

AGENDA

DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION

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(Contact person: J. Ben Watkins III - 488-4782)
The Capitol, Florida
March 29, 2016

This meeting is open to the public.

1. Approval of minutes of the meeting of March 2, 2016.

Attachment #1

2. Adoption of resolutions authorizing the issuance and the competitive sale of \$660,000,000 Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds.

The bonds will be payable primarily from gross receipts taxes and will be additionally secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Public Education Capital Outlay Bonds for debt service savings.

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

(Recommend)

3. Adoption of a resolution authorizing the issuance and competitive sale of \$440,000,000 State Board of Education Lottery Revenue Refunding Bonds.

The bonds will be payable from revenues of the Florida Lottery. The bonds will not be secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Lottery Revenue Bonds for debt service savings.

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

(Recommend)

STATE OF FLORIDA

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IN RE: MEETING OF THE GOVERNOR AND
CABINET

_____ /

CABINET MEMBERS: GOVERNOR RICK SCOTT
ATTORNEY GENERAL PAM BONDI
CHIEF FINANCIAL OFFICER JEFF
ATWATER
COMMISSIONER OF AGRICULTURE
ADAM PUTNAM

DATE: WEDNESDAY, MARCH 2, 2016

LOCATION: CABINET MEETING ROOM
LOWER LEVEL, THE CAPITOL
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR
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DIVISION OF BOND FINANCE

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3 GOVERNOR SCOTT: All right. Now we'll go to
4 Ben Watkins with the Division of Bond Finance.

5 DIRECTOR WATKINS: Good morning, Governor,
6 Cabinet members.

7 Item Number 1 is the approval of the minutes
8 of January 21st.

9 GOVERNOR SCOTT: Is there a motion on the
10 item?

11 ATTORNEY GENERAL BONDI: So move.

12 GOVERNOR SCOTT: Is there a second?

13 CFO ATWATER: Second.

14 GOVERNOR SCOTT: Comments or objections?

15 (NO RESPONSE).

16 GOVERNOR SCOTT: Hearing none, the motion
17 carries.

18 DIRECTOR WATKINS: Item 2 is two parts: 2A is
19 a report of award on the competitive sale of
20 173.4 million in Turnpike revenue refunding bonds.
21 The bonds were awarded to the low bidder at a true
22 interest cost of approximately 2.87%. This allowed
23 us to reduce current interest rates from 4.51% to
24 2.87%, generating gross debt service savings of
25 34.9 million, present value savings of 26 million,

1 or 13.8% of the principal amount of the bonds being
2 refunded.

3 Item 2B is a report of award on the
4 competitive sale of \$116.7 million in PECO
5 refunding bonds. The bonds were awarded to the low
6 bidder at a true interest cost of 1.74%. This
7 allowed us to reduce the interest rates of 4.48% to
8 1.74%, generating gross debt service savings of
9 25.2 million, present value savings of 22 and a
10 half million, or 16.4% of the principal amount of
11 the refunded bonds.

12 And lastly, Item 3 is an authorizing
13 resolution authorizing the issuance and competitive
14 sale of up to \$195 million of DOT right-of-way
15 bonds, and this is a refunding issue being done for
16 debt service savings.

17 GOVERNOR SCOTT: Thank you.

18 Let's go on to Item 3. Is there -- so all of
19 those are awards, right?

20 DIRECTOR WATKINS: The two reports of award,
21 and then I just moved right in, which is just for
22 your information.

23 GOVERNOR SCOTT: Okay. Oh, I see what you're
24 saying, yeah.

25 DIRECTOR WATKINS: And then I moved right into

1 Item 3, which is --

2 GOVERNOR SCOTT: Right, the DOT.

3 DIRECTOR WATKINS: -- requested action for an
4 authorization.

5 GOVERNOR SCOTT: Is there a motion on the
6 item?

7 ATTORNEY GENERAL BONDI: So move.

8 GOVERNOR SCOTT: Is there a second?

9 CFO ATWATER: Second?

10 GOVERNOR SCOTT: Comments or objections?

11 (NO RESPONSE).

