

MEETING OF THE STATE BOARD OF ADMINISTRATION

**GOVERNOR SCOTT AS CHAIRMAN
CHIEF FINANCIAL OFFICER ATWATER AS TREASURER
ATTORNEY GENERAL BONDI AS SECRETARY**

MAY 8, 2012

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AGENDA - AMENDED

ITEM 1. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$190,000,000 STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION FLORIDA FOREVER REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED).

(See Attachment 1)

ACTION REQUIRED

ITEM 2. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$40,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY SYSTEM IMPROVEMENT REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED).

(See Attachment 2)

ACTION REQUIRED

ITEM 3. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$50,000,000 STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION EVERGLADES RESTORATION REVENUE BONDS, SERIES (TO BE DETERMINED).

(See Attachment 3)

ACTION REQUIRED

**ITEM 4. GOOD CAUSE
REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$49,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2012A:**

(See Attachment 4)

ACTION REQUIRED

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

TO: Ash Williams
FROM: Robert Copeland *RC*
SUBJECT: Fiscal Sufficiency
DATE: April 25, 2012

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$190,000,000 STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION FLORIDA FOREVER REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the Department of Environmental Protection of Florida, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$190,000,000 State of Florida Department of Environmental Protection, Florida Forever Revenue Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding Florida Forever Revenue Bonds, Series 2003A and Series 2003C. The Bonds will be issued in one or more series pursuant to the Thirteenth Subsequent Resolution adopted by the Governor and Cabinet on January 23, 2001, as amended, and the Thirty-eighth Subsequent Resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012 (together referred to herein as the "Resolution").

The Department of Environmental Protection has heretofore issued Preservation 2000 Revenue and Revenue Refunding Bonds, Series 1997B through 2001A, Florida Forever Revenue Bonds and Revenue Refunding Bonds, Series 2002A through 2011B, and Everglades Restoration Revenue and Revenue Refunding Bonds, Series 2007A-B through 2010B (collectively, the "Previous Bonds"). The Division has submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$50,000,000 State of Florida, Department of Environmental Protection Everglades Restoration Revenue Bonds, Series (to be determined) (the "Proposed Everglades Bonds") at its May 8, 2012, meeting. The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$345,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) (the "2011 Refunding Bonds") at its August 2, 2011 meeting, of which \$53,070,000 remains unissued. 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 unissued portion of the 2011 Refunding Bonds. The proposed Bonds shall be issued on parity as to source and security for payment with the Previous Bonds, and when and if approved and issued, the Proposed Everglades Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues, 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 \$190,000,000 STATE OF FLORIDA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION FLORIDA FOREVER
REVENUE REFUNDING 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 \$190,000,000 State of Florida Department of Environmental Protection Florida Forever Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of and in the name of the State of Florida Department of Environmental Protection, for the purpose of refunding all or a portion of the outstanding Florida Forever Revenue Bonds, Series 2003A and Series 2003C; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to the Thirteenth Subsequent Resolution adopted by the Governor and Cabinet on January 23, 2001, as amended, and the Thirty-eighth Subsequent Resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012 (together 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 issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Department of Environmental Protection has heretofore issued Preservation 2000 Revenue and Revenue Refunding Bonds, Series 1997B through 2001A, Florida Forever Revenue Bonds and Revenue Refunding Bonds, Series 2002A through 2011B, and Everglades Restoration Revenue and Revenue Refunding Bonds, Series 2007A-B through 2010B (collectively, the "Previous Bonds"); and,

WHEREAS, the Division has submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$50,000,000 State of Florida, Department of Environmental Protection Everglades Restoration Revenue Bonds, Series (to be determined) (the "Proposed Everglades Bonds") at its May 8, 2012, meeting; and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$345,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) (the "2011 Refunding Bonds") at its August 2, 2011, meeting, of which \$53,070,000 remains unissued; 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 \$53,070,000 remaining portion of the 2011 Refunding Bonds; and

WHEREAS, the proposed Bonds shall be issued on parity as to source and security for payment with the Previous Bonds, and when and if approved and issued, the Proposed Everglades Bonds; and,

WHEREAS, the proposed Bonds are secured by excise taxes required by law to be distributed pursuant to Section 201.15(1), Florida Statutes (the "Pledged Revenues"). The Bonds to be issued pursuant to the Resolution shall not constitute, directly or indirectly, a debt or a charge against the State of Florida, or any political subdivision thereof under the Constitution and laws of the State of Florida and shall not constitute a lien on any of the lands acquired from the proceeds of the Bonds, or any part thereof; and,

WHEREAS, all applicable requirements of Section 5.01 of the Thirteenth Subsequent Resolution regarding the issuance of additional bonds will be met prior to the issuance of the Bonds; 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 Division, on behalf of Department of Environmental Protection, 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 \$190,000,000 State of Florida Department of Environmental Protection, Florida Forever Revenue Refunding Bonds, Series (to be determined), is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the unissued portion of the \$345,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) approved on August 2, 2011 is hereby rescinded.

ADOPTED May 8, 2012

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE



J. BEN WATKINS III
DIRECTOR

April 20, 2012

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$190,000,000 State of Florida, Department of Environmental Protection
Florida Forever Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73 Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request fiscal sufficiency approval at your board meeting on May 8, 2012.

The proposed bonds will be secured by documentary stamp taxes required to be deposited in the Land Acquisition Trust Fund, consisting of the first money available from 63.31% of documentary stamp tax collections. The bonds will be issued on a parity with the outstanding Preservation 2000 Revenue Bonds, Series 1997B through 2001A, the Florida Forever Revenue Bonds, Series 2002A through 2011B and the Everglades Restoration Revenue Bonds, Series 2007A-B through 2010B and the \$50,000,000 Everglades Restoration Revenue Bonds, Series (to be determined), expected to be approved for fiscal sufficiency on May 8, 2012, when and if issued. The \$53,070,000 balance of the fiscal sufficiency approval received on August 2, 2011, for the not exceeding \$345,000,000 Florida Forever Revenue Refunding Bonds, Series (designation to be determined) should be rescinded.

