

Financial Affairs  
Edward Marquez, Chief Financial Officer

**SUBJECT: TAX ANTICIPATION NOTES, SERIES 2004**

**COMMITTEE: BUSINESS AND FINANCIAL SERVICES**

Pursuant to Sections 1010 and 1011, Florida Statutes, school districts are authorized to borrow operating funds on a short-term basis in order to fund anticipated cash flow deficits arising from the difference in timing of receipts of proceeds from the annual ad valorem tax levy and expenditures for operations, together with a reasonable working capital reserve.

Miami-Dade County Public Schools borrowed \$97,000,000 by issuing Tax Anticipation Notes (TAN's) during 2003-2004 to establish a reasonable cash equity reserve for the General Fund. The TAN's mature on June 28, 2004.

It is recommended that a borrowing for the amount allowed by federal tax laws to fund the working capital reserve be approved. This amount will not exceed \$120,000,000. The Notes will be repaid at the end of the 2004-2005 fiscal year. Proceeds of the Notes will be invested in accordance with Board policies. The Notes will be sold by public competitive sale.

Estimated costs of issuance are detailed in Appendix A. Counsel and Financial Advisor fees are pursuant to current contracts with the provider of services.

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

- a) Adopt Resolution #04-40 authorizing the issuance of the Tax Anticipation Notes, Series 2004, in an amount not to exceed \$120,000,000 to provide interim funds for the operation of the District, such Notes to be retired from the proceeds of ad valorem taxes to be received during fiscal year 2004-2005 for operating purposes; and,
- b) Approve the payment of fees and expenses as listed on Appendix A.

**Appendix A**

**COST OF ISSUANCE**  
**TAX ANTICIPATION NOTES, SERIES 2004**  
*(Estimated)*

		<u>Not to Exceed</u>
DeLara Associates	Financial Advisory Fee (.25 per \$1,000 issued) (Includes Expenses)	\$ 15,000
Greenberg Traurig	Note Counsel Fee (Includes Expenses)	\$ 15,500
Liebler, Gonzalez & Portuondo	Disclosure Counsel Fee (Includes Expenses)	\$ 8,000
Moody's Investors Service	Rating Agency	\$10,000
Printer	Cost of printing Official Statement and Official Notice of Sale	\$ 5,000
	<b>TOTAL:</b>	<hr/> <b>\$53,500</b> <hr/>

RESOLUTION 04-40

A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND APPLICATION OF THE PROCEEDS OF NOT EXCEEDING \$120,000,000 AGGREGATE PRINCIPAL AMOUNT OF TAX ANTICIPATION NOTES, SERIES 2004 (THE "NOTES") TO PROVIDE INTERIM FUNDS FOR THE PAYMENT OF OPERATING EXPENSES OF THE DISTRICT; PROVIDING FOR A BOOK-ENTRY SYSTEM WITH RESPECT TO THE NOTES; AUTHORIZING A PUBLIC SALE OF THE NOTES; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A MATERIAL EVENTS NOTICE CERTIFICATE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

**Section 1. Authority For This Resolution.** This Resolution is adopted pursuant to the provisions of Section 1011.13, Florida Statutes, as amended (the "Act").

**Section 2. Findings.** It is hereby found, determined and declared as follows that:

(a) Pursuant to the Act, the school board of any school district in the State of Florida is authorized to negotiate a current loan for any fiscal year in which school funds are estimated to be insufficient at any time during such fiscal year to pay obligations created by the school board in accordance with the official budget of the school district or a budget approved by the school board preliminary to the tentative budget required to be adopted pursuant to Section 1011.02, Florida Statutes.

(b) The School Board of Miami-Dade County, Florida (the "Board"), a body corporate under the laws of the State of Florida and the governing body of the School District of Miami-Dade County, Florida (the "District"), hereby determines that it is necessary for the benefit of the schools of the District for a current loan to be negotiated to meet the disbursement requirements which are set forth in the preliminary budget of the District for the fiscal year of the District

commencing July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year"), such loan to be negotiated after commencement of the Current Fiscal Year and retired from (a) the District's gross, real, and tangible personal property ad valorem tax receipts but only to the extent such tax receipts are for operating purposes, and (b) amounts on deposit in the hereinafter described Sinking Fund (collectively, the "Pledged Revenues"), which are anticipated to be received in accordance with the budget for said Current Fiscal Year. "Pledged Revenues" shall not include ad valorem taxes collected to pay the principal of and interest on bonds of the District issued pursuant to Sections 1010.40 - 1010.55, Florida Statutes, or to pay the principal of and interest on any obligations issued by the Board pursuant to Section 1011.14, Florida Statutes, or otherwise levied pursuant to Section 1011.71(2), Florida Statutes.

(c) The Board, to the extent possible has endeavored to arrange the expenditures of the District for the Current Fiscal Year so as to make it unnecessary for the District to incur loans.

(d) The Board hereby further determines that said loan shall be evidenced by the issuance of not exceeding \$120,000,000 tax anticipation notes of the District to be known as "Tax Anticipation Notes, Series 2004" (the "Notes"), the principal of and the interest on which will be payable by their terms on June 28, 2005, and the principal amount of which is less than 80% of the amount estimated by the Board to be included in the operating budget of the District for the Current Fiscal Year to be available from the District tax revenues.

(e) The Board has further determined that the loan to be computed as prescribed by the Act is for an amount not in excess of the amount necessary for the continued operation of the schools in the District, including reasonable reserves.

(f) The principal amount of the Notes will not exceed the maximum anticipated cumulative cash flow deficit (treating as unavailable a reasonable working capital reserve equal to five percent of the District's expenditures paid from current revenues for the prior fiscal year) to be financed by the anticipated Pledged Revenues for the period for which the

Pledged Revenues are anticipated and during which the Notes are outstanding.

(g) The Notes shall be payable as to both principal and interest from the Pledged Revenues to be included in and estimated in the operating budget of the District for the Current Fiscal Year to be available, and, if necessary, are additionally payable from, but are not secured by, all legally available funds of the District derived from sources other than ad valorem taxation ("Non-Ad Valorem Funds"). Neither the faith and credit nor the taxing power of the State of Florida, Miami-Dade County or the District are pledged to the payment of the principal of or the interest on the Notes, except for the Pledged Revenues for the Current Fiscal Year.

(h) It is estimated that the Pledged Revenues herein pledged for payment of the Notes will exceed the amounts necessary to pay the principal of and interest on the Notes when due.

**Section 3. Authorization of Borrowing; Book-Entry System.** Pursuant to the Constitution and laws of the State of Florida, particularly the Act, the Board hereby authorizes the borrowing of money for the purpose of financing the cost of obligations to be incurred in the ordinary operations of the District in the Current Fiscal Year, and hereby authorizes the issuance and sale of not exceeding \$120,000,000 aggregate principal amount of School District of Miami-Dade County, Florida Tax Anticipation Notes, Series 2004 (the "Notes"). The Notes shall be numbered R-1 and upward in registered book-entry-only form as herein provided, shall be dated as of such date, shall mature on June 28, 2005, and shall bear interest at a rate not exceeding the maximum rate permitted by law, all as shall be set forth in the bid of the successful bidder for the Notes. Interest shall be computed on the basis of a 360-day year. The Notes shall not be subject to redemption prior to maturity. The Notes shall be issued in substantially the form set forth in **Exhibit "A"** attached hereto and made a part hereof, with such deletions, changes, revisions or modifications as may be approved by the Superintendent, execution and delivery of the Notes by the Chair or Vice Chair and the Superintendent, as ex officio Secretary of the Board, being conclusive evidence of such approval and that the Notes are issued in accordance with this Resolution.

So long as the District shall maintain a book-entry-only system with respect to the Notes, the following provisions shall apply:

The Notes shall initially be issued in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), which will act as securities depository for the Notes and so long as the Notes are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the Notes shall be deposited with DTC, which shall be responsible for maintaining a book-entry-only system for recording the ownership interests of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Notes ("Beneficial Owners").

Principal and interest at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Paying Agent or the District.

The Notes shall initially be issued in the form of one fully registered Note and shall be held in such form until maturity. Individuals may purchase beneficial interests in the amount of \$5,000 or integral multiples thereof in book-entry-only form, without certificated Notes, through the DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS THE REGISTERED OWNER OF THE NOTES, ANY NOTICE TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICE TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIVIDUAL PURCHASERS OF BENEFICIAL INTERESTS.

The District has entered or will enter into a blanket issuer letter of representations with DTC providing for such a

book-entry-only system. A copy of such blanket issuer letter of representations is attached hereto as **Exhibit "B"**. Such agreement may be terminated at any time by either DTC or the District. In the event of such termination, the District shall select another securities depository or discontinue such book-entry only system. If the District does not replace DTC, the Registrar (as hereinafter defined) will register and deliver to the Beneficial Owners replacement Notes in the form of fully registered Notes in denominations of \$5,000 or integral multiples thereof, in accordance with instructions from Cede & Co.

The principal of and the interest on the Notes shall be payable in any coin or currency of the United States of America which, at the time of payment thereof is legal tender for the payment of public and private debts.

The District shall deposit and separately account for (in accordance with the provisions of Section 13 hereof) sufficient moneys to pay the principal of and interest on the Notes on or prior to the maturity of the Notes. Such moneys shall be held for the benefit of Cede & Co. as registered owner of the Notes in the Sinking Fund and separately restricted on the books of account of the District, and shall be paid to Cede & Co. at maturity of the Notes.

**Section 4. Execution of Notes.** The Notes shall be executed with the manual or engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chair or Vice Chair of the Board and countersigned by the manual signature of the Superintendent, as ex officio Secretary of the Board, and the seal of the Board shall be imprinted or impressed thereon. In case any officer whose signature shall appear on any Notes shall cease to be such officer before delivery of such Notes, such signature shall, nevertheless, be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and such Notes may, nevertheless, be issued and delivered as though the person who signed or sealed such Notes had not ceased to be such officer; and alternatively any of such Notes may be executed and sealed on behalf of the District by such officers of the Board who may at the time of the execution of such Notes hold the proper offices on the Board although on the date of issuance of such Notes or on the date of any lawful proceedings taken in connection therewith such persons may not have held such offices.

**Section 5. Notes Mutilated, Destroyed, Stolen or Lost.**

In case any of the Notes shall be mutilated, or be destroyed, stolen or lost, the District may, in its discretion, issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Note, upon surrender and cancellation of such mutilated Note, if any, or in lieu of or substitution for the Note, if any, destroyed, stolen or lost, and upon the registered owner furnishing the District proof of its ownership thereof and indemnity satisfactory to the District and complying with such other reasonable regulations and conditions as the District may prescribe and upon payment of such expenses as the District may incur. The Note so surrendered shall be canceled by the District. If the Notes shall have matured, or be about to mature, instead of issuing a substitute Note, the District may pay the same, upon being indemnified as aforesaid, and if such be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Note issued pursuant to this section shall constitute an original, additional contractual obligation of the District whether or not the lost, stolen or destroyed Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as any other Note issued hereunder.

**Section 6. Public Sale; Award of Notes.** It is hereby found, ascertained, determined and declared by the Board that a public sale of the Notes of the District in the aggregate principal amount of not exceeding \$120,000,000 is in the best interest of the District and is hereby authorized. The Superintendent of Schools or the Chief Financial Officer or the Treasurer of the District is hereby authorized to prepare and publish a summary notice of sale for the Notes, to prepare and distribute an official invitation to bid for the Notes and related documents, and to prepare a Preliminary Official Statement for distribution in connection with such official invitation to bid. The forms of the official notice of sale and summary notice of sale shall be substantially in the forms set forth in **Exhibit "C"**, attached hereto. The Notes shall be offered at public sale on a date to be determined in the discretion of the Superintendent of Schools or the Chief Financial Officer or the Treasurer of the District without



further authorization from the Board. The Superintendent of Schools or the Chief Financial Officer or the Treasurer of the District is hereby authorized and directed to publish, or cause to be published, the official or summary form of notice of sale in The Bond Buyer, a financial newspaper published and/or of general circulation in the Borough of Manhattan, City and State of New York and, in the discretion of the Superintendent of Schools or the Chief Financial Officer or the Treasurer of the District, in a newspaper of general circulation in the area of the District one time not less than 10 days prior to such date of sale. The Board hereby separately authorizes and directs the Chair or Vice Chair, the Superintendent, the Chief Financial Officer, the Treasurer, and the School Board Attorney to take all actions necessary to consummate such sale, upon the terms and conditions set forth in the official invitation to bid.

The Board and its officers are hereby authorized and directed to take such action as the Board or its officers deem necessary or desirable to obtain a securities rating for the Notes from Moody's Investors Service, Inc.

The Superintendent or Chief Financial Officer or the Treasurer, in consultation with and upon the advice of the District's Financial Advisor, Board Attorney, and Note Counsel, is authorized to receive bids for the purchase of the Notes and to award the Notes to the lowest responsive bidder as evidenced by the execution of the Certificate of Award (as hereinafter defined), without further action by the Board.

Characteristics of the Notes or any installment thereof, determined on the basis of the bids and the provisions of this Resolution, shall be set forth in a certificate of the District awarding such Notes to the purchaser or purchasers thereof (the "Certificate of Award"). The Certificate of Award shall be executed by the Superintendent, the Chief Financial Officer or the Treasurer, upon satisfaction of the conditions specified below, without further action by the Board.

This delegation of the District is expressly made subject to the following conditions, the failure of any of which shall render the successful bid voidable at the option of the District. The conditions for execution of the Certificate of Award are:

1. The form of Certificate of Award shall be approved by Note Counsel to the District.

2. The net interest cost rate for the Notes, based upon their award to the successful bidder, shall not exceed 5.000%.

3. Prior to award of the Notes to the successful bidder, the District shall receive from the successful bidder a disclosure and truth-in-bonding statement as required by Section 218.385(4), Florida Statutes.

4. The award of the Notes and execution of the Certificate of Award shall occur not later than 60 days from the date of this resolution.

5. The successful bidder (the "Purchaser") shall comply with such other conditions as requested by the Note Counsel to the District.

