

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: AUTHORIZATION TO REPLACE OR ADD INSURERS, REPLACE OR ADD BROKER/DEALERS, AND ISSUE REQUEST FOR BID LIQUIDITY PROVIDERS ON THE CERTIFICATES OF PARTICIPATION SERIES, 2001B, 2002A, 2002B, AND/OR 2007C ISSUE; AND APPOINT MERRILL LYNCH AS UNDERWRITER FOR THE REVENUE ANTICIPATION RENEWAL NOTES SERIES 2008A; ISSUANCE OF UP TO \$70 MILLION REVENUE ANTICIPATION RENEWAL NOTES, SERIES 2008A RESOLUTION 08-06

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

The sub-prime mortgage default crisis in the financial market is impacting the District's short term debt. Current lack of liquidity in the capital markets has dampened demand for auction rate Certificates of Participation (COP) and lines of credit, which have previously been very cost effective.

The District has outstanding \$278.4 million in Auction Rate Securities for the COP Series, 2001B, 2002A, 2002B, and 2007C. These short term auction rate certificates are insured (as are all Florida school district COPs). Due to exposure to the sub-prime mortgage defaults, a number of the bond insurance providers have been placed on negative watch or negative outlook by the rating agencies with down grades pending unless capital reserves are increased. In addition, some of the broker/dealers on the Auction Rate Securities have reported significant losses and have been downgraded or are on negative watch or negative outlook.

The tax-exempt auction market has experienced unprecedented volatility as a result primarily of the bond insurance uncertainty. As a result the District has experienced the following fluctuations in reset rates over the past month on its Auction Rate Securities:

- 3.75% to 4.50%, currently 4.50% on \$51,450,000 35 day, Series 2001B COP with MBIA as the Bond Insurer and Wachovia as the Broker/Dealer
- 4.35% to 4.75%, currently 4.75% on \$68,070,000 35 day, Series 2002A COP with AMBAC as the Bond Insurer and Bear Stearns as the Broker/Dealer
- 3.60% to 4.50%, currently 4.50% on \$68,070,000 35 day, Series 2002B COP with AMBAC as the Bond Insurer and Citigroup as the Broker/Dealer
- 3.80% to 4.55%, currently 3.80% on \$90,825,000 7 day, Series 2007C COP with FGIC as the Bond Insurer and Merrill Lynch and Goldman Sachs as the Broker/Dealers

The District's Treasurer, Bond Counsel, Financial Advisor, and Derivative Advisor, are reviewing options for changing the structure from auction rate mode to another interest rate

GOOD CAUSE

mode, which may include the need for a liquidity provider. The Treasury Advisory Committee will review these options at the February 4, 2008 meeting for recommendation to the Board at the February 13, 2008 meeting. Authorization is being requested to replace or add insurers, replace or add broker dealers, and issue Request For Bid Liquidity Provider in the event of a conversion of Auction Rate Securities to another interest rate mode, prior to the February Board Meeting.

At its meeting of November 20, 2007 the School Board approved the initial issuance of a Request for Bid (RFB), Bank Line of Credit for \$187,000,000. Due to market uncertainty, a draft of the RFB was provided to financial institutions to provide the District with an indication of interest and price levels. Responses from past bidders indicate relatively higher costs in comparison to prior levels by issuing a new Bank Line of Credit. Market demand is much stronger for a Revenue Anticipation Note (RAN) in the mode of a public note offering. Due to federal tax regulations only the projects to be financed by the sale of future issues of Certificates of Participation need to be financed at this time. Authorization is being requested to issue up to \$70 million Revenue Anticipation Renewal Note, Series 2008A as a public offering with a maturity of May 29, 2008.

Merrill Lynch, a Board Authorized Underwriter and the current holder of the \$220 million Bank Line of Credit is selected by the Treasury Advisory Committee, to be appointed as the Underwriter for the Revenue Anticipation Renewal Note, Series 2008A.

In the current market, it is expected that the cost of the renewal note will be lower than the cost of the existing Bank Line of Credit. The estimated cost of issuance will not exceed \$100,000. Exhibits A through D of Resolution 08-06, including the Offering Statement, will be provided under separate cover to the Board and Citizens Information.

At its meeting on January 14, 2008, the Treasury Advisory Committee reviewed all issues related to the auction rate COPs and the Revenue Anticipation Notes and recommended that the School Board accept this good cause item and approve all recommended actions. This item does not appear on the published agenda, but there is good cause to vary from the agenda because the District's financial welfare requires immediate action due to changing market conditions.