The proposed bond issue will be issued to refund a portion of the outstanding Florida Forever Revenue Bonds, Series 2003A and Series 2003C, and to pay costs associated with the issuance and sale of the proposed bonds. The proposed refunding bonds will only be issued if there is a savings.

The bonds will be issued in one or more series pursuant to the Thirteenth Subsequent Resolution adopted by the Governor and Cabinet on January 23, 2001, as amended, and the Thirty-eighth Subsequent Resolution which is anticipated to be adopted by the Governor and Cabinet on May 8, 2012. A draft of the Thirty-eighth resolution will be forwarded to you when available. The Thirteenth Subsequent Resolution is not included since it has been previously sent to you.

April 20, 2012

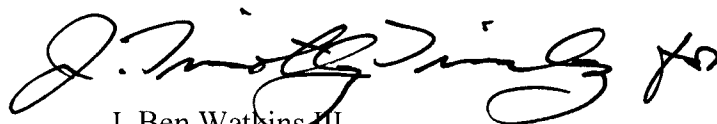
Page Two

Enclosed for your review are the following:

- Enclosure 1: An estimated coverage table based upon the January 2012 Revenue Estimating Conference documentary stamp tax projections. Coverage is based upon existing program debt service prior to the refunding and does not include the anticipated results from the proposed refunding and includes the proposed \$50,000,000 Everglades Restoration Revenue Bonds, Series (to be determined) anticipated to be approved for fiscal sufficiency on May 8, 2012;
- Enclosure 2: an estimated savings schedule for the proposed refunding bonds;
- Enclosure 3: the historical documentary stamp tax collections data provided by the Office of Economic and Demographic Research of the Florida Legislature; and
- Enclosure 4: the forecast for documentary stamp tax collections from the January 2012 Revenue Estimating Conference.

A draft of the fiscal sufficiency resolution should be sent to Ray Petty and Kim James of this office for review. Should you have any questions please contact either myself, Ray Petty or Kim James at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW/kj

Enclosures

cc: Anthony Doheny
Robert Copeland

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
FLORIDA FOREVER REVENUE REFUNDING BONDS
SERIES (to be determined)**

ESTIMATED DEBT SERVICE AND COVERAGE TABLE

Fiscal Year Ending June 30	Projected Documentary Stamp Tax Collections (1)	Pledged Revenues (2)	Outstanding Everglades Debt Service (3)	Outstanding P2000/FL Forever Debt Service (4) (5)	Less Federal Subsidy on BABs (6)	Total Outstanding Debt Service	Estimated \$50 million Everglades Bonds (7)		Estimated Total Outstanding Debt Service	Coverage (8)	
							Principal	Interest			
2012	\$ 1,197,100,000	\$ 692,378,419	\$ 19,394,453	\$ 413,943,530	\$ (4,559,412)	\$ 428,778,570	\$ 1,395,000	\$ 2,875,000	\$ 4,270,000	1.5988x	
2013	1,307,000,000	755,060,384	19,345,132	421,931,192	(4,559,412)	436,716,912	1,475,000	2,794,788	4,269,788	1.7122x	
2014	1,463,400,000	846,155,877	19,368,419	456,816,142	(4,559,412)	471,625,148	1,560,000	2,709,975	4,269,975	4.8106x	
2015	1,586,000,000	917,564,492	19,553,815	456,791,642	(4,559,412)	471,786,044	1,650,000	2,620,275	4,270,275	5.2118x	
2016	1,720,800,000	996,079,022	19,245,446	456,793,242	(4,559,412)	471,479,275	1,745,000	2,525,400	4,270,400	5.6676x	
2017	1,845,700,000	1,068,827,276	19,463,235	456,787,154	(4,559,412)	471,690,977	1,845,000	2,425,063	4,270,063	6.0742x	
2018	1,968,000,000	1,140,061,156	19,466,409	456,800,692	(4,559,412)	471,707,689	1,955,000	2,318,975	4,273,975	6.4783x	
2019	2,092,800,000	1,212,751,166	19,464,177	456,576,969	(4,293,321)	471,747,825	2,065,000	2,206,563	4,271,563	6.8899x	
2020	2,214,900,000	1,283,868,555	19,581,524	456,325,488	(4,010,171)	471,896,841	2,185,000	2,087,825	4,272,825	7.2877x	
2021	2,319,300,000	1,344,676,544	19,380,251	456,073,444	(3,702,103)	471,751,592	2,310,000	1,962,188	4,272,188	7.6392x	
2022	2,319,300,000	1,344,676,544	19,380,251	456,073,444	(3,702,103)	471,751,592	2,310,000	1,962,188	4,272,188	7.6392x	
2023	2,319,300,000	1,344,676,544	19,547,761	456,325,488	(3,012,778)	471,858,858	2,440,000	1,829,363	4,269,363	8.6942x	
2024	2,319,300,000	1,344,676,544	19,558,493	456,325,488	(3,012,778)	471,858,858	2,440,000	1,829,363	4,269,363	8.6942x	
2025	2,319,300,000	1,344,676,544	19,586,797	456,325,488	(2,327,258)	471,262,120	2,890,000	1,383,450	4,273,450	11.0714x	
2026	2,319,300,000	1,344,676,544	11,007,828	456,325,488	(2,031,772)	471,262,120	2,890,000	1,383,450	4,273,450	11.0714x	
2027	2,319,300,000	1,344,676,544	11,010,607	456,325,488	(1,559,183)	471,262,120	3,055,000	1,217,275	4,272,275	14.3177x	
2028	2,319,300,000	1,344,676,544	3,407,153	456,325,488	(1,063,882)	471,262,120	3,415,000	855,888	4,270,888	18.9471x	
2029	2,319,300,000	1,344,676,544	3,337,208	456,325,488	(544,443)	471,262,120	3,610,000	659,525	4,269,525	25.8868x	
2030	2,319,300,000	1,344,676,544	-	456,325,488	-	471,262,120	3,820,000	451,950	4,271,950	48.6750x	
2031	2,319,300,000	1,344,676,544	-	456,325,488	-	471,262,120	4,040,000	232,300	4,272,300	314.7688x	
			\$ 301,220,743	\$ 2,750,012,216	\$ (60,375,614)	\$ 2,990,857,345	\$ 50,000,000	\$ 35,426,900	\$ 85,426,900	\$ 3,076,284,245	

