

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, Florida
December 13, 2017

This meeting is open to the public.

1. Approval of minutes of the meeting of October 17, 2017.

Attachment #1

2. Report of award on the following competitive bond sales:

- A. \$75,125,000 Department of Environmental Protection, Florida Forever Revenue Refunding Bonds, Series 2017A

Bids were received at the office of the Division of Bond Finance on October 24, 2017. The bonds were awarded to the low bidder, Wells Fargo Bank, National Association, which submitted a bid at an annual true interest cost rate of 1.8820%. The bonds were delivered on November 30, 2017.

The bonds were issued to refund the Series 2008B Bonds. The average interest rate on the bonds being refunded is 5.00% compared to the interest rate of 1.88% on the refunding bonds. The refunding is expected to generate gross debt service savings of \$18.4 million, present value savings of \$15.1 million, or 15.3% of the principal amount being refunded.

A report on the sale and tabulation of bids is attached.

Attachment #2

- B. \$239,705,000 State Board of Education Lottery Revenue Refunding Bonds, Series 2017A

Bids were received at the office of the Division of Bond Finance on November 7, 2017. The bonds were awarded to the low bidder Wells Fargo Bank, National Association, which submitted a bid at an annual true interest cost rate of 1.8610%. The bonds were delivered on December 7, 2017.

The bonds were issued to refund the Series 2008B and 2009A Bonds. The average interest rate on the bonds being refunded is 5.20% compared to the interest rate of 1.86% on the refunding bonds. The refunding is expected to generate gross debt service savings of \$63.1 million, present value savings of \$52.3 million, or 16.6% of the principal amount being refunded.

A report on the sale and tabulation of bids is attached.

Attachment #3

C. \$38,450,000 Board of Governors, University System Improvement Revenue Refunding Bonds, Series 2017B

Bids were received at the office of the Division of Bond Finance on November 28, 2017. The bonds were awarded to the low bidder, Morgan Stanley & Co, LLC, which submitted a bid at an annual true interest cost rate of 2.7776%. The bonds will be delivered on December 28, 2017.

The bonds are being issued to refund the Series 2008A Bonds. The average interest rate on the bonds being refunded is 6.27% compared to the interest rate of 2.78% on the refunding bonds. The refunding is expected to generate gross debt service savings of \$15.0 million, present value savings of \$11.1 million, or 24.5% of the principal amount being refunded.

A report on the sale and tabulation of bids is attached.

Attachment #4

3. Adoption of resolutions authorizing the issuance and competitive sale of \$325,000,000 Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds.

The bonds will be payable primarily 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 refund certain outstanding Public Education Capital Outlay Bonds for debt service savings.

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

(Recommend)

4. Adoption of a resolution authorizing the issuance and the competitive sale of \$100,000,000 Department of Transportation Turnpike Revenue Refunding Bonds.

The bonds will be payable from tolls and other revenues of the Florida Turnpike System. The bonds will not be secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding bonds of the Turnpike System for debt service savings.

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

(Recommend)

5. 2017 Debt Affordability Report.

The Division of Bond Finance is required to prepare and deliver to the Governing Board and legislative leadership a debt affordability report containing the information required by Section 215.98, Florida Statutes. The 2017 Debt Affordability Report satisfies the requirements of Section 215.98, Florida Statutes.