

T H E C A B I N E T
S T A T E O F F L O R I D A

Representing:

DIVISION OF BOND FINANCE

FINANCIAL SERVICES COMMISSION, OFFICE OF
FINANCIAL REGULATION

AGENCY FOR ENTERPRISE INFORMATION TECHNOLOGY

DEPARTMENT OF VETERANS' AFFAIRS

STATE BOARD OF ADMINISTRATION

The above agencies came to be heard before
THE FLORIDA CABINET, Honorable Governor Crist
presiding, in the Cabinet Meeting Room, LL-03,
The Capitol, Tallahassee, Florida, on Thursday,
August 26, 2010, commencing at 9:10 a.m.

Reported by:
JO LANGSTON
Registered Professional Reporter
Notary Public

ACCURATE STENOGRAPHY REPORTERS, INC.
2894 REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
(850) 878-2221

APPEARANCES:

Representing the Florida Cabinet:

CHARLIE CRIST
Governor

CHARLES H. BRONSON
Commissioner of Agriculture

BILL McCOLLUM
Attorney General

ALEX SINK
Chief Financial Officer

* * *

INDEX

1 DIVISION OF BOND FINANCE
 2 (Presented by BEN WATKINS)

3 ITEM	ACTION	PAGE
1	Approved	8
4 2	Approved	8
3	Approved	9
5 4	Approved	9
5	Approved	10

6 FINANCIAL SERVICES COMMISSION, OFFICE OF
 7 FINANCIAL REGULATION
 8 (Presented by THOMAS CARDWELL)

9 ITEM	ACTION	PAGE
1	Approved	11
2	Approved	12

11 AGENCY FOR ENTERPRISE INFORMATION TECHNOLOGY
 12 (Presented by DAVID TAYLOR)

13 ITEM	ACTION	PAGE
1	Approved	13
2	Approved	15

15 DEPARTMENT OF VETERANS' AFFAIRS
 16 (Presented by BOB MILLIGAN)

17 ITEM	ACTION	PAGE
1	Approved	16
2	Approved	16
18 3	Approved	17

19 STATE BOARD OF ADMINISTRATION
 20 (Presented by ASH WILLIAMS)

21 ITEM	ACTION	PAGE
1	Approved	18
2	Approved	18
22 3	Approved	19
4	Approved	19

24 CERTIFICATE OF REPORTER		20
----------------------------	--	----

25

P R O C E E D I N G S

* * *

(Agenda items commenced at 9:15 a.m.)

THE COURT: We have two appointments before us requiring Cabinet approval. General Bob Milligan, as interim director of the Department of Veterans Affairs. As you know, Admiral LeRoy Collins passed away unexpectedly several weeks ago. And this sad event has required us to select an interim executive director to lead this important agency.

I would like to recognize and thank the Department's chief of staff, Earl Daniell, for stepping in during this difficult time and overseeing the responsibilities of the Department. We are fortunate that General Bob Milligan has once again agreed to leave private life and serve the people of Florida.

In 2007 we called on him to lead the State Board of Administration, and now he has agreed to return to public service as the interim executive director of the Department of Veterans' Affairs. Is there a motion to approve my appointment of General Bob Milligan?

ATTORNEY GENERAL McCOLLUM: So moved.

COMMISSIONER BRONSON: Second.

1 THE COURT: Moved and seconded. Show it
2 approved without objection. General, would you like
3 to please say a few words?

4 MR. MILLIGAN: Thank you, Governor and Cabinet.
5 Admiral LeRoy Collins was a good friend of mine. In
6 fact, we were classmates at the Naval Academy,
7 started together, have known him since 1952. But
8 large shoes to fill. But he did build a really
9 excellent staff. And I hope that my leadership will
10 be able to maintain the quality that he set. So
11 thank you, and I won't let you down.

12 THE COURT: Thank you, General. Appreciate
13 your service.

14 (Applause)

15 GOVERNOR CRIST: Next I would like to ask the
16 Cabinet to confirm my appointment of Mimi Drew as
17 interim secretary of the Department of Environmental
18 Protection, effective September the 10th. Ms. Drew
19 has earned -- served, rather, as the agency's deputy
20 secretary of Regulatory Programs since 2007 and
21 previously as director of the Division of Water
22 Resource Management since January of 1995, with more
23 than 30 years of technical, supervisory and
24 administrative experience with Florida environmental
25 issues.