(1) The figures in this column were based upon the January 2012 Revenue Estimating Conference for Documentary Stamp Tax forecast for fiscal years 2012 through 2021. The 2021 projection has been held constant through 2029. No assurance can be given that material differences between such projections and actual results will not occur.

(2) Figures shown are derived by first deducting the 8% general revenue service charge levied pursuant to Section 215.20(1), Florida Statutes, and costs of the Department of Revenue in the amount of approximately \$7.7 million in 2012 and \$9.8 million thereafter, and then applying the percentage set forth in Section 201.15(1) of 63.31% for the distribution of documentary stamp tax collections. The amounts deducted for the general revenue service charge and costs of the Department of Revenue are available for debt service, if necessary. In addition to the Pledged Revenues derived from the 63.31% of the documentary stamp taxes, the additional 36.69% net of debt service on prior obligations of approximately \$30 million per year, is available to pay debt service on the bonds if the pledged revenues are not sufficient.

(3) Includes debt service for the Everglades Bonds, Series 2007A-B (variable rate), 2008A, 2010A and 2010B. Estimated debt service on the variable rate demand obligations is assumed at an interest rate of 3%, and includes annual remarketing agent fees, liquidity fees, tender agent fees and administrative fees.

(4) Pursuant to Section 201.15(1)(a), Florida Statutes, the maximum amount that may be distributed from the documentary stamp tax collections for Preservation 2000 and Florida Forever bond debt service is \$600 million in fiscal years 2010 through 2013 and then, concurrently, with the final maturity of the Preservation 2000 Bonds, will decrease to \$100 million in fiscal year 2014 and thereafter.

(5) Includes debt service for the Preservation 2000 Revenue Bonds, Series 1997B through Series 2001A and Florida Forever Revenue Bonds, Series 2002A through 2011B. Does not include debt service on the refunded 2002A and 2002B Bonds which were economically, but not legally, defeased and are scheduled to be redeemed on Jul. 1, 2012. Includes \$3,481,392.63 of accrued sinking fund monies transferred to escrows for accrued debt service on refunded bonds.

(6) Federal subsidy equal to 35% of the interest payable on the Florida Forever 2010B and Everglades 2010B Taxable Bond America Bonds, which is expected to be deposited in the sinking fund.

(7) Estimated Debt Service for \$50 million Everglades Bonds scheduled for approval on May 8, 2012. Estimated at 5.75%.

(8) Coverage has been calculated based upon projected Pledged Revenues available in each year.

End of Section

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

TO: Ash Williams
FROM: Robert Copeland *RT*
SUBJECT: Fiscal Sufficiency
DATE: April 25, 2012

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$40,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY SYSTEM IMPROVEMENT REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf the Florida Board of Governors, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$40,000,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 1998 and Series 2001 Bonds. The Bonds will be issued pursuant to resolutions expected to be adopted by the Governor and Cabinet on May 8, 2012, authorizing the issuance and sale of the Bonds.

The Division has heretofore issued University System Improvement Revenue Bonds and Revenue Refunding Bonds, Series 1998 through 2011A (the "Outstanding Bonds"). The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the pledged revenues and in all other respects, with the Outstanding 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 from the Pledged Revenues 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 fiscal sufficiency of the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$40,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
UNIVERSITY SYSTEM IMPROVEMENT REVENUE REFUNDING 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 \$40,000,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of the Florida Board of Governors for the purpose of refunding all or a portion of the outstanding Series 1998 and Series 2001 Bonds and to pay costs associated with the sale and issuance of the Bonds; and,

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

WHEREAS, the Bonds will be issued pursuant to resolutions expected to be adopted by the Governor and Cabinet on May 8, 2012, authorizing the issuance and sale of the Bonds; and,

WHEREAS, the Division has heretofore issued University System Improvement Revenue Bonds and Revenue Refunding Bonds, Series 1998 through 2011A (the "Outstanding Bonds"); and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues and in all other respects, with the Outstanding Bonds; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefore, as described in the Authorizing Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Authorizing 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 Division, on behalf of the Florida Board of Governors, 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, a constitutional body created under Section 4 of Article IV of the revised Florida Constitution of 1968, as amended, that the proposal of the Division of Bond Finance of the State Board of Administration to issue not exceeding \$40,000,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined), for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED May 8, 2012



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

April 20, 2012

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$40,000,000 State of Florida, Board of Governors, University System
Improvement Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of May 8, 2012.

The bonds will be payable from fees charged per credit hour to students enrolled at public universities in Florida to finance capital improvements. The proposed bonds will be payable on a parity with the previously issued Series 1998 through 2011A Bonds remaining outstanding after issuance of the proposed bonds.

