

AGENDA

**MEETING OF THE
STATE BOARD OF ADMINISTRATION
(Contact Person: Dorothy Westwood – (850) 488-4406)
THE CAPITOL
TALLAHASSEE, FLORIDA
JUNE 1, 2005**

1. APPROVAL OF MINUTES FROM THE MEETING ON MAY 17, 2005. (Att. #1)

(ACTION REQUIRED)

2. APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$310,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION REFUNDING BONDS, [SERIES TO BE DESIGNATED]:

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 \$310,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, [Series to be designated] (the Bonds) for the purpose of refunding a portion of the Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 1997A and Series 1997B. The Bonds will be issued pursuant to an authorizing resolution adopted by the Governor and Cabinet on February 28, 1989, as amended and supplemented by various resolutions and an authorizing and sale resolution, which is anticipated to be adopted by the Governor and Cabinet on June 1, 2005.

The Bonds to be issued pursuant to Section 17 of Article VII of the State Constitution and Chapter 88-247, Laws of Florida, are to be secured by a pledge of and shall be payable primarily from motor fuel and special fuel taxes, except those defined in Section 9(c) of Article XII of the State Constitution, as provided by law (the Pledged Gas Taxes), and shall additionally be secured by the full faith and credit of the State. The Division has heretofore issued State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds and Refunding Bonds, Series 1995 through 2005A (the Outstanding Bonds). The Bonds will be issued on a parity as to lien and security for payment from the Pledged Gas Taxes with the Outstanding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Gas Taxes, 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. (Att. #2)

3. APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$265,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2005 SERIES [TO BE DETERMINED]:

(ACTION REQUIRED)

The State Board of Education of Florida has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$265,000,000 State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Refunding Bonds, 2005 Series [to be determined] (the Bonds) for the purpose of refunding a portion of the outstanding 1998 Series A and 2000 Series A Bonds.

The State Board of Education is authorized to issue bonds pledging the full faith and credit of the State payable primarily from funds provided in Subsection (d) of Section 9 of Article XII of the Constitution of Florida, as amended (the School Capital Outlay Amendment), for the purpose of providing funds to finance or refinance capital outlay projects for school purposes in the manner provided therein, upon the application of the School

Boards of the School Districts of the State, and the Boards of Trustees of the Community College Districts of the State.

The Bonds will be issued pursuant to an authorizing resolution adopted by the State Board of Education on February 4, 1992, and the Eighteenth Supplemental Authorizing Resolution and the sale resolution to be adopted by the State Board of Education on June 21, 2005.

State Board of Education of Florida has heretofore issued Capital Outlay Bonds, 1996 Series A through 2005 Series A (the Previous Bonds). The Previous Bonds and the Bonds proposed to be issued shall rank equally and be on a parity in all respects as to lien on and source and security for payment from the State Motor Vehicle License Taxes distributable for the account of certain School Districts and Community College Districts in Florida, under the provisions of said School Capital Outlay Amendment.

A study of this proposal and the estimates of revenue expected to accrue from the Motor Vehicle License Taxes indicate that the proposed Bonds and all other outstanding bonds having a lien on the Motor Vehicle License 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. #3)

4. **APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$125,000,000 STATE OF FLORIDA, TAMPA-HILLSBOROUGH COUNTY EXPRESSWAY AUTHORITY REVENUE REFUNDING BONDS, [SERIES TO BE DESIGNATED]:**

(ACTION REQUIRED)

The Division of Bond Finance of the State Board of Administration (the Division), on behalf of the Tampa-Hillsborough County Expressway Authority, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$125,000,000 State of Florida, Tampa-Hillsborough County Expressway Authority Revenue Refunding Bonds, [Series to be designated] (the Bonds) for the purpose of refunding a portion of the outstanding Series 1997 Bonds. The Bonds will be issued pursuant to the Original Resolution adopted on March 11, 1997, as amended by the Second Supplemental Resolution adopted December 18, 2001, and as supplemented by the Sixth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on June 1, 2005, authorizing the issuance and sale of the Bonds (collectively referred to herein as the Authorizing Resolution).

The proposed Bonds will be secured, along with certain other previously issued parity bonds, by a first lien upon Revenues of the Expressway System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation or leasing of the Expressway System as defined in the Authorizing Resolution. The Division has heretofore issued State of Florida, Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 1997 and 2002. The Division received approval as to fiscal sufficiency for an amount not exceeding \$130,000,000 State of Florida, Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2004 on April 13, 2004, and an amount not exceeding \$120,000,000 State of Florida, Tampa-Hillsborough County Expressway Authority Revenue Bonds, [Series to be designated] on May 3, 2005 (together, the Previously Approved Bonds). The proposed Bonds will be issued on a parity as to lien on and source and security for payment from the pledged revenues with the outstanding and unpaid Series 1997 and 2002 Bonds and, if issued, the Previously Approved 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 fiscal sufficiency of the proposal outlined above. (Att. #4)

5. APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$34,000,000 STATE OF FLORIDA, FLORIDA EDUCATION SYSTEM, FLORIDA STATE UNIVERSITY HOUSING FACILITY REVENUE BONDS, SERIES 2005A:

(ACTION REQUIRED)

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 \$34,000,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005A (the 2005A Bonds) to finance the construction of a student housing facility on the main campus of the Florida State University, to purchase a municipal bond insurance policy, to fund a reserve account, to provide for capitalized interest, if any, and to pay certain costs associated with the issuance and sale of the Series 2005A Bonds. The Series 2005A Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as further amended on October 28, 2003, and as supplemented on February 1, 2005 (the Seventh Supplemental Resolution), and a sale resolution which is anticipated to be adopted on June 1, 2005 (collectively referred to herein as the Resolution).

