

## 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  
January 12, 2010

This meeting is open to the public.

1. Approval of minutes of the meeting of November 17, 2009.  
(Attachment #1)
2. ADOPTION OF A RESOLUTION AUTHORIZING THE COMPETITIVE OR NEGOTIATED SALE OF NOT EXCEEDING \$250,000,000 FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS, 2007 SERIES (TO BE DETERMINED).

The bonds will be payable 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 finance capital outlay projects authorized during the 2007 legislative session for school and community college districts and the State University System.

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

(Recommend)

3. REPORT OF AWARD ON THE COMPETITIVE SALE OF \$32,000,000 BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY PARKING FACILITY REVENUE BONDS, SERIES 2009 A AND SERIES 2009 B TO THE LOW BIDDERS FOR SUCH BONDS.

The financing included a combination of \$3,085,000 of Series 2009A Tax-Exempt Bonds and \$28,915,000 of Series 2009B Taxable Build America Bonds. Bids were received at the office of the Division of Bond Finance on November 24, 2009 at 11:00 a.m. for the Series 2009B Taxable Build America Bonds and 11:30 a.m. for the Series 2009A Tax-Exempt Bonds. The Taxable Build America Bonds were awarded to the low bidder, Morgan Keegan & Co., Inc. which submitted a bid at an annual (net) true interest cost rate of 4.3684%. The Tax-Exempt Bonds were awarded to the low bidder, UBS Financial Services Inc., which submitted a bid at an annual true interest cost rate of 2.1411%. The (net) true interest cost of the combined issue was 4.32%. The bonds were delivered on December 17, 2009.

The interest rate from using Build America Bonds was 44 basis points less than a conventional tax-exempt bond issue resulting in estimated gross interest savings of approximately \$2.9 million, net present value savings of \$1.6 million or 5.13% of the principal amount of the bonds.

A report of award and tabulation of bids is attached.

(Attachment #2)

4. REPORT OF AWARD ON THE COMPETITIVE SALE OF \$155,100,000 FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS, 2009 SERIES E AND F TO THE LOW BIDDERS FOR SUCH BONDS.

The financing included a combination of \$15,025,000 of 2009 Series E Tax-Exempt Bonds and \$140,075,000 of 2009 Series F Taxable Build America Bonds. Bids were received at the office of the Division of Bond Finance on December 2, 2009 at 11:30 a.m. for the 2009 Series E Tax-Exempt Bonds and 12:00 noon for the 2009 Series F Taxable Build America Bonds. The Tax-Exempt Bonds were awarded to the low bidder, Merrill Lynch & Co., which submitted a bid at an annual true interest cost rate of 1.2469%. The Taxable Build America Bonds were awarded to the low bidder, Wachovia Bank, National Association, which submitted a bid at an annual (net) true interest cost rate of 3.7351%. The (net) true interest cost of the combined issue was 3.69%. The bonds were delivered on December 22, 2009.

The interest rate from using Build America Bonds was 84 basis points less than a conventional tax-exempt bond issue resulting in estimated gross interest savings of approximately \$27.1 million, net present value savings of \$16.5 million or 10.64% of the principal amount of the bonds.

A report of award and tabulation of bids is attached.

(Attachment #3)