

23

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

22

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 (except that such insurance may be subject to deductible clauses not to exceed \$100,000 in the aggregate for any one loss), or (iii) such amount as may be agreed to by the Credit Enhancer and set forth in the Lease Schedule related to such Project(s). 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 S&P or "A-" by A.M. Best & Co. (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 and each Credit Enhancer. The Board shall pay or cause to be paid when due the

24

premiums for all insurance policies required by this Lease Agreement, and shall promptly furnish or cause to be furnished to the Trustee and each Credit Enhancer 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. Neither the Trustee nor any Credit Enhancer shall 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 or any Credit Enhancer.

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

25

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].

27

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

26

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 Manatee 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:

28

(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'

29

by the Trustee, 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, the Assignment of Ground Lease 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.

31

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 whatsoever 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 Trust Agreement upon billing therefor

30

(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 of 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. [RESERVED].

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,

32

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.

33

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.

35

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestos-form varieties of (a) chrysotile (serpentine); (b) crocidolite (ricbeckite); (c) amosite (cummingtonite-grunerite); (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 Conservation 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

34

(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, licensees, 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.

36

(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 on a Project shall be 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

37

(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 in such event.

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, impact fees, registration fees, freight and transportation charges and any other charges 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

39

38

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.

40

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 rebate 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.

41

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

43

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 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

(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, sequester, (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, sequester (or similar official) of the Board or for any substantial part of its property, or shall make any general assignment for the

42

(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

44

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.

45

If to the Trustee: SouthTrust Bank of Florida, National Association
3511 West Commercial Boulevard, Suite 214
Fort Lauderdale, Florida 33309
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.

47

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: Manatee School Board Leasing Corporation
c/o School Board of Manatee County, Florida
215 Manatee Avenue West
Bradenton, Florida 34205
Attention: Superintendent and Director of Finance and Budget

If to the Board: School Board of Manatee County, Florida
215 Manatee Avenue West
Bradenton, Florida 34205
Attention: Superintendent and Director of Finance and Budget

46

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 Manatee 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.

48

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.

MANATEE SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: *Larry Simonovic*
President

Attest:

S. Gene Davison
Secretary

SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, as Lessee

(SEAL)

By: *Larry Simonovic*
Chairman

Attest:

S. Gene Davison
Superintendent/Secretary

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 230, 235 and 236, 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 June 1, 1996, by and between the Corporation and the Trustee, as now or hereafter amended.

"Assignment(s) of Ground Lease Agreement" means the Assignment of Ground Lease Agreement, dated as of June 1, 1996, from the Corporation to the Trustee, as now or hereafter amended and any other Assignment of Ground Lease Agreement thereafter delivered by the Corporation to the Trustee pursuant to the terms of a Ground Lease executed and delivered in connection with a Lease Schedule.

"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 purpose 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, 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, however, that with respect to Lease Schedule No. 1996 the Basic Rent Payment Dates shall occur on each December 15 and June 15, commencing December 15, 1996; and provided further, 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 Manatee 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 Manatee 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 or any Reserve Account for a Series, a letter of credit, a line of credit or another credit or liquidity enhancement facility (including 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 Manatee 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.

A-4

"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 or leased to the Corporation on the Commencement Date.

"Lease Agreement" means the Master Lease-Purchase Agreement, dated as of June 1, 1996, 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.

A-6

"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.

"Fitch" means Fitch Investors Service, L.P., or any successor thereto.

"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.

"Ground Leases" means, the Ground Lease Agreement, dated June 1, 1996, 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 all expenses incurred in the collection of such gross proceeds.

"Interest Account" means the account by that name established under Section 6.02 of the Trust Agreement.

A-5

"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

A-7

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, in the opinion of the Board, 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:

A-8

- (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, AAA-m or AA-m and if rated by Moody's Investors Service Inc. ("Moody's") rated Aaa, Aa1 or Aa2.
- (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 and "Prime-1" by Moody's. 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 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 Board or Trustee (buyer/lender), and the transfer of cash from the 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 Board or Trustee in exchange for the securities at a specified date.

Repos must satisfy the following criteria:

- (a) Repos must be between the 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

A-10

- (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 United States of America.

- (2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and 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 (Consolidated debt obligations).
- (ii) Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"): Participation Certificates (mortgage-backed securities); 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.

A-9

which are rated "A" or better by S&P and Moody's, or (b) banks rated "A" or above by S&P and Moody's.

- (b) The written Repo contract must include the following:
 - (i) Securities which are acceptable for transfer are:
 - (a) Direct U.S. governments.
 - (b) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA and 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 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 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 Board and Trustee stating that the Repo meets guidelines under state law for legal investment of public funds.

A-11

(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, direct U.S. or U.S. guaranteed obligations 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 Redemption 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

A-12

"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.

A-14

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 Fort Lauderdale, 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.

A-13

"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.

A-15

"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 Ratings Services"** means Standard & Poor's Ratings Services, 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 includible in gross income for purposes of federal income taxation.

A-16

"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 June 1, 1996, 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 SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, 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.

A-17

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: SouthTrust Bank of Florida, National Association, as Trustee (the "Trustee")

The School Board of Manatee County, Florida (the "Board"), consistent with the terms of the Trust Agreement, dated as of June 1, 1996 (the "Trust Agreement"), among the Board, the Trustee and the Manatee 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:

<u>Amount</u>	<u>Payee</u>	<u>Description of Project Cost</u>	<u>Payment Instructions</u>
---------------	--------------	------------------------------------	-----------------------------

B-1

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:

- 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.
- 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.
- 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.
- 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.
- There are no liens against any such portion of the Project to be reimbursed hereby, other than Permitted Encumbrances.
- To date, the Board has timely complied with all its obligations under the Lease Agreement.
- 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.

B-2

8. The following constitutes an itemized list of the attachments to this certificate:

(insert itemized list)

SCHEDULE I

DESCRIPTION OF EQUIPMENT

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 MANATEE COUNTY,
FLORIDA**

By: _____
Title: _____

B-3

B-4

SCHEDULE II

SCHEDULE III

DESCRIPTION OF DESIGNATED EQUIPMENT

DESCRIPTION OF BUILDINGS

B-5

B-6

SCHEDULE IV

DESCRIPTION OF LAND

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: SouthTrust Bank of Florida, National Association, as Trustee (the "Trustee")

The School Board of Manatee County, Florida (the "Board"), consistent with the terms of the Trust Agreement, dated as of June 1, 1996 (the "Trust Agreement"), among the Board, the Trustee and the Manatee 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:

Table with 4 columns: Amount, Payee, Description of Project Cost, Payment Instructions

B-7

B-8

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. Attached hereto is an invoice for such Costs of Issuance.
2. To date, the Board has timely complied with all its obligations under the Lease Agreement.
3. 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.
4. The following constitutes an itemized list of the attachments to this certificate: (insert itemized list)
5. 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.
6. 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 \$
7. 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 MANATEE COUNTY, FLORIDA

By:
Title:

B-9

EXHIBIT C

FORM OF LEASE SCHEDULE

Schedule No.
to the
Master Lease-Purchase Agreement,
dated as of June 1, 1996,
between
Manatee School Board Leasing Corporation
(the "Corporation")
and
School Board of Manatee 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 June 1, 1996 (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

C-1

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 Manatee 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 Manatee 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

C-2

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.

13. Storage Tank Disclosure.

C-3

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 _____.

SCHEDULE A

MANATEE SCHOOL BOARD LEASING CORPORATION

(SEAL)

By: _____
 Title: _____
 Date: _____
 Attest: _____

SCHOOL BOARD OF MANATEE COUNTY, FLORIDA

(SEAL)

By: _____
 Title: _____
 Date: _____
 Attest: _____

BASIC RENT SCHEDULE

Basic Rent Payment Date	Interest Component	Principal Component	Total Basic Rent Payment	Remaining Principal Component
----------------------------	-----------------------	------------------------	-----------------------------	-------------------------------------

[Provide Basic Rent Schedule for each Group within Project]

C-4

C-5

SCHEDULE B

**PROJECT DESCRIPTION, PROJECT BUDGET,
PROJECT SCHEDULE AND DESIGNATED EQUIPMENT**

SCHEDULE C

DESCRIPTION OF THE LAND

C-6

C-7

SCHEDULE D

DOCUMENTS REQUIRED BY SECTION 3.01(C) OF THE LEASE AGREEMENT

EXHIBIT D

MEMORANDUM OF LEASE AND NOTICE OF OPTION

C-8

LEASE SCHEDULE NO. 2025A
to the
Master Lease-Purchase Agreement,
dated as of June 1, 1996,
between
Manatee School Board Leasing Corporation (the "Corporation")
and
The School Board of Manatee County, Florida (the "Board")

THIS LEASE SCHEDULE NO. 2025A (the "Lease Schedule") is hereby entered into, under and pursuant to that certain Master Lease-Purchase Agreement, dated as of June 1, 1996 (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 2025A Project as herein described. All capitalized terms not otherwise defined herein shall have the respective meanings therefor set forth in the (i) Lease Agreement or (ii) Master Trust Agreement, dated as of June 1, 1996, among the Corporation, the Board and the Trustee, as amended and supplemented by the Series 2025A Supplemental Trust Agreement (the "Series 2025A Supplemental Trust Agreement"), dated as of March 1, 2025, among the Corporation, the Board and the Trustee (collectively, the "Trust Agreement"). Reference to "Lease Agreement" herein shall include the terms of this Lease Schedule.

1. Series 2025A Project. The leased property, which is described in Section 6 of this Lease Schedule (the "Series 2025A Project"), and has a Maximum Cost of \$150,000,000.00 (plus any investment earnings), 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 2025A Project is March 13, 2025.

(b) The Initial Lease Termination Date of the lease of the Series 2025A Project shall be June 30, 2025. The Maximum Lease Term shall commence on the Commencement Date hereof and terminate on June 30, 2045.

(c) The Estimated Completion Date of the Series 2025A Project is March 1, 2028.

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 (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida" (the "Series 2025A Certificates").

