

AGENDA

DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION

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(Contact person: J. Ben Watkins III - 488-4782)
Miami, Florida
August 20, 2013

This meeting is open to the public.

1. Overview of Reductions in State Debt and Rating Agency Feedback.

Presentation by the Division of Bond Finance providing an overview of debt reductions and recent rating agency feedback on the State's financial performance and economic outlook.
2. Report of award on the following competitive bond sale:

\$42,495,000 Florida State University Dormitory Revenue Bonds, Series 2013A

Bids were received at the office of the Division of Bond Finance on July 30, 2013. The bonds were awarded to the low bidder, Jefferies LLC which submitted a bid at an annual true interest cost rate of 3.9894%. The bonds will be delivered on August 22, 2013. The bonds are being issued to finance the construction of a dormitory on the main campus of the University.

A report and tabulation of bids is attached.

Attachment #1
3. Adoption of a resolution amending the State's Debt Management Policy to require certification from underwriters that they are not engaging in prohibited transactions with Iran or Sudan.

Copies of the resolution may be obtained from the Division of Bond Finance upon request.



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

POST OFFICE BOX 13300
TALLAHASSEE, FLORIDA 32317-3300
(Address mail to P.O. Box; deliveries to street address)

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

RICK SCOTT
GOVERNOR
AS CHAIRMAN


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AS TREASURER

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COMMISSIONER OF AGRICULTURE

MEMORANDUM

TO: Governor and Cabinet, as the Governing Board of the Division of Bond Finance

FROM: J. Ben Watkins III 

DATE: August 20, 2013

SUBJECT: Award of \$42,495,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2013A

Pursuant to authorization by the Governor and Cabinet by resolutions adopted on April 23, 2013 bids were received for the above referenced bond issue at the office of the Division of Bond Finance at 12:00 noon on Tuesday, July 30, 2013.

Six bids were received with a tabulation of such bids included herein. The low bid was from Jefferies LLC, at an annual true interest cost rate of 3.9894%. The annual true interest cost rate using the Bloomberg benchmark interest rate scale for the day of the sale was 3.9207%. The bids were reviewed by representatives of the Division of Bond Finance and the bonds were awarded to the low bidder as authorized. The bonds will be delivered on August 22, 2013.

The bonds are being issued to finance the construction of a dormitory on the main campus of the University.

The bonds are dated August 22, 2013, with interest payable November 1, 2013, and semiannually on each May 1 and November 1 thereafter. The bonds consist of serial bonds maturing on May 1 in the years 2016 through 2033.

The bonds are payable from a first lien pledge of net housing system revenues of the University and are secured on parity with the outstanding housing system bonds. The bonds are not secured by the full faith and credit of the State of Florida.

Attachment #1

The bonds have been rated AA, Aa2, and AA- by Fitch Ratings, Moody's Investors Service and Standard & Poor's Ratings Services, respectively.

BID TABULATION

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
Jefferies LLC	3.9894%
J.P. Morgan Securities LLC	4.0843%
Piper Jaffray	4.0949%
Citigroup Global Markets Inc.	4.1644%
Bank of America Merrill Lynch	4.2106%
Wells Fargo Bank, National Association	4.2400%

INTEREST RATES AND YIELDS TO MATURITY FROM WINNING BID

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
5/1/16	\$1,530,000	5.00%	0.90%
5/1/17	1,605,000	5.00	1.25
5/1/18	1,685,000	5.00	1.55
5/1/19	1,770,000	5.00	1.87
5/1/20	1,860,000	5.00	2.25
5/1/21	1,955,000	5.00	2.63
5/1/22	2,050,000	5.00	2.93
5/1/23	2,155,000	5.00	3.10
5/1/24	2,260,000	5.00	3.42
5/1/25	2,375,000	5.00	3.68
5/1/26	2,495,000	5.00	3.90
5/1/27	2,620,000	4.00	4.10
5/1/28	2,720,000	4.00	4.20
5/1/29	2,830,000	4.125	4.30
5/1/30	2,950,000	4.25	4.39
5/1/31	3,075,000	4.375	4.50
5/1/32	3,210,000	4.50	4.58
5/1/33	3,350,000	5.00	4.65