

2011 to 2018, inclusive will be subject to redemption prior to maturity as described herein. See "Optional Redemption" herein.

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds.

Principal of and interest on the Bonds will be made by the District to DTC, which will in turn remit such principal of and interest on to its Participants (defined herein), for subsequent disbursement to the Beneficial Owners (defined herein) of the Bonds as described herein. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the District referred to therein.

The record date for payment of principal of and interest on the Bonds will be the last day of the month preceding each interest payment date.

Authority for and Purpose of Issue

The Bonds are issued pursuant to the Constitution and Laws of the State, including the Local Finance Law and a bond resolution duly adopted by the Board of Education of the District (the "Board") on March 18, 1999, following the approval of a proposition by the qualified voters of the District at a Special District meeting held on March 3, 1999. The resolution authorizes the issuance of bonds not to exceed \$50,000,000 for the reconstruction, in part, and construction of improvements to various District school buildings. The proceeds of the Series A Bonds will be used to provide original funding for purposes discussed above, while the proceeds from the sale of the Series B Bonds will be used to redeem outstanding bond anticipation notes maturing on July 6, 2000, which were previously issued to fund said project.

Optional Redemption

The Series A Bonds maturing in the years 2002 to 2010, inclusive, are not subject to prior redemption.

The Series A Bonds maturing on or after February 15, 2011 will be subject to redemption prior to maturity at the option of the District on any date on or after February 15, 2010, in whole or in part, plus accrued interest to the date of redemption, at the following redemption prices:

<u>Redemption Periods</u>	<u>Redemption Price as a Percentage of Par</u>
February 15, 2010 through and including February 14, 2011	101%
February 15, 2011 and thereafter	100

The Series B Bonds maturing in the years 2001 to 2010, inclusive, are not subject to prior redemption.

The Series B Bonds maturing on or after June 15, 2011 will be subject to redemption prior to maturity at the option of the District on any date on or after June 15, 2010, in whole or in part, plus accrued interest to the date of redemption, at the following redemption prices:

<u>Redemption Periods</u>	<u>Redemption Price as a Percentage of Par</u>
June 15, 2010 through and including June 14, 2011	101%
June 15, 2011 and thereafter	100

The District may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the District shall determine to be in the best interest of the District at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the District by lot in any customary manner of selection as determined by the District. Notice of such call for redemption shall be given by mailing such notice to the registered owner not less than thirty (30) days nor more than sixty (60) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such call for redemption, become due and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

THE NOTES

Description

The Notes will be dated June 29, 2000 and will mature, without option of prior redemption, on June 28, 2001. The Notes will be issued in fully registered form and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York New York ("DTC"). DTC will act as Securities Depository (defined herein) for the Notes. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. A single note will be issued for all the Notes bearing the same rate of interest and CUSIP number. Purchasers will not receive certificates representing their interest in the Notes. The Notes will not be subject to redemption prior to maturity.

Principal and interest on the Notes will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants (defined herein), for subsequent distribution to the Beneficial Owners (defined herein) of the Notes as described herein. The Notes may be transferred in the manner described on the Notes and as referenced in certain proceedings of the District referred to therein.

Authority for and Purpose of Issue the Notes

The Notes are issued pursuant to the Constitution and laws of the State; including Sections 24.00 and 39.00 of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York, and a tax anticipation note resolution adopted by the Board of Education (the "Board") of the District to finance cash flow requirements in anticipation of the collection of 2000-2001 real property taxes to be levied for school purposes on all taxable real property in the District. The proceeds of the Notes may be used only for the purposes for which such taxes were or are to be levied, as specified in the 2000-2001 annual budget of the District, unless all of said purposes have been paid and satisfied, in which case the proceeds of the Notes may be used for any lawful school purpose. The proceeds of the Notes will not be used for the redemption or renewal of any outstanding tax or revenue anticipation notes.

Pursuant to Section 24.00(e) of the Local Finance Law, generally, whenever the amount of the Notes and any additional tax anticipation notes issued by the District in anticipation of the receipt of 2000-2001 real property taxes equals the amount of such taxes remaining uncollected, the District is required to set aside in a special bank account all of such uncollected taxes as thereafter collected, and to use the amounts so set aside only for the purpose of paying such Notes. Interest on the Notes will be provided from budget appropriations.

Nature of Obligation

Each Bonds and Note when duly issued and paid for will constitute a contract between the District and the holder thereof.

The Bonds and the Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest on the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District without limitation as to rate or amount.