The Division has heretofore issued Florida State University Housing Facility Revenue Bonds, Series 1993 through 2004A (the Previous Bonds). The Division has also submitted for approval as to fiscal sufficiency amounts not exceeding \$31,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005B (the Series 2005B Bonds) and \$12,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Refunding Bonds, Series (to be determined) (the Refunding Bonds), to be approved at the Board meeting of June 1, 2005. The Series 2005A Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and if issued, the proposed Series 2005B Bonds and Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues indicate that the proposed Series 2005A Bonds and all other outstanding bonds having a lien on the Pledged Revenues 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. #5)

6. APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$31,700,000 STATE OF FLORIDA, FLORIDA EDUCATION SYSTEM, FLORIDA STATE UNIVERSITY HOUSING FACILITY REVENUE BONDS, SERIES 2005B:

(ACTION REQUIRED)

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 \$31,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005B (the Series 2005B Bonds) to finance the construction of a student housing facility on the main campus of the Florida State University, to purchase a municipal bond insurance policy, to fund a reserve account, to provide for capitalized interest, if any, and to pay certain costs associated with the issuance and sale of the Series 2005B Bonds. The Series 2005B Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as further amended on October 28, 2003, and as supplemented on April 19, 2005 (the Eighth Supplemental Resolution), and a sale resolution which is anticipated to be adopted on June 1, 2005 (collectively referred to herein as the Resolution).

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The Division has heretofore issued Florida State University Housing Facility Revenue Bonds, Series 1993 through 2004A (the Previous Bonds). The Division has also submitted for approval as to fiscal sufficiency amounts not exceeding \$34,000,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005A (the Series 2005A Bonds) and \$12,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Refunding Bonds, Series (to be determined) (the Refunding Bonds), to be approved at the Board meeting of June 1, 2005. The Series 2005B Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and if issued, the proposed Series 2005A Bonds and Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues indicate that the proposed Series 2005B Bonds and all other outstanding bonds having a lien on the Pledged Revenues 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. #6)

7. APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$12,700,000 STATE OF FLORIDA, FLORIDA EDUCATION SYSTEM, FLORIDA STATE UNIVERSITY HOUSING FACILITY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

(ACTION REQUIRED)

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 \$12,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Refunding Bonds, Series (to be determined) (the Refunding Bonds) to refund a portion of the Series 1996 Bonds.

The Refunding Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as further amended on October 28, 2003, and the Ninth Supplemental Resolution authorizing the sale and issuance of the Refunding Bonds which is anticipated to be adopted on June 1, 2005 (collectively referred to herein as the Resolution).

The Division has heretofore issued Florida State University Housing Facility Revenue Bonds, Series 1993 through 2004A (the Previous Bonds). The Division has also submitted for approval as to fiscal sufficiency amounts not exceeding \$34,000,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005A (the Series 2005A Bonds) and \$31,700,000 State of Florida, Florida Education System, Florida State University Housing Facility Revenue Bonds, Series 2005B (the Series 2005B Bonds), to be approved at the Board meeting of June 1, 2005. The Refunding Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and if issued, the proposed Series 2005A Bonds and Series 2005B Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues indicate that the proposed Refunding Bonds and all other outstanding bonds having a lien on the Pledged Revenues 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. #7)

8. STATE BOARD OF ADMINISTRATION’S PROPOSED BUDGETS FOR FY 2005-2006.

(ACTION REQUIRED)

- A. It is requested that the State Board of Administration, the Public Employee Optional Retirement Program, and the Florida Hurricane Catastrophe Fund budgets for FY 2005-2006 be approved. (Backup information to follow.)
- B. It is requested that the Division of Bond Finance’s FY 2005-2006 budget be approved. (Backup information to follow.)
- C. It is requested that the Florida Prepaid College Board’s FY 2005-2006 budget be approved. The Florida Prepaid College Board approved this budget request on March 9, 2005. (Backup information to follow.)

9. THE FLORIDA HURRICANE CATASTROPHE FUND REQUESTS APPROVAL OF THE FOLLOWING:

(ACTION REQUIRED)

- A. The Florida Hurricane Catastrophe Fund requests that the Trustees approve filing Rule 19-8.028, F.A.C. (Reimbursement Premium Formula) for adoption.

This rule was the subject of a rule development workshop on January 13, 2005, a rule hearing on May 12, 2005 and, on May 12, 2005, the Advisory Council approved the filing of Rule 19-8.028, F.A.C. along with the forms incorporated therein, for adoption.

A copy of the proposed amended rule (without the incorporated forms previously approved by the Trustees on April 5, 2005) is attached hereto. (Att. #9.A)

- B. The Florida Hurricane Catastrophe Fund requests that the Trustees approve the filing for adoption of Emergency Rule 19ER05-1 (Reimbursement Contract) subject to CS/SB 1486 becoming law.

The emergency rule was approved by the Advisory Council, subject to CS/SB 1486 becoming law, in order to be prepared for the 2005 hurricane season. (Att. #9.B)