

Financial Services  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: ADOPT RESOLUTION 08-A3 AUTHORIZING ISSUANCE OF UP TO \$132 MILLION IN REVENUE ANTICIPATION NOTES, SERIES 2009**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS**

**LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

Authorization is being requested to issue up to \$132 million in Revenue Anticipation Notes (RAN), Series 2009. Proceeds from the issuance of the Notes will be used to partially repay certain project costs currently being funded under the 2008B Revenue Anticipation Notes issued on May 29, 2008 and to provide interim financing for projects which are either to be funded by future Certificates of Participation or to be paid in the next fiscal year from the 1.75 mill Local Optional Millage Levy.

The issuance was included in the Five-Year Facilities Work Program approved by the Board on September 10, 2008, and is authorized under Sections 1011.14 and/or 1011.15 Florida Statutes. The inclusion of 1011.15 Florida Statutes will allow the District the additional flexibility to fund capital expenditures necessitated by an emergency, such as a hurricane.

The Notes will be repaid by January 29, 2010. The Notes will be sold by public competitive sale. Estimated costs of issuance will be up to \$100,000.

Nabors, Giblin & Nickerson, P.A. will provide Disclosure Counsel services for the 2008B Revenue Anticipation Notes as authorized under Agenda Item E-144 approved at the February 13, 2008 Board Meeting.

Exhibits referenced in Resolution 08-A3 will be distributed to the Board under separate cover.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, approve Resolution 08-A3 authorizing the issuance of up to \$132 million in Revenue Anticipation Notes, Series 2009.

## RESOLUTION 08-A3

**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 \$132,000,000 AGGREGATE PRINCIPAL AMOUNT OF REVENUE ANTICIPATION NOTES, SERIES 2009 (THE "2009 NOTES"); PROVIDING FOR A BOOK-ENTRY SYSTEM WITH RESPECT TO THE 2009 NOTES; AUTHORIZING A PUBLIC SALE OF THE 2009 NOTES; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; 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.**

### RECITALS

**WHEREAS**, pursuant to Section 1011.14, Florida Statutes, as amended, the school board of any school district is authorized to negotiate a current loan for a period not to exceed 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 acquisition, construction and equipping of such district's school facilities, as provided by rules of the State Board of Education; and

**WHEREAS**, pursuant to Section 1011.15, Florida Statutes, as amended (together with Section 1011.14, Florida Statutes, the "Act"), in the event of a major emergency condition that demands immediate correction in order to prevent further damage to the building or equipment or to eliminate a safety hazard that constitutes an immediate danger to the students and other occupants the school board of a school district is authorized to negotiate a current loan for a period not to exceed 1 year to pay for obligations created by the school board of such school district by way of anticipation of revenues for capital outlay purposes accruing on a current year basis; and

**WHEREAS**, pursuant to authorization granted on 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 "School Board"), a body corporate under the laws of the State of Florida and the governing body of the District, negotiated a loan (the "2007 Loan") in the amount of \$220,000,000 evidenced by the District's Revenue Anticipation Note, Series 2007A (Bank Line of Credit Program) (the "2007A Note") for the purpose of financing certain capital expenditures for the benefit of the schools in the District; and

**WHEREAS**, pursuant to authorization granted on January 16, 2008, the District acting by and through the School Board negotiated a renewal of a portion of the 2007 Loan evidenced by the District's \$66,000,000 Revenue Anticipation Renewal Notes, Series 2008A (the "2008A Notes") for the purpose of retiring a portion of the outstanding principal balance of the 2007A Note that matured on January 31, 2008 and to pay expenses incurred in issuing the 2008A Notes; and

**WHEREAS**, pursuant to authorization granted on April 16, 2008, the District acting by and through the School Board negotiated a further renewal of a portion of the 2007 Loan , and a new loan (the "2008 Loan") evidenced by the District's \$150,000,000 Revenue Anticipation Notes, Series 2008B (the "2008B Notes") for the purpose of retiring a portion of the outstanding principal balance of the 2008A Note that matured on May 29, 2008, financing certain additional capital expenditures for the benefit of the schools of the District, and paying expenses incurred in issuing the 2008B Notes; and