The proposed bonds are being issued to refund all or a portion of the outstanding Series 1998 and 2001 Bonds and to pay costs associated with the issuance and sale of the proposed bonds. The bonds will only be issued if there is a debt service savings derived from the transaction.

The bonds will be issued pursuant to the resolutions expected to be adopted by the Governor and Cabinet on May 8, 2012 authorizing the issuance and sale of the \$40,000,000 refunding bonds. Copies of the resolutions will be provided when available.

Mr. Williams
April 20, 2012
Page Two

Enclosed for your review are the following:

- Enclosure 1: an estimated coverage table for the program, without considering the potential savings from the proposed \$40,000,000 refunding bonds; and
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed bonds.

A draft of the fiscal sufficiency resolution should be sent to Ray Petty and Nora Wittstruck of this office for review. Should you have any questions, please contact either myself, Ray Petty or Nora Wittstruck at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW:nw

Enclosures

cc: Anthony Doheny
Robert Copeland

STATE OF FLORIDA BOARD OF GOVERNORS
UNIVERSITY SYSTEM IMPROVEMENT
REVENUE REFUNDING BONDS, SERIES (to be determined)
FISCAL SUFFICIENCY REQUEST FOR NOT TO EXCEED \$40,000,000
ESTIMATED DEBT SERVICE COVERAGE

Year Ending <u>June 30</u>	Net <u>Building Fees¹</u>	Capital <u>Improvement Fee¹</u>	Total Pledged <u>Revenues</u>	Outstanding <u>Debt Service²</u>	Debt Service <u>Coverage³</u>
<i>Historical</i>					
2007	\$ 16,819,000	\$ 18,453,000	\$ 35,272,000	\$ 23,358,000	1.51
2008	17,038,000	18,657,000	35,695,000	23,169,000	1.54
2009	16,363,000	18,572,000	34,935,000	25,658,015	1.36
2010	16,999,000	18,552,000	35,551,000	27,915,838	1.27
2011	17,784,335	20,013,795	37,798,130	26,528,706	1.42
<i>Projected</i>					
2012	\$ 18,726,000	\$ 19,695,000	\$ 38,421,000	\$ 27,260,991	1.41
2013	19,051,000	20,036,000	39,087,000	27,279,998	1.43
2014	19,399,000	20,402,000	39,801,000	21,959,235	1.81
2015	19,776,000	20,798,000	40,574,000	22,001,663	1.84
2016	20,146,000	21,188,000	41,334,000	22,040,503	1.88
2017	20,146,000	21,188,000	41,334,000	16,807,658	2.46
2018	20,146,000	21,188,000	41,334,000	16,815,088	2.46
2019	20,146,000	21,188,000	41,334,000	16,815,800	2.46
2020	20,146,000	21,188,000	41,334,000	17,052,638	2.42
2021	20,146,000	21,188,000	41,334,000	17,052,488	2.42
2022	20,146,000	21,188,000	41,334,000	17,064,250	2.42
2023	20,146,000	21,188,000	41,334,000	14,592,550	2.83
2024	20,146,000	21,188,000	41,334,000	11,138,938	3.71
2025	20,146,000	21,188,000	41,334,000	11,138,238	3.71
2026	20,146,000	21,188,000	41,334,000	11,136,463	3.71
2027	20,146,000	21,188,000	41,334,000	8,974,150	4.61
2028	20,146,000	21,188,000	41,334,000	8,977,588	4.60
2029	20,146,000	21,188,000	41,334,000	8,980,088	4.60
2030	20,146,000	21,188,000	41,334,000	8,975,525	4.61
2031	20,146,000	21,188,000	41,334,000	4,753,025	8.70
2032	20,146,000	21,188,000	41,334,000	4,752,250	8.70
2033	20,146,000	21,188,000	41,334,000	4,749,900	8.70
				<u>\$ 320,319,027</u>	

(1) On January 1, 2011 the final payment was made on prior lien bonds payable from Student Building Fees. Beginning in Fiscal Year 2011-12, Net Building Fees essentially become Gross Building Fees pledged to the Bonds. Actual and projected revenue information was provided by the Board of Governors ("BOG"). Projections for Fiscal Year 2016-17 and thereafter are held constant; however, no representation is made that the amounts shown in any fiscal year will be collected.

(2) Existing annual debt service payments on Outstanding Bonds.

(3) Coverage of Pledged Revenues is determined by dividing Pledged Revenues by Total Outstanding Debt Service.

End of Section

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

TO: Ash Williams
FROM: Robert Copeland *RC*
SUBJECT: Fiscal Sufficiency
DATE: April 25, 2012

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$50,000,000
STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION EVERGLADES
RESTORATION REVENUE BONDS, SERIES (TO BE DETERMINED)**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the Department of Environmental Protection of Florida, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$50,000,000 State of Florida, Department of Environmental Protection Everglades Restoration Revenue Bonds, Series (to be determined) (the "Bonds") to finance the costs of construction of sewage collection, treatment, and disposal facilities in the Florida Keys. The Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on October 4, 2005, and a resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012.