12 GOVERNOR SCOTT: Hearing none, the motion
13 carries.

14 Thank you.

15 DIRECTOR WATKINS: Thank you, sir.

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A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$660,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2016 SERIES (TO BE DETERMINED).

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration of Florida (the "Division") is hereby authorized to issue not exceeding \$660,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, 2016 Series (to be determined) (the "Bonds") in accordance with the terms, conditions and restrictions set forth in the Sixty-first Supplemental Authorizing Resolution expected to be adopted by the State Board of Education on March 29, 2016, with respect to the issuance of the Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Bonds, 2006 Series C, 2006 Series D, and 2007 Series C, as set forth therein.

Section 3. That this resolution shall take effect immediately upon its adoption.

ADOPTED on March 29, 2016.

A RESOLUTION AUTHORIZING THE SALE OF NOT EXCEEDING \$660,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2016 SERIES (TO BE DETERMINED).

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration (the "Division") is hereby authorized to sell by competitive sale, the not exceeding \$660,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, 2016 Series (to be determined) (the "Bonds") in accordance with the terms, conditions and restrictions set forth in the Sale Resolution expected to be adopted by the State Board of Education on March 29, 2016, with respect to the sale of the Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Refunding Bonds, 2006 Series C, 2006 Series D, and 2007 Series C. The Director of the Division may provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders.

Section 3. That this resolution shall take effect immediately upon its adoption.

ADOPTED on March 29, 2016.

**DIVISION OF BOND FINANCE OF THE
STATE BOARD OF ADMINISTRATION
OF FLORIDA**

**A RESOLUTION
(THE FOURTEENTH SUPPLEMENTAL RESOLUTION)
AUTHORIZING THE ISSUANCE AND SALE OF
STATE OF FLORIDA, STATE BOARD OF EDUCATION
LOTTERY REVENUE REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

March 29, 2016

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A RESOLUTION (THE FOURTEENTH SUPPLEMENTAL RESOLUTION) AUTHORIZING THE ISSUANCE AND SALE OF STATE OF FLORIDA, STATE BOARD OF EDUCATION, LOTTERY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED), REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING LOTTERY REVENUE BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:

**ARTICLE I
DEFINITIONS, AUTHORITY, RESOLUTION TO CONSTITUTE CONTRACT**

SECTION 1.01. DEFINITIONS. All of the definitions contained in Article I of the Original Resolution, (as defined herein), in addition to the definitions contained herein and except to the extent inconsistent with or amended by definitions contained herein, shall apply fully to the Outstanding Bonds and the Refunding Bonds (as defined herein).

“2005A Bonds” means the \$291,425,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2005A.

“2006B Bonds” means the \$148,290,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2006B.

“2007A Bonds” means the \$200,000,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2007A.

“2007B Bonds” means the \$250,000,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2007B.

“2008A Bonds” means the \$200,000,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2008A.

“2008B Bonds” means the \$200,000,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2008B.

“2009A Bonds” means the \$300,000,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2009A.

“2010A Bonds” means the \$46,070,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2010A.

“2010B Bonds” means the \$114,970,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2010B.

“2010C Bonds” means the \$243,560,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2010C.

“2010D Bonds” means the \$109,750,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2010D.

“2010E Bonds” means the \$223,425,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2010E.

“2010F Bonds” means the \$169,830,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2010F.

“2011A Bonds” means the \$242,240,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2011A.

“2012A Bonds” means the \$89,835,000 State of Florida, State Board of Education Lottery Revenue Bonds, Series 2012A.

“2014A Bonds” means the \$186,170,000 State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2014A.

“Assistant Secretary” means an Assistant Secretary of the Division.

“Director” means the Director of the Division or any Assistant Secretary delegated authority by the Director.

“Escrow Deposit Agreement” means the escrow deposit agreement to be entered into by and between the Division and the Board, as trustee, which shall govern and provide for the payment and retirement of the Refunded Bonds.

“Fourteenth Supplemental Resolution” means this resolution adopted by the Governing Board on March 29, 2016, authorizing the Refunding Bonds.