**Section 7. Approval of Preliminary Official Statement; Execution of Final Official Statement.** The form of the Preliminary Official Statement attached to this Resolution as **Exhibit "D"** is hereby approved, and the Board hereby authorizes the distribution and use of the Preliminary Official Statement in connection with the public offering for sale of the Notes. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications and changes to the Preliminary Official Statement, each of the Chair or Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer is hereby authorized to approve such insertions, changes and modifications, and each of the Chair or Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"), in the form as mailed, and in furtherance thereof to execute a certificate evidencing the same substantially in the form attached hereto as **Exhibit "E"**.

The Superintendent is hereby authorized to have prepared and each of the Chair or Vice Chair is hereby authorized to execute a final Official Statement and, upon such execution, to deliver the same to the Purchaser for use by it in connection with the sale and distribution of the Notes. The Official

Statement shall be substantially in the form of the Preliminary Official Statement, with such changes as shall be approved by the Superintendent, the Chief Financial Officer or the Treasurer as necessary to conform the details of the Notes and such other insertions, modifications and changes as may be approved by the Superintendent, the Chief Financial Officer or the Treasurer. The execution and delivery of the Official Statement by the Chair or Vice Chair shall constitute conclusive evidence of the approval thereof. The Board hereby authorizes the Official Statement and the information contained therein to be used in connection with the offering and sale of the Notes.

**Section 8. Material Events Notice.** The Board hereby covenants and agrees that, in order to provide for compliance by the Board with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Material Events Notice Certificate to be executed by the Chair or Vice Chair of the Board and dated the date of delivery of the Notes, as it may be amended from time to time in accordance with the terms thereof. The Material Events Notice Certificate shall be substantially in the form attached hereto as **Exhibit "F"** with such changes, amendments, modifications, omissions and additions as shall be approved by the Chair or Vice Chair who is hereby authorized to execute and deliver such Certificate. Notwithstanding any other provision of this Resolution or the Notes, failure of the Board to comply with such Material Events Notice Certificate shall not be considered an event of default under this Resolution or the Notes; provided, however, any Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to comply with its obligations under this Section 8 and the Material Events Notice Certificate.

**Section 9. Delivery of the Notes.** Upon payment of the purchase price for the Notes pursuant to the terms of the official invitation to bid and the fulfillment of the other conditions contained therein there shall be delivered to DTC on account of the Purchaser the properly executed Notes in the form described herein.

**Section 10. Receipt for the Notes.** Upon receipt of such purchase price, a proper receipt therefor shall be executed by the District and by the Purchaser.

**Section 11. Appointment of Registrar and Paying Agent.** The Board shall serve as Registrar and Paying Agent for the Notes.

**Section 12. Covenants and Pledge of Pledged Revenues.** The District covenants with and for the benefit of the holders of the Notes:

(a) To comply with its operating budget for the Current Fiscal Year and in accordance with Florida law and to levy District ad valorem taxes as required by law.

(b) To the extent necessary to pay when due the principal of and the interest on the Notes, the Pledged Revenues for the Current Fiscal Year are irrevocably pledged to the payment of the Notes.

(c) The interest rate on the Notes will not exceed the interest rate limitation contained in Section 215.84 Florida Statutes.

(d) The Notes have the nature of current obligations in anticipation of budgeted revenues as provided in the Act.

(e) The Pledged Revenues are hereby irrevocably pledged to the payment when due of the principal of and interest on the Notes.

**Section 13. Sinking Fund.** There is hereby established a Sinking Fund to be held by the District as a separate special account for the benefit of the Noteholders (the "Sinking Fund"); provided, that the cash required to be accounted for therein may be pooled with other funds of the District so long as adequate accounting records are maintained to reflect and control the restricted purposes of such Sinking Fund moneys. The Sinking Fund shall be held in trust by the District for the sole benefit of the Noteholders, and the Noteholders are granted an express lien on the moneys and/or investments held in the Sinking Fund. The Holders shall have no lien upon any portion of the Pledged Revenues from sources constituting Non-Ad Valorem Funds unless and until such funds are deposited into the Sinking Fund. The District covenants that it shall deposit sufficient moneys or investments legal for District moneys pursuant to the provisions of Sections 1010.53(2) and 218.415, Florida Statutes, as amended

from time to time pursuant to Board policy ("Permitted Investments") into the Sinking Fund no later than April 1, 2005, so that the balance on deposit therein, together with the earnings to be received thereon, if any, will equal the amount of principal and interest becoming due on the Notes at maturity. Funds in the Sinking Fund may be invested only in Permitted Investments which mature on or prior to the maturity date of the Notes. Earnings on investments held in the Sinking Fund shall be retained and reinvested in the Sinking Fund until the amount on deposit in the Sinking Fund, together with the earnings to be received thereon, is equal to the entire principal of and interest on the Notes due at their maturity. Thereafter, such earnings may be withdrawn by the District and used in the District's discretion as provided by law. Realized losses, if any, on investments held in the Sinking Fund shall be restored by the District by deposit of additional moneys into the Sinking Fund on or prior to the maturity date of the Notes.

The District will transfer to Cede & Co. in care of DTC, the amounts so maintained in the Sinking Fund on or prior to the maturity date of the Notes. DTC will use such moneys to retire the Notes as they mature in accordance with the provisions of Section 3 hereof. Any balance in the Sinking Fund shall be released from the restriction described herein upon payment in full of the Notes.

**Section 14. Taxing Power Not Pledged.** No holder of the Notes issued hereunder shall ever have the right to compel the exercise of the ad valorem taxing power of the District, the County or the State or taxation in any form of any real or personal property therein to pay such Notes or the interest thereon except for the Pledged Revenues for the Current Fiscal Year commencing July 1, 2004.

**Section 15. District Budget.** The District, in preparing, approving and adopting its budget controlling or providing for the expenditures of its funds, so long as any principal of or interest on the Notes is outstanding and unpaid, will appropriate, allot and approve, in the manner required by law, from funds of the District derived from sources other than ad valorem taxes (except as provided in Sections 13 and 14 hereof) and legally available therefor, the amounts sufficient to pay the principal of and interest on the Notes.

**Section 16. Application of Note Proceeds.** The proceeds from the sale of the Notes shall be used by the District to pay the lawful expenses of the District as the Board shall direct. The costs of preparation and issuance of the Notes including, but not limited to, rating agency, financial advisory and attorneys' fees, and the cost of preparation and dissemination of the preliminary and final Official Statements for the Notes shall be paid from other legally available funds of the District.

**Section 17. Noteholder Not Affected by Use of Note Proceeds.** The proceeds, including investment proceeds and accrued interest, if any, from the issuance of the Notes (the "Note Proceeds") are not pledged as security for payment of the principal of and interest on the Notes except as provided in Section 13 hereof and shall be expended by the District to pay the obligations of the District created by the District in accordance with the budget of the District for the Current Fiscal Year. The holders of the Notes issued hereunder shall have no responsibility for the use of the proceeds of said Notes, and the use of such Note Proceeds by the District shall in no way affect the rights of such Noteholders.

**Section 18. Arbitrage Covenants; Tax Exemption.** The District covenants that no investment or use will be made of the proceeds of the Notes herein authorized or the interest thereon which will cause said Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code, and the applicable regulations thereunder as such provisions may be applicable to said Notes at the time of such investment or use. The Chair or Vice Chair of the Board, the Superintendent, the Chief Financial Officer and the Treasurer are each hereby separately authorized to execute on behalf of the District an arbitrage certificate in appropriate form to assure the holders of the Notes that the Notes are not arbitrage bonds; such arbitrage certificate shall constitute a representation of the District, and no use of the proceeds of the Notes will be made contrary to the representations therein contained. The District further covenants that so long as the Notes remain outstanding that it will perform all obligations required by law to assure that interest on the Notes remains excludable from gross income for federal income tax purposes.

**Section 19. Further Assurances.** The Board covenants that the provisions of this Resolution do not conflict with or

violate any existing resolution of the Board and that no contract or other agreement will be entered into and no action will be taken by which the rights of the holders of the Notes herein authorized might be impaired or diminished. The Board further covenants that it will comply with all of the terms, provisions and conditions required under Florida law and particularly Chapter 1011 thereof for the adoption of and compliance with the 2004-2005 Budget and for the assessment of millages and the levying of ad valorem taxes against the appropriate taxable property in the District. The members of the Board and the officers and employees of the Board are hereby authorized and directed to do all acts and things required of them by the provisions of this Resolution and the Notes herein authorized for the full, punctual and complete performance of all terms, covenants, provisions and agreements contained in such Notes and this Resolution.

**Section 20. Resolution to Constitute a Contract.** Upon the sale of the Notes hereby authorized, this Resolution will constitute a contract with the holders thereof and such holders may enforce the provisions hereof by appropriate proceedings.

**Section 21. Defeasance.** If, at any time the Board shall have paid, or shall have made provision for payment of, the principal of and interest on the Notes then, and in that event, the pledge of and lien on the Pledged Revenues in favor of the holders of the Notes shall no longer be in effect and the Notes shall no longer be deemed to be outstanding and unpaid for the purposes of this Resolution. For purposes of the preceding sentence, deposit in irrevocable trust with the State Board of Administration of Florida or with a bank or trust company for the sole benefit of the Noteholders, of sufficient Permitted Investments or any other securities or investments which may be authorized by law from time to time and sufficient under such law to effect such a defeasance, the principal of which, together with the earnings to be received thereon, will be sufficient to make timely payment of the principal of and interest on the Notes, shall constitute provision for payment. For purposes of defeasance, "Permitted Investments" shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

**Section 22. Modification or Amendment.** Modifications and amendments to this Resolution or any proceeding of the Board

amendatory hereof may be made without the consent of registered holders of the Notes for purposes of clarification, curing any ambiguity or curing, correcting or supplementing any defective provisions (whether because of any inconsistency with any other provisions hereof or otherwise), in such manner as shall not impair the security for or adversely affect the rights of registered holders of the Notes; provided, however, that no material modification or amendment of this Resolution or of any proceeding of the Board amendatory hereof or supplemental hereto, may be made without the consent in writing of registered holders of fifty-one percent (51%) or more in aggregate principal amount of the Notes outstanding; provided further, however, that no modification or amendment shall permit a change in the maturity of the Notes or a reduction of the rate of interest thereon or in the amount of the principal obligation, or affect the covenants of the District provided in this Resolution including without limitation the covenant to pay the principal of and interest on the Notes, or reduce such percentage of registered holders of such Notes required above for such modifications or amendments, without the consent of the registered holders of all such Notes. Copies of all amendments shall be provided to Moody's Investors Service, Inc.

**Section 23. Remedies.** Any Noteholder or any trustee acting for such Noteholders in the manner hereinafter provided, may by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the District or by any officer thereof. The holder or holders of Notes in an aggregate principal amount of not less than twenty-five percent (25%) of Notes then outstanding may, by a duly executed certificate, appoint a trustee for holders of Notes, with authority to represent such holders in any legal proceedings for the enforcement and protection of the rights of such holders. Such certificate shall be executed by such holders or their duly authorized attorneys or representatives and shall be filed with the District.

**Section 24. Additional Acts.** The Chair, Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer are each authorized and directed to execute and deliver all



additional documents, contracts, instruments and certificates, and to take all actions and steps on behalf of the District which are necessary or desirable in connection with the issuance of the Notes and which are not inconsistent with the terms and provisions of this Resolution.

**Section 25. Statutory References.** All statutory references herein shall be to said statutes as they exist on the date of adoption of this Resolution and as they may be from time to time amended or renumbered, including pursuant to the Florida K-20 Education Code, as well as by future legislation, except to the extent contractual commitments would preclude application of a subsequent statutory revision or repeal.

**Section 26. Severability.** If any one or more of the provisions of this Resolution or of the Notes herein authorized shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Notes, but this Resolution and the Notes shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

**Section 27. Repealing Clause.** All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

**Section 28. Open Meeting Findings.** It is hereby found and determined that all official acts of the Board concerning and relating to the adoption of this Resolution and all prior resolutions affecting the District's ability to issue the Notes were taken in an open meeting of the Board and that all deliberations of the Board that resulted in such official acts were taken in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

**Section 29. Effective Date.** This Resolution shall take effect immediately upon its passage.

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Adopted this 16<sup>th</sup> day of June, 2004.

[SEAL]

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Dr. Michael M. Krop  
Chair, The School Board of  
Miami-Dade County, Florida

Attest:

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Merrett R. Stierheim  
Secretary, The School Board of  
Miami-Dade County, Florida

Approved as to form:

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Johnny Brown, Esq.  
School Board Attorney

EXHIBIT A

FORM OF NOTE

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the District for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
TAX ANTICIPATION NOTE  
SERIES 2004

<u>Number</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>CUSIP</u>
R-1	July 28, 2004	___%	June 28, 2005	59333M ___

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

FOR VALUE RECEIVED, THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA (the "District"), a political subdivision of the State of Florida, does hereby promise to pay to the order of the Registered Owner of this Note the Principal Amount hereof together with interest hereon from the Date of Issue of this Note at the Interest Rate indicated above, computed on the basis of a 360-day year, payable on the Date of Maturity hereof, solely from the sources hereinafter identified, upon presentation and surrender hereof at the office of The School Board of Miami-Dade County, Florida (the "Board"), which shall serve as paying agent and registrar (the "Paying Agent").

The principal of and interest on this Note are payable in any coin or currency of the United States of America which, at the date of payment hereof, is legal tender for the payment of public and private debts.

This Note is the only one of a duly authorized issue of Notes of the District designated as its "Tax Anticipation Notes, Series 2004", in the principal amount of One Hundred Twenty Million Dollars (\$120,000,000) pursuant to the powers granted to the District by the State of Florida under Section 1011.13, Florida Statutes, as amended (the "Act"), and pursuant to a Resolution adopted by the Board, acting as the governing body of the District, on June 16, 2004 (the "Note Resolution"), for the purpose of providing funds to pay obligations incurred by the Board in accordance with the budget of the District for the Fiscal Year of the District beginning July 1, 2004 and ending June 30, 2005. Reference is hereby made to the Note Resolution for the provisions, among others, with respect to the collection and disposition of District ad valorem tax moneys and other legally available revenues of the Board for the current fiscal year which commences July 1, 2004 to be received by the District, and pledged to the payment of principal of and the interest on the Notes, the rights, duties and obligations of the District and the rights of the holder or holders of the Notes. By the acceptance of this Note, the holder hereof assents to all of the provisions of the Note Resolution.