(b) The Credit Enhancer for the Series 2025A Certificates maturing on July 1 in the years 20__ through 20__ , inclusive (the "Insured Series 2025A Certificates"), shall be Assured Guaranty Inc., a Maryland corporation, or any successor thereto or assignee thereof ("AG"). [The Series 2025A Certificates maturing on July 1 in the years 20__ and 20__ shall not be subject to credit enhancement.]

(c) The Reserve Requirement for the Series 2025A Subaccount established in the Reserve Account under the Trust Agreement shall be zero (\$0.00).

(d) The Optional Prepayment Date for the Series 2025A Certificates maturing on and after July 1, 20__ shall be July 1, 20__ and any date thereafter.

(e) No Prepayment Amount is designated for purposes of 6.03(g) of the Master Trust Agreement.

(f) The Closure Date of the Series 2025A Subaccount of the Project Account established for the Series 2025A Certificates, for purposes of Section 6.03(g) of the Master Trust Agreement, shall be March 1, 2028.

4. Basic Rent and Basic Rent Payment Dates. The Basic Rent payable by the Board to the Corporation with respect to the Series 2025A Project under the Lease Agreement is described in Schedule A attached hereto. The Basic Rent Payment Dates with respect to the Series 2025A Certificates shall be December 15 and June 15 of each year, commencing December 15, 2025.

5. Use of Certificate Proceeds. The proceeds of the Series 2025A Certificates (net of Underwriters' discount of \$_____ and the Municipal Bond Insurance Policy premium of \$_____) shall be disbursed as follows:

Deposit to Series 2025A Subaccount of Project Account established for the Series 2025A Certificates \$150,000,000.00

Deposit to Series 2025A Subaccount of Costs of Issuance Account established for the Series 2025A Certificates \$[COI ACCOUNT DEPOSIT]*

* \$[INSURANCE PREMIUM] of which shall be wired directly to AG at closing.

6. The Series 2025A Project. The Project Description, Project Budget and Project Schedule for the Series 2025A Project are attached hereto as Schedule B.

7. Designated Equipment. The Designated Equipment for the Series 2025A 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. Title Insurance. For purposes of Section 6.03(c) of the Trust Agreement, the amount of title insurance applicable to each Series 2025A Project site shall be \$1,000,000.

10. Insurance. In lieu of the provisions contained in Sections 5.05 and 5.06 of the Lease Agreement and unless otherwise waived by AG, with respect to the Series 2025A Certificates and to the Series 2025A Project, the following provisions shall apply:

(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 maintained in such amounts per occurrence as are available at commercially reasonable costs and in minimum amounts necessary to qualify for federal disaster relief programs. 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. In the event the Board determines that such insurance is unavailable at commercially reasonable rates, such insurance 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 of the Master Trust Agreement and is in at least the minimum amount necessary to comply for federal disaster relief programs. The Net Proceeds of such insurance shall be applied as provided in Section 5.08 of the Master Trust Agreement, as modified by Section 14 hereof.

(b) Flood insurance shall be 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. Such flood insurance may be maintained in whole or in part in the form of self-insurance by the Board as long as the aggregate amount of the flood insurance is in at least such minimum amount as shall qualify for federal disaster relief programs.

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 Assignment of Ground Lease. 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 assigned to the Trustee pursuant to the Assignment of Lease Agreement, dated as of June 1, 1996, as supplemented and amended pursuant to the Fourteenth Amendment to Assignment of Lease Agreement, dated as of March 1, 2025, between the Corporation and the Trustee and that all of its right, title and interest in the Ground Lease Agreement, dated as of March 1, 2025, between the Board and the Corporation, have been assigned to the Trustee pursuant to the Assignment of Ground Lease, dated as of March 1, 2025.

13. Other Permitted Encumbrances. Those encumbrances set forth in the title policies delivered in connection with any Series 2025A Project component site.

14. Section 5.08(c) and (d) of Lease Agreement Not Applicable. Notwithstanding the provisions set forth in Sections 5.08(c) and (d) of Lease Agreement, the Board may elect not to repair, restore or replace the Series 2025A Project or any portion thereof which has been destroyed, damaged or lost or condemned, with the Net Proceeds of any insurance or condemnation award, by filing a certificate with the Trustee for the Series 2025A Certificates stating that (i) the Board has made such an election and (ii) it is not in the best interests of the Board to repair, restore or replace such Series 2025A Project or portion thereof. Upon such an election, if the Net Proceeds are not greater than the amount of the Basic Rent Payments coming due in the current and immediately following Fiscal Year under Lease Schedule No. 2025A, then such amounts shall be used first, to pay the Interest Component of the Series 2025A Certificates for the next two interest Payment Dates and then to pay the Principal Component next coming due. In the event the Net Proceeds are greater than the amount of the Basic Rent Payments coming due under Lease Schedule No. 2025A in the current and immediately following Fiscal Year, at the option of the Board, the Board shall apply 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 Lease Schedule No. 2025A or (ii) upon receipt of an approving opinion of Special Counsel, to the Series 2025A Subaccount of the Interest Account, or Series 2025A Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts.

The provisions of Section 5.08(d) of the Lease Agreement shall not apply to the Series 2025A Project.

15. Special Terms and Conditions for Lease Schedule No. 2025A.

(a) Representations.

(1) The Board hereby represents, covenants and warrants that adequate water, sanitary sewer and storm sewer utilities, electric power, telephone and other utilities are available to the Series 2025A Project.

(2) The Board hereby confirms its representations, covenants and warranties set forth in the Lease Agreement. The Corporation hereby confirms its representations, covenants and warranties set forth in the Lease Agreement.

(3) The Board and the Corporation hereby represent that the Lease Agreement is in effect and that to their knowledge there are no defaults on the date of execution of this Lease Schedule No. 2025A under the Lease Agreement, the Ground Lease or the Trust Agreement.

16. Notices. Copies of all notices required to be given to a Credit Enhancer pursuant to the Lease Agreement shall be given to AG at the following address:

Assured Guaranty Inc.
1633 Broadway
New York, New York 10019
Attention: Managing Director – Municipal Surveillance
Re: Policy No. _____-N
Telephone: (212) 974-0100
Email: munidisclosure@agltd.com

In each case in which notice or other communication refers to an Event of Default or Event of Non-Appropriation, then a copy of such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of General Counsel at the above address and at generalcounsel@agltd.com.

17. Special Terms and Conditions Required by AG. For purposes of this Lease Schedule, the following provisions shall apply so long as the [Insured] Series 2025A Certificates remain Outstanding or any amounts are payable to AG:

(a) The Board and the Corporation hereby agree that with respect to the Series 2025A Project or the Land or Premises (as defined in the Ground Lease) related to such Series 2025A Project prior to the sale, substitution or release of any Building or Land or Premises related thereto, or portion thereof, pursuant to Section 5.13 of the Lease

Agreement, the prior written consent of AG shall be obtained. In addition, Sections 4.03 and 4.05 and Article VII of the Lease Agreement may not be amended without the prior written consent of AG.

(b) With respect to the [Insured] Series 2025A Certificates, AG shall have the right to direct all remedies for default under the Lease Agreement and the Ground Lease.

(c) The Board shall not have the right to terminate the Lease Agreement or the Ground Lease for a default by the Corporation in the performance of its obligations hereunder or thereunder, as applicable.

(d) AG shall be deemed a third party beneficiary of the Lease Agreement, including this Lease Schedule.

(e) The Board hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the [Insured] Series 2025A Certificates remain outstanding and unpaid, the Board will not exercise the power of condemnation with respect to the Premises. The Board further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the Board should fail or refuse to abide by such covenant and condemns the Premises, the appraised value of the Premises shall not be less than the greater of (i) if such [Insured] Series 2025A Certificates are then subject to prepayment, the principal and interest components of the [Insured] Series 2025A Certificates outstanding through the date of their prepayment, or (ii) if such [Insured] Series 2025A Certificates are not then subject to prepayment, the amount necessary to defease such [Insured] Series 2025A Certificates to the first available prepayment date in accordance with the Trust Agreement.

(f) The Board may only contest taxes, assessments, utility and other such charges with respect to the Premises upon notice to AG and must pay such taxes, assessments, utility and other charges if requested to do so by AG.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the parties hereto have caused this Lease Schedule No. 2025A to be executed by their proper corporate officers, all as of the 1st day of March 2025.

MANATEE SCHOOL BOARD LEASING CORPORATION

By: _____
President

(SEAL)

Attest: _____
Secretary/Treasurer

THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA

By: _____
Chairman

(SEAL)

Attest: _____
Superintendent

SCHEDULE A

TOTAL BASIC RENT SCHEDULE

(Rent due on June 15 and December 15 next preceding each Certificate Payment Date)

<u>Certificate Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Basic Rent Payment</u>	<u>Remaining Principal Component</u>
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BASIC RENT SCHEDULE BY GROUP

Artisan Lakes Elementary School

<u>Certificate Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Basic Rent Payment</u>	<u>Remaining Principal Component</u>
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Rye Ranch Elementary School

Certificate Payment Date	Principal Component	Interest Component	Total Basic Rent Payment	Remaining Principal Component
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SERIES 2025A PROJECT DESCRIPTION, SERIES 2025A PROJECT BUDGET,
PROJECT SCHEDULE AND DESIGNATED EQUIPMENT

PROJECT DESCRIPTION

1. Artisan Lakes Elementary School. This component of the Series 2025A Project consists of the design and construction of a 122,500 square foot, 969 student station concrete block brick veneer two-story prototype school building on a 26.34-acre site located on Buckeye Road, Manatee County to include parking, traffic queuing, bus loop, play fields, courts and central energy plant. This component of the Series 2025A Project is expected to be completed in August 2026.

2. Rye Ranch Elementary School. This component of the Series 2025A Project consists of the design and construction of a 122,500 square foot, 969 student station concrete block brick veneer two-story prototype school on an 18.171 acre site located on North Rye Road, Manatee County to include parking, traffic queuing, bus loop, play fields, play courts and central energy plant. This component of the Series 2025A Project is expected to be completed in August 2026.

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A-3

B-1

ESTIMATED PROJECT BUDGET

Facility	Design Services	Construction Services	Owner Services	FFE/ Tech	Total Project Budget
Artisan Lakes Elementary School	\$2,987,800	\$67,251,017	\$2,061,183	\$2,700,000	\$75,000,000
Rye Ranch Elementary School	2,391,850	66,481,345	3,426,805	2,700,000	75,000,000
Total	\$5,379,650	\$133,732,362	\$5,487,988	\$5,400,000	\$150,000,000

B-1

ESTIMATED DRAWDOWN SCHEDULE

Month	Year	Artisan Lakes Elementary School	Rye Ranch Elementary School	Total
March	2025	\$2,508,760	\$2,347,300	\$ 5,856,060
April	2025	2,552,612	2,805,906	5,358,518
May	2025	4,052,612	3,740,284	7,792,896
June	2025	4,403,629	4,140,284	8,543,913
July	2025	5,052,612	5,040,284	10,092,896
August	2025	5,052,612	5,040,284	10,092,896
September	2025	5,052,612	5,040,284	10,092,896
October	2025	4,552,612	4,540,284	9,092,896
November	2025	5,352,612	5,340,284	10,692,896
December	2025	5,552,612	5,540,284	11,092,896
January	2026	4,552,612	4,540,284	9,092,896
February	2026	5,752,612	5,740,284	11,492,896
March	2026	4,052,612	4,040,284	8,092,896
April	2026	5,052,612	5,040,284	10,092,896
May	2026	5,351,035	7,101,467	12,452,502
June	2026	4,052,612	3,921,629	7,974,241
July	2026	1,052,620	1,040,290	2,092,910
Total		\$75,000,000	\$75,000,000	\$150,000,000

All equipment components not constituting fixtures of the educational facilities described under the heading "PROJECT DESCRIPTION" above.

**EDUCATIONAL PLANT SURVEY EXCERPTS RELATED
TO THE PROJECT COMPONENTS**

[Not Applicable]

B-3

B-4

SCHEDULE C

DESCRIPTION OF THE LAND

1. Artisan Lakes Elementary School.

DESCRIPTION: (BUCKEYE ROAD SCHOOL SITE)

A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 33 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE WEST 1/4 CORNER OF SAID SECTION 9; THENCE S89°32'04"E ALONG THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 9, 1723.47 FEET; THENCE LEAVING SAID SECTION LINE S00°27'56"W, 30.00 FEET TO ITS INTERSECTION WITH THE SOUTH MAINTAINED RIGHT-OF-WAY LINE OF BUCKEYE ROAD (PUBLIC RIGHT-OF-WAY OF VARYING WIDTH, PER ROAD PLAT BOOK 5, PAGE 1 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA) FOR A POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°32'04"E ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE, 1201.41 FEET; THENCE LEAVING SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE S00°32'14"W, 30.00 FEET TO THE NORTHWEST CORNER OF TRACT "C-34", ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, AS RECORDED IN PLAT BOOK 74, PAGE 153 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE CONTINUE ALONG THE WEST BOUNDARY LINE OF SAID ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, THE FOLLOWING CALLS: S00°32'14"W, 42.81 FEET THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 675.00 FEET AND A CENTRAL ANGLE OF 42°15'38", 497.87 FEET TO A POINT OF TANGENCY; THENCE S41°43'23"E, 98.36 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 925.00 FEET AND A CENTRAL ANGLE OF 44°00'00", 710.35 FEET TO A POINT OF TANGENCY; THENCE S02°16'37"W, 108.46 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 325.00 FEET AND A CENTRAL ANGLE OF 06°20'29", 35.97 FEET; THENCE LEAVING SAID WEST BOUNDARY LINE S87°39'40"W, 50.02 FEET TO ITS INTERSECTION WITH THE EAST BOUNDARY LINE OF ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, AS RECORDED IN PLAT BOOK 73, PAGE 165 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, ALSO LYING ON THE ARC OF A

CURVE TO THE RIGHT, WHOSE RADIUS POINT LIES N86°09'52"E, 375.00 FEET; THENCE ALONG THE ARC OF SAID CURVE AND ALONG THE WEST AND NORTH BOUNDARY LINES OF SAID ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, HAVING A RADIUS OF 375.00 FEET AND A CENTRAL ANGLE OF 02°16'45", 14.92 FEET; THENCE S86°32'28"W, 10.01 FEET; THENCE N89°19'36"W, 887.09 FEET TO ITS INTERSECTION WITH THE WEST LINE OF THE EAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 09, TOWNSHIP 33 SOUTH, RANGE 18 EAST; THENCE LEAVING SAID BOUNDARY LINE AND ALONG SAID WEST LINE N00°11'32"W, 1209.31 FEET TO THE SOUTHEAST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE LEAVING SAID WEST LINE AND ALONG THE SOUTH LINE OF LANDS DESCRIBED IN SAID OFFICIAL RECORDS BOOK 1262, PAGE 780 N89°30'14"W, 714.95 FEET TO THE SOUTHWEST CORNER OF SAID LANDS; THENCE N00°15'35"W, 166.56 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,147,372 SQUARE FEET OR 26.34 ACRES, MORE OR LESS.

2. Rye Ranch Elementary School.

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 12 AND THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF SECTION 12; THENCE ALONG THE EAST LINE OF SAID NORTHEAST QUARTER N00°29'55"E, 2403.45 FEET; THENCE LEAVING AFOREMENTIONED EASTERLY SECTION LINE N89°30'05"W, 2,509.49 FEET TO THE POINT OF BEGINNING; THENCE S64°19'15"W, 982.24 FEET; THENCE N44°27'15"W, 26.96 FEET; THENCE N11°45'46"E, 84.80 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 111.43 FEET AND A CENTRAL ANGLE OF 72°45'22"; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 141.49 FEET; THENCE N60°33'45"W, 115.78 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 212.00 FEET AND A CENTRAL ANGLE OF 29°26'15"; THENCE WESTERLY ALONG THE ARC OF SAID CURVE 108.92 FEET; THENCE N90°00'00"W, 91.08 FEET; THENCE N63°48'47"W, 51.63 FEET; THENCE N26°11'13"E, 22.27 FEET TO A POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET AND A CENTRAL ANGLE OF 52°55'22"; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 300.20 FEET; THENCE N63°15'51"E, 267.59 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT, WHOSE RADIUS POINT BEARS N55°08'59"E, 107.00 FEET, AND HAVING A CENTRAL ANGLE OF 133°08'58"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 248.66 FEET; THENCE

C-1

D-28

C-2

ALONG A NON-TANGENT LINE, THENCE N58°14'39"E, 251.22 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 676.00 FEET AND A CENTRAL ANGLE OF 41°27'04"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 489.06 FEET; THENCE S80°18'16"E, 107.97 FEET; THENCE S09°41'44"W, 88.58 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 817.00 FEET AND A CENTRAL ANGLE OF 35°22'28"; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 504.42 FEET TO THE POINT OF BEGINNING.

CONTAINING 791,541 SQUARE FEET OR 18.171 ACRES, MORE OR LESS.

SCHEDULE D

**DOCUMENTS REQUIRED BY SECTION 3.01(C)
OF THE LEASE AGREEMENT**

1. Resolution of the School Board. See Tab 2.1.
2. Certificate of the School Board. See Tab 2.3.
3. Ground Lease Agreement. See Tab 1.11.
4. Series 2025A Supplemental Trust Agreement. See Tab 1.5.
5. Memorandum of Lease with respect to the Series 2025A Project. See Tab 1.8.
6. Memorandum of Ground Lease with respect to the Series 2025A Project. See Tab 1.13.

C-3

D-1

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APPENDIX E

**ASSIGNMENT OF LEASE AGREEMENT AND FORM OF FOURTEENTH AMENDMENT TO
ASSIGNMENT OF LEASE AGREEMENT**

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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

BK 1492 PG 2362 DKT# 924947 1 of 9

ASSIGNMENT OF LEASE AGREEMENT

by and between

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION,
as Trustee**

Dated as of June 1, 1996

TABLE OF CONTENTS

	Page
SECTION 1. RECITALS	1
SECTION 2. ASSIGNMENT	1
SECTION 3. ACCEPTANCE	2
SECTION 4. CONDITIONS	2
SECTION 5. REPRESENTATIONS AND AGREEMENTS	2
SECTION 6. NON-RECOURSE	4
SECTION 7. NO INDIVIDUAL LIABILITY	4
SECTION 9. COUNTERPARTS	4
SECTION 10. LAW	5

ASSIGNMENT OF LEASE AGREEMENT

THIS ASSIGNMENT OF LEASE AGREEMENT, is made and entered into as of June 1, 1996, by and between MANATEE 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 SOUTHRUST BANK OF FLORIDA, NATIONAL ASSOCIATION, 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");

WITNESSETH:

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 June 1, 1996 (which, together with all amendments and Lease Schedules thereto, including, without limitation, Lease Schedule No. 1996, dated as of June 1, 1996, 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 or any Credit Enhancer, any documents deemed necessary by the Trustee or such Owners or any Credit Enhancer 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.