1 She received a bachelor's degree from the
2 University of Florida, as well as a master's degree
3 in environmental engineering and sciences.

4 Is there a motion to approve Mimi Drew as
5 interim secretary of the Department?

6 CFO SINK: I move.

7 COMMISSIONER BRONSON: Second.

8 GOVERNOR CRIST: Moved and seconded. Show it
9 approved without objection. Mimi, we'd love to hear
10 from you.

11 MS. DREW: Thank you very much, Governor,
12 members of the Cabinet. First of all, I have to say
13 we're going to miss Mike Sole. I know that you-all
14 recognized him at your last meeting, and he's truly
15 a leader in the agency who many, many people are
16 going to miss him. That's all I can say. He's a
17 man of the people. He got around to the districts,
18 to the divisions, to the parks, and everybody knows
19 him. So he will be a hard act to follow.

20 Secondly, I'd like to tell you that I really
21 appreciate the opportunity. This is the culmination
22 of a long career in public service, and I can't
23 imagine a greater honor or privilege than being
24 asked by you to take this job. So thank you very
25 much, Governor and members of the Cabinet, and I

1 look forward to working with you.

2 GOVERNOR CRIST: Congratulations. Thank you.

3 (Applause)

4 GOVERNOR CRIST: Our next Cabinet meeting is
5 Tuesday, September the 14th.

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 GOVERNOR CRIST: Division of Bond Finance, Ben
2 Watkins. Good morning, Ben.

3 MR. WATKINS: Good morning, Governor, Cabinet
4 members. Item Number 1 is approval of the minutes
5 of the August 10th meeting.

6 GOVERNOR CRIST: Is there a motion?

7 COMMISSIONER BRONSON: Motion for approval.

8 ATTORNEY GENERAL McCOLLUM: Second.

9 GOVERNOR CRIST: Moved and seconded. Show them
10 approved without objection.

11 MR. WATKINS: Item Number 2 is a resolution
12 authorizing the issuance and competitive sale of up
13 to \$71 million in refunding bonds for the facilities
14 management program administered by the Department of
15 Management Services.

16 ATTORNEY GENERAL McCOLLUM: I move Item 2.

17 COMMISSIONER BRONSON: Second.

18 GOVERNOR CRIST: Moved and seconded. Show it
19 approved without objection.

20 MR. WATKINS: Item Number 3 are resolutions
21 authorizing the issuance and competitive sale of up
22 to \$72 million in refunding bonds for the State
23 University System.

24 COMMISSIONER BRONSON: Motion for approval of
25 Item 3.

1 CFO SINK: Second.

2 GOVERNOR CRIST: Moved and seconded. Show it
3 approved without objection.

4 MR. WATKINS: Item Number 4 is a report of
5 award of the competitive sale of \$109,750,000 in
6 Lottery Revenue Refunding Bonds. The bonds were
7 awarded to the low bidder at a true interest cost
8 rate of approximately 1.88 percent, and the
9 transaction generated gross debt service savings of
10 approximately \$16.9 million or \$15.6 million on a
11 present value basis.

12 ATTORNEY GENERAL McCOLLUM: Move Item 4.

13 COMMISSIONER BRONSON: Second.

14 GOVERNOR CRIST: Moved and seconded. Show it
15 approved without objection.

16 CFO SINK: Governor, I just want to point out,
17 1.88 percent, have you ever seen interest rates this
18 low?

19 MR. WATKINS: No, ma'am.

20 CFO SINK: Let's go do more. I know we're
21 working on that, right?

22 MR. WATKINS: That's exactly right. You can
23 see from the complexion of the agenda today, rates
24 are -- the interest rate environment is
25 extraordinarily favorable. And so we're moving

1 aggressively to take advantage of the opportunities
2 that the market offers to save the State money.

3 Lastly, Item 5 is adoption of a resolution
4 authorizing the issuance and competitive sale of up
5 to \$540 million in Lottery Revenue Refunding Bonds.

6 ATTORNEY GENERAL McCOLLUM: Move Item 5.

7 CFO SINK: Second.

8 GOVERNOR CRIST: Moved and seconded. Show it
9 approved without objection. Thank you, Ben.

10 MR. WATKINS: Thank you very much.

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 GOVERNOR CRIST: Office of Financial
2 Regulation, Commissioner Tom Cardwell. Morning,
3 Tom.