The proposed Bonds will be secured by documentary stamp taxes required to be deposited in or credited to the Save Our Everglades Trust Fund. The Bonds will be on a parity with the outstanding Everglades Restoration Revenue and Revenue Refunding Bonds, the Preservation 2000 Revenue and Revenue Refunding Bonds, the Florida Forever Revenue and Revenue Refunding Bonds and the \$190,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) expected to be approved for fiscal sufficiency on May 8, 2012, when and if approved and issued. 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 from the Pledged Revenues, 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 \$50,000,000 STATE OF FLORIDA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION EVERGLADES RESTORATION
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 \$50,000,000 State of Florida, Department of Environmental Protection Everglades Restoration Revenue Bonds, Series (to be determined) (the "Bonds"), on behalf of and in the name of the State of Florida Department of Environmental Protection, to finance the costs of construction of sewage collection, treatment, and disposal facilities in the Florida Keys; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on October 4, 2005, and a resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012 (together, the "Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73 and 375.051, Florida Statutes; and,

WHEREAS, the proposed Bonds will be secured by documentary stamp taxes required to be deposited in or credited to the Save Our Everglades Trust Fund. The Bonds will be on a parity with the outstanding Everglades Restoration Revenue and Revenue Refunding Bonds, the Preservation 2000 Revenue and Revenue Refunding Bonds, the Florida Forever Revenue and Revenue Refunding Bonds and the \$190,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) expected to be approved for fiscal sufficiency on May 8, 2012, when and if approved and issued; and,

WHEREAS, the Bonds to be issued pursuant to the Resolution shall not constitute, directly or indirectly, a debt or a charge against the State of Florida, or any political subdivision thereof under the Constitution and laws of the State of Florida and shall not constitute a lien on any of the lands acquired from the proceeds of the Bonds, or any part thereof; and,

WHEREAS, the excise taxes distributed pursuant to Sections 201.15-(1)(a) and 201.15-(1)(b), Florida Statutes, for a 12 consecutive month period out of the 24 month period immediately preceding the issuance of the Bonds, will cover at least 150% of the maximum debt service requirement; and,

WHEREAS, it appears and the Board so finds that this financing 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 expected to accrue in amounts sufficient to accomplish this purpose; and,

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

WHEREAS, the Division, on behalf of Department of Environmental Protection, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73 and 375.051, 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 Everglades 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 and 375.051, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$50,000,000 State of Florida, Department of Environmental Protection Everglades Restoration Revenue Bonds, Series (to be determined) is hereby approved as to fiscal sufficiency.

ADOPTED May 8, 2012



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

April 20, 2012

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$50,000,000 State of Florida, Department of Environmental Protection
Everglades Restoration Revenue Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73 Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request fiscal sufficiency approval at your board meeting on May 8, 2012.

The proposed bonds will be secured by documentary stamp taxes required to be deposited in the Land Acquisition Trust Fund, consisting of the first money available from 63.31% of documentary stamp tax collections. The bonds will be issued on a parity with the outstanding Preservation 2000 Revenue Bonds, Series 1997B through 2001A, the Florida Forever Revenue Bonds, Series 2002A through 2011B and the Everglades Restoration Revenue Bonds, Series 2007A-B through 2010B and the \$190,000,000 Florida Forever Revenue Refunding Bonds, Series (to be determined) expected to be approved for fiscal sufficiency on May 8, 2012, when and if issued.

The proposed bond issue will be issued to finance the cost of constructing sewage collection, treatment, and disposal facilities in the Florida Keys.

The bonds will be issued pursuant to an authorizing resolution adopted by the Governor and Cabinet on October 4, 2005 and a resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012. The October 4, 2005 resolution allows for the issuance of bonds as either fixed-rate bonds or variable-rate bonds. Currently, it is anticipated that the bonds will be issued as fixed-rate bonds. A form of the resolution anticipated to be adopted on May 8, 2012 will be forwarded to you when available.

Enclosed for your review are the following:

- Enclosure 1: An estimated coverage table based upon the January 2012 Revenue Estimating Conference documentary stamp tax projections. Coverage is based upon existing program debt service and does not include the anticipated results from the proposed \$190,000,000 Florida Forever Refunding Bonds anticipated to be approved for fiscal sufficiency on May 8, 2012;
- Enclosure 2: an estimated debt service schedule for the proposed bonds;
- Enclosure 3: the historical documentary stamp tax collections data provided by the Office of Economic and Demographic Research of the Florida Legislature; and
- Enclosure 4: the forecast for documentary stamp tax collections from the January 2012 Revenue Estimating Conference.

A draft of the fiscal sufficiency resolution should be sent to Ray Petty and Kim James of this office for review. Should you have any questions please contact either myself, Ray Petty or Kim James at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW/kj

Enclosures

cc: Anthony Doheny
Robert Copeland

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
EVERGLADES RESTORATION REVENUE BONDS
SERIES [to be determined]