MANATEE SCHOOL BOARD LEASING CORPORATION, as Lessor

(SEAL)

By: Larry Simmons
Name: Larry Simmons
Title: President
Address: 215 Manatee Avenue West
Bradenton, Florida 34205

Attest:

S. Gene Denisar
Name: Dr. S. Gene Denisar
Title: Secretary
Address: 215 Manatee Avenue West
Bradenton, Florida 34205

SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION, as Trustee

(SEAL)

By: Michael J. Marra
Name: Michael J. Marra
Title: Authorized Signatory
Address: 3511 West Commercial Boulevard
Suite 214
Fort Lauderdale, Florida 33309

Attest:

Scott A. Schuhle
Name: Scott A. Schuhle
Title: Authorized Signatory
Address: 3511 West Commercial Boulevard
Suite 214
Fort Lauderdale, Florida 33309

STATE OF FLORIDA)
) SS:
COUNTY OF HILLSBOROUGH)

The foregoing Assignment of Lease Agreement was acknowledged before me this 9th day of July, 1996, by Larry Simmons and Dr. S. Gene Denisar, the President and Secretary, respectively, of the MANATEE 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)

John R. Stokes
Name: John R. Stokes
Notary Public, State of Florida
My Commission Expires: _____



STATE OF FLORIDA)
) SS:
COUNTY OF Pinellas)

The foregoing Assignment of Lease Agreement was acknowledged before me this 9th day of July, 1996, by Michael J. Marra and Scott A. Schuhle, Authorized Signatories of SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION. 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)

Richard T. Catarcio
Name: _____
Notary Public, State of Florida
My Commission Expires: _____



This document prepared by:

Ritesh S. Patel, Esq.
Nabors, Giblin & Nickerson, P.A.
2502 Rocky Point Drive
Suite 1060
Tampa, Florida 33607

**FOURTEENTH AMENDMENT TO
ASSIGNMENT OF LEASE AGREEMENT**

by and between

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as successor Trustee**

Dated March 1, 2025

TABLE OF CONTENTS

SECTION 1. RECITALS..... 1
 SECTION 2. ASSIGNMENT 4
 SECTION 3. ACCEPTANCE..... 4
 SECTION 4. CORPORATION'S REPRESENTATIONS, WARRANTIES,
 AND COVENANTS. 4
 SECTION 5. CONFLICTS; ASSIGNMENT AGREEMENT TO CONTINUE
 IN FORCE 5
 SECTION 6. COUNTERPARTS..... 5
 SECTION 7. LAW..... 5

**FOURTEENTH AMENDMENT TO
 ASSIGNMENT OF LEASE AGREEMENT**

THIS FOURTEENTH AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT, is made and entered into on March 1, 2025, by and between the **MANATEE 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 **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association with corporate trust powers duly qualified to enter into this Fourteenth 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 School Board of Manatee County, Florida (the "Board") have entered into the Master Lease-Purchase Agreement, dated as of June 1, 1996 (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 June 1, 1996, as amended and supplemented as hereinafter described (the "Assignment Agreement"), which Assignment Agreement has been recorded at Official Records Book 1492, page 2362, of the Public Records of Manatee County, Florida.

(c) The Corporation and Trustee amended the Assignment Agreement to acknowledge Amended and Restated Lease Schedule No. 1996 by entering into the First Amendment to Assignment of Lease Agreement, dated as of January 1, 1998 (the "First Amendment to Assignment Agreement"), which First Amendment to Assignment Agreement has been recorded at Official Records Book 1541, page 4859, of the Public Records of Manatee County, Florida.

(d) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2004-QZAB by entering into the Second Amendment to Assignment of Lease Agreement, dated as of July 22, 2004 (the "Second Amendment to Assignment Agreement"), which Second Amendment to Assignment Agreement has been

recorded at Official Records Book 1945, page 4536, of the Public Records of Manatee County, Florida.

(e) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2005A by entering into the Third Amendment to Assignment of Lease Agreement, dated as of March 1, 2005 (the "Third Amendment to Assignment Agreement"), which Third Amendment to Assignment Agreement has been recorded at Official Records Book 2006, page 1498, of the Public Records of Manatee County, Florida.

(f) The Corporation and the Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2005-QZAB by entering into the Fourth Amendment to Assignment of Lease Agreement, dated as of December 20, 2005 (the "Fourth Amendment to Assignment Agreement"), which Fourth Amendment to Assignment Agreement has been recorded at Official Records Book 02094, page 1677, of the Public Records of Manatee County, Florida.

(g) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2007 by entering into the Fifth Amendment to Assignment of Lease Agreement, dated as of May 1, 2007 (the "Fifth Amendment to Assignment Agreement"), which Fifth Amendment to Assignment Agreement has been recorded at Official Records Book 02208, Page 7071, of the Public Records of Manatee County, Florida.

(h) The Corporation and Trustee amended the Assignment Agreement to acknowledge Second Amended and Restated Lease Schedule No. 1996 by entering into the Sixth Amendment to Assignment of Lease Agreement, dated as of February 1, 2008 (the "Sixth Amendment to Assignment Agreement"), which Sixth Amendment to Assignment Agreement has been recorded at Official Records Book 02250, Page 0625, of the Public Records of Manatee County, Florida.

(i) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2009 by entering into the Seventh Amendment to Assignment of Lease Agreement, dated as of May 1, 2009 (the "Seventh Amendment to Assignment Agreement"), which Seventh Amendment to Assignment Agreement has been recorded at Official Records Book 02299, Page 7111, of the Public Records of Manatee County, Florida.

(j) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2010A by entering into the Eighth Amendment to Assignment of Lease Agreement, dated as of October 1, 2010 (the "Eighth Amendment to Assignment Agreement"), which Eighth Amendment to Assignment Agreement has been recorded at Official Records Book 02357, Page 6787, of the Public Records of Manatee County, Florida.

(k) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2011A by entering into the Ninth Amendment to Assignment of Lease Agreement, dated as of May 1, 2011 (the "Ninth Amendment to Assignment Agreement"), which Ninth Amendment to Assignment Agreement has been recorded at Official Records Book 2379, Page 3265, of the Public Records of Manatee County, Florida.

(l) The Corporation and Trustee amended the Assignment Agreement to acknowledge Amended and Restated Lease Schedule No. 2005A and Amended and Restated Lease Schedule No. 2007 by entering into the Tenth Amendment to Assignment of Lease Agreement, dated as of December 1, 2015 (the "Tenth Amendment to Assignment Agreement"), which Tenth Amendment to Assignment Agreement has been recorded at Official Records Book 2600, Page 1368, of the Public Records of Manatee County, Florida.

(m) The Corporation and Trustee amended the Assignment Agreement to acknowledge Amended and Restated Lease Schedule No. 2009 by entering into the Eleventh Amendment to Assignment of Lease Agreement, dated as of October 1, 2016 (the "Eleventh Amendment to Assignment Agreement"), which Eleventh Amendment to Assignment Agreement has been recorded at Official Records Book 2646, Page 78, of the Public Records of Manatee County, Florida.

(n) The Corporation and Trustee amended the Assignment Agreement to acknowledge Third Amended and Restated Lease Schedule No. 1996 and Amended and Restated Lease Schedule No. 2011A by entering into the Twelfth Amendment to Assignment of Lease Agreement, dated December 20, 2017 (the "Twelfth Amendment to Assignment Agreement"), which Twelfth Amendment to Assignment Agreement has been recorded at Official Records Book 2706, Page 5474, of the Public Records of Manatee County, Florida.

(o) The Corporation and Trustee amended the Assignment Agreement to acknowledge Lease Schedule No. 2023A by entering into the Thirteenth Amendment to Assignment of Lease Agreement, dated as of May 1, 2023 (the "Thirteenth Amendment to Assignment Agreement"), which Thirteenth Amendment to Assignment Agreement has been recorded at Official Records Book 1492, Page 2362, of the Public Records of Manatee County, Florida.

(p) The Corporation and the Trustee deem it necessary to further amend the Assignment Agreement to acknowledge Lease Schedule No. 2025A by entering into this Fourteenth Amendment to Assignment of Lease Agreement (the "Fourteenth Amendment to Assignment Agreement").

(q) 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.

(r) 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 respective Certificates.

(s) Each of the parties hereto has authority to enter into this Fourteenth Amendment to Assignment Agreement and has taken all actions necessary to authorize its officer to enter into it.

(t) The capitalized words and terms used in this Fourteenth 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 Lease Schedule No. 2025A (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 the Assignment of Lease Agreement, as previously amended and supplemented, 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.

IN WITNESS WHEREOF, the parties have executed this Fourteenth Amendment to Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

(SEAL)

Witness: _____ **MANATEE SCHOOL BOARD LEASING CORPORATION**, as Lessor

Name: _____ By: _____
Name: _____ Chad Choate III
Title: President
Address: 215 Manatee Avenue W.
Name: _____ Bradenton, Florida 34205

Witness: _____ ATTEST:

Name: _____ By: _____
Name: _____ Dr. Jason Wysong
Title: Secretary/Treasurer
Address: 215 Manatee Avenue W.
Name: _____ Bradenton, Florida 34205

Witness: _____ **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor Trustee

Name: _____ By: _____
Name: _____ Paul Henderson
Title: Assistant Vice President
Address: 225 Water Street, Suite 700
Name: _____ Jacksonville, Florida 32202

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 Fourteenth Amendment to Assignment Agreement and the Assignment Agreement, the terms of this Fourteenth Amendment to Assignment Agreement shall govern.

SECTION 6. COUNTERPARTS. This Fourteenth Amendment to Assignment Agreement may be executed in counterparts, and each of said counterparts shall be deemed an original for all purposes of this Fourteenth Amendment to Assignment Agreement. All of such counterparts taken together shall be deemed to be one and the same instrument.

SECTION 7. LAW. This Fourteenth Amendment to Assignment Agreement shall be construed under the laws of the State of Florida.