“Original Resolution” means the Resolution authorizing the issuance of State of Florida, State Board of Education Lottery Revenue Bonds, adopted on December 16, 1997, as supplemented and restated on December 18, 2007, and as amended and supplemented from time to time.

“Outstanding Bonds” means the 2005A through 2014A Bonds.

“Refunded Bonds” means all or a portion of the State of Florida, State Board of Education Lottery Revenue Bonds, Series 2007A, Series 2007B and Series 2008A to be refunded by the Refunding Bonds.

“Refunding Bonds” means the State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series (to be determined) authorized by this Fourteenth Supplemental Resolution.

“Resolution” means the Original Resolution, as supplemented and amended through the date of this resolution.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

SECTION 1.02. AUTHORITY FOR THIS RESOLUTION. This Fourteenth Supplemental Resolution is adopted pursuant to the provisions of Article VII, Section 11(d), of the Florida Constitution; Sections 1013.68, 1013.70 and 1013.737, Florida Statutes; the State Bond Act, being Sections 215.57-215.83, Florida Statutes; and other applicable provisions of law; and is supplemental to the Original Resolution.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Refunding Bonds by the Registered Owners, the Resolution shall be deemed to be and shall constitute a contract among the Division, the State Board of Education, and such Registered Owners. The covenants and agreements to be performed by the State Board of Education shall be for the equal benefit, protection, and security of the Registered Owners of any and all of the Outstanding Bonds and the Refunding Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of such Bonds over any other thereof, except as expressly provided therein and herein.

**ARTICLE II
AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION, TRANSFER, ISSUANCE, FORM OF BONDS,
AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT, AND
APPLICABILITY OF ORIGINAL RESOLUTION**

SECTION 2.01. AUTHORIZATION OF ISSUANCE AND SALE OF REFUNDING BONDS. (A) Subject and pursuant to the provisions of the Resolution, fully registered revenue bonds of the State Board of Education to be known as “State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series (to be determined) (or such other designation as may be determined by the Director), are hereby authorized to be issued and to be sold at public sale in an aggregate principal amount not exceeding \$440,000,000 on a date and at the time to be set out or provided for in the Notice of Bond Sale to be published as provided in this Fourteenth Supplemental Resolution. The Refunding Bonds shall be sold to refund the Refunded Bonds. The maturities or portions of maturities to be refunded shall be as determined by the Director to be in the best financial interest of the State. The redemption of the Refunded Bonds on or after their first call date is hereby authorized.

(B) The Director is hereby authorized to determine the most advantageous date and time of a public sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director be appropriate to provide adequate notice to potential bidders. Bids for the purchase of the Refunding Bonds will be received at the office of the Division or at another location designated in the Notice of Bond Sale, until the time and date of sale determined

by the Director. Any prior publication of a Notice of Bond Sale, or abbreviated version thereof, is hereby ratified.

(C) The Director is hereby authorized to publish and distribute a Notice of Bond Sale and a proposal for the sale of the Refunding Bonds or alternatively, the prior publication and distribution of a Notice of Bond Sale and proposal is ratified. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as is consistent with the terms of the Resolution which the Director determines is in the best financial interest of the State.

(D) The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the public offering of the Refunding Bonds. The Director is further authorized and directed to amend, supplement or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director are hereby authorized to execute the final official statement in connection with the public offering of the Refunding Bonds, and the execution thereof by any of the authorized individuals shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement and that the final official statement is complete as of its date.

(E) The Director is hereby authorized to have up to 1,500 copies of the preliminary official statement and 3,500 copies (plus such additional copies as may be requested by the successful bidder at the expense of the successful bidder) of the final official statement relating to the public offering of the Refunding Bonds printed and distributed; to contract with national rating services and providers of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official statement is "deemed final" for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds. Any prior printing and distribution of a preliminary official statement is hereby ratified.

(F) The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said Refunding Bonds when offered, on his determination of the best proposal, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Governing Board shall report such sale to the Governing Board after award of the Refunding Bonds. The Secretary or any Assistant Secretary of the Governing Board is authorized to deliver such Refunding Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Refunding Bonds as provided by this resolution and other proceedings authorizing the issuance of the Refunding Bonds.