ESTIMATED DEBT SERVICE AND COVERAGE TABLE

Fiscal Year Ending June 30	Projected Documentary Stamp Tax Collections (1)	Pledged Revenues (2)	Outstanding Everglades Debt Service (3)	P2000/FL Forever Debt Service (4) (5)	Less Federal Subsidy on BABs (6)	Total Outstanding Debt Service	Estimated \$50 million Everglades Bonds (7)		Estimated Total Outstanding Debt Service	Coverage (8)	
							Principal	Interest			
2012	\$ 1,197,100,000	\$ 692,378,419	\$ 19,394,453	\$ 413,943,530	\$ (4,559,412)	\$ 428,778,570	\$ 1,395,000	\$ 2,875,000	\$ 4,270,000	1.5988x	
2013	1,307,000,000	755,060,384	19,345,132	421,931,192	(4,559,412)	436,716,912	1,475,000	2,794,788	4,269,788	1.7122x	
2014	1,463,400,000	846,155,877	19,368,419	156,816,142	(4,559,412)	171,625,148	1,560,000	2,709,975	4,269,975	4.8106x	
2015	1,586,000,000	917,564,492	19,553,815	156,791,642	(4,559,412)	171,786,044	1,650,000	2,620,275	4,270,275	5.2118x	
2016	1,720,800,000	996,079,022	19,245,446	156,793,242	(4,559,412)	171,479,275	1,745,000	2,525,400	4,270,400	5.6676x	
2017	1,845,700,000	1,068,827,276	19,463,235	156,787,154	(4,559,412)	171,690,977	1,845,000	2,425,063	4,270,063	6.0742x	
2018	1,968,000,000	1,140,061,156	19,466,409	156,800,692	(4,559,412)	171,707,689	1,955,000	2,318,975	4,273,975	6.4783x	
2019	2,092,800,000	1,212,751,166	19,464,177	156,576,969	(4,293,321)	171,747,825	2,065,000	2,206,563	4,271,563	6.8899x	
2020	2,214,900,000	1,283,868,555	19,581,524	156,325,488	(4,010,171)	171,896,841	2,185,000	2,087,825	4,272,825	7.2877x	
2021	2,319,300,000	1,344,676,544	19,380,251	156,073,444	(3,702,103)	171,751,592	2,310,000	1,962,188	4,272,188	7.6392x	
2022	2,319,300,000	1,344,676,544	19,502,038	134,261,822	(3,368,803)	150,395,057	2,440,000	1,829,363	4,269,363	8.6942x	
2023	2,319,300,000	1,344,676,544	19,547,761	122,926,388	(3,012,778)	139,461,372	2,585,000	1,689,063	4,274,063	9.3552x	
2024	2,319,300,000	1,344,676,544	19,558,493	100,262,381	(2,636,016)	117,184,858	2,730,000	1,540,425	4,270,425	11.0714x	
2025	2,319,300,000	1,344,676,544	19,586,797	99,912,582	(2,237,258)	117,262,120	2,890,000	1,383,450	4,273,450	11.0641x	
2026	2,319,300,000	1,344,676,544	11,007,828	80,668,831	(2,031,772)	89,644,887	3,055,000	1,217,275	4,272,275	14.3177x	
2027	2,319,300,000	1,344,676,544	11,010,607	57,247,113	(1,559,183)	66,698,537	3,230,000	1,041,613	4,271,613	18.9471x	
2028	2,319,300,000	1,344,676,544	3,407,153	43,330,261	(1,063,882)	47,673,531	3,415,000	855,888	4,270,888	25.8868x	
2029	2,319,300,000	1,344,676,544	3,337,208	20,563,345	(544,443)	23,356,109	3,610,000	659,525	4,269,525	48.6750x	
2030	2,319,300,000	1,344,676,544	-	-	-	-	3,820,000	451,950	4,271,950	314.7688x	
2031	2,319,300,000	1,344,676,544	-	-	-	-	4,040,000	232,300	4,272,300	314.7430x	
			\$ 301,220,743	\$ 2,750,012,216	\$ (60,375,614)	\$ 2,990,857,345	\$ 50,000,000	\$ 35,426,900	\$ 85,426,900	\$ 3,076,284,245	

(1) The figures in this column were based upon the January, 2012 Revenue Estimating Conference for Documentary Stamp Tax forecast for fiscal years 2012 through 2031. The 2021 projection has been held constant through 2029. No assurance can be given that material differences between such projections and actual results will not occur.

(2) Figures shown are derived by first deducting the 8% general revenue service charge levied pursuant to Section 215.20(1), Florida Statutes, and costs of the Department of Revenue in the amount of approximately \$7.7 million in 2012 and \$9.8 million thereafter, and then applying the percentage set forth in Section 201.15(1) of 63.31% for the distribution of documentary stamp tax collections. The amounts deducted for the general revenue service charge and costs of the Department of Revenue are available for debt service, if necessary. In addition to the Pledged Revenues derived from the 63.31% of the documentary stamp taxes, the additional 36.69% net of debt service on prior obligations of approximately \$30 million per year, is available to pay debt service on the bonds if the pledged revenues are not sufficient.

(3) Includes debt service for the Everglades Bonds, Series 2007A-B (variable rate), 2008A, 2010A and 2010B. Estimated debt service on the variable rate demand obligations is assumed at an interest rate of 3% and includes annual remarketing agent fees, liquidity fees, tender agent fees and administrative fees.

(4) Pursuant to Section 201.15(1)(a), Florida Statutes, the maximum amount that may be distributed from the documentary stamp tax collections for Preservation 2000 and Florida Forever bond debt service is \$600 million in fiscal years 2010 through 2013, and then, concurrently with the final maturity of the Preservation 2000 Bonds, will decrease to \$100 million in fiscal year 2014 and thereafter.

(5) Includes debt service for the Preservation 2000 Revenue Bonds, Series 1997B through Series 2001A and Florida Forever Revenue Bonds, Series 2002A through 2011B. Does not include debt service on the refunded 2002A and 2002B Bonds which were economically, but not legally, defeased and are scheduled to be redeemed on Jul. 1, 2012. Includes \$3,481,392.63 of accrued sinking fund monies transferred to escrows for accrued debt service on refunded bonds.


(6) Federal subsidy equal to 35% of the interest payable on the Florida Forever 2010B and Everglades 2010B Taxable Build America Bonds, which is expected to be deposited in the sinking fund.

(7) Estimated at 5.75%.

(8) Coverage has been calculated based upon projected Pledged Revenues available in each year.