**WHEREAS**, the 2008B Notes will mature and become due and payable on January 30, 2009; and

**WHEREAS**, the District acting by and through the School Board has determined to negotiate a current loan (the "Loan") in an amount not to exceed \$132,000,000 to be evidenced by the issuance of the District's Revenue Anticipation Notes, Series 2009 (the "2009 Notes") for the purpose of renewing portions of the 2007 Loan and the 2008 Loan and retiring a portion of the outstanding principal balance of the District's 2008B Notes that mature on January 30, 2009, paying or reimbursing the capital funds or general funds of the District for paying certain costs of the design, construction, acquisition and equipping of one or more of the educational facilities listed for the 2008-2009 fiscal year in the Five Year Facilities Work Program approved by the School Board on September 10, 2008, as the same may be amended from time to time, or paying certain costs of repairs of District facilities in the event of a major emergency condition (the "2009 Projects"), which are either to be funded by future Certificates of Participation or by revenues which are anticipated to be received by the District during its fiscal year commencing July 1, 2009 and ending June 30, 2010 ("FY 2010") and deposited into the Capital Projects Fund during FY 2010, and to pay expenses incurred in issuing the 2009 Notes; and

**WHEREAS**, on February 13, 2008 the School Board adopted Resolution 08-11 declaring the official intent of the District to reimburse itself from the proceeds of tax exempt obligations such as the 2009 Notes for certain expenses incurred and to be incurred in connection with the District's Five Year Facilities Work Program, as amended from time to time, which includes the 2009 Projects; and

**WHEREAS**, in connection with the 2009 Projects, the District has advanced and expects to advance internal funds legally available therefor; and

**WHEREAS**, the District expects to reimburse itself for all or a portion of such expenses from the proceeds of the 2009 Notes; and

**WHEREAS**, the principal of and interest on the 2009 Notes will be payable by their terms to the registered owners thereof on a date not to exceed twelve (12) months from the date of issuance thereof; provided, however, that all or any portion of the Loan may be additionally extended from year to year through the issuance of renewal notes for a period not to exceed four (4) additional years or a total of five (5) years including the initial year of the Loan (except that the portion of the Loan consisting of the renewal of the 2007 Loan and the 2008 Loan, respectively, may be additionally extended for a period not to exceed a total of five (5) years including the initial year, and any renewals, of the 2007 Loan and the 2008 Loan, respectively), or from the proceeds of sale of other obligations issued by or on behalf of the District for such purpose; and

**WHEREAS**, the Loan to be evidenced by the 2009 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 (2007-2008) 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 School 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 School Board hereby authorizes the borrowing of money and hereby authorizes the issuance and sale of not exceeding \$132,000,000 aggregate principal amount of the School District of Miami-Dade County, Florida Revenue Anticipation Notes, Series 2009 (the "2009 Notes"). The 2009 Notes shall be numbered R-1 and upward in registered book-entry-only form as herein provided. The 2009 Notes shall be dated as of such date, shall mature on such date not to exceed twelve (12) months from their date of issue (however, the Loan may be extended from year to year for a period not to exceed four (4) additional years, or a total of five (5) years including the initial year of the Loan (except that the portions of the Loan consisting of the 2007 Loan and the 2008 Loan may be extended from year to year for a total of five (5) years including the initial year, and any renewals, of the 2007 Loan and the 2008 Loan, respectively), through the issuance of renewal notes or other obligations permitted by law), and shall bear interest at a rate per annum not exceeding the maximum rate permitted by law as shall be set forth in the bid of the successful bidder for the 2009 Notes. Interest shall be computed on the basis of a 360-day year. The 2009 Notes shall not be subject to redemption prior to maturity. The 2009 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 2009 Notes by the Chair or Vice Chair and the Superintendent, as ex officio Secretary of the School Board being conclusive evidence of such approval and that the 2009 Notes are issued in accordance with this Resolution. The School Board hereby designates itself, acting by and through the Treasurer, as Paying Agent and Registrar for the 2009 Notes.

So long as the District shall maintain a book-entry-only system with respect to the 2009 Notes, the following provisions shall apply:

The 2009 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 2009 Notes and so long as the 2009 Notes are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the 2009 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 ("Direct Participants") and other institutions that clear through or maintain a custodial relationship with Direct Participants either directly or indirectly ("Indirect Participants"). The Direct Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the 2009 Notes ("Beneficial Owners").

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

The 2009 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 2009 Notes, through the Direct Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE 2009 NOTES, ANY NOTICE TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DIRECT SHALL BE RESPONSIBLE FOR NOTICE TO DIRECT PARTICIPANTS AND DIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIRECT PARTICIPANTS, AND DIRECT 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 2009 Notes in the form of fully registered 2009 Notes in denominations of \$5,000 and integral multiples thereof in excess thereof, in accordance with instructions from Cede & Co.