This Note shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the Notes, with no physical distribution of Note certificates to be made. Any provisions of the Resolution or this Note requiring physical delivery of Notes shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of beneficial ownership interests of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Certificates (the "Beneficial Owners"). Beneficial ownership interests in this Note may be transferred in accordance with the book-entry-only system maintained by DTC.

This Note shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Note is held in book-entry-only form Cede & Co. shall be considered the

registered owner for all purposes hereof, including the payment of principal and interest hereon. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants shall be the responsibility of DTC Participants and payments by DTC Participants and Indirect Participants to individual beneficial owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Paying Agent or the District.

This Note is a special obligation of the District payable solely from District ad valorem tax receipts for operational purposes levied pursuant to Florida law and certain interest earnings of the District anticipated in the budget of the District for its fiscal year July 2004 - June 2005 (the "2004-2005 Budget") for deposit in the Sinking Fund, and additionally, if necessary from other legally available revenues of the District derived from sources other than ad valorem taxation which may be deposited by the District in the Sinking Fund. Pursuant to the Note Resolution, the budgeted revenues to be received by the District from said District tax receipts for such fiscal year of the District in the Sinking Fund are irrevocably pledged to the payment when due of the principal of and interest on this Note.

NONE OF THE DISTRICT, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY, EXCEPT FROM FUNDS BUDGETED AND APPROPRIATED FOR SUCH PURPOSE, ANY SUMS DUE TO THE REGISTERED OWNER HEREOF FROM ANY SOURCE OF TAXATION AND THE FULL FAITH AND CREDIT OF THE DISTRICT, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE HEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution of the State of Florida or the laws thereof to exist, happen and be performed precedent to and in the issuance of this Note do exist, have happened, and have been done and performed in due and legal time, form and manner as required by law, in full compliance with law.

This Note shall be governed by the laws of the State of Florida, which laws shall be applicable in the interpretation, construction and enforcement hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA has caused this Note to be executed with the manual, engraved, imprinted or stamped facsimile of the signature of the Chair of the Board and by the manual signature of the Secretary of the Board, and to be sealed by a facsimile of the original seal of the Board, all as of the \_\_\_ day of July, 2004.

[SEAL]

SCHOOL DISTRICT OF MIAMI-DADE  
COUNTY, FLORIDA

ATTEST:

By: \_\_\_\_\_  
Chair, The School Board of  
Miami-Dade County, Florida

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

**EXHIBIT B**

**DTC BLANKET ISSUER LETTER OF REPRESENTATIONS**

[attached]



**EXHIBIT C**

**OFFICIAL NOTICE OF SALE**

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
\$120,000,000 TAX ANTICIPATION NOTES, SERIES 2004**

The School District of Miami-Dade County, Florida (the "District"), invites electronic bids via Parity (see "SUBMISSION OF BIDS" below), subject to the terms and conditions hereof, for the purchase of all and not less than all of the District's \$120,000,000 Tax Anticipation Notes, Series 2004 (the "Notes"). As used herein, the term "bidder" may include a group of bidders who may act through a representative or representatives.

**GENERAL TERMS.** The Notes will be dated July 28, 2004 and will mature on June 28, 2005. The Notes will bear interest at the rate to be designated by the Successful Bidder (as defined below). The Notes are not subject to redemption prior to their stated maturity. The Notes are being issued to provide interim funds for the payment of operating expenses of the District for its fiscal year commencing July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year") as more fully described in the Preliminary Official Statement for the Notes under the caption "PURPOSE OF THE NOTES".

**TERMS OF BIDS.** Each bid must specify a single uniform interest rate per annum from the dated date to maturity which shall be expressed as an integral multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent. Each bid must be for all and not less than all of the Notes issued. No bid for less than 100% of the principal amount of Notes plus accrued interest, if any, from July 28, 2004, will be considered. Premiums may be bid. All bids must be unconditional and submitted electronically via **PARITY** in accordance with this Official Notice of Sale. Only bids submitted through Parity will be considered. No facsimile, personal delivery bids, or bids delivered by any other method will be accepted.

**BASIS OF AWARD.** The award, if any, will be made to the bidder (the "Successful Bidder") whose bid results in the lowest net interest cost determined by deduction of any premium from the total interest on all of the Notes from July 28, 2004, to June 28, 2005, calculated on a 360-day year basis, and who otherwise meets and satisfies the terms and conditions of this Official Notice of Sale. If two or more bids provide the lowest net interest cost, the District shall determine by lot which bid

shall be accepted, and such determination shall be final. The District reserves the right to waive any informality or irregularity in any bid and to reject any and all bids.

**RECEIPT OF BIDS.** Sealed bids for the Notes will be received by the District electronically via Parity until 11:00 A.M., Eastern Daylight Savings Time, on Tuesday, July 20, 2004 or on such later date as may be established by the Chief Financial Officer of the District or his designee and communicated by Thomson Municipal Market Monitor not less than twenty four (24) hours prior to the time the bids will be received.

To the extent any instructions or directions set forth on Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall prevail. For further information about Parity, potential bidders may contact i-Deal at 40 West 23<sup>rd</sup> Street, 5<sup>th</sup> Floor, New York, NY 10010 or telephone (212)404-8102. The use of Parity shall be at the bidder's risk and expense, and the District shall have no liability with respect thereto. Only bids submitted through Parity will be considered. No telephone, telefax, telegraph, mail, courier delivery or personal delivery bids will be accepted. To participate, bidders must be a contracted customer of the BiDCOMP Competitive Bidding System (the "System"). If the prospective bidder does not have a contract with the System, call (212)404-8102 to become a customer and to obtain a list of the bidding rules and procedures.

**SUBMISSION OF BIDS.** The following are the instructions to submit a bid via **BiDCOMP/PARITY®**:

1. The prospective bidder must be a contracted customer of the BiDCOMP Competitive Bidding System. If the prospective bidder does not have a contract with BiDCOMP call (212) 404-8102 to become a customer.
2. In BiDCOMP, select the School District of Miami-Dade County Tax Anticipation Notes Series 2004 sale among the list of current sales.
3. Keep notice of the time clock and be sure to read all bid specifications in BiDCOMP.
4. Once the prospective bidder has created and saved a bid in BiDCOMP, click the final bid button to submit the bid to Parity.

5. Upon clicking the final bid button, the prospective bidder will see a message box that states: "Do you want to submit this bid to Parity? By submitting the bid electronically via Parity the bidder represents and warrants that this bid for the purchase of the Notes is submitted by the representative who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes."

6. If during bid calculation BiDCOMP warns the bidder that the bid violates the bid parameters, please change the bid to meet specifications. The BiDCOMP system will submit bids that violate the bid parameters, but the District may not consider any bids that do not meet its parameters.

7. The bidder may choose to proceed with submission of the bid or choose to cancel the submission.

8. Contact BiDCOMP/Parity at (212) 404-8102 with questions or problems related to the System.

**GOOD FAITH DEPOSIT.** A good faith deposit (the "Deposit") in the form of a certified or cashier's check payable to the order of the School District of Miami-Dade County, Florida or in the form of a Financial Surety Bond, in the amount of One Million Two Hundred Thousand Dollars (\$1,200,000), which is one percent (1%) of the principal amount of the Notes, is required to be submitted for each bid to be considered. If a check is used, it must be delivered no later than 11:00 A.M. Eastern Daylight Savings Time on July 20, 2004 to the office of the Treasurer, Room 615, School Board Administration Building, 1450 NE Second Avenue, Miami, Florida 33132.

If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Florida and approved by the State's Division of Bond Finance (as of the date of this Official Notice of Sale, only Financial Security Assurance Inc. is qualified for this purpose). Such bond must be submitted to the District prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Notes are awarded to the bidder utilizing a Financial Surety

Bond, that bidder is required to submit its Deposit in the form of a cashier's check or wire transfer as instructed by the District or its financial advisor. Such Deposit shall be considered due on the day the Notes are awarded, and shall be considered delinquent if not received by 2:00 P.M. Eastern Daylight Savings Time on the next business day following such award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn down by the District to satisfy the Deposit requirement.

The Deposit of the Successful Bidder will be retained and deposited with the District until the delivery of the Notes, at which time the Deposit will be applied against the purchase price of the Notes. No interest on the Deposit will accrue to the Successful Bidder. Deposits of unsuccessful bidders will be returned to them promptly after the award is made. In the event the Successful Bidder fails to honor its accepted bid, the Deposit will be retained by the District as liquidated damages. In the event that the District fails to deliver the Notes to the Successful Bidder, the Deposit shall be immediately delivered by the District to the Successful Bidder or the insurance company that issued the Financial Surety Bond, whichever is applicable, and none of the Successful Bidder, the District or any other party shall have any further obligation with respect to the Notes.

**AUTHORIZATION, SECURITY AND SOURCE OF PAYMENT FOR THE NOTES.** The Notes are authorized pursuant to the terms of a resolution duly adopted by The School Board of Miami-Dade County, Florida (the "Board"), the governing body of the District, on June 16, 2004, as the same may be supplemented or amended (the "Resolution"), and pursuant to the authority of Section 1011.13, Florida Statutes. The Notes and the interest thereon are special, limited obligations of the District payable from and secured by a lien upon and pledge of the ad valorem taxes collected for the benefit of the District during the Current Fiscal Year, for operating purposes, excluding ad valorem taxes collected for other purposes, and amounts on deposit in the Sinking Fund created by the Resolution for the Notes (collectively, the "Pledged Funds"), all in the manner and to the extent described in the Resolution.

None of the District, Miami-Dade County, Florida (the "County"), the State of Florida (the "State"), or any political subdivision thereof will be obligated to pay, except as described above, any sums due on the Notes from any source of taxation, and the full faith and credit of the District, the

County, the State, or any political subdivision thereof is not pledged for the payment of such sums due and such sums do not constitute an indebtedness of the District, the County, the State, or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation.

**DISCLOSURE OBLIGATIONS OF THE PURCHASER.** Section 218.38(b) 1., Florida Statutes requires that the District file, within 120 days after delivery of the Notes, an information statement with the Division of Bond Finance of the State Board of Administration of the State of Florida (the "Division") containing the following information: (a) the name and address of the managing underwriter, if any, connected with the Notes; (b) the name and address of any attorney or financial consultant who advised the District with respect to the Notes; (c) any fee, bonus or gratuity paid by any underwriter or financial consultant in connection with the Notes to any person not regularly employed or engaged by such underwriter or consultant; and (d) any other fee paid by the District with respect to the Notes, including any fee paid to attorneys or financial consultants. The Successful Bidder will be required to deliver to the District on the date of delivery of the Notes a statement signed by an authorized officer containing the information mentioned in (a) and (c) above with respect to any payment made by the Successful Bidder and to file any disclosure information required by law to be submitted by the Successful Bidder to the Division.

**TRUTH IN BONDING STATEMENT.** The Successful Bidder will be required to fill out a Truth in Bonding statement in the form attached hereto stating the amount of the total interest to be paid over the life of the Notes, among other matters.

**DELIVERY.** Delivery of the Notes will be made through the facilities of The Depository Trust Company ("DTC") in New York, New York on or about July 28, 2004, against payment thereof in immediately available funds without cost to and to the order of the District.

**PURCHASER'S CERTIFICATION REGARDING INITIAL OFFERING PRICE.** In order to provide the District with information required to enable it to comply with certain requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Notes from the gross income of the holders thereof for federal income tax purposes, the Successful Bidder will be required to complete, execute and deliver to the District (on the date of delivery of the Notes) a certificate

relating to the manner in which the Notes were offered for sale and the offering price for such Notes, substantially in the form attached hereto. In the event the Successful Bidder will not reoffer the Notes for sale or is unable to sell a substantial amount of the Notes by the date of delivery, such certificate may be modified in a manner approved by the District and Greenberg Traurig, P.A., Miami, Florida, Note Counsel to the District. It will be the responsibility of the Successful Bidder to institute such syndicate or selling group reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty.

**LEGAL OPINION AND CLOSING CERTIFICATES.** At the time of delivery of the Notes, the District will deliver to the Successful Bidder, at the expense of the District, the approving opinion of Greenberg Traurig, P.A., Miami, Florida, Note Counsel, in substantially the form appearing as Appendix D to the Official Statement, a no-litigation certificate and other customary closing certificates relating to the issuance of the Notes.

**OFFICIAL STATEMENT.** The delivery of the Preliminary Official Statement has been duly authorized by the Board. The Preliminary Official Statement, copies of which may be obtained as described below, is in a form "deemed final" by the District for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") but is subject to revision, amendment and completion in accordance with the rule in the final Official Statement. After the sale of the Notes, the District will prepare a final Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Official Statement. The District expects the Successful Bidder to deliver copies of such Official Statement to persons to whom such Bidder initially sells the Notes, to all other members of its bidding syndicate, to nationally recognized municipal securities information repositories and to the Municipal Securities Rulemaking Board ("MSRB") or its designee pursuant to MSRB Rule G-36 no later than ten (10) business days following the date of the award. The Successful Bidder will be required to acknowledge receipt of such Official Statement, to certify that it has made delivery of the Official Statement to such repositories and to acknowledge that the District expects the Successful Bidder to deliver copies of such Official Statement to persons to whom such Successful Bidder initially sells the

Notes, to all other members of its bidding syndicate and to the MSRB. The Successful Bidder shall also be responsible for compliance with the provisions of the Rule with respect to delivery of copies of the Official Statement to potential customers during the underwriting period. The Successful Bidder will be responsible to the District in all respects for the accuracy and completeness of information provided by such Successful Bidder with respect to such offering.

Up to 100 copies of the final Official Statement will be provided to the Successful Bidder at the expense of the District within seven (7) business days of the award of the Notes. Additional copies, if needed, will be furnished at the expense of the Successful Bidder.

**CONTINUING DISCLOSURE.** The District will agree in the resolution authorizing the issuance of the Notes, to provide or cause to be provided, in accordance with the requirements of the Rule, timely notice of the occurrence of certain material events with respect to the Notes.

The Successful Bidder's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, in form and substance reasonably satisfactory to the Successful Bidder, evidence that the District has made the continuing disclosure undertaking set forth above in a written agreement or contract for the benefit of the holders of the Notes.

