

MEETING OF THE STATE BOARD OF ADMINISTRATION

**GOVERNOR SCOTT AS CHAIRMAN
CHIEF FINANCIAL OFFICER ATWATER
ATTORNEY GENERAL BONDI**

March 10, 2015

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AGENDA

ITEM 1. REQUEST APPROVAL OF THE MINUTES OF THE FEBRUARY 5, 2015 MEETING.

(See Attachment 1-A)

ACTION REQUIRED

ITEM 2. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$590,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2015 SERIES (TO BE DETERMINED)

(See Attachment 2-A)

ACTION REQUIRED

ITEM 3. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$40,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS,FLORIDA STATE UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2015A

(See Attachment 3-A)

ACTION REQUIRED

ITEM 4. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$27,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 4-A)

ACTION REQUIRED

ITEM 5. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$32,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 5-A)

ACTION REQUIRED

ITEM 6. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$195,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2015A

(See Attachment 6-A)

ACTION REQUIRED

ITEM 7. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$80,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 7-A)

ACTION REQUIRED

ITEM 8. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$300,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 8-A)

ACTION REQUIRED

STATE OF FLORIDA
GOVERNOR AND CABINET MEETING

February 5, 2015

9:00 a.m.

Florida State Fair
Bob Thomas Equestrian Center
4800 U.S. Highway 301 North
Tampa, Florida 33610

Reported By:

Penny M. Appleton, Court Reporter

Murray & Associates Court Reporting
1875 N. Belcher Road
Clearwater, Florida 33765 (727) 725-9157

A P P E A R A N C E S

CABINET MEMBERS:

Governor Rick Scott

Attorney General Pam Bondi

Chief Financial Officer Jeff Atwater

Commissioner of Agriculture Adam Putnam

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1 GOVERNOR SCOTT: Thank you.

2 Thank you, John.

3 Next is Ash Williams with the State Board of
4 Administration. Afternoon, Ash.

5 MR. WILLIAMS: Good afternoon, Governor, Trustees.
6 Our usual update as an opener, as of last night's
7 close, February 4, fiscal year to date the fund is up
8 1.22 percent. That's 102 basis points ahead of target.
9 The balance stands at \$147.1 billion. That's actually
10 down 2 billion from the beginning of the fiscal year.
11 Item 1, request approval of the minutes for the
12 November 12 and December 9, 2014, meetings.

13 GOVERNOR SCOTT: Is there a motion to approve?

14 ATTORNEY GENERAL BONDI: So moved.

15 GOVERNOR SCOTT: Is there a second?

16 CFO ATWATER: Second.

17 MR. WILLIAMS: Thank you. Item 2, request
18 approval of a fiscal determination in connection with
19 the issuance of an amount not exceeding \$13,300,000
20 Florida Housing Finance Corporation Multifamily
21 Mortgage Revenue Bonds. This is for the acquisition
22 and rehabilitation of a multifamily residential
23 facility in Duval County, Jacksonville, Florida.
24 Request approval.

25 GOVERNOR SCOTT: I'm going to go back to the last

1 one. Were there any comments or objections?

2 ATTORNEY GENERAL BONDI: No.

3 GOVERNOR SCOTT: All right. Hearing none, that
4 one carries. Now is there a motion to approve this
5 item?

6 (Commissioner Putnam stepped out.)

7 ATTORNEY GENERAL BONDI: So moved.

8 GOVERNOR SCOTT: Is there a second?

9 CFO ATWATER: Second.

10 GOVERNOR SCOTT: Any comments or objections?

11 Hearing none, the motion carries.

12 MR. WILLIAMS: Thank you. Item 3, request
13 approval of a fiscal determination in connection with
14 the issuance of an amount not exceeding \$7,300,000
15 Florida Housing Finance Corporation Multifamily
16 Mortgage Revenue Bonds. This is another acquisition
17 and rehabilitation project in Jackson County, Florida,
18 Marianna Gardens Apartments. Request approval.