The principal of and the interest on the 2009 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 2009 Notes at their maturity. Such monies shall be held for the benefit of Cede & Co. as registered owner of the 2009 Notes in the Capital Projects Fund (as hereinafter defined), and shall be transferred by the District to the Paying Agent pursuant to Section 14 of this Resolution and paid to Cede & Co. on the maturity date of the 2009 Notes.

**Section 3. Execution of 2009 Notes.** The 2009 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 School 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 School Board, and the seal of the School Board shall be imprinted or impressed thereon. Only such of the 2009 Notes as shall have endorsed thereon a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Registrar (as hereinabove defined), as authenticating agent, shall be entitled to any benefit or security under this Resolution. No 2009 Notes shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such 2009 Notes shall be conclusive evidence that such 2009 Notes have been duly authenticated and delivered under this Resolution. The Registrar's certificate of authentication on any 2009 Notes shall be deemed to have been duly executed if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication of all of the 2009 Notes that may be issued hereunder at any one time. In case any officer whose signature shall appear on any 2009 Notes shall cease to be such officer before delivery of such 2009 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 2009 Notes may, nevertheless, be issued and delivered as though the person who signed or sealed such 2009 Notes had not ceased to be such officer;

and alternatively any of such 2009 Notes may be executed and sealed on behalf of the District by such officers of the School Board who may at the time of the execution of such 2009 Notes hold the proper offices on the School Board although on the date of issuance of such 2009 Notes or on the date of any lawful proceedings taken in connection therewith such persons may not have held such offices.

**Section 4. 2009 Notes Mutilated, Destroyed, Stolen or Lost.** In case any of the 2009 Notes shall be mutilated, or be destroyed, stolen or lost, the District may, in its discretion, issue and deliver a new 2009 Note of like tenor as the 2009 Note so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated 2009 Note, upon surrender and cancellation of such mutilated 2009 Note, if any, or in lieu of or substitution for the 2009 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 2009 Note so surrendered shall be cancelled by the District. If the 2009 Notes shall have matured, or be about to mature, instead of issuing a substitute 2009 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 2009 Note issued pursuant to this section shall constitute an original, additional contractual obligation of the District whether or not the lost, stolen or destroyed 2009 Note be at any time found by anyone, and such duplicate 2009 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 2009 Note issued hereunder.

**Section 5. Public Sale; Award of Notes.** It is hereby found, ascertained, determined and declared by the School Board that a public sale of the 2009 Notes of the District in the aggregate principal amount of not exceeding \$132,000,000 is in the best interest of the District and is hereby authorized. The Superintendent of Schools, the Chief Financial Officer or the Treasurer of the District is hereby authorized to prepare and publish a summary notice of sale for the 2009 Notes, to prepare and distribute an official invitation to bid for the 2009 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 2009 Notes shall be offered at public sale on a date to be determined in the discretion of the Superintendent of Schools, the Chief Financial Officer or the Treasurer of the District without further authorization from the School Board. The Superintendent of Schools, 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, 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 School 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 School Board and its officers are hereby authorized and directed to take such action as the School Board or its officers deem necessary or desirable to obtain a securities rating for the 2009 Notes from Moody's Investors Service, Inc.

The Superintendent, Chief Financial Officer or the Treasurer, in consultation with and upon the advice of the District's Financial Advisor, School Board Attorney, and Note Counsel, is authorized to receive bids for the purchase of the 2009 Notes and to award the 2009 Notes to the lowest responsive bidder as evidenced by the execution of the Certificate of Award (as hereinafter defined), without further action by the School Board.

Characteristics of the 2009 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 School 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 2009 Notes, based upon their award to the successful bidder, shall not exceed 8.00%.
3. Prior to award of the 2009 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 issuance of the 2009 Notes shall occur not later than January 30, 2009.
5. The successful bidder (the "Purchaser") shall comply with such other conditions as requested by the Note Counsel to the District.

**Section 6. 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 School Board hereby authorizes the distribution and use of the Preliminary Official Statement in connection with the public offering for sale of the 2009 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, Superintendent, Chief Financial Officer and Treasurer is hereby authorized to approve such insertions, changes and modifications, and each of the Chair or Vice Chair, Chief Financial Officer and Treasurer is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission 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 2009 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, Chief Financial Officer or Treasurer. The execution and

delivery of the Official Statement by the Chair or Vice Chair shall constitute conclusive evidence of the approval thereof. The School Board hereby authorizes the Official Statement and the information contained therein to be used in connection with the offering and sale of the 2009 Notes.

