

Business Operations
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: RESOLUTION 06-37 AUTHORIZING ISSUANCE OF UP TO \$160 MILLION
TAX ANTICIPATION NOTES, SERIES 2006**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

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.

During fiscal year 2005-2006, Miami-Dade County Public Schools requested authorization to borrow up to \$120 Million, but actually borrowed \$105 Million by issuing Tax Anticipation Notes (TAN's). The TAN's mature on June 27, 2006.

For fiscal year 2006-2007, it is recommended that borrowing of up to \$160 million be authorized to fund the working capital reserve. The increase in the amount primarily relates to Hurricane losses awaiting reimbursement from FEMA. The Notes will be repaid at the end of the 2006-2007 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 will be up to \$100,000.

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

- 1) approve Resolution 06-37 authorizing the issuance of up to \$160 million Tax Anticipation Notes, Series 2006 to provide interim funds for the operation of the District; such Notes to be retired from proceeds of ad valorem taxes to be received during 2006-2007 for operating purposes; and
- 2) authorize payment of cost of issuance fees and expenses not to exceed \$100,000.

RESOLUTION 06-37

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 \$160,000,000 AGGREGATE PRINCIPAL AMOUNT OF TAX ANTICIPATION NOTES, SERIES 2006 (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, 2006 and ending June 30, 2007 (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 \$160,000,000 tax anticipation notes of the District to be known as “Tax Anticipation Notes, Series 2006” (the “Notes”), the principal of and the interest on which will be payable by their terms on June 28, 2007, 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 \$160,000,000 aggregate principal amount of School District of Miami-

Dade County, Florida Tax Anticipation Notes, Series 2006 (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, 2007, 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 or engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Superintendent, as ex officio Secretary of the Board, provided, however, that at least one of the signatures shall be manual, 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 \$160,000,000 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 4.00%.
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, 2007, 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, 2006.

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 2006-2007 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.

Adopted this 14th day of June, 2006.

[SEAL]

Agustin J. Barrera
Chair, The School Board of
Miami-Dade County, Florida

Attest:

Dr. Rudolph F. Crew
Secretary, The School Board of
Miami-Dade County, Florida

Approved as to form:

JulieAnn Rico, Esq.
School Board Attorney