

MEETING OF THE STATE BOARD OF ADMINISTRATION

**GOVERNOR CRIST AS CHAIRMAN
CHIEF FINANCIAL OFFICER SINK AS TREASURER
ATTORNEY GENERAL MCCOLLUM AS SECRETARY**

MARCH 9, 2010

To View Agenda Items, Click on the Following Link:

www.sbafla.com

AGENDA

ITEM 1. Request approval of a fiscal sufficiency of an amount not exceeding \$280,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (To Be Determined).

(See Attachment 1)

ACTION REQUIRED

ITEM 2. Request approval of a fiscal sufficiency of an amount not exceeding \$200,000,000 State of Florida, full faith and credit, State Board of Education Public Education Capital Outlay Bonds, 2008 Series (To Be Determined).

(See Attachment 2)

ACTION REQUIRED

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$280,000,000 STATE OF FLORIDA, DEPARTMENT OF
TRANSPORTATION TURNPIKE REVENUE BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$280,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose of financing the construction or acquisition of capital improvements to the turnpike system; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Twenty-seventh Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 9, 2010, authorizing the issuance and sale of the Bonds (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Division, on behalf of the Department of Transportation has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 1998A through 2009B (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$205,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") at its September 29, 2009 meeting; and,

WHEREAS, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and when and if issued, the Refunding Bonds; and,

WHEREAS, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

WHEREAS, the Florida Department of Transportation has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

WHEREAS, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$280,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 9, 2010

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2010

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$280,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$280,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the "Bonds") for the purpose of financing the construction or acquisition of capital improvements to the turnpike system. The Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Twenty-seventh Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 9, 2010, authorizing the issuance and sale of the Bonds.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 1998A through 2009B (the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$205,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") at its September 29, 2009 meeting. The Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and when and if issued, the Refunding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING
\$200,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF
EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS,
2008 SERIES (TO BE DETERMINED)**

WHEREAS, the State Board of Education of Florida proposes to issue an amount not exceeding \$200,000,000 Public Education Capital Outlay Bonds, 2008 Series (to be determined) (the "Bonds") for the purpose of financing capital outlay projects for the State System of Public Education in Florida authorized by the 2008 Legislature and to pay certain costs of issuance; provided, however, that none of the said Bonds shall be issued in excess of the amount which can be issued in full compliance with the State Bond Act and other applicable provisions of law, and pursuant to Section 9(a)(2), Article XII of the Constitution of Florida, as amended; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the State Board of Education on July 21, 1992; the Forty-fourth Supplemental Authorizing Resolution and a sale resolution, both of which were adopted by the State Board of Education on August 19, 2008; and,

WHEREAS, the proposed Bonds shall be secured by a lien upon the Gross Receipts Taxes which are required to be deposited in the Public Education Capital Outlay and Debt Service Trust Fund administered by the State Board of Education of Florida (the "Gross Receipts Taxes"), and the Bonds are additionally secured by a pledge of the full faith and credit of the State of Florida; and,

WHEREAS, the State Board of Education has heretofore issued Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, Series 1985 through 2009 Series F; and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$200,000,000 Public Education Capital Outlay Bonds, 2008 Series A (the "2008 Series A Bonds") at its August 12, 2008, meeting, of which \$50,000,000 remains unissued; and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$540,000,000 Public Education Capital Outlay Refunding Bonds, 2009 Series (to be determined) (the "2009 Series Refunding Bonds") at its September 15, 2009, meeting, of which \$239,225,000 remains unissued; and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$320,000,000 Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the "2010 Series Refunding Bonds") at its January 26, 2010, meeting; and,

WHEREAS, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the \$50,000,000 remaining portion of the 2008 Series A Bonds; and,

WHEREAS, the proposed Bonds shall be junior, inferior, and subordinate to the outstanding and unpaid Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, Series 1985 through 1989-A, as to lien on and source and security for payment from the Gross Receipts Taxes; and,

WHEREAS, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Gross Receipts Taxes with the outstanding and unpaid Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1993 Series A through 2009 Series F and if and when issued, the remaining portion of the 2009 Series Refunding Bonds and the 2010 Series Refunding Bonds; and,

WHEREAS, the Division of Bond Finance has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, that the proposal of the State Board of Education of Florida to issue an amount not exceeding \$200,000,000 Public Education Capital Outlay Bonds, 2008 Series (to be determined), is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the \$50,000,000 remaining portion of the State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Bonds, 2008 Series A Bonds is hereby rescinded.

ADOPTED March 9, 2010

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2010

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$200,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS, 2008 SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State Board of Education, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$200,000,000 Public Education Capital Outlay Bonds, 2008 Series (to be determined) (the "Bonds") for the purpose of financing capital outlay projects for the State System of Public Education in Florida authorized by the 2008 Legislature and to pay certain costs of issuance; provided, however, that none of the said Bonds shall be issued in excess of the amount which can be issued in full compliance with the State Bond Act and other applicable provisions of law, and pursuant to Section 9(a)(2), Article XII of the Constitution of Florida, as amended. The Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the State Board of Education on July 21, 1992; the Forty-fourth Supplemental Authorizing Resolution and a sale resolution, both of which were adopted by the State Board of Education on August 19, 2008. In addition, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the \$50,000,000 remaining portion of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2008 Series A.

The State Board of Education has heretofore issued Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, Series 1985 through 2009 Series F. The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$200,000,000 Public Education Capital Outlay Bonds, 2008 Series A (the "2008 Series A Bonds") at its August 12, 2008, meeting, of which \$50,000,000 remains unissued. The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$540,000,000 Public Education Capital Outlay Refunding Bonds, 2009 Series (to be determined) (the "2009 Series Refunding Bonds") at its September 15, 2009, meeting, of which \$239,225,000 remains unissued. The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$320,000,000 Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the "2010 Series Refunding Bonds") at its January 26, 2010, meeting. The proposed Bonds shall be junior, inferior, and subordinate to the outstanding and unpaid Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds Series 1985 through 1989-A, as to lien on and source and security for payment from the Gross Receipts Taxes. The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Gross Receipts Taxes with the outstanding and unpaid Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1993 Series A through 2009 Series F, and if and when issued, the remaining portion of the 2009 Series Refunding Bonds and the 2010 Series Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight