

AGENDA

DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION

(Contact person: J. Ben Watkins III - 488-4782)
The Capitol
November 20, 2008

This meeting is open to the public.

1. Approval of minutes of the meeting of October 14, 2008.
(Attachment #1)
2. REPORT OF AWARD ON THE COMPETITIVE SALE OF \$150,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS, 2008 SERIES A, TO THE LOW BIDDER FOR SUCH BONDS.

Bids were received at the office of the Division of Bond Finance at 11:00 a.m. on October 28, 2008, and the bonds were awarded to the low bidder, Barclays Capital, Inc., which submitted a bid at an annual true interest cost rate of 5.4100%. The bonds are scheduled to be delivered on November 20, 2008.

A report of award and tabulation of bids is attached.

(Attachment #2)

3. ADOPTION OF A RESOLUTION DETERMINING THAT THE NEGOTIATED SALE OF CERTAIN BONDS MAY BE DESIRABLE, AUTHORIZING THE NEGOTIATED SALE AND SELECTING UNDERWRITERS FOR SUCH BONDS, AND DELEGATING AUTHORITY TO NEGOTIATE THE SALE OF SUCH BONDS.

The tax-exempt bond market has been very volatile due to extraordinarily difficult conditions in the credit markets which may require the sale of bonds through negotiated sale. The tax-exempt bond market has been characterized by weak demand for tax-exempt bonds from institutional investors, selling pressure from secondary market supply, limited primary market offerings for new money bond issues and extremely volatile interest rates. The current unstable market conditions require access to individual investors and flexibility in structuring and pricing bond issues that is not available through a competitive sale. The Division believes it is prudent to plan for negotiated bond sales in order to access the tax-exempt bond market at the lowest possible interest rate.

A selection committee has ranked respondent firms and made a recommendation of such firms to the governing board of the Division of Bond Finance. The selected firms will act as underwriters to the Division of Bond Finance on an as needed basis for the designated bond issues.

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