**BOOK-ENTRY SYSTEM AND CUSIP NUMBERS.** The Notes will be issued in fully registered form, without coupons. One Note certificate in the aggregate principal amount of the Notes will be issued to and registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Notes, and immobilized in the custody of DTC which will act as securities depository for the Notes. A book-entry only system will be employed by DTC, evidencing beneficial ownership interests in the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of beneficial ownership interests in the Notes effected only through the records of DTC and its participants and indirect participants pursuant to the rules and procedures established by DTC.

It is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such numbers on the Notes nor any error with respect thereto shall constitute cause for failure or refusal by the Successful Bidder

to accept delivery of and pay for the Notes in accordance with their agreement to purchase the Notes. It is the responsibility of the Successful Bidder to timely obtain and pay for the assignment of such CUSIP numbers.

**ADDITIONAL INFORMATION.** Copies of the Preliminary Official Statement, the form of Certificate with Respect to Issue Price and other information may be obtained electronically from \_\_\_\_\_, when prompted enter the passcode "\_\_\_\_\_" (case sensitive), or from the District's Treasurer, Room 615, School Board Administration Building, 1450 NE Second Avenue, Miami, Florida 33132, (305) 995-1684.

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

By: \_\_\_\_\_  
Eduardo A. Alfaro  
Treasurer

Dated: July 8, 2004



**TRUTH-IN-BONDING STATEMENT**  
**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA**  
**\$120,000,000 TAX ANTICIPATION NOTES,**  
**SERIES 2004**

The School District of Miami-Dade County, Florida (the "District") is proposing to issue \$120,000,000 Tax Anticipation Notes, Series 2004 (the "Notes") to provide interim funds for the payment of operating expenses of the District for its fiscal year commencing July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year") as more fully described in the Preliminary Official Statement for the Notes under the caption "PURPOSE OF THE NOTES".

The Notes are expected to be repaid over a period of \_\_\_\_ days. At an interest rate of \_\_\_\_% (insert interest rate), total interest paid over the life of the Notes will be \$\_\_\_\_\_ (insert interest payment at maturity).

The source of repayment or security for the Notes is the ad valorem tax payments collected for operating purposes of the District during its Current Fiscal Year, excluding ad valorem taxes collected for other purposes, all as more specifically set forth in the Official Notice of Sale. Authorizing this debt or obligation will result in \$\_\_\_\_\_ (insert combined principal and interest payment at maturity) of such revenues not being available for other services or purposes of the District during its Current Fiscal Year.

The foregoing Truth-in-Bonding Statement is prepared pursuant to Section 218.385(2) and (3), Florida Statutes, for informational purposes only and shall not affect or control the actual terms and conditions of the Notes.

**CERTIFICATE WITH RESPECT TO "ISSUE PRICE"**

\_\_\_\_\_, acting on behalf of itself and the syndicate/selling group, if any, created by it as purchaser (the "Purchaser") of the \$120,000,000 Tax Anticipation Notes, Series 2004 (the "Notes") of the School District of Miami-Dade County, Florida (the "District"), in order to establish the initial offering price(s) of the Notes for the purpose of determining the "issue price" of the Notes within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, DOES HEREBY CERTIFY, as follows:

1. The Purchaser, as of the date the Notes were awarded to the Purchaser, (a) made a bona fide public offering of the Notes to the General Public at a price equal to \$\_\_\_\_\_ (the "Public Offering Price"), and (b) sold at least 10% of such Notes for cash or to the extent not so sold, reasonably expected, as of the date the Notes were awarded to the Purchaser, to sell such Notes for cash to the General Public at the Public Offering Price.

2. The Purchaser retained and did not reoffer \$\_\_\_\_\_ principal amount of the Notes.

3. The Public Offering Price (with respect to any principal amount of the Notes that was not reoffered, the price bid by the Purchaser to the District) does not exceed the fair market value of the Notes as of the date the Notes were awarded to the Purchaser.

4. For the purpose of this certificate, "General Public" means the general public excluding bond houses, brokers and other intermediaries.

Dated: July 28, 2004

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

Name/Title: \_\_\_\_\_

**SUMMARY NOTICE OF SALE**

**\$120,000,000**

**School District of Miami-Dade County, Florida  
Tax Anticipation Notes, Series 2004**

Sealed electronic bids will be received via Parity by the School District of Miami-Dade County, Florida (the "District") until 11:00 A.M., Eastern Daylight Savings Time on

Tuesday, July 20, 2004

(or such later date as may be established by The School Board of Miami-Dade County, Florida, the governing body of the District, and communicated through Thomson Municipal Market Monitor not less than twenty-four hours prior to the time bids are to be received) for the purchase of \$120,000,000 aggregate principal amount of School District of Miami-Dade County, Florida Tax Anticipation Notes, Series 2004 (the "Notes"). To the extent any instructions or directions set forth on Parity conflict with the Official Notice of Sale, the terms of the Official Notice of Sale shall prevail. For further information about Parity, potential bidders may contact i-Deal at 40 West 23rd Street, 5th Floor, New York, NY 10010 or telephone (212) 404-8102. The use of Parity shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto.

Only bids submitted through Parity will be considered. No telephone, telefax, telegraph, mail, courier delivery or personal delivery bids will be accepted. To participate, bidders must be a contracted customer of the BidCOMP Competitive Bidding System (the "System"). If the prospective bidder does not have a contract with the System call (212) 404-8102 to become a customer and to obtain a list of the bidding rules and procedures.

The Notes will be dated July 28, 2004, will pay interest only upon their maturity on June 28, 2005, and are not subject to redemption prior to their stated date of maturity. The Notes will be issued in fully-registered, book-entry-only form through a program qualified with The Depository Trust Company, New York, New York, as depository; in denominations of \$5,000 each or integral multiples thereof.

The Notes and the interest thereon will be special, limited obligations of the District, payable from and secured by a

pledge of the ad valorem taxes collected for operating purposes of the District during its fiscal year ending June 30, 2005, and amounts on deposit in the sinking fund for the Notes.

Copies of the Preliminary Official Statement, the Official Notice of Sale and the Form of Opinion of Greenberg Traurig, P.A., Miami, Florida, Note Counsel, may be obtained electronically from \_\_\_\_\_, when prompted enter the passcode " \_\_\_\_\_ " (case sensitive), or from Eduardo A. Alfaro, Treasurer, Office of Treasury Management, Room 615, School Board Administration Building, 1450 N.E. Second Avenue, Miami, Florida 33132.

Eduardo A. Alfaro  
Treasurer  
School District of Miami-Dade County, Florida

Dated: July 8, 2004

**EXHIBIT D**

**FORM OF PRELIMINARY OFFICIAL STATEMENT**

**EXHIBIT E**

**\$120,000,000\***

**School District of Miami-Dade County, Florida  
Tax Anticipation Notes, Series 2004**

**RULE 15c2-12 CERTIFICATE**

The undersigned hereby certifies and represents that he is the duly appointed Treasurer of the School District of Miami-Dade County, Florida (the "District") and is authorized to execute and deliver this Certificate, and further certifies on behalf of the District as follows:

1. This Certificate is delivered to enable the District to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of \$120,000,000\* aggregate principal amount of Tax Anticipation Notes, Series 2004 referred to above (the "Notes").

2. In connection with the offering and sale of the Notes, there has been prepared a Preliminary Official Statement, dated the date hereof, setting forth information concerning the Notes and the District (the "Preliminary Official Statement").

3. As used herein, "Permitted Omissions" shall mean the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the Underwriter and other terms of the Notes depending on such matters.

4. The undersigned hereby deems the Preliminary Official Statement "final" as of its date, within the meaning of the Rule, except for the Permitted Omissions, and the information therein is accurate and complete except for the Permitted Omissions.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand on June \_\_, 2004.

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Eduardo A. Alfaro  
Treasurer  
School District of  
Miami-Dade County, Florida

\*Preliminary, subject to change

## EXHIBIT F

### MATERIAL EVENTS NOTICE CERTIFICATE

This Material Events Notice Certificate is executed and delivered by The School Board of Miami-Dade County, Florida (the "Board") in connection with the issuance of the \$120,000,000 Tax Anticipation Notes, Series 2004 (the "Notes") by the School District of Miami-Dade County, Florida (the "District") acting by and through the Board. The Notes are being issued pursuant to the Board's Resolution adopted on June 16, 2004 (the "Note Resolution"). The Board covenants and agrees as follows:

**SECTION 1. Purpose of the Material Events Notice Certificate.** This Material Events Notice Certificate is being executed and delivered by the Board for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Note Resolution and in the Notes, which apply to any capitalized term used in this Material Events Notice Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"Dissemination Agent" shall mean the Board, or any successor Dissemination Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 3(a) of this Material Events Notice Certificate.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Exhibit A.

"Participating Underwriter" shall mean the original purchaser of the Notes required to comply with the Rule in connection with the offering of the Notes.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Certificate, there is no State Repository.

### **SECTION 3. Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 3, the Board shall give, or cause to be given in a timely manner to the Municipal Securities Rulemaking Board ("MSRB") or to each National Repository, and to the State Repository, notice of the occurrence of any of the following events with respect to the Notes, if material:

- (1) Principal and interest payment delinquencies,
- (2) Nonpayment related defaults under the Note Resolution,
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties,
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties,
- (5) Substitution of the credit or liquidity providers or their failure to perform,
- (6) Adverse tax opinions or events affecting the tax-exempt status of the Notes,
- (7) Modifications to rights of Noteholders,
- (8) Optional, contingent or unscheduled Note calls,



(9) Defeasances,

(10) Release, substitution or sale of property securing repayment of the Notes, and

(11) Rating changes.

(b) Whenever the Board obtains knowledge of the occurrence of a Listed Event, the Board shall as soon as possible determine if such event would be material under applicable federal securities laws, provided, however, that any event under subsections (a)(6) and (11) above will always be deemed to be material.

(c) If the Board determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Board shall promptly file a notice of such occurrence with the MSRB or each National Repository and the State Repository.

(d) The address of the Municipal Securities Rulemaking Board is set forth on Exhibit A.

**SECTION 4. Termination of Reporting Obligation.** The Board's obligations under this Material Events Notice Certificate shall terminate upon the legal defeasance or payment in full of all of the Notes. If such termination occurs prior to the final maturity of the Notes, the Board shall give notice of such termination in the same manner as for a Listed Event under Section 3(a).

**SECTION 5. Dissemination Agent.** The Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Material Events Notice Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Board pursuant to this Material Events Notice Certificate.

**SECTION 6. Amendment; Waiver.** Notwithstanding any other provision of this Material Events Notice Certificate, the Board may amend this Material Events Notice Certificate, and any provision of this Material Events Notice Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized securities law counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Notes in the same manner as provided in the Note Resolution for amendments to the Note Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized securities law counsel, materially impair the interests of the Holders or Beneficial Owners of the Notes.

In the event of any amendment or waiver of a provision of this Material Events Notice Certificate, the Board shall describe such amendment in a notice of such change given in the same manner as for a Listed Event under Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver.

**SECTION 7. Additional Information.** Nothing in this Material Events Notice Certificate shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Material Events Notice Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Material Events Notice Certificate. If the Board chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Material Events Notice Certificate, the Board shall have no obligation under this Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

**SECTION 8. Default.** In the event of a failure of the Board to comply with any provision of this Material Events Notice Certificate any Holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court

order, to cause the Board to comply with its obligations under this Material Events Notice Certificate. A default under this Material Events Notice Certificate shall not be deemed an event of default with respect to the Note Resolution or the Notes, and the sole remedy under this Material Events Notice Certificate in the event of any failure of the Board to comply with this Material Events Notice Certificate shall be an action to compel performance.

**SECTION 9. Beneficiaries.** This Material Events Notice Certificate shall inure solely to the benefit of the District, the Board, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

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[Signature page to Material Events Notice Certificate]

Date: July 28, 2004

THE SCHOOL BOARD OF MIAMI-DADE COUNTY,  
FLORIDA

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

Dr. Michael M. Krop  
Chair

**EXHIBIT A**

Nationally Recognized Municipal Securities Information  
Repositories approved by the Securities and Exchange Commission  
as of the date hereof:

**Bloomberg Municipal Repository**

100 Business Park Drive  
Skillman, NJ 08558  
Telephone (609) 279-3225  
FAX (609) 279-5962  
E-mail Munis@bloomberg.com

**DPC Data Inc.**

One Executive Drive  
Fort Lee, NJ 07024  
Telephone (201) 346-0701  
FAX (201) 947-0107  
E-Mail nrmsir@dpcdata.com

**FT Interactive Data**

Attention: NRMSIR  
100 William Street  
New York, New York 10038  
Telephone (212) 771-6999  
FAX (212) 771-7390 (Secondary Market Information)  
(212) 771-7391 (Primary Market Information)  
E-mail NRMSIR@FTID.com

**Standard & Poor's J.J. Kenny Repository**

55 Water Street, 45<sup>th</sup> Floor  
New York, NY 10041  
Telephone (212) 438-4595  
FAX (212) 438-3975  
E-mail nrmsir\_repository@sandp.com

Any NRMSIRs that are established subsequently and approved by  
the SEC.

A list of the names and addresses of all designated NRMSIRs as  
of any date may currently be obtained by calling the SEC's Fax  
on Demand Service at (202)942-8088 and requesting document  
number 0206.

The address of the Municipal Securities Rulemaking Board is as follows:

**Municipal Securities Rulemaking Board**

1900 Duke Street

Suite 600

Alexandria, Virginia 22314-3412

Tel.: (703) 797-6600

Fax: (202) 797-6700

E-mail: [ctaylor@msrb.org](mailto:ctaylor@msrb.org)

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NEW ISSUE: FULL BOOK-ENTRY

Rating: Moody's: \_\_\_\_\_  
(See "Note Rating" herein)

*In the opinion of Note Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Notes is excluded from gross income for federal income tax purposes. Further, interest on the Notes is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, see "TAX EXEMPTION" herein for a description of the federal alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Notes. Note Counsel is further of the opinion that the Notes and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes, and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX EXEMPTION" herein.*

§  
**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA**  
**TAX ANTICIPATION NOTES, SERIES 2004**

Dated: \_\_\_\_\_, 2004

Due: \_\_\_\_\_, 2005

The Tax Anticipation Notes, Series 2004 (the "Notes") are being issued by the School District of Miami-Dade County, Florida (the "District") to provide interim funds for the payment of operating expenses of the District for its fiscal year commencing July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year"), in anticipation of the receipt of the ad valorem taxes as herein described. The Notes are not subject to redemption prior to their maturity.