19 (Commissioner Putnam returned.)

20 GOVERNOR SCOTT: Is there a motion to approve?

21 ATTORNEY GENERAL BONDI: So moved.

22 GOVERNOR SCOTT: Is there a second?

23 CFO ATWATER: Second.

24 GOVERNOR SCOTT: Any comments or objections?

25 Hearing none, the motion carries.

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MR. WILLIAMS: Thank you.

GOVERNOR SCOTT: Thank you.

* * *

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$590,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2015 SERIES (TO BE DETERMINED):

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 \$590,000,000 Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding 2003 Series D, 2004 Series C, 2005 Series A, 2005 Series B and 2005 Series E Public Education Capital Outlay Bonds, and to pay certain costs of issuance; 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 Fifty-eighth Supplemental Authorizing Resolution and a sale resolution adopted by the State Board of Education on November 18, 2014.

The State Board of Education has heretofore issued Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1999 Series D through 2015 Series A. The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$560,000,000 Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined) (the "2015 Series Refunding Bonds") at its December 9, 2014, meeting, of which \$326,175,000 remains unissued. 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 Outlay Refunding Bonds, 1999 Series D through 2015 Series A and the remaining portion of the 2015 Series Refunding Bonds when and if issued.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING
\$590,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF
EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS,
2015 SERIES (TO BE DETERMINED)**

WHEREAS, the State Board of Education of Florida proposes to issue an amount not exceeding \$590,000,000 Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding 2003 Series D, 2004 Series C, 2005 Series A, 2005 Series B and 2005 Series E Public Education Capital Outlay Bonds, and to pay certain costs of issuance; 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; and,

WHEREAS, 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 Fifty-eighth Supplemental Authorizing Resolution and a sale resolution adopted by the State Board of Education on November 18, 2014; and,

WHEREAS, the proposed Bonds shall be secured by a lien upon the Gross Receipts Taxes which are required to be deposited in the Public Education Capital Outlay and Debt Service Trust Fund administered by the State Board of Education of Florida (the "Gross Receipts Taxes"), and the Bonds are additionally secured by a pledge of the full faith and credit of the State of Florida; and,

WHEREAS, the State Board of Education has heretofore issued Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1999 Series D through 2015 Series A; and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$560,000,000 Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined) (the "2015 Series Refunding Bonds") at its December 9, 2014, meeting, of which \$326,175,000 remains unissued; and,

WHEREAS, 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 Outlay Refunding Bonds, 1999 Series D through 2015 Series A and the remaining portion of the 2015 Series Refunding Bonds when and if issued; and,

WHEREAS, the Division of Bond Finance has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body as described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, that the proposal of the State Board of Education of Florida to issue an amount not exceeding \$590,000,000 Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined), is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015

STATE OF FLORIDA)

:

COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body as described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 10, 2015, approving the fiscal sufficiency of an amount not exceeding \$590,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 10th day of March 2015.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 10, 2015

Mr. Ashbel C. Williams
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$590,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2015 Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request fiscal sufficiency approval at your board meeting of March 10, 2015.

The bonds will be payable from gross receipts taxes and are additionally secured by the full faith and credit of the State of Florida. The bonds will be on a parity with the previously issued 1999 Series D through 2014 Series A Bonds and, when and if issued, the \$326.175 million remaining balance of the \$560 million Public Education Capital Outlay Refunding Bonds approved for fiscal sufficiency on December 9, 2014.

The proposed bonds will be issued to refund all or a portion of the outstanding 2003 Series D, 2004 Series C, 2005 Series A, 2005 Series B and 2005 Series E Public Education Capital Outlay Bonds, and to pay costs associated with the issuance and sale of the proposed bonds. The bonds will only be issued if there is a savings.

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 Fifty-eighth Supplemental Authorizing Resolution and a sale resolution adopted by the State Board of Education on November 18, 2014, copies of which have been provided to you previously.