[Signature page to follow]

STATE OF FLORIDA)
) SS:
COUNTY OF MANATEE)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Chad Choate III and Dr. Jason Wysong, the President and Secretary/Treasurer, respectively, of the MANATEE SCHOOL BOARD LEASING CORPORATION, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal] _____
(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Paul Henderson, Assistant Vice President of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, who is personally known to me or who has produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

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APPENDIX F

FORMS OF SERIES 2025A GROUND LEASE AND SERIES 2025A GROUND LEASE ASSIGNMENT

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GROUND LEASE AGREEMENT

by and between

**THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA,
as Lessor**

and

**MANATEE SCHOOL BOARD LEASING CORPORATION,
as Lessee**

Dated as of March 1, 2025

TABLE OF CONTENTS

GROUND LEASE AGREEMENT

	<u>Page</u>
SECTION 1.	LEASED PREMISES2
SECTION 2.	TERM..... 4
SECTION 3.	USE OF PREMISES 4
SECTION 4.	RENTAL 5
SECTION 5.	OWNERSHIP OF IMPROVEMENTS AND SURRENDER OF PREMISES 6
SECTION 6.	BOARD'S INTEREST NOT SUBJECT TO CERTAIN LIENS..... 7
SECTION 7.	INSURANCE 7
SECTION 8.	CONDITION OF PREMISES, UTILITIES, CONCEALED CONDITIONS 7
SECTION 9.	LIMITATION ON LEASEHOLD MORTGAGES, ASSIGNMENT AND SUBLETTING 8
SECTION 10.	UTILITY EASEMENTS..... 8
SECTION 11.	DUTIES DEEMED PERFORMED 9
SECTION 12.	TAXES AND FEES 9
SECTION 13.	DEFAULT BY THE CORPORATION..... 10
SECTION 14.	REMEDIES OF BOARD..... 10
SECTION 15.	NO WAIVERS 11
SECTION 16.	QUIET ENJOYMENT 11
SECTION 17.	TERMS BINDING UPON SUCCESSORS..... 11
SECTION 18.	CONDEMNATION 11
SECTION 19.	NON-MERGER OF LEASEHOLD 12
SECTION 20.	MEMORANDUM OF GROUND LEASE 12
SECTION 21.	CHANGES TO PROPERTY DESCRIPTION 12
SECTION 22.	OPTION TO RENEW 13
SECTION 23.	ESTOPPEL CERTIFICATES..... 13
SECTION 24.	NONRECOURSE OBLIGATION OF THE CORPORATION 13
SECTION 25.	NO RECOURSE UNDER AGREEMENT 13
SECTION 26.	RADON GAS..... 14
SECTION 27.	MISCELLANEOUS..... 14
EXHIBIT A	PREMISES DESCRIPTION
EXHIBIT B	DESCRIPTION OF SERVICENT PROPERTY
EXHIBIT C	GROUND LEASE SUPPLEMENT

THIS GROUND LEASE AGREEMENT (hereinafter referred to as this "Ground Lease") is made and entered into as of March 1, 2025, by and between **THE SCHOOL BOARD OF MANATEE 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 School District of Manatee County, Florida, and the **MANATEE 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 Bradenton, Florida (the "Corporation"), as lessee.

Capitalized terms not otherwise defined herein shall have the meanings set forth in Exhibit A to the Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented, particularly as amended and supplemented by the Series 2025A Supplemental Trust Agreement, dated as of March 1, 2025.

WHEREAS, the Board is the owner of certain parcels of real property located in Manatee 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 2025A Project") and to lease the Series 2025A 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 of such educational facilities on the real property comprising the Premises; and

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 Series 2025A 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 Series 2025A 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 I. LEASED PREMISES. (a) Pursuant to the terms and provisions hereof, the Board hereby leases, grants, demises and transfers the Premises to the Corporation. The Board hereby agrees to make all parcels of real property on which the Series 2025A 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 2025A Project may contain certain elements, features or parts which are structural elements of both the Servient Buildings and the Series 2025A 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 2025A 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 2025A 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 2025A 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 2025A Project and the Servient Buildings (collectively referred to as "Flooring"). Should the Flooring of the Series 2025A 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 2025A 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 2025A Project shall remain undisturbed for as long as same exists 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 2025A 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 2025A Certificates and any Completion Certificates and/or Refunding Certificates related to the Series 2025A Project, have been paid or provision for payment of such Certificates has been made pursuant to Section 12.01 of the Trust Agreement [and any amounts payable to the Credit Enhancer for the Insured Series 2025A Certificates] and any Supplemental Rent arising under the Lease Agreement shall have been paid or provided for, or (b) July 1, 2050 (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 2025A Project;
- (ii) the Buildings and Equipment comprising a portion of the Series 2025A 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 2025A 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 2025A Project, other than Designated Equipment, constructed on the Premises shall remain severed from title to the Premises until the earlier of (A) the date on which the Series 2025A Certificates and any Completion Certificates and/or Refunding Certificates related to the Series 2025A Project shall no longer be Outstanding, or (B) the end of the Ground Lease Term.

4

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.

6

(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 2025A 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 (prorated) 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 and the consent of the Credit Enhancer); 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 prorated for the number of days between the date terminated and the next succeeding June 30;

(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

5

(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 the extent applicable) to nor any interest of the Board in the Premises or the Series 2025A Project may be subject to liens of any nature arising by reason of any act or omission of the Corporation or its assignee or any Person claiming under, by or through the Corporation, including, but not limited to, construction, 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 2025A 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 2025A Project for the purposes intended or to permit such Series 2025A 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 2025A Certificates or any Completion Certificates related to the Series 2025A Project 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.

7

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 2025A Certificates and any Completion Certificates and/or Refunding Certificates related to the Series 2025A Project, 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 or its assignee 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

8

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 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 2025A Certificates (including any amounts payable to [AGJ]) and any Completion Certificates and/or Refunding Certificates related to the Series 2025A Project have been paid or provision for payment thereof has been made pursuant to the terms and provisions of the Trust Agreement. The Board shall have recourse solely

10

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 2025A 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 2025A 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.

9

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

11

resulting therefrom shall be applied first to payment of the amount secured by any Leasehold Mortgage then outstanding hereunder, second, to payment, on a proportionate basis, of any outstanding Series 2025A Certificates and any Completion Certificates and/or Refunding Certificates related to the Series 2025A Project 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 2025A 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 2025A 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, delete 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 Series 2025A Ground Lease from time to time. Upon such substitution, deletion or addition, the Memorandum of Series 2025A Ground Lease will be supplemented to reflect the change in the legal description. Any such supplement shall be substantially in the form of Exhibit C attached hereto. Except in connection with any substitutions, deletions or additions relating to Permitted Encumbrances, the Designated Equipment portion of the Series 2025A Project or Servient Property that does not adversely impact the use of the Premises for its educational purposes, or otherwise permitted by this Series 2025A Ground

12

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:	The School Board of Manatee County, Florida 215 Manatee Avenue W. Bradenton, Florida 34205 Attention: Superintendent and Assistant Superintendent for Business Services
If to the Corporation:	Manatee School Board Leasing Corporation 215 Manatee Avenue W. Bradenton, Florida 34205 Attention: Superintendent and Assistant Superintendent for Business and Finance
If to the Trustee:	U.S. Bank Trust Company, National Association 225 Water Street, Suite 700 Jacksonville, FL 32202 Attention: Corporate Trust Department
If to the Insurer:	Assured Guaranty Inc. 1633 Broadway New York, New York 10019 Attention: Managing Director – Municipal Surveillance Re: Policy No. _____-N

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.

14

Lease or the Related Documents, each substitution, deletion or addition of a parcel of land subject to the provisions of this Series 2025A Ground Lease shall require the prior written consent of the [Credit Enhancer. Such consent of the Credit Enhancer shall only be required if the Credit Enhancer is not in default of its payment obligations under the 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 2025A 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 five 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.

13

In each case in which notice or other communication refers to an Event of Default or Event of Non-Appropriation, then a copy of such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of General Counsel at the above address and at generalcounsel@agtd.com.

(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 causes of action 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, conditions or stipulations 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. [AG] shall be deemed to be a third party beneficiary of this Ground Lease.

(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. Except as provided in the preceding sentence, any

15

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.

THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, as Lessor

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Superintendent/Secretary

MANATEE SCHOOL BOARD LEASING CORPORATION, as Lessee

(SEAL)

By: _____
President

ATTEST:

By: _____
Secretary/Treasurer

STATE OF FLORIDA)
) SS:
COUNTY OF MANATEE)

The foregoing Ground Lease Agreement was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Chad Choate III and Dr. Jason Wysong, the Chairman and Superintendent/Secretary, respectively, of THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, a school board duly organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

STATE OF FLORIDA)
) SS:
COUNTY OF MANATEE)

EXHIBIT A

PREMISES DESCRIPTION

- 1. Artisan Lakes Elementary School.

DESCRIPTION: (BUCKEYE ROAD SCHOOL SITE)

A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 33 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE WEST 1/4 CORNER OF SAID SECTION 9; THENCE S89°32'04"E ALONG THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 9, 1723.47 FEET; THENCE LEAVING SAID SECTION LINE S00°27'56"W, 30.00 FEET TO ITS INTERSECTION WITH THE SOUTH MAINTAINED RIGHT-OF-WAY LINE OF BUCKEYE ROAD (PUBLIC RIGHT-OF-WAY OF VARYING WIDTH, PER ROAD PLAT BOOK 5, PAGE 1 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA) FOR A POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°32'04"E ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE, 1201.41 FEET; THENCE LEAVING SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE S00°32'14"W, 30.00 FEET TO THE NORTHWEST CORNER OF TRACT "C-34", ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, AS RECORDED IN PLAT BOOK 74, PAGE 153 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE CONTINUE ALONG THE WEST BOUNDARY LINE OF SAID ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, THE FOLLOWING CALLS: S00°32'14"W, 42.81 FEET THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 675.00 FEET AND A CENTRAL ANGLE OF 42°15'38", 497.87 FEET TO A POINT OF TANGENCY; THENCE S41°43'23"E, 98.36 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 925.00 FEET AND A CENTRAL ANGLE OF 44°00'00", 710.35 FEET TO A POINT OF TANGENCY; THENCE S02°16'37"W, 108.46 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 325.00 FEET AND A CENTRAL ANGLE OF 06°20'29", 35.97 FEET; THENCE LEAVING SAID WEST BOUNDARY LINE S87°39'40"W, 50.02 FEET TO ITS INTERSECTION WITH THE EAST BOUNDARY LINE OF ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, AS RECORDED IN PLAT BOOK 73, PAGE 165 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, ALSO LYING ON THE ARC OF A

The foregoing Ground Lease Agreement was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Chad Choate III and Dr. Jason Wysong, the President and Secretary/Treasurer, respectively, of the MANATEE SCHOOL BOARD LEASING CORPORATION, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

CURVE TO THE RIGHT, WHOSE RADIUS POINT LIES N86°09'52"E, 375.00 FEET; THENCE ALONG THE ARC OF SAID CURVE AND ALONG THE WEST AND NORTH BOUNDARY LINES OF SAID ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, HAVING A RADIUS OF 375.00 FEET AND A CENTRAL ANGLE OF 02°16'45", 14.92 FEET; THENCE S86°32'28"W, 10.01 FEET; THENCE N89°19'36"W, 887.09 FEET TO ITS INTERSECTION WITH THE WEST LINE OF THE EAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 09, TOWNSHIP 33 SOUTH, RANGE 18 EAST; THENCE LEAVING SAID BOUNDARY LINE AND ALONG SAID WEST LINE N00°11'32"W, 1209.31 FEET TO THE SOUTHEAST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE LEAVING SAID WEST LINE AND ALONG THE SOUTH LINE OF LANDS DESCRIBED IN SAID OFFICIAL RECORDS BOOK 1262, PAGE 780 N89°30'14"W, 714.95 FEET TO THE SOUTHWEST CORNER OF SAID LANDS; THENCE N00°15'35"W, 166.56 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,147,372 SQUARE FEET OR 26.34 ACRES, MORE OR LESS.