4 MR. CARDWELL: Good morning, Governor Crist,
5 members of the Cabinet. Two brief items today.
6 We're requesting approval for final adoption of
7 rules. These are largely cleanup, clarification
8 rules. The first request is amendments to Rule
9 69W-100, 200, 300, 301 and 500, which relate to our
10 securities regulation. They update changes and
11 references to federal statutes and repeal some
12 unnecessary rules and make changes to clarify and
13 simplify our regulations.

14 GOVERNOR CRIST: Is there a motion on Item 1?

15 COMMISSIONER BRONSON: Motion for adoption of
16 Item 1.

17 CFO SINK: Second.

18 GOVERNOR CRIST: Moved and seconded. Show it
19 approved without objection.

20 MR. CARDWELL: And Item Number 2 is we request
21 approval for final adoption for rules relating to
22 Chapter 69V-40, which are relating to mortgage
23 brokering and lending. These are the proposed rules
24 which implement the S.A.F.E. Act that we've been
25 discussing for a period of time. These are the

1 final rules doing that. We've had lots of input on
2 them, and they are ready for final adoption.

3 ATTORNEY GENERAL McCOLLUM: Move Item 2.

4 COMMISSIONER BRONSON: Second.

5 GOVERNOR CRIST: Moved and seconded. Show it
6 approved without objection. Thank you, sir.

7 MR. CARDWELL: Thank you.

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 GOVERNOR CRIST: Agency for Enterprise
2 Information Technology, David Taylor.

3 MR. TAYLOR: Governor and Cabinet, good
4 morning.

5 ATTORNEY GENERAL McCOLLUM: Good morning.

6 MR. TAYLOR: Item Number 1 today, I would like
7 to respectfully request the approval of the minutes
8 for June 8th, 2010, meeting of the Governor and
9 Cabinet.

10 CFO SINK: Move it.

11 COMMISSIONER BRONSON: Second.

12 ATTORNEY GENERAL McCOLLUM: Second.

13 GOVERNOR CRIST: Moved and seconded. Show it
14 approved without objection.

15 MR. TAYLOR: The second item is AEIT is
16 requesting approval of its 2010-2011 Operational
17 Work Plan. On August 25th, 2009, we received
18 approval for our last year's 2009-2010 Operational
19 Work Plan. And I'm pleased to inform you that we
20 met all the deadlines and deliverables outlined in
21 that plan. By the end of this week you'll receive
22 the Agency's annual report, which will detail all of
23 those accomplishments.

24 The new Operational Work Plan is very much like
25 the last Operational Work Plan and includes two

1 major changes. The first major change is that the
2 legislature has asked the AEIT to move forward on an
3 enterprise e-mail system. The task involved there
4 will be to develop a procurement document and a
5 business plan for the statewide e-mail system based
6 on the outcome of a competitive solicitation.

7 We're also required to develop an
8 implementation plan and a schedule for
9 implementation for e-mail migration of the executive
10 branch. We're also to develop administrative rule
11 for that service.

12 The second new item involves purchasing and
13 procurement responsibilities. We're to work with
14 the Department of Management Services, Division of
15 Purchasing, to establish best practices for the
16 procurement of IT products and services. We're also
17 to coordinate procurement negotiations for IT
18 products that will be used by multiple agencies in
19 the executive branch.

20 We're also to develop standards for Enterprise
21 Information Technology services and to provide
22 recommendations to the legislature for consolidating
23 the purchases of IT commodities and services.

24 On July 19th AEIT presented this Operational
25 Work Plan to the Chief Information Officers Council

1 and posted it on the Agency's website for comment.
2 The plan was endorsed without objection.

3 I respectfully request approval of this plan by
4 you, the Governor and Cabinet.

5 ATTORNEY GENERAL McCOLLUM: I move Item 2.

6 COMMISSIONER BRONSON: Second.

7 THE COURT: Moved and seconded. Show it
8 approved without objection. Thank you very much.

9 MR. TAYLOR: Thank you.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 GOVERNOR CRIST: Department of Veterans'
2 Affairs, General Milligan.

3 MR. MILLIGAN: Good morning again. We have
4 three agenda items. The first is the minutes of the
5 May 25th Cabinet meeting, and recommend approval.