(G) The Chairman and the Secretary or any Assistant Secretary of the Governing Board are hereby authorized to execute the Refunding Bonds in the manner provided by the Resolution and to deliver such Bonds to the purchasers thereof upon payment of the purchase price, together with any

accrued interest to the date of delivery, and to distribute the proceeds of the Bonds as provided by the Resolution and other proceedings authorizing the issuance of the Bonds.

(H) A certificate as to the approval of the issuance of the Refunding Bonds, shall be executed by the facsimile signature of the Secretary of the Governing Board, an Assistant Secretary, or as otherwise provided by law.

(I) Until definitive obligations are ready for delivery, there may be executed and delivered to the purchasers, in lieu of definitive obligations and subject to the same limitations and conditions, one or more temporary Refunding Bonds, in one or more denominations totaling the aggregate principal amount of the Refunding Bonds to be issued, maturing in installments and bearing interest with respect to each installment, in substantially the same tenor as otherwise herein authorized for the Refunding Bonds, and with such omissions, insertions and variations as may be required. If temporary obligations are issued, the definitive obligations will be prepared and executed and, upon presentation of temporary obligations, the Director shall provide for cancellation of the temporary obligations and deliver to the holders thereof definitive obligations of an equal aggregate principal amount, bearing appropriate characteristics as herein authorized and as sold to the purchasers thereof. Until so exchanged, the temporary obligations shall in all respects be entitled to the same benefit and security as the definitive obligations. Interest and principal installments on the temporary obligations, when due and payable, if the definitive obligations are not then ready for exchange, shall be paid upon presentation of the temporary obligations to the Registrar/Paying Agent, and notation of such payment shall be endorsed thereon. The temporary obligations shall be in such form and denominations as shall be determined by the Director, and shall be executed by the officers who will execute the definitive obligations, which execution is hereby authorized.

(J) U.S. Bank Trust National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the Board of Administration and U.S. Bank Trust National Association or its successor.

(K) The Interest Payment Dates and the Principal Payment Dates for the Refunding Bonds shall be as set forth in the Notice of Bond Sale. Interest on the Refunding Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 p.m. New York time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds.

(L) The Refunding Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth or provided for in the Notice of Bond Sale, a copy of which, as published, shall be retained in the files of the Division with this Fourteenth Supplemental Resolution. The Refunding Bonds shall be issued in denominations of \$1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The Refunding

Bonds shall be payable at the corporate trust office of U.S. Bank Trust National Association, New York, New York, or its successor.

(M) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the Refunding Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

(N) The incremental increase in the Reserve Requirement attributable to the Refunding Bonds (if any) shall be funded with proceeds of the Refunding Bonds, amounts previously on deposit in a reserve account on behalf of the Refunded Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental increase in the Reserve Requirement attributable to the Refunding Bonds shall be deposited in the Reserve Account which was created by Section 4.01 of the Original Resolution. Amounts on deposit in the Reserve Account may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the Reserve Account, and shall be applied in the manner provided in the Resolution.

Notwithstanding the provisions of the Original Resolution, the Reserve Account for the Refunding Bonds authorized by this Fourteenth Supplemental Resolution shall be funded in an amount determined by the Director, which shall not exceed the Debt Service Reserve Requirement for the Refunding Bonds. Such amount may be zero. The amount of the Reserve Requirement funded from the proceeds of the Refunding Bonds shall not exceed the amount permitted under the Code.

(O) The Reserve Requirement for the Refunding Bonds, if any, shall be deposited, as determined by the Director, in either a subaccount in the Reserve Account established for any of the Outstanding Bonds or in a subaccount in such Reserve Account which is hereby established for the Refunding Bonds. Amounts on deposit in any subaccount in the Reserve Account may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the respective subaccount, and shall be applied in the manner provided in the Resolution.

(P) Any portion of the Refunding Bonds may be issued as a separate series, provided that the Refunding Bonds of each series shall be numbered consecutively from one upward. The Refunding Bonds referred to herein may be sold separately or combined with any other Bonds authorized by the Division to be sold.