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

- 1) replace or add insurers, replace or add broker/dealers and issue Request For Bid Liquidity Providers on the Certificates of Participation Series 2001B, 2002A, 2002B, and/or 2007C; and
- 2) appoint Merrill Lynch as underwriter for the Revenue Anticipation Renewal Note, Series 2008A; and
- 3) approve issuance of up to \$70 million Revenue Anticipation Renewal Notes, Series 2008A Resolution 08-06; and
- 4) authorize payment of cost of issuance fees and expenses not to exceed \$100,000.

RESOLUTION NO. 08-06

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 \$70,000,000 AGGREGATE PRINCIPAL AMOUNT OF A SCHOOL DISTRICT OF MIAMI-DADE COUNTY, FLORIDA REVENUE ANTICIPATION RENEWAL NOTES, SERIES 2008A (THE "2008A NOTES"); PROVIDING FOR A BOOK-ENTRY SYSTEM WITH RESPECT TO THE 2008A NOTES; AUTHORIZING A NEGOTIATED SALE OF THE 2008A NOTES; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT AND THE DISTRIBUTION THEREOF BY THE PURCHASER; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; APPOINTING A REGISTRAR AND PAYING AGENT FOR THE 2008A NOTES; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

RECITALS

WHEREAS, pursuant to Section 1011.14, Florida Statutes, as amended (the "Act"), the school board of any school district is authorized to negotiate a current loan for a period not to exceed one (1) year to pay obligations created by the school board of such school district by way of anticipation of budgeted revenues accruing on a current basis for the construction and equipping of such district's school facilities; and

WHEREAS, pursuant to authorization granted on November 21, 2006 and February 14, 2007, the School District of Miami-Dade County, Florida (the "District") acting by and through 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 District, negotiated a loan (the "Loan") in an amount not to exceed \$220,000,000 evidenced by the District's outstanding Revenue Anticipation Note, Series 2007A (Bank Line of Credit Program) (the "2007A Note") for the purpose of paying or reimbursing the capital funds or general funds of the District for paying certain costs for the design, construction, acquisition and equipping of one or more of the educational facilities listed for the 2006-07 fiscal year in the Five-Year Facilities Work Program approved by the Board on September 13, 2006, as the same may be amended from time to time (the "Projects"); and

WHEREAS, the Loan as evidenced by the 2007A Note will mature and become due and payable on January 31, 2008; and

WHEREAS, the Board has determined to extend a portion of the Loan in an amount not to exceed \$70,000,000 for an additional term not to exceed four (4) months, through the issuance of the 2008A Notes (as defined in Section 2 hereof); and

WHEREAS, the principal of and interest on the 2008A Notes will be payable by their terms to the registered owners thereof on a date not to exceed four (4) months from the date of issuance thereof; provided, however, that all or any portion of the Loan may be additionally extended through the issuance of a renewal note or other obligation permitted by law for one or more periods not to exceed approximately three (3) years and eight (8) months, or a total of five (5) years including the initial year of the Loan and first renewal period; and

WHEREAS, the Loan to be evidenced by the 2008A Notes together with interest thereon and all other revenue anticipation notes currently outstanding, will be less than 25% of the revenues received during the previous fiscal year (2006-07) for the District school fund for operating expenses of the District;

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

Section 1. Affirmation of Determinations and Findings. The Board does hereby affirm and adopt the determinations and findings contained in the preceding recitals as if the same were restated in their entirety in this Section 1.

Section 2. 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 and hereby authorizes the issuance and sale of not exceeding \$70,000,000 aggregate principal amount of revenue anticipation notes of the District to be known as "School District of Miami-Dade County, Florida Revenue Anticipation Renewal Notes, Series 2008A" (the "2008A Notes"). The 2008A Notes shall be numbered R-1 and upward in registered book-entry-only form as herein provided. The 2008A Notes shall be dated as of their date of issuance, shall mature no later than four (4) months later (however, the Loan may be extended through the issuance of a renewal note or other obligation permitted by law for one or more periods not to exceed approximately three (3) years and eight (8) months, or a total of five (5) years including the initial year of the Loan and first renewal period), and shall bear interest at a rate per annum not exceeding the lesser of 5.00% or the maximum rate permitted by law, as shall be set forth in the 2008A Notes. Interest shall be computed on the basis of a 366-day year based on the actual number of days elapsed. The 2008A Notes shall not be subject to redemption prior to maturity. The 2008A 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 Chair of the Board or the Superintendent, execution and delivery of the 2008A Notes by the Chair or Vice Chair and the Secretary of the Board being conclusive evidence of such approval and that the 2008A Notes are issued in accordance with this Resolution. The Board hereby designates itself, acting by and through the Treasurer, as Paying Agent and Registrar for the 2008A Notes.