February 10, 2015

Page Two

Enclosed for your review are the following:

Enclosure 1: An estimated coverage table based upon the project gross receipts tax revenues from the December 2014 Revenue Estimating Conference. Coverage is based on existing program debt service, but does not include the potential savings from the proposed refunding bonds or the \$326.175 million remaining balance of the \$560 million PECO refunding bonds approved for fiscal sufficiency on December 9, 2014;

Enclosure 2: an estimated savings schedule for the proposed refunding bonds; and

Enclosure 3: the gross receipts tax estimates from the December 2014 Revenue Estimating Conference.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Kim Nichols of this office for review. Should you have any questions, please contact myself, Donna Biggins or Kim Nichols at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,



J. Ben Watkins III
Director

JBW:kjn

Enclosures

cc: Anthony Doheny
Robert Copeland

**State of Florida, Full Faith and Credit
State Board of Education Public Education Capital Outlay Bonds**

Estimated Coverage Table

Fiscal Year	Gross Receipts Taxes ¹	Debt Service on Outstanding PECO Bonds ²	Subsidy ³	Net Debt Service	Debt Service Coverage ⁴
<i>Historical</i>					
2010	\$1,097,658,978	\$926,822,204	(\$4,614,932)	\$922,207,272	1.19x
2011	1,071,648,704	951,149,531	(12,676,457)	938,473,074	1.14x
2012	1,035,289,306	974,966,138	(12,676,457)	962,289,681	1.08x
2013	1,003,047,943	958,634,195	(12,125,031)	946,509,164	1.06x
2014	1,005,357,521	921,106,006	(11,763,752)	909,342,254	1.11x
<i>Projected</i>					
2015	\$1,160,790,000	\$899,467,568	(\$11,751,076)	\$886,989,853	1.31x
2016	1,184,620,000	896,343,056	(11,707,567)	880,315,529	1.35x
2017	1,207,030,000	896,264,376	(11,658,675)	880,285,491	1.37x
2018	1,227,800,000	874,303,886	(11,602,856)	858,385,320	1.43x
2019	1,247,390,000	887,003,639	(11,469,500)	871,217,678	1.43x
2020	1,266,860,000	881,676,970	(11,224,737)	866,140,273	1.46x
2021	1,285,020,000	902,042,314	(10,894,214)	886,835,890	1.45x
2022	1,303,800,000	908,464,483	(10,544,844)	893,612,928	1.46x
2023	1,323,980,000	872,056,834	(10,174,471)	857,576,902	1.54x
2024	1,344,390,000	787,266,856	(9,780,731)	773,178,165	1.74x
2025	1,344,390,000	726,870,428	(10,103,673)	712,448,044	1.89x
2026	1,344,390,000	580,847,386	(9,623,568)	566,901,859	2.37x
2027	1,344,390,000	550,424,015	(9,120,732)	536,975,573	2.50x
2028	1,344,390,000	522,385,060	(8,586,631)	511,958,810	2.63x
2029	1,344,390,000	494,480,755	(8,027,736)	484,612,239	2.77x
2030	1,344,390,000	470,444,028	(7,441,255)	463,002,773	2.90x
2031	1,344,390,000	448,275,743	(6,825,999)	441,449,743	3.05x
2032	1,344,390,000	427,499,553	(6,179,159)	421,320,394	3.19x
2033	1,344,390,000	384,710,493	(5,507,864)	379,202,628	3.55x
2034	1,344,390,000	344,624,456	(4,811,301)	339,813,155	3.96x
2035	1,344,390,000	321,274,151	(4,088,353)	317,185,799	4.24x
2036	1,344,390,000	282,630,174	(3,338,210)	279,291,964	4.81x
2037	1,344,390,000	235,995,141	(2,550,034)	233,445,108	5.76x
2038	1,344,390,000	147,027,781	(1,731,643)	145,296,139	9.25x
2039	1,344,390,000	84,008,124	(882,111)	83,126,013	16.17x
2040	1,344,390,000	38,563,450	0	38,563,450	34.86x
2041	1,344,390,000	4,641,000	0	4,641,000	289.68x
		<u>\$14,869,591,716</u>	<u>(\$199,626,938)</u>	<u>\$14,613,772,720</u>	

¹ Estimates of gross receipts tax collections for Fiscal Years 2015 through 2024 as adopted by the Florida Revenue Estimating Conference held in December 2014. The projections for Fiscal Year 2024 have been held constant for future years; however, no representation is made that the amounts shown will be collected.