The Notes and the interest thereon will be special obligations of the District, payable from and secured by a pledge of the ad valorem taxes levied and collected for the benefit of the District during its Current Fiscal Year for operating purposes (excluding certain millage levies) and amounts on deposit in a sinking fund (the "Sinking Fund") (collectively, the "Pledged Revenues"); all as defined and described in the resolution authorizing their issuance (the "Resolution") adopted by The School Board of Miami-Dade County, Florida (the "Board") on June 16, 2004. If necessary, the Notes are additionally payable from, but are not secured by a lien upon or pledge of, legally available funds of the District derived from sources other than ad valorem taxation (the "Non-Ad Valorem Funds").

The Notes and the interest thereon do not constitute a general obligation or indebtedness of, or pledge of the faith and credit of the Board, the District, Miami-Dade County, Florida (the "County"), or the State of Florida (the "State"), within the meaning of any constitutional or statutory provisions or limitations, but shall be payable solely from the Pledged Revenues and, if necessary, the Non-Ad Valorem Funds deposited by the District in the Sinking Fund. No holder of the Notes shall ever have the right to compel the exercise of the ad valorem taxing power of the Board, the District, the County, or the State for payment of the Notes or the interest thereon. The Notes and the obligation evidenced thereby shall not constitute a lien upon any property of or in the District, other than the Pledged Revenues in the manner provided in the Resolution.

The Notes will be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co. as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). The Notes will be deposited with DTC, which will be responsible for maintaining a book-entry-only system for recording the interests of its participants, which in turn will be responsible for maintaining records with respect to beneficial ownership interests of individual purchasers of the Notes. Purchasers of the Notes (the "Beneficial Owners") will not receive physical delivery of note certificates. As long as Cede & Co. is the registered owner of the Notes, principal and interest payments will be made by the Board, as Registrar and Paying Agent, directly to such owner. DTC will in turn remit such payments to its participants for subsequent disbursement to the Beneficial Owners.

Interest Rate	Yield	Price	CUSIP
_____ %	_____ %	_____	_____

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

*The Notes are offered, in full book-entry form, when, as and if issued, subject to the approval of their legality by Greenberg Traurig, P.A., Miami, Florida, Note Counsel. Certain legal matters will be passed upon for the District by Liebler, Gonzalez & Portuondo, P.A., Disclosure Counsel. Certain legal matters will be passed upon for the District by the School Board Attorney, Johnny Brown, Esquire. De Lara Associates, New York, New York, is serving as Financial Advisor to the District. It is expected that the Notes will be available for delivery through DTC in New York, New York, on or about \_\_\_\_\_, 2004.*

Sealed electronic bids for the Notes will be received via Parity, by the District until 11:00 A.M. E.D.T. on \_\_\_\_\_, 2004 as provided in the Official Notice of Sale or such later date as may be established by the District and communicated through Thomson Municipal Monitor not less than 24 hours prior to the time bids are to be received. This Preliminary Official Statement is "deemed final" by the District as of this date, except for certain permitted exceptions, for purposes of SEC Rule 15c2-12(b)(1).

\_\_\_\_\_, 2004

\* Preliminary, subject to change

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

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

**BOARD MEMBERS**

Dr. Michael M. Krop - Chair  
Dr. Robert B. Ingram - Vice Chair  
Agustin J. Barrera  
Frank J. Bolaños  
Frank J. Cobo  
Perla Tabares Hantman  
Betsy H. Kaplan  
Dr. Marta Pérez  
Dr. Solomon C. Stinson

**DISTRICT OFFICIALS**

**Superintendent of Schools**

Merrett R. Stierheim

**Superintendent of Schools Designate**

Rudy Crew

**Chief Financial Officer**

Edward Marquez

**Treasurer**

Eduardo A. Alfaro

**SCHOOL BOARD ATTORNEY**

Johnny Brown, Esquire

**NOTE COUNSEL**

Greenberg Traurig, P.A.  
Miami, Florida

**DISCLOSURE COUNSEL**

Liebler, Gonzalez & Portuondo, P.A.  
Miami, Florida

**FINANCIAL ADVISOR**

De Lara Associates  
New York, New York



Certain of the information contained herein has been obtained from the District, the State of Florida and other sources which are believed to be reliable. Such information is neither guaranteed as to accuracy or completeness nor to be construed as a representation by the underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the affairs of the District since the date hereof.

No dealer, broker, salesman or other person has been authorized by the District or any underwriter to give any information or to make any representations, other than those contained in this Official 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 Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date.

The Notes have not been registered under the Securities Act of 1933 nor has the Resolution been qualified under the Trust Indenture Act of 1939. The Notes are offered pursuant to an exemption from registration under the Securities Act of 1933, as amended.

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## SUMMARY STATEMENT

**This Summary Statement is subject in all respects to more complete information and to the definitions contained or incorporated in this Official Statement. The offering of the Notes to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or otherwise to use it without this entire Official Statement. For a complete description of the terms and conditions of the Notes, reference is made to the form of authorizing resolution included herein as Appendix C.**

### **School District of Miami-Dade County, Florida**

The School District of Miami-Dade County, Florida (the "District"), is organized under Article IX, Section 4, Florida Constitution (1968), and Chapter 1001, Florida Statutes and is the fourth largest school system in the nation as measured by student enrollment. The boundaries of the District are coterminous with Miami-Dade County, Florida (the "County"), the largest county in the southeastern United States in both land area and population. As of the fiscal year ended June 30, 2003, the District included 340 schools and vocational/technical centers, approximately 371,482 students and approximately 47,000 full and part-time employees, including over 21,000 full-time teachers and 4,500 full-time paraprofessional and technical staff. Management of the schools is independent of the various municipal governments of Miami-Dade County. The Tax Collector of Miami-Dade County collects the ad valorem school tax for the District, but Miami-Dade County exercises no control over its expenditure. See "THE SCHOOL DISTRICT AND SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA" and "Appendix A - General Information Concerning Miami-Dade County" herein.

### **Purpose of the Notes**

The Tax Anticipation Notes, Series 2004 (the "Notes") are being issued pursuant to Chapters 1010 and 1011, Florida Statutes, and a resolution of The School Board of Miami-Dade County, Florida (the "Board"), as the governing body of the District, duly adopted on June 16, 2004 (the "Resolution"), and other applicable provisions of law. The Notes are being issued for the payment of operating expenses incurred prior to the receipt of the ad valorem taxes levied and collected for operating purposes for its fiscal year commencing July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year"). The issuance of the Notes is consistent and in accordance with the District's annual financial planning procedures. The proceeds of the Notes may only be used to pay expenditures incurred or accrued for the Current Fiscal Year. The costs of preparation and issuance of the Notes will be paid from other legally available funds of the District.

### **Sources of and Security for Payment of the Notes**

The District derives its revenues primarily from State of Florida educational funds and from the ad valorem taxes levied by the District in the County for the support of public schools. The Notes are special, limited obligations of the District and are secured as to principal and interest by a pledge of ad valorem taxes levied for operating purposes (excluding certain special millage levies as more particularly described herein) that are received by the District during its Current Fiscal Year and amounts on deposit in a sinking fund (the "Sinking Fund") established pursuant to the Resolution (collectively, the "Pledged Revenues"). Pursuant to the Resolution, the District covenants to deposit in the Sinking Fund prior to maturity, sufficient money or permitted investments (as defined in the Resolution) so that the balance on deposit therein, together with the earnings to be received thereon, will equal the amount of principal and interest becoming due on the Notes at

maturity. The District may also pay the Notes from, but has not secured the Notes by a lien upon or pledge of, legally available funds of the District derived from sources other than ad valorem taxation (the "Non-Ad Valorem Funds"). See "SECURITY FOR THE NOTES" herein.

### **Description of the Notes**

**Redemption.** The Notes are not subject to redemption prior to maturity.

**Denominations.** The purchase of book-entry interests in the Notes will be in denominations of \$5,000 each or any multiple thereof.

**Registration and Transfers.** The Notes will be issued in fully registered, book-entry-only form, registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"). Transfers of book-entry interests will be accomplished by DTC participants or others who act for the beneficial owners, in accordance with DTC procedures and applicable state laws.

**Payments.** Payments of principal of and interest on the Notes will be made by the Registrar and Paying Agent to Cede & Co., as nominee for DTC, which, in turn, will immediately credit the accounts of DTC participants. The DTC participants will credit the payments to the Beneficial Owners, in accordance with standing instructions and customary practices between DTC and the DTC participants.

For a more complete description of the Notes and the basic documentation pursuant to which they are issued, see "DESCRIPTION OF THE NOTES" herein.

### **Tax Matters**

In the opinion of Note Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Notes is excluded from gross income for federal income tax purposes. However, see the caption "TAX MATTERS" for a description of the federal alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Notes. Note Counsel is further of the opinion that the Notes and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes, and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See Appendix D hereto for the Form of Legal Opinion which Note Counsel proposes to deliver in connection with the Notes. For a more complete discussion of such opinion and certain other tax consequences incident to the ownership of the Notes, see the caption "TAX MATTERS" herein.

### **Professionals Involved in the Offering**

De Lara Associates, New York, New York, will act as the District's Financial Advisor with respect to the Notes. Proceedings in connection with the issuance of the Notes are subject to the approval of Greenberg Traurig, P.A., Miami, Florida, Note Counsel. Certain legal matters will be passed upon for the District by Liebler, Gonzalez & Portuondo, P.A., Miami, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the District by Johnny Brown, Esquire, School Board Attorney.

### **Authority for Issuance**

The Notes are being issued pursuant to Chapters 1010 and 1011, Florida Statutes, the Resolution, and other applicable provisions of law.

## **Offering and Delivery of the Notes**

The Notes are offered when, as and if issued, subject to approval as to their legality by Note Counsel and the satisfaction of certain other conditions. It is anticipated that the Notes in definitive book-entry form will be available for delivery in New York, New York, on or about \_\_\_\_\_, 2004.

## **Limited Liability**

Neither the District, the County, the State of Florida (the "State"), nor any political subdivision thereof will be obligated to pay, except from funds budgeted and appropriated for such purpose, any sums due to the Owners of the Notes from any source of taxation, and the full faith and credit of the District, the County, the State, or any political subdivision thereof is not pledged for the payment of such sums due and such sums do not constitute an indebtedness of the District, the County, the State, or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation. See "SECURITY FOR THE NOTES" herein.

## **Noteholders' Risks**

The Notes are limited obligations of the District payable from the Pledged Revenues as described in the Official Statement, and are not secured by the full faith, credit and taxing power of the District. Because the Notes are limited obligations, the sources of money pledged to secure payment of the Notes may be insufficient therefor, and the Noteholders would not be able to compel the levy of taxes (other than the taxes levied for operating purposes for the current Fiscal Year of the District) or the institution of foreclosure proceedings against any property of the District to provide for payment of the Notes and the interest thereon. Certain factors may affect the adequacy of the Pledged Revenues to provide for payment of the Notes, and there can be no assurance that the Pledged Revenues will be adequate to provide for payment of the Notes and the interest thereon.

## **Book-Entry System**

The Notes will be issued in fully registered, book-entry-only form, in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York. Individual purchases will only be made in book-entry form.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement and any continuing disclosure documents of the District are intended to be made available through the Office of Treasury Management of the District. Copies of the Resolution and other documents and information will be made available, upon request from Mr. Eduardo A. Alfaro, Treasurer, Office of Treasury Management, Room 615, School Board Administration Building, 1450 NE Second Avenue, Miami, Florida 33132 (Phone:305-995-1684; Fax: 305-995-2387).

## OFFICIAL STATEMENT

### § THE SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA TAX ANTICIPATION NOTES, SERIES 2004

#### INTRODUCTORY STATEMENT

The purpose of this Official Statement, which includes the cover page, the Summary Statement, and the Appendices hereto, is to provide information concerning the School District of Miami-Dade County, Florida (the "District"), and its Tax Anticipation Notes, Series 2004 (the "Notes"), in the aggregate principal amount shown above.

Definitions of certain words and terms having initial capitals used herein and not otherwise defined and in the Resolution (as defined below) are contained in Appendix C hereto.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Notes, the security for the payment of the Notes, and the rights and obligations of holders thereof.

The information contained in this Official Statement involving matters of opinion or 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 Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Notes.

#### PURPOSE OF THE NOTES

The Notes are being issued pursuant to Chapters 1010 and 1011, Florida Statutes, and other applicable provisions of law, and a resolution of The School Board of Miami-Dade County, Florida (the "Board") as the governing body of the District, adopted on June 16, 2004 (herein, the "Resolution"). The Note proceeds will be used by the District to provide interim funds for the payment of current operating expenses of the District incurred during its fiscal year beginning July 1, 2004 and ending June 30, 2005 (the "Current Fiscal Year"), in anticipation of the receipt of ad valorem taxes levied and collected for operating purposes for such fiscal year.

#### SECURITY FOR THE NOTES

##### General

The Notes and interest thereon will be special, limited obligations of the District, payable solely from and secured by (a) receipts of ad valorem taxes collected by the Tax Collector for the benefit of the District during the Current Fiscal Year for operating purposes (excluding ad valorem taxes collected to pay the principal of and interest on bonds of the District issued pursuant to Section 1010.45, Florida Statutes, or to pay the principal of and interest on any obligations issued by the Board pursuant to Section 1011.13, Florida Statutes; or otherwise levied pursuant to Section 1011.71, Florida Statutes), and (b) amounts on deposit in a

sinking fund (the "Sinking Fund") established pursuant to the Resolution (collectively, the "Pledged Revenues"). If necessary, the Notes are additionally payable from, but are not secured by a lien upon or pledge of, legally available funds of the District derived from sources other than ad valorem taxation (the "Non-Ad Valorem Funds").