2. Rye Ranch Elementary School.

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 12 AND THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF SECTION 12; THENCE ALONG THE EAST LINE OF SAID NORTHEAST QUARTER N00°29'55"E, 2403.45 FEET; THENCE LEAVING AFOREMENTIONED EASTERLY SECTION LINE N89°30'05"W, 2,509.49 FEET TO THE POINT OF BEGINNING; THENCE S64°19'15"W, 982.24 FEET; THENCE N44°27'15"W, 26.96 FEET; THENCE N11°45'46"E, 84.80 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 111.43 FEET AND A CENTRAL ANGLE OF 72°45'22"; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 141.49 FEET; THENCE N60°33'45"W, 115.78 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 212.00 FEET AND A CENTRAL ANGLE OF 29°26'15"; THENCE WESTERLY ALONG THE ARC OF SAID CURVE 108.92 FEET; THENCE N90°00'00"W, 91.08 FEET; THENCE N63°48'47"W, 51.63 FEET; THENCE N26°11'13"E, 22.27 FEET TO A POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET AND A CENTRAL ANGLE OF 52°55'22"; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 300.20 FEET; THENCE N63°15'51"E, 267.59 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT, WHOSE RADIUS POINT BEARS N55°08'59"E, 107.00 FEET, AND HAVING A CENTRAL ANGLE OF 133°08'58"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 248.66 FEET; THENCE

A-2

ALONG A NON-TANGENT LINE, THENCE N58°14'39"E, 251.22 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 676.00 FEET AND A CENTRAL ANGLE OF 41°27'04"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 489.06 FEET; THENCE S80°18'16"E, 107.97 FEET; THENCE S09°41'44"W, 88.58 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 817.00 FEET AND A CENTRAL ANGLE OF 35°22'28"; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 504.42 FEET TO THE POINT OF BEGINNING.

CONTAINING 791,541 SQUARE FEET OR 18.171 ACRES, MORE OR LESS.

A-3

EXHIBIT B

EXHIBIT C

DESCRIPTION OF SERVIENT PROPERTY

**[FIRST, SECOND, THIRD, ETC.]
GROUND LEASE SUPPLEMENT**

1. Artisan Lakes Elementary School.
None
2. Rye Ranch Elementary School.
None

This [First, Second, Third, etc.] Ground Lease Supplement ("Subject Supplement") is made and entered into as of _____ by **THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA** (the "Board") acting as the governing body of the School District of Manatee County, Florida (the "District") and **MANATEE 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 therein in the "Ground Lease" as hereinafter set forth.

WITNESSETH:

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 Manatee 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 Series 2025A 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.

THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA

ATTEST:

Its:

By: _____
Its:

(SEAL)

MANATEE SCHOOL BOARD LEASING CORPORATION

ATTEST:

Title:

By: _____
Title:

(SEAL)

SIMULTANEOUS ASSIGNMENT

All of the rights of Manatee School Board Leasing Corporation hereunder are hereby assigned without recourse or warranty to U.S. Bank Trust Company, National Association, as Trustee, as successor in interest to and assignee of Manatee School Board Leasing Corporation under the Assignment.

MANATEE SCHOOL BOARD LEASING CORPORATION

By: _____
Title:

Dated: _____

C-2

C-3

STATE OF FLORIDA)
)SS:
COUNTY OF MANATEE)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of _____, 20___, by _____ and _____, the Chairman and Superintendent/Secretary, respectively, of THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, a school board duly organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

STATE OF FLORIDA)
)SS:
COUNTY OF MANATEE)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of _____, 20___, by _____ and _____, the President and Secretary/Treasurer, respectively, of the MANATEE SCHOOL BOARD LEASING CORPORATION, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

C-4

C-5

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of _____, 20___, by _____ and _____, the President and Secretary/Treasurer, respectively, of the MANATEE SCHOOL BOARD LEASING CORPORATION, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

[Notary Seal]

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

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This document prepared by:

Ritesh S. Patel, Esq.
Nabors, Giblin & Nickerson, P.A.
2502 Rocky Point Drive, Suite 1060
Tampa, Florida 33607

ASSIGNMENT OF GROUND LEASE

from the

MANATEE SCHOOL BOARD LEASING CORPORATION

to

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as successor Trustee**

ASSIGNMENT OF GROUND LEASE

KNOW ALL MEN BY THESE PRESENTS, that the **MANATEE SCHOOL BOARD LEASING CORPORATION**, a Florida single-purpose, not-for-profit corporation (the "Corporation"), for and in consideration of good and valuable considerations to it in hand paid by **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, not in its individual capacity, but solely as successor trustee (the "Trustee"), the receipt of which is hereby acknowledged, has sold, assigned, transferred and set over, and by these presents does sell, assign, transfer and set over unto the Trustee the instrument of ground lease and the leasehold estate created by said instrument of ground lease, being that certain Ground Lease Agreement, dated as of March 1, 2025, as the same may be supplemented, modified or amended from time to time (the "Ground Lease"), a Memorandum of Ground Lease Agreement describing which has been duly recorded in the public records of Manatee County, Florida, granted by The School Board of Manatee County, Florida, (the "Board"), acting as the governing body of the School District of Manatee County, Florida to the Corporation in and to the Premises described therein; and

TO HAVE AND TO HOLD THE said instrument of ground lease, the leasehold estate created thereby, and any buildings and improvements thereon, unto Trustee, its successors and assigns forever; and

SECTION 1. ACCEPTANCE. The Trustee hereby accepts such assignment in trust for the purpose of securing payment of the Certificates relating to the Series 2025A Project and securing the rights of the Owners of such Certificates issued pursuant to the Trust Agreement.

SECTION 2. CONDITIONS. This Assignment of Ground Lease shall confer no rights and impose no duties upon the Trustee beyond those expressly provided in the Trust Agreement relating to the Series 2025A Project.

SECTION 3. REPRESENTATIONS AND AGREEMENTS. (a) With respect to the sale, assignment and conveyance of the rights, title and interest of the Corporation under the Ground Lease, 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 not-for-profit educational 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 Ground Lease, the Trust Agreement and this Assignment of Ground Lease.

(b) The Corporation does hereby covenant with the Trustee as grantee and assignee, its successors and assigns, that the Corporation (i) is the true and lawful owner of the leasehold estate created thereby, (ii) has good right to bargain, sell and transfer the same hereby, (iii) such leasehold estate of the Corporation is free and clear of any lien or encumbrance created by the Corporation, except for the "Lease Agreement" (as defined in the Ground Lease), (iv) that as of the date hereof there is no default under the terms of said Ground Lease, and (v) from and after this assignment, the Corporation will have no further interest in such Ground Lease or the leasehold estate thereby created except to enter into supplements thereto pursuant to Section 21 of the Ground Lease.

(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 Ground Lease.

(d) 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 4. NON-RECOURSE. The parties hereto agree that the assignment contained in this Assignment of Ground Lease 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 Ground Lease.

SECTION 5. NO INDIVIDUAL LIABILITY. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Assignment of 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 assignment effected by Section 2 hereof or for any claim based thereon under this Assignment of Ground Lease against any member, officer, employee or agent of the parties hereto.

SECTION 6. COUNTERPARTS. This Assignment of Ground Lease may be executed in counterparts, and each of said counterparts shall be deemed an original for all purposes of this Assignment of Ground Lease. All of such counterparts taken together shall be deemed to be one and the same instrument.

SECTION 7. DEFINITIONS. Capitalized terms used, but not otherwise defined herein, shall have the meanings ascribed to such terms in the Ground Lease.

(iii) The Corporation has full power, authority and legal right to enter into and perform its obligations under the Ground Lease, the Trust Agreement and this Assignment of Ground Lease; and the execution, delivery and performance of the Ground Lease, the Trust Agreement and this Assignment of Ground Lease 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 Ground Lease, the Trust Agreement and this Assignment of Ground Lease 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 Ground Lease and the Trust Agreement are in full force and effect and the Corporation is not in default thereunder; and, the Ground Lease, the Trust Agreement and this Assignment of Ground Lease 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 Ground Lease, the Trust Agreement and this Assignment of Ground Lease.

(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 Ground Lease, the Trust Agreement or this Assignment of Ground Lease.

(viii) The Ground Lease 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 Ground Lease and encumbrances permitted thereunder, including the Permitted Encumbrances.

IN WITNESS WHEREOF, the Manatee School Board Leasing Corporation, by its officer thereunto duly authorized, has affixed its corporate name and seal as of the 1st day of March, 2025.