So long as the District shall maintain a book-entry-only system with respect to the 2008A Notes, the following provisions shall apply:

The 2008A 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 2008A Notes and so long as the 2008A Notes are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the 2008A 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 DTC Participants 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 2008A 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 to Indirect Participants shall be the responsibility of DTC Participants, and 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 (as hereinafter defined) or the District.

The 2008A Notes shall initially be issued in the form of one fully registered note certificate numbered R-1 and shall be held in such form until maturity. Individuals may purchase beneficial interests in the amount of \$100,000 and integral multiples of \$5,000 in excess thereof, in book-entry-only form, without certificated 2008A Notes, through the DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE 2008A 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 into a blanket letter of representations with DTC providing for such a book-entry-only system. A copy of such blanket 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 hereinabove defined) will register and deliver to the Beneficial Owners replacement 2008A Notes in the form of fully registered 2008A Notes in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, in accordance with instructions from Cede & Co.

The principal of and the interest on the 2008A 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 sufficient monies to pay the principal of and interest on the 2008A Notes at their maturity. Such monies shall be held for the benefit of Cede & Co. as registered owner of the 2008A Notes in the Capital Projects Fund (as hereinafter defined), and shall be transferred by the District to the Paying Agent pursuant to Section 13 of this Resolution and paid to Cede & Co. on the maturity date of the 2008A Notes.

Section 3. Execution of 2008A Notes. The 2008A 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 Secretary of the Board and the seal of the Board shall be imprinted or impressed thereon.

Section 4. 2008A Notes Mutilated, Destroyed, Stolen or Lost. In case any of the 2008A Notes shall be mutilated, or be destroyed, stolen or lost, the District may, in its discretion, issue and deliver a new 2008A Note of like tenor as the 2008A Note so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated 2008A Note, upon surrender and cancellation of such mutilated 2008A Note, if any, or in lieu of or substitution for the 2008A 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 2008A Note so surrendered shall be cancelled by the District. If the 2008A Notes shall have matured, or be about to mature, instead of issuing a substitute 2008A 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 2008A Note issued pursuant to this section shall constitute an original, additional contractual obligation of the District whether or not the lost, stolen or destroyed 2008A Note be at any time found by anyone, and such duplicate 2008A 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 2008A Note issued hereunder.

Section 5. Negotiated Sale; Award of 2008A Notes. It is hereby found, ascertained, determined and declared by the Board that a negotiated sale of the 2008A Notes in the principal amount of not exceeding \$70,000,000 is in the best interest of the District and is necessitated by, in general, the characteristics of the issue and prevailing market conditions and specifically, the following additional reasons:

(i) due to the volatility of the municipal market, including the market for refinancing loans such as the Loan, and the unstable condition of certain financial institutions commonly engaged in the business of purchasing securities such as the 2008A Notes, the District must be able to enter the market at the most advantageous time, rather than at specific advertised date, thereby permitting the District to obtain the best possible price and interest rate for the 2008A Notes; and

(ii) the condition of the financial industry as a whole has negatively impacted the market for securities such as the 2008A Notes and severely limited the number of institutions interested in purchasing securities such as the 2008A Notes; and

(iii) the District will not be adversely affected if the 2008A Notes are not sold pursuant to a competitive sale.

The form of Note Purchase Agreement (the "Note Purchase Agreement") between the District and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Purchaser") submitted to this meeting and attached hereto as **Exhibit C**, and the sale of the 2008A Notes upon the terms and conditions set forth therein, are hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. Any of the Chair, Vice Chair, Superintendent, Deputy Superintendent, Business Operations, Chief Financial Officer or Treasurer, upon receipt of a disclosure statement, are hereby authorized to accept the offer of the Purchaser to purchase the 2008A Notes in the aggregate principal amount of not exceeding \$70,000,000, and at a purchase price of not less than 99.85% of the face amount thereof, upon the terms and conditions set forth in the Note Purchase Agreement. Any of the Chair, Vice Chair, Superintendent, Deputy Superintendent, Business Operations, Chief Financial Officer or Treasurer, upon approval by the Superintendent, is hereby authorized and directed to execute the Note Purchase Agreement for and on behalf of the District. The execution and delivery of the Note Purchase Agreement shall constitute conclusive evidence of the approval thereof.

Section 6. Approval of Official Statement. The Superintendent is hereby authorized to have prepared and each of the Chair or Vice Chair is hereby authorized to execute an Official Statement and, upon such execution, to deliver the same to the Purchaser for use by it in connection with the offering and sale of the 2008A Notes. The Official Statement shall be substantially in the form of the Official Statement attached to this Resolution as **Exhibit D**, which is hereby approved, and the Board hereby authorizes the distribution and use thereof by the Purchaser in connection with the offering of the 2008A Notes. The execution and delivery of the Official Statement by the Chair or Vice Chair shall constitute conclusive evidence of the approval thereof.