(Q) The Director is hereby authorized to offer for sale a lesser principal amount of Refunding Bonds than that set forth in this resolution and to adjust the maturity schedule and redemption provisions for the Refunding Bonds, if necessary, to reflect the issuance of such lesser

amount, and to modify the Notice of Bond Sale as may be required. Any portion of the Refunding Bonds not offered shall remain authorized to be offered at a later date.

(R) The Director is authorized to provide in the Notice of Bond Sale of the Refunding Bonds that the purchase price for the Refunding Bonds may include a discount of not to exceed 3%, excluding original issue discount, if any, of the aggregate principal amount of such Refunding Bonds offered for sale.

(S) The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the Refunding Bonds, including but not limited to, contracting with a consultant to verify escrow calculations of the Refunding Bonds, retaining bond counsel to render a special tax opinion relating to the use of the proceeds from the sale of the Refunding Bonds, and providing for redemption of the Refunded Bonds. Notwithstanding anything contained in the Resolution to the contrary, it is the intent of the Division that interest on the Refunding Bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to the Refunding Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the Refunding Bonds to comply with such requirements of federal tax law.

SECTION 2.02. AUTHORIZATION TO EXECUTE AND DELIVER AN ESCROW DEPOSIT AGREEMENT; DESIGNATION OF ESCROW AGENTS. The Chairman and Secretary or an Assistant Secretary of the Governing Board and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division are hereby each authorized to execute and deliver an Escrow Deposit Agreement on behalf of the Division in such form as may be determined by the Director for the purpose of providing for the deposit of a portion of the proceeds of the Refunding Bonds and such other funds as determined to be necessary into an escrow deposit trust fund for the refunding of the Refunded Bonds. The escrow deposit trust fund shall be held and administered by an escrow agent acceptable to the Director as evidenced by the Director's execution of the Escrow Deposit Agreement.

The proceeds of the Refunding Bonds may be deposited in either Federal Obligations or State Treasury Investments, or may be held uninvested, as determined by the Director. "Federal Obligation" means direct obligations of the United States of America, Resolution Funding Corporation ("REFCORP") interest strips, or direct non-prepayable obligations the principal and interest on which are unconditionally guaranteed as to full and timely payment by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. "State Treasury Investments" means investments made with the Chief Financial Officer of the State of Florida in a Special Purpose Investment Account pursuant to section 17.61, Florida Statutes.

SECTION 2.03. APPLICABILITY OF ARTICLE II OF THE ORIGINAL RESOLUTION. Except as otherwise provided in this Fourteenth Supplemental Resolution, the

terms, description, execution, negotiability, redemption, authentication, disposition, replacement, registration, transfer, issuance and form of the Refunding Bonds shall be governed by the provisions of Article II of the Original Resolution, adjusted to the extent necessary to apply to the Refunding Bonds.

ARTICLE III APPLICATION OF PROCEEDS

SECTION 3.01. APPLICATION OF REFUNDING BOND PROCEEDS. Upon receipt of the proceeds of the sale of the Refunding Bonds the Division shall transfer and apply such proceeds as follows:

(A) The amount necessary to pay all costs and expenses of the Division in connection with the preparation, issuance, and sale of the Refunding Bonds, including a reasonable charge for the services of the Division for its fiscal services and for arbitrage rebate compliance program set-up, shall be transferred to the Division and deposited in the Bond Fee Trust Fund.

(B) Any accrued interest on the Refunding Bonds shall be transferred to the Board of Administration and deposited in the Sinking Fund, and used for the payment of interest on the Refunding Bonds.

(C) An amount necessary to fund the incremental increase in the Reserve Requirement attributable to the Refunding Bonds (if any), to be held in reserve, shall be transferred to the Board of Administration and deposited in the Reserve Account within the Sinking Fund. Alternatively, the Division, as provided in Section 4.03 of the Original Resolution, may elect at any time to provide in lieu of all or a portion of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Reserve Requirement and the sums then on deposit in the Reserve Account.

(D) An amount together with the interest earnings thereon, and other amounts deposited therein which is anticipated to be sufficient to pay when due (1) the principal amount of the Refunded Bonds, (2) the amount of interest and redemption premium payable on the Refunded Bonds, and (3) the amount of fees and expenses estimated to be incurred in connection with the payment and retirement of the Refunded Bonds shall be transferred and deposited in escrow pursuant to the terms of the Escrow Deposit Agreement.