² Does not include the effects of the proposed refunding which will be an economic refunding with the escrow invested in a SPIA account with the State Treasury. The refunded bonds will not be legally defeased and will be called for redemption on June 1, 2015. Also excluded are the bonds refunded by the 2014 Series B, 2014 Series C and 2015 Series A Bonds, which were economic refundings with escrows invested in the State Treasury. Those previously refunded bonds are not legally defeased and will be called for redemption on June 1, 2015.

³ Expected federal subsidy payments for Build America Bonds 2006 Series G, 2007 Series G, 2008 Series D and 2009 Series F. The expected subsidy payments through fiscal year 2024 have been reduced by 7.3% from the originally expected amounts to account for the currently expected reductions resulting from sequestration. The actual reductions to future subsidy payments as a result of sequestration are still to be determined.

⁴ Coverage based on Net Debt Service.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$40,500,000
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY
DORMITORY REVENUE BONDS, SERIES 2015A:**

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 \$40,500,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the Florida State University and paying costs associated with the issuance and sale of the Bonds.

The 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 amended on October 28, 2003, and September 20, 2011, and the Fifteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida State University Housing Facility and Dormitory Revenue and Revenue Refunding Bonds, Series 1993 through 2014A (the "Outstanding Bonds"). The Division has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$27,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") for approval at the March 10, 2015, meeting of the State Board of Administration. The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds and the Refunding Bonds when and if approved and issued.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$40,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA STATE UNIVERSITY DORMITORY
REVENUE BONDS, SERIES 2015A**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$40,500,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the Florida State University and paying costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the 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 amended on October 28, 2003, and September 20, 2011, and the Fifteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively, the "Resolution"); and,

WHEREAS, the principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Division has heretofore issued Florida State University Housing Facility and Dormitory Revenue and Revenue Refunding Bonds, Series 1993 through 2014A (the "Outstanding Bonds"); and,

WHEREAS, the Division has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$27,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") for approval at the March 10, 2015, meeting of the State Board of Administration; and,

WHEREAS, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds and the Refunding Bonds when and if approved and issued; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the Florida State University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

WHEREAS, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement;
Now, Therefore,

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$40,500,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 11, 2015

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$40,500,000 State of Florida, Board of Governors, Florida State University
Dormitory Revenue Bonds, Series 2015A

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The bonds will be issued to finance the construction of a student housing facility on the main campus of the University and to pay costs associated with the issuance and sale of the bonds.

The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from rental income. The bonds will be payable on a parity with the outstanding Florida State University Housing Facility Revenue and Dormitory Revenue Bonds, Series 1993 through 2014A and the not exceeding \$27,000,000 Florida State University Dormitory Revenue Refunding Bonds also requested for fiscal sufficiency approval on March 10, 2015, when and if issued. The remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bonds should be rescinded.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and as restated on July 25, 2000, as amended on October 28, 2003 and September 20, 2011, and the Fifteenth Supplemental Resolution anticipated to be adopted on March 10, 2015. The Original Resolution and the amending resolutions have been previously provided with prior fiscal sufficiency requests.