End of Section

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

TO: Ash Williams
FROM: Robert Copeland 
SUBJECT: Fiscal Sufficiency
DATE: May 4, 2012

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$49,000,000
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA AGRICULTURAL AND
MECHANICAL UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2012A:**

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$49,000,000 State of Florida, Board of Governors, Florida Agricultural and Mechanical University Dormitory Revenue Bonds, Series 2012A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the Florida Agricultural and Mechanical University, funding a reserve account, if necessary, and paying costs associated with the issuance and sale of the Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 2010, as amended by a Certificate of Acknowledgement of Modification to Resolution dated June 29, 2010, and the Second Supplemental and sale resolutions which are anticipated to be adopted by the Governor and Cabinet on May 8, 2012 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida Agricultural and Mechanical University Dormitory Revenue and Revenue Refunding Bonds, Series 2010A and 2010B (the "Previous Bonds"). The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Previous 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

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$49,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY DORMITORY
REVENUE BONDS, SERIES 2012A**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$49,000,000 State of Florida, Board of Governors, Florida Agricultural and Mechanical University Dormitory Revenue Bonds, Series 2012A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the Florida Agricultural and Mechanical University, funding a reserve account, if necessary, and paying costs associated with the issuance and sale of the Bonds; and,

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

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 2010, as amended by a Certificate of Acknowledgement of Modification to Resolution dated June 29, 2010, and the Second Supplemental and sale resolutions which are anticipated to be adopted by the Governor and Cabinet on May 8, 2012 (collectively, the "Resolution"); and,

WHEREAS, the principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Division has heretofore issued Florida Agricultural and Mechanical University Dormitory Revenue and Revenue Refunding Bonds, Series 2010A and 2010B (the "Previous Bonds"); and,

WHEREAS, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Previous Bonds; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the Florida Agricultural and Mechanical University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements 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 \$49,000,000 State of Florida, Board of Governors, Florida Agricultural and Mechanical University Dormitory Revenue Bonds, Series 2012A for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED May 8, 2012



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL
AS SECRETARY

JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

May 4, 2012

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$49,000,000 State of Florida, Board of Governors, Florida Agricultural and Mechanical University Dormitory Revenue Bonds, Series 2012A

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of May 8, 2012.

The proposed bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from rental income. The proposed bonds will be on a parity with the outstanding Florida Agricultural and Mechanic University Dormitory Revenue and Revenue Refunding Bonds, Series 2010A and 2010B.

The proposed bonds will be issued to finance the construction of a student housing facility on the main campus of the University; to fund a reserve account, if necessary; and to pay costs associated with the issuance and sale of the proposed bonds.

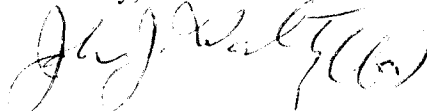
The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 2010, as amended by a Certificate and Acknowledgment of Modification to Resolution dated June 29, 2010, and the Second Supplemental and sale resolutions which are anticipated to be adopted on May 8, 2012.

Enclosed for your review are the following:

- Enclosure 1: an estimated coverage table for the program, including the proposed Series 2012A Bonds;
- Enclosure 2: an estimated debt service schedule for the proposed bonds;
- Enclosure 3: a copy of the Original Resolution adopted by the Governor and Cabinet on June 8, 2010, as amended by a Certificate and Acknowledgment of Modification to Resolution dated June 29, 2010; and
- Enclosure 4: a draft copy of the Second Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on May 8, 2012.

A draft of the fiscal sufficiency resolution should be sent to Kimberley James and Ray Petty of this office for review. Should you have any questions, please contact either myself, Kimberley James or Ray Petty at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW:kj

Enclosures

cc: Anthony Doheny
Robert Copeland

**STATE OF FLORIDA BOARD OF GOVERNORS
FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY
DORMITORY REVENUE BONDS, SERIES 2012A
FISCAL SUFFICIENCY REQUEST FOR NOT TO EXCEED \$49,000,000
ESTIMATED DEBT SERVICE COVERAGE**

Year Ending June 30	Gross Revenues	Operating Expenses	Pledged Revenue	Outstanding Debt Service	Estimated Debt Service for Proposed Bonds		Total Debt Service	Total Estimated Debt Service	Debt Service Coverage ²
					Principal	Interest			
<i>Historical</i>									
2007	\$8,607,672	\$7,000,952	\$1,606,720	\$1,346,941	-	\$594,762	\$594,762	\$1,346,941	1.19
2008	9,227,660	7,052,549	2,175,111	1,350,804	-	2,817,500	2,817,500	1,350,804	1.61
2009	10,467,076	7,202,039	3,265,037	1,357,604	\$1,490,000	2,817,500	4,307,500	1,357,604	2.40
2010	10,624,248	7,077,390	3,546,858	1,357,604	1,575,000	2,731,825	4,306,825	1,357,604	2.61
2011	11,169,697	6,054,484	5,115,213	1,989,844	1,665,000	2,641,263	4,306,263	1,989,844	2.57
<i>Projected¹</i>									
2012	\$13,069,485	\$6,797,138	\$6,272,347	\$2,459,038	-	\$594,762	\$594,762	3,053,800	2.05
2013	13,592,264	7,001,052	6,591,212	2,456,729	-	2,817,500	2,817,500	5,274,229	1.25
2014	19,829,013	8,842,861	10,986,152	2,460,658	\$1,490,000	2,817,500	4,307,500	6,768,158	1.62
2015	20,622,174	9,108,147	11,514,027	2,464,549	1,575,000	2,731,825	4,306,825	6,771,374	1.70
2016	21,447,060	9,381,391	12,065,669	2,463,366	1,665,000	2,641,263	4,306,263	6,769,629	1.78
2017	21,447,060	9,381,391	12,065,669	2,463,366	1,760,000	2,545,525	4,305,525	6,771,465	1.78
2018	21,447,060	9,381,391	12,065,669	2,470,086	1,860,000	2,444,325	4,304,325	6,774,411	1.78
2019	21,447,060	9,381,391	12,065,669	2,470,607	1,970,000	2,337,375	4,307,375	6,777,982	1.78
2020	21,447,060	9,381,391	12,065,669	2,473,338	2,080,000	2,224,100	4,304,100	6,777,438	1.78
2021	21,447,060	9,381,391	12,065,669	2,477,133	2,200,000	2,104,500	4,304,500	6,781,633	1.78
2022	21,447,060	9,381,391	12,065,669	2,481,708	2,330,000	1,978,000	4,308,000	6,789,708	1.78
2023	21,447,060	9,381,391	12,065,669	2,481,868	2,460,000	1,844,025	4,304,025	6,785,893	1.78
2024	21,447,060	9,381,391	12,065,669	1,978,378	2,605,000	1,702,575	4,307,575	6,285,953	1.92
2025	21,447,060	9,381,391	12,065,669	1,982,981	2,755,000	1,552,788	4,307,788	6,290,768	1.92
2026	21,447,060	9,381,391	12,065,669	1,212,593	2,910,000	1,394,375	4,304,375	5,516,968	2.19
2027	21,447,060	9,381,391	12,065,669	1,213,490	3,080,000	1,227,050	4,307,050	5,520,540	2.19
2028	21,447,060	9,381,391	12,065,669	1,212,852	3,255,000	1,049,950	4,304,950	5,517,802	2.19
2029	21,447,060	9,381,391	12,065,669	1,213,552	3,445,000	862,788	4,307,788	5,521,340	2.19
2030	21,447,060	9,381,391	12,065,669	1,213,439	3,640,000	664,700	4,304,700	5,518,139	2.19
2031	21,447,060	9,381,391	12,065,669	-	3,850,000	455,400	4,305,400	4,305,400	2.80
2032	21,447,060	9,381,391	12,065,669	-	4,070,000	234,025	4,304,025	4,304,025	2.80
				\$47,055,101	\$49,000,000	\$36,224,350	\$85,224,350	\$132,279,450	