The Notes and the interest thereon shall not constitute a general obligation or indebtedness of, or pledge of the faith and credit of, the Board, the District, Miami-Dade County, Florida (the "County"), or of the State of Florida (the "State") within the meaning of any constitutional or statutory provision or limitation, but shall be payable from and secured solely by a lien upon and pledge of the Pledged Revenues, and if necessary, the Non-Ad Valorem Funds deposited in the Sinking Fund. No holder of the Notes shall ever have the right to compel the exercise of the ad valorem taxing power of the Board, the District, the County or the State for the payment of the Notes or the interest thereon.

The Notes and the obligation evidenced thereby shall not constitute a lien upon any property of or in the District, other than the levy with respect to the Pledged Revenues in the manner provided in the Resolution.

**The Sinking Fund**

The Sinking Fund shall be held by the District as a separate special account for the benefit of the Noteholders; provided that the cash required to be accounted for therein may be pooled with other moneys of the District so long as adequate accounting records are maintained to reflect and control the restricted purposes of such Sinking Fund money. The moneys and investments in the Sinking Fund shall be held in trust by the District for the sole benefit of the Noteholders, and the Noteholders are granted an express lien on the money and/or investments held in the Sinking Fund. Notwithstanding the foregoing, the Noteholders shall have no lien upon any Non-Ad Valorem Funds unless and until deposited into the Sinking Fund.

The District covenants that it shall deposit sufficient moneys or Permitted Investments, as defined in the Resolution, into the Sinking Fund no later than April 1, 2005, so that the balance on deposit therein, together with the earnings to be received thereon, will equal the amount of principal and interest becoming due on the Notes at maturity. Interest to be paid by the District at maturity will be \$ \_\_\_\_\_.

Funds in the Sinking Fund may be invested only in Permitted Investments which mature on or prior to the maturity date of the Notes. Earnings on investments held in the Sinking Fund shall be retained and reinvested in the Sinking Fund until the amount on deposit in the Sinking Fund, together with the earnings to be received thereon, is equal to the entire principal of and interest on the Notes due at their maturity. Thereafter, such earnings may be withdrawn by the District and used in the District's discretion as provided by law. Realized losses, if any, on investments held in the Sinking Fund shall be restored by the District by deposit of additional moneys into the Sinking Fund on or prior to the maturity date of the Notes.

**Permitted Investments**

The Board is authorized to invest the amount on deposit in the Sinking Fund in investments specified by Sections 1010.53(2) and 218.415, Florida Statutes, as amended, from time to time pursuant to Board policy.



## **Defeasance**

If, at any time the Board shall have paid, or shall have made provision for payment of, the principal of and interest on the Notes then, and in that event, the pledge of and lien on the Pledged Revenues in favor of the holders of the Notes shall be no longer in effect and the Notes shall no longer be deemed to be outstanding and unpaid for the purposes of this Resolution. For purposes of the preceding sentence, deposit of sufficient Permitted Investments or any other securities or investments which may be authorized by law from time to time and sufficient under such law to effect such a defeasance in irrevocable trust with the State Board of Administration of Florida or with a bank or trust company, for the sole benefit of the Noteholders, the principal of which, together with the earnings to be received thereon, will be sufficient to make timely payment of the principal of and interest on the Notes, shall constitute provision for payment. For purposes of defeasance, "Permitted Investments" shall mean direct obligations of or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

## **DESCRIPTION OF THE NOTES**

### **General**

The Notes will be issued in fully registered, book-entry-only form in the denominations of \$5,000 each or integral multiples thereof; and will be dated and will bear interest at the annual rate specified on the cover page of this Official Statement, commencing as of the date of delivery. Principal and interest on the Notes will be payable at maturity. Interest will be calculated on a 360-day year basis. Both the principal of and interest on the Notes shall be payable upon presentation and surrender to the Board in its capacity as Registrar and Paying Agent. The Notes are not subject to redemption prior to maturity.

### **No Early Redemption**

The Notes are not subject to redemption prior to maturity.

### **Book-Entry Provisions**

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE SCHOOL BOARD BELIEVES TO BE RELIABLE, BUT THE SCHOOL BOARD SHALL NOT TAKE ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company, New York, New York, will act as securities depository for the Notes. The Notes 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 Note will be issued for the Notes in the aggregate principal amount of the Notes and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities,

through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, which are also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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

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

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Neither DTC nor Cede & Co. (nor such other nominee) will consent or vote with respect to Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the District 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 Notes are credited on the record date (identified in a listing attached to the Omnibus

Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's current practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on a payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on a payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Notes are required to be printed and delivered. In addition, the District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Notes will be printed and delivered.

The foregoing description of the procedures and recordkeeping with respect to beneficial ownership interests in the Notes, payment of interest and other payments on the Notes to Direct Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Notes and other note-related transactions by and between DTC, the Direct and Indirect Participants and Beneficial Owners is based solely on information furnished by DTC. Accordingly, the District will not make any representation concerning these matters and neither the Direct or Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the Direct or Indirect Participants, as the case may be. There can be no assurance that DTC or the Direct or Indirect Participants will abide by the procedures described herein or that such procedures will not be changed from time to time. In the event a successor securities depository is designated, it may establish different procedures.

**SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE NOTEHOLDERS OR REGISTERED OWNERS OF THE NOTES (OTHER THAN UNDER THE CAPTION "TAX EXEMPTION" HEREIN) SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE NOTES.**

The District and the Registrar and Paying Agent have no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, book-entry interest ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The District cannot and does not give any assurances that DTC participants, indirect participants or others will distribute payments of debt service on the Notes made to DTC or its nominee as the registered owner, or any notices to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will service and act in a manner described in this Official Statement.

## **Revisions of Book-Entry System; Replacement Notes**

In the event that DTC determines not to continue to act as securities depository for the Notes, the District may in its discretion attempt to establish a securities depository, book-entry relationship with another securities depository. If the District does not do so, or is unable to do so, and after the Registrar and Paying Agent has made provisions for notification of the Beneficial Owners by appropriate notice to DTC, the District and the Registrar and Paying Agent will authenticate and deliver replacement Notes in the denomination of \$5,000 or any integral multiple of \$5,000 to, or at the direction of, any persons requesting such issuance.

## **Transfer of Book-Entry Interests in the Notes**

The rights of Beneficial Owners and the manner of transferring or pledging their interests are subject to applicable state law. Beneficial Owners may want to discuss the manner of transferring or pledging their book-entry interest in such Notes with their legal advisors.

## **APPLICATION OF NOTE PROCEEDS**

The Noteholders will have no responsibility for the use of the proceeds of the Notes, and the use of the Note proceeds by the District will in no way affect the rights of the Noteholders. The costs of preparation and issuance of the Notes will be paid from other legally available funds of the District. The proceeds from the sale of the Notes will be used by the District to pay the lawful current operating expenses of the District as the Board shall direct.

## **MIAMI-DADE COUNTY, FLORIDA**

Each county in Florida constitutes a school district for the control, organization and administration of the public schools therein. The boundaries of the District are coterminous with the boundaries of Metropolitan Miami-Dade County ("Miami-Dade County" or the "County"). Miami-Dade County is the largest county in the southeastern United States in both land area and population with a current population of approximately two million and a land area of 1,955 square miles. The County includes 32 municipalities including the cities of Miami, Miami Beach, Coral Gables, Hialeah, Aventura and Pinecrest.

For general information concerning Miami-Dade County, see "Appendix A - General Information Concerning Miami-Dade County, Florida," herein.

## **AD VALOREM TAX RELATED MATTERS**

### **Property Assessment**

Florida law requires that all real and personal property be assessed at its just or fair market value. No ad valorem taxes may be levied by the State upon real estate or tangible personal property. Such taxes may be levied only by counties, school districts, municipalities and certain special districts. Railroad properties are centrally assessed at the State level.

Real property used for the following purposes is generally exempt from ad valorem taxation: religious, educational, charitable, scientific, literary, and governmental. In addition, there are special exemptions for widows, hospitals, homesteads, and homes for the aged and disabled veterans. Agricultural

land, non-commercial recreational land, inventory, and livestock are assessed at less than 100% of fair market value.

### **Procedure for Property Assessment**

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

In the meantime the Property Appraiser has notified each property owner of the proposed valuation and the proposed millage on such property. If the individual property owner believes that his or her property has not been appraised at fair market value, the owner may file a petition with the Clerk of the Property Appraisal Adjustment Board (the "Adjustment Board"). The Adjustment Board consists of members of the County Commission and members of the School Board. The Adjustment Board holds public hearings on such petitions and may make adjustments to the valuations made by the Property Appraiser, if such valuations were found not to be fair and at market value. The Adjustment Board must certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used. These changes are then made to the final tax roll.

Every person who has the legal title or beneficial title in equity to real property in the State of Florida and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is entitled to an exemption from ad valorem taxation by counties up to the assessed valuation of \$25,000 on the residence and contiguous real property.

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

By voter referendum held on November 3, 1992, Article VII, Section 4, Florida Constitution (1968), was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (1) 3% of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967-100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. Further, the amendment provides that (1) no assessment shall exceed just value; (2) after any change of ownership of homestead property or upon termination of homestead status, such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided by general law, and thereafter as provided in the amendment. The effective date of the amendment was January 15, 1993, and the base year for determining compliance with the restrictions is 1994.

## Setting the Millage

### [Update]

The Property Appraiser assesses and the County Tax Collector collects all ad valorem taxes within the County. While one tax bill emanates from the County, the bill represents ad valorem taxes levied by the County, the District, municipalities and other taxing authorities.

The Florida Constitution limits the aggregate of ad valorem taxes that may be levied on real and personal property. The limitation, except as noted in subsequent paragraphs, is 10 mills each (\$10 per \$1,000 of taxable real and personal property value) for all County and municipal purposes.

The Florida Constitution limits the non-voted millage rate that school boards may levy on an annual basis for operational funds to 10 mills (\$10 per \$1,000 of taxable real and personal property value). Section 1011.71, Florida Statutes, as amended, further limits the millage levy for operational purposes to an amount established each year by the State appropriations act and finally certified by the Commissioner of the State of Florida Department of Education. Within this operational limit, each school district desiring to participate in the State's appropriation of Florida Education Financial Program ("FEFP") funds for current operations must levy the millage certified by the Commissioner of the State of Florida Department of Education "required local effort," which is set each year by the State Legislature. In addition to the "required local effort," school districts are entitled to levy up to .51 mills as non-voted current operating discretionary millage. Moreover, the 1994 State Legislature authorized school districts to levy no more than .25 mills for operating purposes designed to raise up to but not more than \$50 per full-time equivalent student. For districts that cannot raise \$50 per student from the .25 mills, the State will provide the difference. For the Fiscal Years 2001-2002, 2002-2003 and 2003-2004, the District was able to levy .201 mills under these provisions. For Fiscal Year 2004-2005, the District estimates that it will be able to levy [2.01] mills under these provisions. In addition to the operating levy limit, current law allows school districts to levy up to 2.0 mills for capital outlay and maintenance of school facilities.

The millage limitations are applicable to taxes levied for operational purposes, such as the taxes pledged to secure repayment for the Notes. The millage limitation does not apply to taxes approved at referendum by qualified electors in the County for general obligation bonds.

Each respective millage rate, except as limited by law, is set on the basis of estimates of revenue needs and the total taxable property values within the taxing authority's respective jurisdiction. Revenues derived from ad valorem property taxes are budgeted, as required by Florida law, on the application of millage levies to 95 percent of the non-exempt assessed valuation of property in the County. Ad valorem taxes are not levied in excess of actual budget requirements.

The School District estimates that it will levy a millage of approximately [5.76] mills against the cap of 10 mills for the fiscal year beginning July 1, 2004, for general operations. In addition, the District, for the same period, and under the same cap, estimates that it will levy a tax of [2.0] mills for capital outlay. These taxes for capital outlay are not pledged as security for the Notes. The total millage is estimated to be approximately [9.10] mills for Fiscal Year 2004-2005. See "AD VALOREM TAX RELATED MATTERS- Tax Levies and Tax Collections."

## **Truth in Millage Bill**

The 1980 Florida Legislature enacted the Truth in Millage Bill (the "Trim Bill") requiring that only legislative bodies, including school districts, fix the millage rate, and requiring that all property be assessed at 100% of just value. See "Appendix A - General Information Concerning Miami-Dade County, Florida," herein for a table of County-wide millage rates.

## **Procedures for Tax Collection and Distribution**

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the tax roll is certified and delivered to the County Tax Collector. The County Tax Collector mails a notice to each property owner on the tax roll for the taxes levied by the County, the School Board, municipalities within the County and other taxing authorities. Taxes may be paid upon receipt of such notice, 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 in the month of March are without discount. All unpaid taxes on real and personal property become delinquent on April 1 of the year following the year in which taxes were levied.

On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property with delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate. Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. Florida 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 2 years, the holder of the certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

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

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**Assessed Value of Taxable Property**

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

**SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA  
ASSESSED VALUE OF TAXABLE PROPERTY (IN THOUSANDS)  
LAST TEN FISCAL YEARS ENDED JUNE 30, 2003**

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>REAL PROPERTY ASSESSED VALUE</u>	<u>PERSONAL PROPERTY ASSESSED VALUE</u>	<u>REAL &amp; PERSONAL PROPERTY EXEMPTIONS</u>	<u>NET ASSESSED PROPERTY VALUE<sup>(1)</sup></u>
2003	\$129,013,310	\$13,976,717	\$28,044,422	\$114,945,605
2002	118,226,760	12,474,621	25,956,951	104,744,430
2001	109,228,601	12,185,632	25,066,038	96,408,195
2000	103,579,838	11,778,020	25,083,445	90,974,413
1999	98,507,821	11,345,006	24,013,747	85,839,080
1998	93,663,614	11,260,305	23,449,741	81,474,178
1997	89,669,244	9,271,171	21,355,938	77,584,477
1996	86,479,474	9,362,934	21,192,367	74,650,041
1995	82,399,251	8,886,974	20,096,980	71,189,245
1994	75,190,509	8,279,491	19,426,453	64,043,547

(1) The basis of assessed value is approximately one hundred percent (100%) of actual value. For each fiscal year ending September 30, property is valued as of January 1<sup>st</sup> of the preceding calendar year.

SOURCE: Miami-Dade County Property Appraiser and Finance Department.