(E) Any balance of the proceeds of the Refunding Bonds after providing for the requirements of subsections (A) through (D) above shall be transferred to the Sinking Fund and used for the purposes set forth therein.

ARTICLE IV SECURITY FOR THE BONDS

SECTION 4.01. REFUNDING BONDS ON A PARITY WITH THE OUTSTANDING BONDS. The Refunding Bonds shall be payable on a parity, and rank equally as to lien on and source and security for payments from the Pledged Revenues and in all other respects, with the other Outstanding Bonds.

SECTION 4.02. REFUNDING BONDS SECURED BY ORIGINAL RESOLUTION. The Refunding Bonds shall be deemed to have been issued pursuant to the Original Resolution, as supplemented by this Fourteenth Supplemental Resolution, as fully and to the same extent as the Outstanding Bonds, and all of the covenants and agreements contained in the Original Resolution, as amended and supplemented, shall be deemed to have been made for the benefit of the Registered Owners of the Refunding Bonds as fully and to the same extent as the Registered Owners of the Outstanding Bonds.

All of the covenants, agreements, and provisions of the Original Resolution, as amended and supplemented, except to the extent inconsistent herewith, shall be deemed to be part of this Fourteenth Supplemental Resolution to the same extent as if incorporated verbatim in this Fourteenth Supplemental Resolution, and shall be fully enforceable in the manner provided in the Original Resolution, as amended and supplemented, by any of the Registered Owners of the Refunding Bonds.

ARTICLE V MISCELLANEOUS

SECTION 5.01. RESOLUTION NOT ASSIGNABLE. This Fourteenth Supplemental Resolution shall not be assignable by the Division or the Board of Administration, except for the benefit of the Registered Owners.

SECTION 5.02. MODIFICATION OR AMENDMENT. Modification or amendment hereof shall be governed by Section 8.02 of the Original Resolution.

SECTION 5.03. CONTINUING DISCLOSURE. (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the Board agrees to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Director, in conjunction with the appropriate officer of the Board, is authorized and directed to execute and deliver any documents or agreement which are necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission.

SECTION 5.04. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants or provisions of this Fourteenth Supplemental Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants or provisions shall be null and void and shall be deemed separable from the remaining covenants or provisions of this Fourteenth Supplemental Resolution or of the Refunding Bonds and shall in no way affect the validity or enforceability of any other covenants, agreements or provisions of this Fourteenth Supplemental Resolution or of the Refunding Bonds issued hereunder.

SECTION 5.05. FISCAL AGENT. Upon the sale and delivery of the Refunding Bonds by the Division on behalf of the State Board of Education, the Board of Administration shall act as the fiscal agent for the State Board of Education with respect to the Refunding Bonds.

SECTION 5.06. REPEAL OF INCONSISTENT RESOLUTIONS. All prior or concurrent resolutions or parts of resolutions inconsistent with this resolution are hereby amended by this resolution, but only to the extent of any such inconsistency.

SECTION 5.07. SUCCESSOR AGENCIES AND OFFICIALS. Any references in the Resolution to offices, bodies, or agencies which have been or are superceded, replaced or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superceded, replaced, or abolished shall be taken by the successor to such official.

SECTION 5.08. CONFIRMATION OF ORIGINAL RESOLUTION. As supplemented by this Fourteenth Supplemental Resolution, the Original Resolution is in all respects ratified and confirmed, and this Fourteenth Supplemental Resolution shall be read, taken, and construed as a part of the Original Resolution.

SECTION 5.09. AMENDMENT. The amendment to the Original Resolution adopted through this Fourteenth Supplemental Resolution does not have a materially adverse effect on the Registered Owners of the Outstanding Bonds. The Registered Owners of the Refunding Bonds will have no claim to the existing Debt Service Reserve subaccounts.

SECTION 5.10. RESERVED.

SECTION 5.11. EFFECTIVE DATE. This Fourteenth Supplemental Resolution shall take effect immediately upon its adoption.

ADOPTED on March 29, 2016.