Section 7. Delivery of the 2008A Notes. On the maturity date of the 2007A Note, upon payment of the purchase price for the 2008A Notes there shall be delivered to DTC on account of the Purchaser the properly executed 2008A Notes in the form described herein.

Section 8. Receipt for the 2008A Note. Upon receipt of the purchase price and evidence of delivery of the 2008A Notes, a proper receipt therefor shall be executed by the District and by the Purchaser.

Section 9. Application of Proceeds. In connection with the sale of the 2008A Notes, a special fund is hereby created by the District within the capital projects fund (the "Capital Projects Fund") maintained by it and designated "School District of Miami-Dade County, Florida, Revenue Anticipation Renewal Notes, Series 2008A Proceeds Fund" (hereinafter called the "Proceeds Fund"), to the credit of which there shall be deposited the proceeds of the sale of the 2008A Notes.

Moneys in the Proceeds Fund shall be used to pay a portion of the principal of the 2007A Note at maturity on January 31, 2008. Interest due on the 2007A Note will be paid from other legally available funds of the District. Costs of issuance of the 2008A Notes, including without limitation the fees and expenses of the District's Financial Advisor and Note Counsel, shall be paid from 2008A Note proceeds or from other legally available funds of the District.

Section 10. Arbitrage Covenants; Tax Exemption. The District covenants that no investment or use will be made of the proceeds of the 2008A Notes herein authorized or the interest thereon which will cause said 2008A Notes to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder as such provisions may be applicable to said 2008A Notes at the time of such investment or use. The Chair or Vice Chair of the Board, the Superintendent, the Deputy Superintendent, Business Operations, 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 holder of the 2008A Notes that the 2008A Notes is not an arbitrage bond; such arbitrage certificate shall constitute a representation of the District, and no use of the proceeds of the 2008A Notes will be made contrary to the representations therein contained. The District further covenants that so long as the 2008A Notes remains outstanding that it will perform all obligations required by law to assure that interest on the 2008A Notes remains excludable from gross income for federal income tax purposes.

Section 11. Representations and Warranties. The District hereby represents and warrants for the benefit of the registered owners from the 2008A Notes as follows:

(a) The budget of the District for its fiscal year July 2007-June 2008 (the "2007-2008 Budget") was prepared in accordance with Florida law and the Capital Projects Fund section contains sufficient appropriations consisting of taxes and other revenues accruing on a current basis to allow payment of principal of and interest on the 2008A Notes.

(b) The principal amount of the 2008A Notes to be issued hereunder and interest payable thereon at maturity together does not exceed one-fourth of the revenue received by the District during the preceding fiscal year for the district school fund for operating expenses of the District.

(c) The interest rate on the 2008A Notes will not exceed the interest rate limitation contained in Section 215.84, Florida Statutes.

(d) The District will not issue any additional obligations of a similar nature as the 2008A Notes which, when added to the outstanding principal amount of the 2008A Notes, the interest thereon to maturity, and the principal of and interest on any other outstanding obligations of the District issued under such Section 1011.14, Florida Statutes, would exceed one-fourth of the revenues of the District for the preceding fiscal year for the district school fund for operating expenses of the District.

(e) The District is a duly organized and validly existing political subdivision of the State of Florida and is authorized and empowered to issue the 2008A Notes and to perform its obligations under this Resolution pursuant to the Constitution and laws of the State of Florida, particularly the Act. The Board is the duly authorized and validly existing public body corporate and governing body of the District.

(f) The proceeds of the sale of the 2008A Notes will be used to retire a portion of the outstanding principal balance of the 2007A Note and for payment of costs of the issuance of the 2008A Notes.

(g) The 2008A Notes have the nature of current obligations in anticipation of budgeted revenues as provided in the Act.

(h) The Capital Projects Fund Section of the 2007-2008 Budget contains provisions relating to the payment of principal of and interest on the 2008A Notes. The 2008A Notes represent the renewal of a portion of the Loan evidenced by the 2007A Note. If receipts anticipated in the 2007-2008 Budget are not received, any deficiency shall be charged against capital projects or other expenditures of the District in order that payment of the 2008A Notes will be fully provided for.