**Section 7. Material Events Notice.** The District hereby covenants and agrees that, in order to provide for compliance by the District 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 School Board and dated the date of delivery of the 2009 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 2009 Notes, failure of the District to comply with such Material Events Notice Certificate shall not be considered an event of default under this Resolution or the 2009 Notes; provided, however, any 2009 Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section 7 and the Material Events Notice Certificate.

**Section 8. Delivery of the 2009 Notes.** Upon payment of the purchase price for the 2009 Notes pursuant to the terms of the official invitation to bid and official bid form and the fulfillment of the other conditions contained therein there shall be delivered to DTC on account of the Purchaser the properly executed 2009 Notes in the form described herein.

**Section 9. Receipt for the 2009 Notes.** Upon receipt of such purchase price, a proper receipt therefor shall be executed by the District and by the Purchaser.

**Section 10. Application of Note Proceeds.** In connection with the sale of the 2009 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 Notes, Series 2009 Proceeds Fund" (hereinafter called the "Proceeds Fund"), to the credit of which there shall be deposited the proceeds from the sale of the 2009 Notes.

Monies in the Proceeds Fund shall be available for use immediately to retire a portion of the outstanding principal balance of the District's 2008B Notes, pay the costs of the 2009 Projects or to reimburse the Capital Projects Fund or the General Fund for payment of a portion of the costs of the 2009 Projects. Pursuant to Section 22 of this Resolution, Monies in the Proceeds Fund shall only be available for use to pay the costs of repairs of District facilities in the event of a major emergency condition upon the adoption by the School Board of a resolution describing the emergency condition, giving the nature of the obligations to be incurred, stating the plan of payment, and providing that such funds will be budgeted during the period of the loan from the current revenue to retire the obligations maturing during the year.

Costs of issuance of the 2009 Notes shall also be paid from moneys in the Proceeds Fund, or from other legally available funds of the District in the Capital Projects Fund or the General Fund.

**Section 11. Arbitrage Covenants; Tax Exemption.** The District covenants that no investment or use will be made of the proceeds of the 2009 Notes herein authorized or the interest thereon which will cause said 2009 Notes to be "arbitrage bonds" 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 2009 Notes at the time of such investment or use. The Chair or



Vice Chair of the School 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 2009 Notes that the 2009 Notes are not arbitrage bonds; such arbitrage certificate shall constitute a representation of the District, and no use of the proceeds of the 2009 Notes will be made contrary to the representations therein contained. The District further covenants that so long as the 2009 Notes remain outstanding that it will perform all obligations required by law to assure that interest on the 2009 Notes remains excludable from gross income for federal income tax purposes.

**Section 12. Warranties and Representations.** The District hereby warrants and represents for the benefit of the registered owners from time to time of the 2009 Notes as follows:

(a) The budget of the School Board for its fiscal year July 1, 2009-June 30, 2010 (the "2009-2010 Budget") will be prepared in accordance with Florida law and the Capital Projects Fund Section will contain sufficient appropriations consisting of taxes and other revenues accruing on a current basis to allow payment of principal of and interest on the 2009 Notes.

(b) The aggregate principal amount of the 2009 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 2009 Notes will not exceed the interest rate limitation contained in Section 215.84 Florida Statutes when the 2009 Notes are issued.

(d) The District will not issue any additional obligations of a similar nature as the 2009 Notes which, when added to the outstanding principal amount of the 2009 Notes, the interest thereon to maturity, and the principal of and interest on any other outstanding obligations of the District issued under such Sections 1011.14 and 1011.15 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 School Board is a duly organized and validly existing public body corporate and is authorized and empowered to cause the 2009 Notes to be issued by the District and to perform its obligations under this Resolution pursuant to the Constitution and laws of the State of Florida, particularly the Act. The School Board is the duly authorized and validly existing governing body of the District.

(f) The School Board will use the proceeds of the sale of the 2009 Notes to retire the Series 2008B Notes, to pay the costs of the 2009 Projects or to reimburse the Capital Projects Fund and/or the General Fund for payment of a portion of the costs of the 2009 Projects, and to pay expenses incurred in issuing the 2009 Notes.

(g) The 2009 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 2009-2010 Budget will contain provisions relating to the payment of principal of and interest on the 2009 Notes. If receipts anticipated in the 2009-2010 Budget are not received, any deficiency shall be charged against capital projects or other expenditures of the School Board in order that payment of the 2009 Notes will be fully provided for.