¹ Actual Revenues and Expenses provided by the University for Fiscal Years 2007 through 2011. Projections provided by the University for Fiscal Years 2012 through 2016 assume 4% annual revenue growth due primarily to rental rate increases and 3% annual increases in expenses. Assumes the opening of the 2012A Project and simultaneous closures of two residence halls, Cropper and Wheatley Halls, in Fall 2014. Projections for Fiscal Year 2017 and thereafter are held constant, however, no representation is made that the amounts shown will be collected.

² Coverage of Pledged Revenues is determined by dividing Pledged Revenues by Total Estimated Debt Service.

BOND DEBT SERVICE

FAMU Dormitory Revenue Bonds
Proposed Series 2012A Bonds
Preliminary Calculations
for Fiscal Sufficiency Request

Dated Date 04/15/2012
Delivery Date 04/15/2012

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2012			594,762.00	594,762.00	594,762.00
01/01/2013			1,408,750.00	1,408,750.00	
07/01/2013			1,408,750.00	1,408,750.00	2,817,500.00
01/01/2014			1,408,750.00	1,408,750.00	
07/01/2014	1,490,000	5.750%	1,408,750.00	2,898,750.00	4,307,500.00
01/01/2015			1,365,912.50	1,365,912.50	
07/01/2015	1,575,000	5.750%	1,365,912.50	2,940,912.50	4,306,825.00
01/01/2016			1,320,631.25	1,320,631.25	
07/01/2016	1,665,000	5.750%	1,320,631.25	2,985,631.25	4,306,262.50
01/01/2017			1,272,762.50	1,272,762.50	
07/01/2017	1,760,000	5.750%	1,272,762.50	3,032,762.50	4,305,525.00
01/01/2018			1,222,162.50	1,222,162.50	
07/01/2018	1,860,000	5.750%	1,222,162.50	3,082,162.50	4,304,325.00
01/01/2019			1,168,687.50	1,168,687.50	
07/01/2019	1,970,000	5.750%	1,168,687.50	3,138,687.50	4,307,375.00
01/01/2020			1,112,050.00	1,112,050.00	
07/01/2020	2,080,000	5.750%	1,112,050.00	3,192,050.00	4,304,100.00
01/01/2021			1,052,250.00	1,052,250.00	
07/01/2021	2,200,000	5.750%	1,052,250.00	3,252,250.00	4,304,500.00
01/01/2022			989,000.00	989,000.00	
07/01/2022	2,330,000	5.750%	989,000.00	3,319,000.00	4,308,000.00
01/01/2023			922,012.50	922,012.50	
07/01/2023	2,460,000	5.750%	922,012.50	3,382,012.50	4,304,025.00
01/01/2024			851,287.50	851,287.50	
07/01/2024	2,605,000	5.750%	851,287.50	3,456,287.50	4,307,575.00
01/01/2025			776,393.75	776,393.75	
07/01/2025	2,755,000	5.750%	776,393.75	3,531,393.75	4,307,787.50
01/01/2026			697,187.50	697,187.50	
07/01/2026	2,910,000	5.750%	697,187.50	3,607,187.50	4,304,375.00
01/01/2027			613,525.00	613,525.00	
07/01/2027	3,080,000	5.750%	613,525.00	3,693,525.00	4,307,050.00
01/01/2028			524,975.00	524,975.00	
07/01/2028	3,255,000	5.750%	524,975.00	3,779,975.00	4,304,950.00
01/01/2029			431,393.75	431,393.75	
07/01/2029	3,445,000	5.750%	431,393.75	3,876,393.75	4,307,787.50
01/01/2030			332,350.00	332,350.00	
07/01/2030	3,640,000	5.750%	332,350.00	3,972,350.00	4,304,700.00
01/01/2031			227,700.00	227,700.00	
07/01/2031	3,850,000	5.750%	227,700.00	4,077,700.00	4,305,400.00
01/01/2032			117,012.50	117,012.50	
07/01/2032	4,070,000	5.750%	117,012.50	4,187,012.50	4,304,025.00
	49,000,000		36,224,349.50	85,224,349.50	85,224,349.50