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**Ad Valorem Tax Levies and Collections**

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

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

<u>FISCAL YEAR ENDED JUNE 30.</u>	<u>GENERAL FUND LEVY</u>	<u>DEBT SERVICE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL</u>	<u>TOTAL TAX COLLEC- TIONS</u>	<u>PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY</u>
2003	\$746,156	\$88,636	\$230,224	\$1,065,016	\$1,030,705	96.8%
2002	693,727	90,117	212,539	996,383	961,591	96.5
2001	665,653	89,514	195,659	940,826	903,884	96.1
2000	605,189	90,042	181,902	877,133	848,120	96.7
1999	616,496	83,951	171,678	872,125	846,619	97.1
1998	599,650	90,110	162,622	852,382	830,726	97.5
1997	570,711	78,360	155,169	804,240	781,292	97.1
1996	550,395	75,844	149,300	775,539	756,374	97.5
1995	534,133	59,941	142,378	736,452	713,059	96.8
1994	466,199	40,968	128,024	635,191	622,849	98.1

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

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## Ad Valorem Millage Rates

The following table sets forth the amounts of ad valorem millages levied by the District and Miami-Dade County from 1994 through 2003:

### SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA DISTRICT AND MIAMI-DADE COUNTY PROPERTY TAX RATES (IN MILLS) DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS<sup>(1)</sup>

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>DISTRICT GENERAL MILLAGE FUND</u>	<u>DISTRICT DEBT SERVICE FUNDS</u>	<u>DISTRICT CAPITAL OUTLAY MILLAGE</u>	<u>DISTRICT TOTAL MILLAGE</u>	<u>MIAMI-DADE COUNTY</u>	<u>STATE</u>	<u>TOTAL<sup>(2)</sup></u>
2003	6.48	.77	2.00	9.25	5.89	.74	15.88
2002	6.53	.85	2.00	9.38	5.71	1.08	16.17
2001	6.70	.92	2.00	9.62	5.75	.74	16.11
2000	6.65	.99	2.00	9.64	5.81	.74	16.19
1999	7.18	.98	2.00	10.16	6.02	.74	16.92
1998	7.36	1.11	2.00	10.47	6.02	.75	17.23
1997	7.36	1.01	2.00	10.37	6.47	.71	17.55
1996	7.37	1.02	2.00	10.39	6.83	.69	17.91
1995	7.50	.84	2.00	10.35	7.25	.65	18.24
1994	7.28	.64	2.00	9.92	7.31	.65	17.88

(1) School Board and State Fiscal Year ends June 30; County ends September 30.

(2) Excluding special district millages.

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

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## **SCHOOL DISTRICT AND SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**

### **The District**

The District is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Florida Statutes. The District is the fourth largest school system in the nation as measured by student enrollment. Located at the hub of the southeast coast of Florida and in the most populous area of the State, the geographic boundaries of the District are coterminous with Metropolitan Miami-Dade County (the "County" or "Miami-Dade County"). The District serves the unincorporated areas of Miami-Dade County and all 32 municipalities within the boundaries of Miami-Dade County, including the cities of Miami, Miami Beach, Coral Gables, Hialeah and Pinecrest.

For the fiscal year ended June 30, 2003, the District consisted of 340 schools and vocational/technical education centers, approximately 371,482 kindergarten-12 students and approximately 47,000 full and part-time employees, including over 21,000 full-time teachers and approximately 4,500 full-time paraprofessional staff. Management of the District is independent of the various municipal governments of Miami-Dade County. The Tax Collector of Miami-Dade County collects the ad valorem school tax for the District, but exercises no control over its expenditure.

### **The Board**

The Board is a public corporation existing under the laws of the State of Florida, particularly Section 1001.40, Florida Statutes. The Board is the policy-making body of the District, consisting of nine members elected from single member districts for staggered four-year terms.

Under existing statutes the Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools, programs for gifted students and for students in residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision for 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 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 Chair and Vice Chair of the Board are elected by the members of the Board annually. The Superintendent of Schools is the ex-officio Secretary of the Board.

DR. MICHAEL M. KROP, CHAIR, was elected to the School Board in 1980 and re-elected in 1984, 1988, 1992, 1996 and 2000. In 1996 he was elected to represent District 3. He served as Chair of the School Board from 1987 to 1989. Dr. Krop is an orthodontist, served as chief of the orthodontics department at Mt. Sinai Hospital, Miami Beach, Florida and is a past president of the East Coast and Miami Beach Dental Societies. His community activities include serving on the boards of the United Way of Miami-Dade County, the Education Fund, the Milton Littman Scholarship Foundation, the Magnet School Educational Choice Association, and the Miami Museum of Science. Dr. Krop received his M.S.D. in Orthodontics from Northwestern University, D.D.S. from Temple University and B.A. from Penn State University. His term expires in November, 2004.

DR. ROBERT B. INGRAM, VICE CHAIR, was elected to the Board in 1998 and re-elected in 2000 to represent District 1. He serves as a Full Professor and Chairperson of the Division of Extension and

Continuing Education at Florida Memorial College. Dr. Ingram's academic credentials include a Ph.D. in Applied Behavioral Science from Union Institute, Cincinnati, Ohio, as well as a Masters Degree in Administration and Supervision of Adult Education and a Bachelor of Science degree in Urban Justice from Florida International University. Dr. Ingram has been a police officer in the Miami Police Department, the Chief of Police in Opa-Locka, Florida, the Mayor of Opa-Locka and the President of the National Conference of Black Mayors and City Manager of South Miami, Florida. Dr. Ingram has received numerous awards for his dedicated community service and fostering of positive race relations. His term expires in November, 2004.

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

FRANK J. BOLAÑOS, MEMBER, was appointed to the School Board by Governor Jeb Bush in July 2001 and elected in November 2002 to represent District 5. Mr. Bolaños is an executive with over 20 years of strategic planning, customer service, financial services, marketing and public relations experience. In his current position as Regional Director for BellSouth The Real Yellow Pages, he is responsible for all aspects of product management and marketing activities in South Florida and throughout four Southeastern states. Mr. Bolaños is associated with a number of civic, professional and business organizations. He serves as Executive Board member of the New World School of the Arts Story Theater for Children, Director of the Hialeah-Miami Springs Northwest Dade Chamber of Commerce, and member of the Board of Governors of the Greater Miami Chamber of Commerce. Mr. Bolaños was a Councilman of the Doral Community Council, Director of the Stars/Hope Scholarship & Mentoring Program, Vice Chairman of the Executive Committee of the Greater Miami Chamber of Commerce, Director of the Inter-American Businessmen's Association, Director of the Florida International University Alumni Association and Trustee of the United Way of Miami-Dade County. He attended Riverside, Kensington and Melrose Elementary Schools, Miami Springs Junior High School and graduated from Miami Senior High School. Mr. Bolaños has an A.A. from Miami-Dade Community College, a B.A. from Florida International University and has completed numerous executive business courses and seminars including the Strategic Planning Executive Training Seminar at Harvard School of Business. His term expires in November, 2004.

FRANK J. COBO, MEMBER, was elected to the School Board in June 2001 to represent District 7. He is president of Frank J. Cobo & Associates, Inc., a real estate company, and is associated with a number of professional and civic organizations, including the Alliance for Career Education and the Coalition for Quality Education. Mr. Cobo is a native Floridian and received his Associate of Arts degree from Miami-Dade Community College. He currently chairs the Facilities Planning and Construction Committee and the Selection Committee for Early Retirement Programs. He is a member of the Federal Programs & Grants Administration Committee and the Personnel Management & Services Committee. Mr. Cobo's term expires in November, 2004.

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

where she currently serves her second term. In 1997, she received the Stephen P. Clark Children's Award for Outstanding Miami-Dade County Educator. Ms. Hantman received Florida International University's Distinguished Service Medallion in Community Service in April 2000. She chairs the Personnel Services, Media Communications and Marketing Committee. Her term expires in November, 2006.

**BETSY H. KAPLAN, MEMBER**, was elected to the School Board in 1988 and re-elected in 1992. In 1996 and 2000, Ms. Kaplan was re-elected to represent District 9. She served as chair of the School Board in 1993-1994 and 1994-1995. Ms. Kaplan has served as president of the Dade County Council PTA/PTSA and as region president of the Dade and Monroe Counties PTA, and has also participated in numerous citizens' organizations related to public education. Ms. Kaplan served on the Instructional Academic Advisory Committee from 1982 to 1988, chairing the committee from 1986 to 1988 and on the Attendance Boundary Committee and the Instructional Oversight Committee. Ms. Kaplan has been a teacher for Miami-Dade County Public Schools, a college instructor, and has served as an administrative aide to a former school board member. A graduate of Miami Edison Senior High School, she holds an A.B. and a B.F.A., cum laude and magna cum laude, from Wesleyan College and Conservatory, Macon, Georgia. Her term expires in November, 2004.

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

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

## **Administration**

The Superintendent of Schools is appointed by, and serves as ex officio Secretary to, the Board. The Superintendent oversees operations of the school system, makes policy recommendations to the Board, and performs the duties assigned to him by law and the regulations of the State Department of Education. The Superintendent also prepares the annual budget for approval by the Board, recommends the tax levy necessary to operate schools, is responsible for all financial transactions of the District, keeps such records as approved by the Board, provides for the investment of available District funds and is responsible for debt issuance plans of the District.

**MERRETT R. STIERHEIM, SUPERINTENDENT OF SCHOOLS**, was named Superintendent in October 2001. Immediately before his appointment, he served as the first Town Manager of the newly formed Town of Miami Lakes in Miami-Dade County. Mr. Stierheim recently retired as County Manager for Miami-Dade County, a position he held for the second time in his career. He first served as County Manager from 1976 to 1986 and successfully supervised a \$5 billion countywide infrastructure expansion. After nearly ten years as County Manager, Mr. Stierheim stepped down after being recruited as CEO of the Women's Tennis Association. In 1990, he was appointed President and CEO of the Greater Miami Convention & Visitors Bureau. In 1996, Mr. Stierheim served pro bono as City Manager of the City of Miami where he uncovered a \$68 million deficit and led the effort to rescue the City's finances. More recently, he completed a similar pro bono financial review at the request of the City of Homestead. Mr. Stierheim interned and later served as Assistant City Manager in the City of Miami from 1959 to 1967; as Clearwater City Manager from 1967 to 1973; and Pinellas County Administrator from 1973 to 1976. He graduated third in his class with a Master's Degree in Governmental Administration from the Wharton Graduate School, University of Pennsylvania, and earned a Bachelor of Science from Bucknell University. He is an Air Force Cadet graduate and served as a First Lieutenant, Navigator from 1953 to 1957. Mr. Stierheim will retire from the District on June 30, 2004.

**RUDY CREW, SUPERINTENDENT OF SCHOOLS DESIGNATE**, is the incoming Superintendent of Schools for the District. **[Insert biographical information for Mr. Crew.]**

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

## **Employee Relations**

For fiscal year 2002-2003, the District had approximately 47,000 employees. The School Board negotiates contracts with five exclusive bargaining agents representing five unions: (i) United Teachers of Dade ("UTD"); (ii) American Federation of State, County and Municipal Employees ("AFSCME"), Local 1184; (iii) Dade County School Maintenance Employee Committee ("DCSMEC"); (iv) Florida State Lodge, Fraternal Order of Police (representing the District's law enforcement officers) ("FOP"); and (v) the Dade County Schools Administrators Association, Local 77 ("DCSAA") representing professional and technical employees. The UTD, AFSCME and DCSAA contracts are effective from July 1, 2003 to June 30, 2006. The FOP contract is effective from July 1, 2003 to June 30, 2004. The School Board has reached an agreement with these unions for fiscal year 2003-2004 with a unit average increase of 4% for fiscal year 2003-2004. The contracts have a wage reopener for fiscal year 2004-2005 with notice by April 1, 2004. The DCSMEC contract expired on September 30, 2002. Despite continuing negotiations, an impasse was declared by the union on February 18, 2004. Under Florida law, public employees are not permitted to strike. [Update]

## **Budgetary Process**

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

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

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

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

In no event may the millage rate adopted at the final budget hearing exceed the millage rate adopted at the tentative budget hearing unless each taxpayer within the District is sent notice by mail of the taxes under the tentative adopted millage rate and the taxes under the higher rate to be adopted at the final budget hearing. The final budget is submitted to the Department of Education of the State of Florida. After the final budget hearing, the Board must certify the final millage rate to the County Tax Collector, the Property Appraiser and the State Department of Revenue. The budget for the 2003-2004 Fiscal Year was adopted by the Board on September 10, 2003. The District may make revisions to the 2003-2004 Fiscal Year budget in accordance with Florida Law.

## **General Fund Revenue Sources**

The District's general fund revenues are derived from federal and State appropriations and local sources of funds. The District's two major sources of funds from the State are funding under the Florida Education Finance Program ("FEFP") and the State's Categorical Education Program.

### **State Sources**

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

To participate in FEFP funding, the District must levy a minimum millage for operating purposes which is set by the Florida State Department of Education.

The FEFP revenues received by the District for fiscal year 2002-2003 were \$1,129,605,000. The projected FEFP revenues for fiscal year 2003-2004 are \$1,174,578,081.

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

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

### **State Oversight Board**

On May 1, 2001 the Florida Legislature's Office of Program Policy Analysis and Government Accountability, a unit of the Office of the Auditor General issued its report entitled "Land Acquisition Practices of the Miami-Dade County School District." The report is critical of certain of the School Board's capital planning practices, including its procedures relating to the acquisition of facility sites. It concludes that the School Board has not established effective land acquisition and facilities planning processes, including an appraisal process for determining the market value of land to be purchased.

In response to the report the Senate Education Committee of the Florida Legislature imposed certain conditions on the release of PECO fixed capital outlay funds to the District. The legislature mandated the creation of a Land Acquisition and Facilities Maintenance Operation Advisory Board (the "Oversight Board") to be appointed by the Governor, the President of the Senate and the Speaker of the House. PECO appropriations to the District will be held in reserve by the Governor until the Oversight Board certifies that its recommendations relating to site acquisition and facilities planning, construction and maintenance operations have been followed by the School Board. The Notes will not be paid from PECO funds.



The Legislature also provided for the payment to the Office of Auditor General from the District's Fiscal Year 2003-2004 operating funds, the sum of \$310,000 to pay for three auditors to be located in the District's administrative offices for a period of one year.