**Section 13. Source of Payment of 2009 Notes.** The 2009 Notes shall be retired from capital improvement tax receipts levied pursuant to Section 1011.71(2), Florida Statutes (the "Capital Improvement Tax") and interest earnings received by the District for capital outlay and maintenance purposes, all for deposit into the Capital Projects Fund to be contained in the 2009-2010 Budget, pursuant to the Act. The budgeted Capital Improvement Tax receipts in the Capital Projects Fund of the 2009-2010 Budget to be received by the School Board from District tax receipts are hereby irrevocably pledged to the payment when due of the principal of and interest on the 2009 Notes. The District covenants to budget Capital Improvement Tax receipts received during the 2009-2010 fiscal year in an amount sufficient to pay the principal of and interest on the 2009 Notes when due. Notwithstanding the foregoing, the 2009 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, 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 known as the "Series 2009 Note Debt Service Fund" no later than five (5) Business Days 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 2009 Notes at maturity.

The pledge of the Capital Improvement Tax receipts and interest earnings received thereon by the District for deposit into the Capital Projects Fund as a lien securing payment of the 2009 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, between the Miami-Dade County School Board Foundation, Inc. and the School Board and those certain Certificates of Participation evidencing undivided proportionate interests in lease payments to be made by the School Board in connection with such leases.

**Section 14. Payment to Paying Agent.** The District will transfer to the Paying Agent the amounts necessary to pay the principal of and interest on the 2009 Notes in full no later than one Business Day prior to the maturity date of the 2009 Notes. The Paying Agent will use such monies to retire the 2009 Notes as they mature.

**Section 15. Investment of Funds.** The District shall have the authority at all times to invest moneys held in the Capital Projects Fund pursuant to Section 10 hereof in any investment as authorized in Sections 1010.53(2) or 218.415, Florida Statutes.

**Section 16. Further Assurances.** The District covenants that the provisions of this Resolution do not conflict with or violate any existing resolution of the School 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 2009 Notes herein authorized might be impaired or diminished. The District 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 2009-2010 Budget and for the assessment of millages and the levying of taxes against the appropriate taxable property in the District. The members of the School 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 2009 Notes herein authorized for the full, punctual and complete performance of all terms, covenants, provisions and agreements contained in such 2009 Notes and this Resolution.

**Section 17. Severability.** If any one or more of the provisions of this Resolution or of the 2009 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 2009 Notes, but this Resolution and the 2009 Notes shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

**Section 18. Open Meeting Findings.** It is hereby found and determined that all official acts of the School Board concerning and relating to the adoption of this Resolution and all prior resolutions affecting the District's ability to issue the 2009 Notes were taken in an open meeting of the School Board and that all deliberations of the School 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 19. Resolution to Constitute a Contract.** Upon the sale of the 2009 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 20. Repealing Clause.** All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

**Section 21. Defeasance.** Upon the payment of the principal of and the interest due on the 2009 Notes issued under the provisions of this Resolution the right, title and interest of the registered holders secured hereby in the monies mentioned in this Resolution and this Resolution shall thereupon cease, determine and become void without further action of the School Board.

**Section 22. Subsequent Resolution.** In the event of a major emergency condition affecting the District, the School Board may adopt a resolution authorizing the application of moneys in the Proceeds Fund towards the costs of repairs of District facilities. The resolution shall describe the emergency condition, give the nature of the obligations to be incurred, state the plan of payment, and provide that such funds will be budgeted during the period of the loan from the current revenue to retire the obligations maturing during the year.

**Section 23. Modification or Amendment.** Modifications and amendments to this Resolution or any proceeding of the School Board amendatory hereof may be made without the consent of registered holders of the 2009 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 2009 Notes; provided, however, that no material modification or amendment of this Resolution or of any proceeding of the School 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 2009 Notes outstanding; provided further, however, that no modification or amendment shall permit a change in the maturity of the 2009 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 2009 Notes, or reduce such percentage of registered holders of such 2009 Notes required above for such modifications or amendments, without the consent of the registered holders of all of such 2009 Notes. Copies of all amendments shall be provided to Moody's Investors Service, Inc.

**Section 24. Additional Acts.** The Chair, Vice Chair, Superintendent, the Chief Financial Officer, the Treasurer and the School board Attorney 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 2009

Notes, the retirement of the 2008B Notes or the financing of the 2009 Project, and which are not inconsistent with the terms and provisions of this Resolution.

**Section 25. Effective Date.** This Resolution shall take effect immediately upon its adoption.

Passed and adopted by The School Board of Miami-Dade County, Florida this 10th day of December, 2008.

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Dr. Solomon C. Stinson, Chair  
The School Board of Miami-Dade County, Florida

Attest:

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Alberto M. Carvalho  
Superintendent of Schools and Secretary  
The School Board of Miami-Dade County, Florida

Approved as to form and content:

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School Board Attorney