

AGENDA

MEETING OF THE
STATE BOARD OF ADMINISTRATION
(Contact Person: Dorothy Westwood – (850) 488-4406)
THE CAPITOL
TALLAHASSEE, FLORIDA
AUGUST 10, 2004

1. APPROVAL OF MINUTES FROM THE MEETING ON JUNE 24, 2004.
(Att. #1)

(ACTION REQUIRED)

2. 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, 2004 SERIES [LETTER DESIGNATION(S) TO BE DETERMINED]:

(ACTION REQUIRED)

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 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2004 Series [Letter Designation(s) to be Determined] (the Bonds) for the purpose of financing capital outlay projects for the State System of Public Education in Florida; 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, and the Thirty-third Supplemental Authorizing Resolution and a sale resolution, both anticipated to be adopted by the State Board of Education on August 17, 2004.

The State Board of Education has heretofore issued Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, Series 1985 through 2003 Series B, of which \$8,599,785,000 in principal amount was outstanding and unpaid on June 30, 2004. The State Board of Education received approval as to fiscal sufficiency for amounts not exceeding \$363,400,000 Public Education Capital Outlay Bonds, 2002 Series (of which \$163,400,000 remains unissued) and \$210,000,000 Public Education Capital Outlay Refunding Bonds, (series to be determined) at the June 26, 2003 meeting of the State Board of Administration, and \$300,000,000 Public Education Capital Outlay Bonds, 2003 Series [letter designation(s) to be determined] (of which \$100,000,000 remains unissued) at the August 12, 2003 meeting of the State Board of Administration (collectively, the Previously Approved Bonds). 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

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Outlay Refunding Bonds, 1993 Series A through 2003 Series B and, if issued, the Previously Approved Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Gross Receipts Taxes indicate that the proposed Bonds and all other outstanding bonds having a lien on the Gross Receipts Taxes 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. (Att. #2)

3. APPROVAL OF THE FISCAL DETERMINATION OF AN AMOUNT NOT EXCEEDING \$75,000,000 FLORIDA HOUSING FINANCE CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS, 2004 (MULTIPLE SERIES TO BE DETERMINED):

(ACTION REQUIRED)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$75,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2004 (multiple series to be determined) (the Bonds) to provide funds to optionally redeem various outstanding series of Single Family Mortgage Revenue Bonds that originally funded below-market rate mortgages for low, moderate or middle income first-time homebuyers.

The Bonds shall not constitute obligations, either general or special, of the State or of any local government thereof; neither the State nor any local government thereof shall be liable thereon. Neither the full faith, revenue, credit nor the taxing power of the State of Florida, or any local governments thereof shall be pledged to the payment of the principal of, premium (if any), or interest on the Bonds. The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor.

RECOMMENDATION: It is recommended that the Board approve the fiscal determination of the proposal outlined above. It is further recommended that, pursuant to the fiscal determination requirements of Subsection 16(c) of Article VII of the revised Constitution of 1968, the Board find and determine that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any other aspect of this bond issue except for fiscal determination. (Att. #3)

4. ANNUAL REPORT ON CORPORATE GOVERNANCE FOR FY 2002-2003. (Att. #4)

(INFORMATION ONLY)