MANATEE SCHOOL BOARD LEASING CORPORATION, as Lessor
(SEAL)
Witness: _____ By: _____
Name: _____ Name: Chad Choate III
Title: President
Address: 215 Manatee Avenue W.
Witness: _____ Bradenton, Florida 34205
Name: _____

ATTEST:
Witness: _____ By: _____
Name: _____ Name: Dr. Jason Wysong
Title: Secretary/Treasurer
Address: 215 Manatee Avenue W.
Witness: _____ Bradenton, Florida 34205
Name: _____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor Trustee
Witness: _____ By: _____
Name: _____ Name: Paul Henderson
Title: Assistant Vice President
Address: 225 Water Street
Witness: _____ Suite 700
Jacksonville, Florida 32202
Name: _____

STATE OF FLORIDA)
) SS:
COUNTY OF MANATEE)

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Chad Choate III and Dr. Jason Wysong, the President and Secretary/Treasurer, respectively, of the MANATEE SCHOOL BOARD LEASING CORPORATION, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, who are personally known to me or who have produced _____ as identification.

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of March, 2025, by Paul Henderson, Assistant Vice President of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, who is personally known to me or who has produced _____ as identification.

[Notary Seal] _____
(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

[Notary Seal] _____
(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

EXHIBIT A

The Premises subject to the Ground Lease Agreement are the real property (together with all buildings, structures and improvements now or hereafter erected or situated thereon, including, without limitation, the Series 2025A Project (as defined in the Ground Lease Agreement), all fixtures, additions, alterations or replacements thereto, now or hereafter located in, or used in connection with or attached or made to such land, to the extent title thereto may rest in the Board, 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) described as follows:

- 1. Artisan Lakes Elementary School.

DESCRIPTION: (BUCKEYE ROAD SCHOOL SITE)

A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 33 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE WEST 1/4 CORNER OF SAID SECTION 9; THENCE S89°32'04"E ALONG THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 9, 1723.47 FEET; THENCE LEAVING SAID SECTION LINE S00°27'56"W, 30.00 FEET TO ITS INTERSECTION WITH THE SOUTH MAINTAINED RIGHT-OF-WAY LINE OF BUCKEYE ROAD (PUBLIC RIGHT-OF-WAY OF VARYING WIDTH, PER ROAD PLAT BOOK 5, PAGE 1 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA) FOR A POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°32'04"E ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE, 1201.41 FEET; THENCE LEAVING SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE S00°32'14"W, 30.00 FEET TO THE NORTHWEST CORNER OF TRACT "C-34", ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, AS RECORDED IN PLAT BOOK 74, PAGE 153 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE CONTINUE ALONG THE WEST BOUNDARY LINE OF SAID ARTISAN LAKES EDGESTONE NORTH, PHASES I & II, THE FOLLOWING CALLS: S00°32'14"W, 42.81 FEET THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 675.00 FEET AND A CENTRAL ANGLE OF 42°15'38", 497.87 FEET TO A POINT OF TANGENCY; THENCE S41°43'23"E, 98.36 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 925.00 FEET AND A CENTRAL ANGLE OF 44°00'00", 710.35 FEET TO A POINT OF TANGENCY; THENCE S02°16'37"W, 108.46 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 325.00 FEET AND A CENTRAL

ANGLE OF 06°20'29", 35.97 FEET; THENCE LEAVING SAID WEST BOUNDARY LINE S87°39'40"W, 50.02 FEET TO ITS INTERSECTION WITH THE EAST BOUNDARY LINE OF ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, AS RECORDED IN PLAT BOOK 73, PAGE 165 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, ALSO LYING ON THE ARC OF A CURVE TO THE RIGHT, WHOSE RADIUS POINT LIES N86°09'52"E, 375.00 FEET; THENCE ALONG THE ARC OF SAID CURVE AND ALONG THE WEST AND NORTH BOUNDARY LINES OF SAID ESPLANADE NORTH AT ARTISAN LAKES SUBPHASES IA, IB & II, HAVING A RADIUS OF 375.00 FEET AND A CENTRAL ANGLE OF 02°16'45", 14.92 FEET; THENCE S86°32'28"W, 10.01 FEET; THENCE N89°19'36"W, 887.09 FEET TO ITS INTERSECTION WITH THE WEST LINE OF THE EAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 09, TOWNSHIP 33 SOUTH, RANGE 18 EAST; THENCE LEAVING SAID BOUNDARY LINE AND ALONG SAID WEST LINE N00°11'32"W, 1209.31 FEET TO THE SOUTHEAST CORNER OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1262, PAGE 780 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE LEAVING SAID WEST LINE AND ALONG THE SOUTH LINE OF LANDS DESCRIBED IN SAID OFFICIAL RECORDS BOOK 1262, PAGE 780 N89°30'14"W, 714.95 FEET TO THE SOUTHWEST CORNER OF SAID LANDS; THENCE N00°15'35"W, 166.56 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,147,372 SQUARE FEET OR 26.34 ACRES, MORE OR LESS.

- 2. Rye Ranch Elementary School.

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 12 AND THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF SECTION 12; THENCE ALONG THE EAST LINE OF SAID NORTHEAST QUARTER N00°29'55"E, 2403.45 FEET; THENCE LEAVING AFOREMENTIONED EASTERLY SECTION LINE N89°30'05"W, 2,509.49 FEET TO THE POINT OF BEGINNING; THENCE S64°19'15"W, 982.24 FEET; THENCE N44°27'15"W, 26.96 FEET; THENCE N11°45'46"E, 84.80 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 111.43 FEET AND A CENTRAL ANGLE OF 72°45'22"; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 141.49 FEET; THENCE N60°33'45"W, 115.78 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 212.00 FEET AND A CENTRAL ANGLE OF 29°26'15"; THENCE WESTERLY ALONG THE ARC OF SAID CURVE 108.92 FEET; THENCE N90°00'00"W, 91.08 FEET; THENCE N63°48'47"W, 51.63 FEET; THENCE N26°11'13"E, 22.27 FEET TO A POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET AND A CENTRAL ANGLE OF 52°55'22"; THENCE NORTHERLY ALONG THE ARC

OF SAID CURVE 300.20 FEET; THENCE N63°15'51"E, 267.59 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT, WHOSE RADIUS POINT BEARS N55°08'59"E, 107.00 FEET, AND HAVING A CENTRAL ANGLE OF 133°08'58"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 248.66 FEET; THENCE ALONG A NON-TANGENT LINE, THENCE N58°14'39"E, 251.22 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 676.00 FEET AND A CENTRAL ANGLE OF 41°27'04"; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 489.06 FEET; THENCE S80°18'16"E, 107.97 FEET; THENCE S09°41'44"W, 88.58 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 817.00 FEET AND A CENTRAL ANGLE OF 35°22'28"; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 504.42 FEET TO THE POINT OF BEGINNING.

CONTAINING 791,541 SQUARE FEET OR 18.171 ACRES, MORE OR LESS.

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APPENDIX G

FORM OF OPINION OF SPECIAL COUNSEL

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APPENDIX G

FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A., WITH RESPECT TO THE SERIES 2025A CERTIFICATES

Upon delivery of the Series 2025A Certificates in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Special Counsel, proposes to render its opinion with respect to such Series 2025A Certificates in substantially the following form:

[Delivery Date]

The School Board of Manatee County, Florida
Bradenton, Florida

School Board Members:

We have acted as Special Counsel in connection with the execution and delivery of \$[PAR AMOUNT] aggregate principal amount of Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida (the "Series 2025A Certificates") in connection with the Series 2025A Lease described below.

In that capacity, we have examined various documents including (i) the Master Lease-Purchase Agreement, dated as of June 1, 1996, as amended and supplemented (the "Lease Agreement"), between the Manatee School Board Leasing Corporation, a single-purpose Florida not-for-profit educational corporation, as lessor (the "Corporation") and The School Board of Manatee County, Florida, as lessee (the "Board"); (ii) Lease Schedule No. 2025A, dated as of March 1, 2025 ("Lease Schedule No. 2025A" and, together with the Lease Agreement, the "Series 2025A Lease"), between the Corporation and the Board; (iii) the Master Trust Agreement, dated as of June 1, 1996, as amended and supplemented (the "Trust Agreement"), among U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"), the Board and the Corporation; (iv) the Series 2025A Supplemental Trust Agreement, dated as of March 1, 2025 (the "Series 2025A Supplemental Trust Agreement"), among the Trustee, the Board and the Corporation; (v) the Assignment of Lease Agreement, dated as of June 1, 1996, as amended and supplemented, and particularly as amended and supplemented by a Fourteenth Amendment

to Assignment of Lease Agreement, dated as of March 1, 2025 (collectively, the "Lease Assignment"), 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 Series 2025A Lease (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; (vi) the Ground Lease Agreement, dated as of March 1, 2025 (the "Ground Lease Agreement"), between the Board, as lessor, and the Corporation, as lessee, pursuant to which the Board will grant to the Corporation a leasehold interest in certain real property owned by the Board; and (vii) the Assignment of Ground Lease, dated as of March 1, 2025, from the Corporation to the Trustee. We have also examined a record of proceedings of the Board and the Corporation relating to the Series 2025A Lease, the Trust Agreement, the Series 2025A Supplemental Trust Agreement, the Lease Assignment and the Ground Lease Agreement. Capitalized terms used, but not otherwise defined herein, shall have the meanings ascribed thereto in the Trust Agreement.

The proceeds of the Certificates will be used for the principal purposes of providing moneys for (i) the lease purchase financing (including through reimbursement) of the Series 2025A Project (as defined in Lease Schedule No. 2025A) and (ii) paying costs of issuance of the Series 2025A Certificates.