6 GOVERNOR CRIST: Is there a motion?

7 COMMISSIONER BRONSON: Motion on Item 1.

8 ATTORNEY GENERAL McCOLLUM: Second.

9 GOVERNOR CRIST: Moved and seconded. Show the
10 minutes approved without objection.

11 MR. MILLIGAN: The second item is the quarterly
12 report for the period April 1 through June 30, 2010.
13 The report is complete, and the performance measures
14 covering the activities of the Department meet
15 established standards, and we recommend acceptance.

16 ATTORNEY GENERAL McCOLLUM: Move Item 2.

17 COMMISSIONER BRONSON: Second.

18 GOVERNOR CRIST: Moved and seconded. Show it
19 approved without objection.

20 MR. MILLIGAN: Item 3 relates to rule
21 revisions. We have three rules ready for final
22 adoption. Rule one provides for mandatory annual
23 examination requirements -- a mandatory annual
24 examination requirement for county veteran service
25 officers. Rule two provides for a mandatory

1 training attendance requirement for county veteran
2 service officers.

3 And rule three provides for sanctions to
4 educational institutions found noncompliant with
5 federal VA requirements for participation in veteran
6 education programs. Recommend approval for final
7 adoption.

8 COMMISSIONER BRONSON: Motion.

9 CFO SINK: Second.

10 GOVERNOR CRIST: Moved and seconded. Show it
11 approved without objection.

12 MR. MILLIGAN: Thank you very much.

13 GOVERNOR CRIST: Well done, General. Thank
14 you.

15 MR. MILLIGAN: SBA.

16 GOVERNOR CRIST: SBA. Leading well, General.

17
18
19
20
21
22
23
24
25

1 GOVERNOR CRIST: State Board of Administration.
2 Ash, good morning, sir. How are you?

3 MR. WILLIAMS: Good morning, Governor,
4 Trustees. How is everyone today?

5 CFO SINK: Good.

6 MR. WILLIAMS: Let's see. Item 1, we request
7 approval of a fiscal sufficiency of an amount not
8 exceeding \$72 million State of Florida, Board of
9 Governors, University System Improvement Revenue
10 Refunding Bonds.

11 CFO SINK: Move it.

12 ATTORNEY GENERAL McCOLLUM: Second.

13 GOVERNOR CRIST: Moved and seconded. Show it
14 approved without objection.

15 MR. WILLIAMS: Thank you. Item 2, request
16 approval of a fiscal sufficiency of an amount not
17 exceeding \$71 million State of Florida, Department
18 of Management Services, Florida Facilities Pool
19 Revenue Refunding Bonds.

20 ATTORNEY GENERAL McCOLLUM: Move Item 2.

21 CFO SINK: Second.

22 GOVERNOR CRIST: Moved and seconded. Show it
23 approved without objection.

24 MR. WILLIAMS: Item 3, request approval of the
25 revised Comprehensive Investment Plan for the

1 Stanley G. Tate Florida Prepaid College Program.
2 Revisions were recommended by the Board's investment
3 consultant, Callan Associates, have been approved by
4 the Prepaid College Board. We have reviewed them at
5 the State Board of Administration and concur that
6 they are prudent and well considered and recommend
7 approval.

8 CFO SINK: Move it.

9 ATTORNEY GENERAL McCOLLUM: Second.

10 GOVERNOR CRIST: Moved and seconded. Show it
11 approved without objection.

12 MR. WILLIAMS: Thank you. Item 4, request
13 approval of a fiscal sufficiency of an amount not
14 exceeding \$540 million State of Florida, State Board
15 of Education Lottery Revenue Refunding Bonds.

16 ATTORNEY GENERAL McCOLLUM: Move Item 4.

17 CFO SINK: Second.

18 GOVERNOR CRIST: Moved and seconded. Show it
19 approved without objection. Thank you, Ash.

20 MR. WILLIAMS: Thank you very much.

21 GOVERNOR CRIST: We are concluded.

22 (Whereupon, the meeting was concluded at 9:30
23 a.m.)
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF LEON)

I, Jo Langston, Registered Professional Reporter, do hereby certify that the foregoing pages 4 through 19, both inclusive, comprise a true and correct transcript of the proceeding; that said proceeding was taken by me stenographically and transcribed by me as it now appears; that I am not a relative or employee or attorney or counsel of the parties, or a relative or employee of such attorney or counsel, nor am I interested in this proceeding or its outcome.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of September 2010.

JO LANGSTON
Registered Professional Reporter