Section 12. Source of Payment of 2008A Notes. Except to the extent paid from the proceeds of renewal notes or other District obligations, the 2008A Notes shall be retired from all legally available revenues, including without limitation, capital improvement tax receipts levied pursuant to Section 1011.71(2), Florida Statutes (the "Capital Improvement Tax"), interest earnings received by the District, all for deposit into the Capital Projects Fund contained in the 2007-2008 Budget, pursuant to the Act. The budgeted Capital Improvement Tax receipts in the Capital Projects Fund of the 2007-2008 Budget to be received by the District and other available capital outlay funds, if any, are hereby irrevocably pledged to the payment when due of the principal of and interest on the 2008A Notes. The District has budgeted Capital Improvement Tax receipts and other available capital outlay funds, if any, to be received during the 2007-2008 fiscal year in amounts sufficient to pay the principal of and interest on the 2008A Notes when due. Notwithstanding the foregoing, the 2008A Notes may be retired from the proceeds of renewal notes, or from the proceeds of sale of other obligations issued by or on behalf of the District for such purpose.

In furtherance thereof, and except to the extent paid from the proceeds of renewal notes or other District obligations, 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 ("Permitted Investments") into a separate fund within the Capital Projects Fund maintained by it and designated "School District of Miami-Dade County, Florida, Revenue Anticipation Renewal Notes, Series 2008A Note Debt Service Fund" no later than five (5) Business Days (as defined in the 2008A Note) prior to maturity, 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 2008A Notes at maturity.

The pledge of the Capital Improvement Tax receipts, interest earnings and other available capital outlay funds, if any, received thereon by the District for deposit into the Capital Projects Fund as a lien securing payment of the 2008A Notes shall be prior to and superior to any and all leases entered into pursuant to that certain Master Lease Purchase Agreement, dated as of August 1, 1994, as amended between the Miami-Dade County School Board Foundation, Inc. and the Board and those certain Certificates of Participation evidencing undivided proportionate interests in lease payments to be made by the Board in connection with such leases, and other annual appropriation leases of a similar nature entered into by the Board.

Section 13. Payment to Paying Agent. The District will transfer to the Paying Agent the amounts necessary to pay the principal of and interest on the 2008A Notes in full no later than one Business Day prior to the maturity date of the 2008A Notes. The Paying Agent will use such moneys to retire the 2008A Notes.

Section 14. Investment of Funds. The District shall have the authority at all times to invest moneys held in the Capital Projects Fund, if any, pursuant to Section 9 hereof in any investment as authorized in Sections 1010.53(2) or 218.415, Florida Statutes.

Section 15. 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 registered holder of the 2008A Notes herein authorized might be impaired or diminished. The Board further covenants that it has complied with all of the terms, provisions and conditions required under Florida law and particularly Chapter 1011, Florida Statutes, for the adoption of the 2007-2008 Budget and for the assessment of millages and the levying of taxes against the appropriate taxable property in the District. The members of the Board and the officers and employees of the District are hereby authorized and directed to do all acts and things required of them by the provisions of this Resolution and the 2008A Notes herein authorized for the full, punctual and complete performance of all terms, covenants, provisions and agreements contained in the 2008A Notes and this Resolution.

Section 16. Severability. If any one or more of the provisions of this Resolution or of the 2008A 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 2008A Notes, but this Resolution and the 2008A Notes shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 17. 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 2008A 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 18. Resolution to Constitute a Contract. Upon the issuance of the 2008A 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 19. Repealing Clause. All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

Section 20. Defeasance. Upon the payment of the principal of and the interest due on the 2008A Notes issued under the provisions of this Resolution the right, title and interest of the registered holder secured hereby in the moneys mentioned in this Resolution and this Resolution shall thereupon cease, determine and become void without further action of the Board.

Section 21. Appointment of Registrar and Paying Agent. The District, acting by and through the Treasurer, shall serve as Registrar and Paying Agent for the 2008A Notes.

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 2008A 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 2008A 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 2008A Notes outstanding; provided further, however, that no modification or amendment shall permit a change in the maturity of the 2008A 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 2008A Notes, or reduce such percentage of registered holders of such 2008A Notes required above for such modifications or amendments, without the consent of the registered holders of all of such 2008A Notes.

Section 23. Additional Acts. The Chair, Vice Chair, Superintendent, the Deputy Superintendent, Business Operations, the Chief Financial Officer, the Treasurer and the School Board Attorney or other appropriate officer of the Board are each separately 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 2008A Notes, the payment of the 2007A Note or the refinancing of the Projects, and which are not inconsistent with the terms and provisions of this Resolution.

Section 24. Effective Date. This Resolution shall take effect immediately upon its adoption.

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Passed and adopted by The School Board of Miami-Dade County, Florida this 16th day of January, 2008.

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

Attest:

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

Approved as to form and content:

School Board Attorney