Pursuant to the Series 2025A Lease, the Corporation is leasing certain educational and related facilities to the Board, including, without limitation, the Series 2025A Project and the Board is making Lease Payments to the Trustee, as assignee of the Corporation pursuant to the Lease Assignment, which shall include Basic Rent Payments. The Series 2025A Certificates evidence an undivided proportionate interest in the Basic Rent Payments under the Series 2025A Lease. The Basic Rent Payments are payable solely from the Board's Available Revenues specifically appropriated for such purpose. The Board is not legally required to budget and appropriate Available Revenues for this purpose and the Basic Rent Payments are subject to annual appropriation by the Board. None of 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 appropriated for such purpose, 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 from the Corporation pursuant to the Lease Agreement in addition to the Series 2025A Project. The acquisition, construction, installation and equipping of each such Project is financed by the issuance of a Series of Certificates pursuant to the Trust

Agreement. Except as provided below, each Series of Certificates issued to finance a Project shall be secured independently of other Series of Certificates. 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 for all Projects, including the Series 2025A Project, leased under the Lease Agreement or for none of them. The Board may also issue Completion Certificates or Refunding Certificates which shall be on parity with the Series 2025A Certificates upon satisfying the conditions described therefor in the Trust Agreement.

The Series 2025A Certificates are dated and shall bear interest from their date of delivery. The Series 2025A 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, 2026. The Series 2025A Certificates are subject to prepayment prior to maturity in accordance with the terms of the Series 2025A 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, the Trust Agreement, the Ground Lease Agreement and in the certified proceedings relating thereto and to the issuance of the Series 2025A Certificates and other certifications of officials furnished to us in connection therewith 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, Trust Agreement and the Ground Lease Agreement and the other instruments relating to the transactions contemplated therein. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Series 2025A Certificates and have relied solely on the facts, estimates and circumstances described and set forth therein. In our examination of the foregoing, 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 Manatee County, Florida and has all necessary power and authority to execute and deliver the Lease Agreement, Lease Schedule No. 2025A, the Ground Lease Agreement, the Trust Agreement and the Series 2025A Supplemental Trust Agreement.

2. The Series 2025A Lease, the Ground Lease Agreement, the Trust Agreement and the Series 2025A 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 Series 2025A Certificates, upon proper execution and authentication by the Trustee, shall evidence an undivided proportionate interest in the Basic Rent Payments to be made by the Board under the Series 2025A Lease, and shall be entitled to the benefits and security of the Trust Agreement as amended and supplemented by the Series 2025A Supplemental Trust Agreement.

4. Under existing statutes, regulations, rulings and court decisions, prior to the termination of the Series 2025A Lease resulting from an Event of Non-Appropriation or Event of Default thereunder, the Interest Component of the Basic Rent Payments received by the owners of the Series 2025A Certificates (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, such Interest Component of the Basic Rent Payments is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth in this paragraph are subject to the condition that the Board and the Corporation comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2025A Certificates in order that the interest thereon 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 on the Series 2025A Certificates to be so included in gross income retroactive to the date of issuance of the Series 2025A Certificates. The Board and the Corporation have covenanted in the Series 2025A Lease to comply with all such requirements. Ownership of the Series 2025A 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 Series 2025A Certificates.

We express no opinion regarding the federal income tax or Florida tax consequences resulting from the ownership of the Series 2025A Certificates or the receipt by the owners thereof of payments on the Series 2025A Certificates following the termination of the Series 2025A Lease resulting from an Event of Non-Appropriation or Event of Default thereunder.

The opinions expressed in paragraphs 1 and 2 hereof are qualified to the extent that (i) the enforceability of the Series 2025A Lease, the Trust Agreement, the Ground Lease

Agreement and the Series 2025A Supplemental Trust Agreement, and the rights of the owners of the Series 2025A 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 2025A Supplemental Trust Agreement by the Corporation and the Trustee and of the Lease Agreement, Lease Schedule No. 2025A and the Ground Lease Agreement by the Corporation.

It should be noted that except as may expressly be set forth in an opinion delivered by us to the Underwriters of the Series 2025A Certificates on the date hereof (upon which only they may rely), we have not been engaged or undertaken to review (i) the accuracy, sufficiency or completeness of the Offering Statement or other offering material relating to the Series 2025A Certificates and we express no opinion relating thereto, and (ii) the compliance with any federal or state law with regard to the sale or distribution of the Series 2025A 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 federal income tax laws of 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 and circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur.

We have examined the form of the Series 2025A Certificates and, in our opinion, the form of the Series 2025A Certificates is regular and proper.

Respectfully submitted,

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APPENDIX H

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 March __, 2025, is executed and delivered by The School Board of Manatee County, Florida (the "Issuer") and Digital Assurance Certification, LLC, as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Series 2025A Certificates (hereinafter defined) and in order to assist the Issuer in processing certain continuing disclosure with respect to the Series 2025A 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 by DAC 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. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

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 Filing Date" means the date, set in Sections 2(a) and 2(f) hereof, 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.

"Annual Report" means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the annual financial statements 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)(B) 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 2025A Certificates and the 9-digit CUSIP numbers for all Series 2025A Certificates to which the document applies.

"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.

"Disclosure Representative" means the Superintendent or the Director of Finance 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.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Financial Obligation" as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"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 2025A Certificates (including persons holding Series 2025A Certificates through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2025A Certificates for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements, 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, or any successor thereto, 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 2025A Certificates (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown in Exhibit A.

"Offering Statement" means that Offering Statement prepared by the Issuer in connection with the Series 2025A Certificates, as listed on Exhibit A.

"Series 2025A 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 2025A Certificates were issued.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) 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 each April 30th following the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2025. 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 to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be 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 10:00 a.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 Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be 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 at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing 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) hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof (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, 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 2025A Certificates, or other material events affecting the tax-exempt status of Series 2025A Certificates;"
7. Modifications to rights of securities holders, if material;
8. Series 2025A Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event 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;
14. Appointment of a successor or additional Trustee, or the change of name of a Trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(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;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof 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 other than those communications included in the Rule;"
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. "other event-based disclosures."

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof 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) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.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 and statistical information provided in the Offering Statement:

1. The tables entitled:

- (i) "Summary of Statistical Data;"
- (ii) "Summary of General Fund Operations;"
- (iii) "Assigned and Unassigned Fund Balance for the District's General Fund;"
- (iv) "Summary of Capital Projects Funds Operations;"
- (v) "Direct and Overlapping Governmental Activities Debt;"
- (vi) "Anticipated Capital Outlay Millage Levy Required to Cover Maximum Annual Payments Represented by the Prior Certificates and the Series 2025A Certificates;"
- (vii) "Assessed Value and Estimated Actual Value of Taxable Property;"
- (viii) "Property Tax Rates;" and
- (ix) "Property Tax Levies and Collections."

2. Description of any additional series of Certificates issued under the Trust Agreement.

3. Description of any material litigation which would have been disclosed in the Offering Statement if such litigation had occurred and been ongoing at the time the Offering Statement was dated.

(b) Audited Financial Statements as described in the Offering Statement will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with Generally Accepted Accounting Principles as described in the Offering Statement will be included in the Annual Report. In such event, 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 offering 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 Internet Website. If the document incorporated by reference is a final offering statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

If the Annual Financial Information contains modified operating data or financial information different from the Annual Financial Information agreed to in the continuing disclosure undertaking related to the Series 2025A Certificates, the Board 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 2025A 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 2025A Certificates, or other material events affecting the tax status of the Series 2025A Certificates;
7. Modifications to rights of Certificate holders, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Series 2025A 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;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The Issuer shall, in a timely manner not in excess of nine (9) 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 either (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 may 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. The Board will provide the Dissemination Agent with the CUSIP numbers for (i) new Certificates at such time as they are issued or become subject to the Rule and (ii) any Certificates to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Certificates.

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 may 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) hereof 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 2025A Certificates upon the legal defeasance, prior redemption or payment in full of all of the Series 2025A Certificates, when the Issuer is no longer an obligated person with respect to the Series 2025A 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, LLC 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 2025A Certificates. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable to the Disclosure Dissemination Agent 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 (30) 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 2025A Certificates or under any other document relating to the Series 2025A 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 2025A 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 2025A 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 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 2025A 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.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than twenty (20) days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within ten (10) days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

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 2025A 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 Agreement Disclosure to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION,
LLC, as Disclosure Dissemination Agent

By: _____

Name: Shana Blanchard

Title: Senior Vice President

THE SCHOOL BOARD OF MANATEE
COUNTY, FLORIDA, as Issuer

By: _____
Name: Chad Choate III
Title: Chair

EXHIBIT A

**NAME AND CUSIP NUMBERS OF SERIES 2025A
CERTIFICATES**

Name of Issuer: The School Board of Manatee County, Florida

Obligated Person(s): The School Board of Manatee County, Florida

Name of Bond Issue: Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida

Date of Issuance: March __, 2025

Date of Offering Statement: March __, 2025

Maturity (July 1)	Principal Amount	Interest Rate	Initial CUSIP Numbers
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: The School Board of Manatee County, Florida

Obligated Person: The School Board of Manatee County, Florida

Name of Bond Issue: Certificates of Participation (The School Board of Manatee County, Florida Master Lease Program), Series 2025A 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 Manatee County, Florida

Date(s) of Issuance: March __, 2025

Date(s) of Disclosure Agreement: March __, 2025

CUSIP Number:

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual report with respect to the above-named Series 2025A Certificates as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, LLC, 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,
LLC, 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 Manatee 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 securities holders, if material;
- 8. _____ Series 2025A Certificate calls, if material; Tender offers;
- 9. _____ Defeasances;
- 10. _____ Release, substitution, or sale of property securing repayment of the securities, if material;
- 11. _____ Rating changes;
- 12. _____ Bankruptcy, insolvency, receivership or similar event of the obligated person;
- 13. _____ Merger, consolidation, or acquisition, if material;
- 14. _____ Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- 15. _____ Incurrence of a Financial Obligation of the Issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security holders, if material; and
- 16. _____ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of obligated person, any of which reflect financial difficulties.

_____ 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: _____ Title: _____

Digital Assurance Certification, LLC
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

EXHIBIT C-2

VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement, dated as of March __, 2025, between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Manatee 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. _____ Other Event-based disclosures.

I hereby represent that I am authorized by the Issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, LLC
315 E. Robinson Street, Suite 300
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 March __, 2025. between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Manatee 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: _____ Title: _____

Digital Assurance Certification, LLC
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

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APPENDIX I

FORM OF SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____

Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)