The Oversight Board has recommended that the District privatize maintenance work in order to reduce costs and has threatened to withhold funding of PECO appropriations until the recommendation is implemented. Approximately \$75,580,000 in PECO appropriations are being held in reserve pending the Oversight Board's action. Approximately \$44,000,000 of this sum was released to the District in February, 2004. [Update]

On March 5, 2003 the Oversight Board voted to recommend to the Florida legislature that the authority to construct schools be transferred from the School Board to an appointed authority. The Oversight Board did not make any recommendations with respect to site acquisitions or building maintenance, nor did the Oversight Board make any recommendation as to how a new authority would be constituted, how long it would exist or how it would interact with the School Board. Since it is not known at this time what the ultimate recommendations will be with respect to how such an authority would be constituted and what its powers would be, it is not possible to know what legislative or state constitutional actions would be necessary to implement the Oversight Board's recommendation. As a result it is not possible to predict what action, if any, will ultimately be taken or when.

#### **Local Sources**

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

The Florida Constitution limits the non-voted millage rate that school boards may levy on an annual basis to ten mills (\$10 per \$1,000 of taxable real and personal property value). Chapter 1011, Florida Statutes, further limits the millage levy for operational purposes to an amount set each year by the State Appropriations Act. In addition to the operating levy limit, current law allows school districts to levy up to 2.0 mills for capital outlay and maintenance of school facilities. See "AD VALOREM TAX RELATED MATTERS" herein.

#### **Federal Sources**

Federal revenue sources received by the District and deposited in the General Fund were approximately \$15,051,000 in 2002-2003. The amount projected to be received during the 2003-2004 fiscal year is approximately \$12,249,050. In addition to these revenues, the District receives federal food services and federal grants for specified contracted programs. Total revenues of \$340,707,000 were received from federal sources in fiscal year 2002-2003.

The following tables summarize General Fund operations, including Revenues, Expenditures and Changes in General Fund Balances for the three audited fiscal years ending June 30, 2001 through 2003, and the projected Superintendent's Financial Report for the year ending June 30, 2004, and the General Fund operating budget for the year ending June 30, 2004 and unaudited and projected cash flow of the General Fund for the fiscal year ending June 30, 2004.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**  
**GENERAL FUND**  
**RESULTS OF OPERATION FOR FISCAL YEARS ENDING JUNE 30**  
**(in thousands)**

[to be inserted]

## RECENT CHANGES AFFECTING DISTRICT REVENUES

### Constitutional Amendments

[Update]

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

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

The Class Size Legislation further creates an "Operating Categorical Fund for Class Size Reduction," the "Classroom for Kids Program," the "District Effort Recognition Grant Program" and the "Class Size Reduction Lottery Revenue Bond Program" to provide funding programs for capital outlays and operating expenditures necessary in relation to these mandated class size reductions. The Class Size Legislation requires each school board to consider implementing various policies and methods to meet these constitutional class sizes, including encouraging dual enrollment courses, encouraging the Florida Virtual School, maximizing instructional staff, reducing construction costs, using joint-use facilities, implementing alternative class scheduling, redrawing attendance zones, implementing evening and multiple sessions and implementing year-round and non-traditional calendars. Failure to reduce class sizes by at least two students each year until the constitutional maximum is met may result in transfer of class size reduction operating funds to fixed capital outlay appropriations, required implementation of year-round schools, double sessions, extended school year or rezoning, implementation of a state-mandated constitutional compliance plan or withholding of various State funds.

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

In the November 5, 2002 general election, the voters of the State of Florida also approved Amendment 8 to the State Constitution which provides that every 4-year old child in the State shall be offered a free, high quality pre-kindergarten learning opportunity by the State no later than the 2005 school year. Legislation implementing Amendment 8 was passed by the Florida Legislature during the 2003 regular

legislative session and signed into law on June 4, 2003. Amendment 8 and such legislation is referred to herein as the "Pre-K Legislation."

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

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

### **FLORIDA RETIREMENT SYSTEM**

The State established and manages the State of Florida Retirement System Pension Plan for state, county, municipal and school district employees. Contribution rates are established by law for all participating governmental units. State law provides that employers, such as the District, are obligated to contribute 7.39% of the salary of regular members.

The Florida Retirement System officials reported that statewide, as of the July 1996 evaluation of the Plan, the Florida Retirement System had an unfunded liability of approximately \$6.965 billion. This amount represents an obligation of the System and not of the participating agencies, including the District. Those officials estimated that if certain actuarial assumptions are realized, based on current contributions, it will take approximately 30 years to liquidate this unfunded liability. On November 2, 1976, the electorate approved an amendment to the State Constitution, which provides that increases in future benefits payable under any governmentally-supported retirement system after January 1, 1977, must be fully funded by the governmental unit.

### **SOCIAL SECURITY SYSTEM**

Employees of the District also participate in the Social Security Program. Employees contribute 7.65% of salary and the Board likewise contributes 7.65% of salary, up to the maximum provided by law.

### **LIFE AND HEALTH INSURANCE**

The District has available a group life and health insurance program of which the District is the self-insurer. At the option of the employee, it may include the spouse and dependents. The Board pays the cost of the program with respect to the employees; however, the employees bear the additional cost allocated to their covered spouses and dependents.

### **LITIGATION**

There is no litigation now pending or threatened (i) to restrain or enjoin the issuance or sale of the Notes; (ii) questioning or affecting the validity of the Notes, the Resolution or the pledge by the District under the Resolution; or (iii) questioning or affecting the validity of any of the proceedings for the authorization,

sale, execution or delivery of the Notes.

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

### **TAX EXEMPTION**

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the District must continue to meet after the issuance of the Notes in order that the interest on the Notes not be included in gross income for federal income tax purposes. The District=s failure to meet these requirements may cause the interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of execution and delivery of the Notes. The District has covenanted in the Note Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Notes.

In the opinion of Note Counsel, assuming continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, the interest on the Notes is excluded from gross income for federal income tax purposes. Interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Notes is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations.

Note Counsel is further of the opinion that the Notes and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220.

Except as described above, Note Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Notes, or the ownership or disposition of the Notes. Prospective purchasers of Notes should be aware that the ownership of Notes may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Notes, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by 15 percent of certain items, including the interest on the Notes, (iii) the inclusion of the interest on the Notes in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Notes in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year and (v) the inclusion in gross income of the interest on the Notes by recipients of certain Social Security and Railroad Retirement benefits.

### **APPROVAL OF LEGALITY**

Legal matters incident to the authorization and issuance of the Notes are subject to the legal opinion of Greenberg Traurig, P.A., Note Counsel. Copies of such opinion will be available at the time of delivery of the Notes. Certain legal matters will be passed upon for the District by Liebler, Gonzalez & Portuondo, P.A., Disclosure Counsel. Certain legal matters will be passed upon for the District by Johnny Brown, Esquire, School Board Attorney.

The proposed text of the legal opinion of Note Counsel is set forth as Appendix D hereto. The actual legal opinion to be delivered 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 the Official Statement or otherwise shall create no implication that Note Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require 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 the District served only as a conduit issuer). The District is not and has not since December 31, 1975, been in default as to payment of principal and interest on its bonds, notes, or other debt obligations.

### **CONTINUING DISCLOSURE**

Rule 15c2-12 (the "Rule") under the Securities and Exchange Act of 1934, as amended, promulgated by the Securities and Exchange Commission (the "Commission"), prohibits underwriters from purchasing or selling municipal securities unless such underwriters have reasonably determined that the issuer and any "obligated person" with respect thereto, have undertaken to provide continuing disclosure with respect to its securities subject to certain exemptions. Because the Notes have a stated maturity of 18 months or less, the District, as an "obligated person" with respect to the Notes, is exempt from the continuing disclosure requirements of the Rule. The School Board has not failed to comply with any prior undertaking made with respect to the Rule. However, the District is required to provide notice of the occurrence of certain material events, as provided in a Material Events Notice Certificate to be dated as of the date of the Notes and incorporated by reference in the Notes.

Pursuant to the Material Events Notice Certificate, the District will undertake to provide the following continuing disclosure with respect to the Notes:

The District will provide in a timely manner to (i) each nationally recognized municipal securities information repository designated by the Commission in accordance with the Rule ("NRMSIR") or to the Municipal Securities Rulemaking Board ("MSRB") and (ii) the appropriate state information depository designated by the State ("SID"), if any, notice of the occurrence of any of the following events with respect to the Notes, if material: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) unscheduled draws on debt service reserves reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers, or their failure to perform; (f) adverse tax opinions or events affecting the tax-exempt status of the Notes; (g) modification of rights of registered owners of the Notes; (h) Note calls; (i) defeasances; (j) release, substitution or sale of property securing the repayment of the Notes; or (k) rating changes.

The District from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, if in its judgment such other event is material with respect to the Notes, but the District does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

The obligations of the District described above will remain in effect, subject to the following paragraph, so long as the Notes are outstanding in accordance with their terms.

The intent of the District's undertaking in the Material Events Notice Certificate is to provide notice of material events described in the Rule. Accordingly, the District reserves the right to modify the notice thereunder so long as any such modification is made in a manner consistent with the Rule. Furthermore to the extent that the Rule no longer requires the issuers of municipal securities or obligated persons to provide all or any portion of the notice the District has agreed to provide pursuant to the Material Events Notice Certificate, the obligation of the District to provide such information also shall cease immediately.

The purpose of the District's undertaking is to conform to the requirements of the Rule and not to create new contractual or other rights for the original purchasers of the Notes, any registered owner or beneficial owner of the Notes, the Commission or any other person. The sole remedy in the event of any actual or alleged failure by the District to comply with any covenant of the Material Events Notice Certificate shall be an action for the specific performance of the District's obligations thereunder and not for money damages in any amount. Any failure by the District to comply with any provision of such undertaking shall not constitute an event of default with respect to the Notes.

The Treasurer of the District shall be the contact person on behalf of the District from whom the foregoing notices may be obtained. The name, address and telephone number of the contact person is Mr. Eduardo A. Alfaro, Treasurer, Office of Treasury Management, Room 615, School Board Administration Building, 1450 NE Second Avenue, Miami, Florida 33132 (Phone: 305-995-1684; Fax: 305-995-2387).

#### **NOTEHOLDERS' RISKS**

The Notes are limited obligations of the District payable from the Pledged Revenues as described herein, and are not secured by the full faith, credit and taxing power of the District. Because the Notes are limited obligations, the sources of money pledged to secure payment of the Notes may be insufficient therefor, and the Noteowners would not be able to compel the levy of taxes (other than the taxes levied for operating purposes for the Current Fiscal Year) or the institution of foreclosure proceedings against any property of the District to provide for payment of the Notes and the interest thereon. Certain factors may affect the adequacy of the Pledged Revenues to provide for payment of the Notes, and there can be no assurance that the Pledged Revenues will be adequate to provide for payment of the Notes and the interest thereon.

In particular, the adequacy of the Pledged Revenues to provide for repayment of the Notes depends upon (1) the ability of taxpayers in Miami-Dade County to pay the ad valorem taxes levied in 2004, (2) the percentage of collection of ad valorem taxes for the Current Fiscal Year, (3) the receipt by the District of the federal and State funds upon which it depends, in part, for the funding of its operations for the current year, and (4) the absence of the need for extraordinary, unforeseen expenditures during the Current Fiscal Year. These matters are largely dependent upon factors beyond the control of the District, and any adverse developments with respect to these or other factors could affect the ability of the District to pay the principal of and interest on the Notes.

## NOTE RATING

Moody's Investors Service ("Moody's") has assigned its municipal bond rating to the Notes as set forth on the cover page hereof. An explanation of the significance of the rating may be obtained only from Moody's. There is no assurance that the rating will be in effect for any given period of time or that it will not be revised downward, suspended or withdrawn entirely by Moody's if in its judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of the rating given the Notes may have an adverse effect on the liquidity or market price of the Notes.

## UNDERWRITING

The Notes are being purchased by \_\_\_\_\_ (the "Underwriter") at an aggregate purchase price of \$ \_\_\_\_\_ (which represents the \$ \_\_\_\_\_ principal amount of the Notes plus a premium of \$ \_\_\_\_\_). The offer of the Underwriter to purchase the Notes provides for the purchase of all of the Notes if any are purchased. The Underwriter intends to reoffer the Notes to the public at \_\_\_\_\_% of the principal amount thereof which includes compensation to the Underwriter in the amount of \$ \_\_\_\_\_. The Notes may be reoffered and sold by the Underwriter to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers at prices that are lower than the stated public offering price. After the initial public offering, the offering price may be changed from time to time by the Underwriter.

## FINANCIAL ADVISOR

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

## MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Notes, the security for the payment of the Notes and the rights and obligations of the holders of the Notes.

The information contained in this Official Statement has been compiled from sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statements made in this Official 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. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

This Official Statement is in a form "deemed final" by the District for purposes of SEC Rule 15c2-12(3) and (4).

Further information regarding the District is available upon request from Mr. Eduardo A. Alfaro, Treasurer, Office of Treasury Management, Room 615, School Board Administration Building, 1450 NE



Second Avenue, Miami, Florida 33132 (Phone: (305) 995-1684; Fax: (305) 995-2387) or during the offering period for the Notes, from the Financial Advisor: De Lara Associates, New York, New York (Phone: (212) 580-8768 or Fax: (212) 580-3079).

**AUTHORIZATION OF AND CERTIFICATION CONCERNING  
OFFICIAL STATEMENT**

This Official Statement has been authorized by the Board. Concurrently with the delivery of the Notes, the Board will furnish its certificate to the effect that, to the best of its knowledge, this Official Statement did not as of its date, and does not as of the date of delivery of the Notes, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which this Official Statement is to be used, or which is necessary in order to make the statements therein, in the light of the circumstances in which they were made, not misleading.

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

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

**APPENDIX A**

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

**APPENDIX B**

**EXCERPTS FROM GENERAL PURPOSE FINANCIAL STATEMENTS  
FROM REPORT ON AUDIT OF THE MIAMI-DADE COUNTY  
DISTRICT SCHOOL BOARD FOR THE FISCAL YEAR ENDED JUNE  
30, 2003**

**APPENDIX C**  
**NOTE RESOLUTION**

**APPENDIX D**  
**FORM OF OPINION OF NOTE COUNSEL**