Mr. Williams
February 11, 2015
Page Two

Enclosed for your review are the following:

- Enclosure 1: An estimated coverage table for the program, including the proposed \$40,500,000 bonds, but without considering the potential savings from the proposed \$27,000,000 refunding bonds also anticipated to be approved on March 10, 2015;
- Enclosure 2: an estimated debt service schedule for the proposed bonds; and
- Enclosure 3: a draft copy of the Fifteenth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Kim Nichols of this office for review. Should you have any questions, please contact either myself, Donna Biggins or Kim Nichols at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW:kjn

Enclosures

cc: Anthony Doheny
Robert Copeland

**STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA STATE UNIVERSITY
DORMITORY REVENUE BONDS**

ESTIMATED DEBT SERVICE COVERAGE

Year Ending June 30	Gross Revenues	Current Expenses	Pledged Revenue	Outstanding Debt Service ¹	Estimated Debt Service 2015A Bonds			Total Estimated Debt Service	Debt Service Coverage
					Principal	Interest	Total		
<i>Historical²</i>									
2010	\$32,670,761	\$16,301,053	\$16,369,708	\$8,843,447				\$8,843,447	1.85x
2011	34,045,134	15,777,800	18,267,334	9,690,729				9,690,729	1.89x
2012	35,638,656	16,415,729	19,222,927	9,812,690				9,812,690	1.96x
2013	39,011,272	15,963,165	23,048,107	9,630,714				9,630,714	2.39x
2014	42,205,883	18,192,541	24,013,342	11,165,702				11,165,702	2.15x
<i>Projected³</i>									
2015	\$42,033,545	\$17,606,469	\$24,427,076	\$11,449,115				\$11,449,115	2.13x
2016	42,121,157	18,117,193	24,003,964	12,818,588	-	2,328,750	2,328,750	15,147,338	1.58x
2017	42,963,580	18,602,366	24,361,214	12,818,988	-	2,328,750	2,328,750	15,147,738	1.61x
2018	44,298,553	19,101,741	25,196,812	12,802,388	1,340,000	2,328,750	3,668,750	16,471,138	1.53x
2019	45,184,523	19,615,769	25,568,754	12,793,938	1,420,000	2,251,700	3,671,700	16,465,638	1.55x
2020	45,184,523	19,615,769	25,568,754	12,809,169	1,500,000	2,170,050	3,670,050	16,479,219	1.55x
2021	45,184,523	19,615,769	25,568,754	12,797,144	1,585,000	2,083,800	3,668,800	16,465,944	1.55x
2022	45,184,523	19,615,769	25,568,754	12,803,125	1,680,000	1,992,663	3,672,663	16,475,788	1.55x
2023	45,184,523	19,615,769	25,568,754	12,625,625	1,775,000	1,896,063	3,671,063	16,296,688	1.57x
2024	45,184,523	19,615,769	25,568,754	12,178,475	1,875,000	1,794,000	3,669,000	15,847,475	1.61x
2025	45,184,523	19,615,769	25,568,754	12,175,225	1,985,000	1,686,188	3,671,188	15,846,413	1.61x
2026	45,184,523	19,615,769	25,568,754	12,177,275	2,100,000	1,572,050	3,672,050	15,849,325	1.61x
2027	45,184,523	19,615,769	25,568,754	11,318,050	2,220,000	1,451,300	3,671,300	14,989,350	1.71x
2028	45,184,523	19,615,769	25,568,754	11,318,550	2,345,000	1,323,650	3,668,650	14,987,200	1.71x
2029	45,184,523	19,615,769	25,568,754	11,313,200	2,480,000	1,188,813	3,668,813	14,982,013	1.71x
2030	45,184,523	19,615,769	25,568,754	11,317,063	2,625,000	1,046,213	3,671,213	14,988,275	1.71x
2031	45,184,523	19,615,769	25,568,754	10,767,544	2,775,000	895,275	3,670,275	14,437,819	1.77x
2032	45,184,523	19,615,769	25,568,754	9,681,869	2,935,000	735,713	3,670,713	13,352,581	1.91x
2033	45,184,523	19,615,769	25,568,754	9,672,838	3,105,000	566,950	3,671,950	13,344,788	1.92x
2034	45,184,523	19,615,769	25,568,754	6,159,313	3,285,000	388,413	3,673,413	9,832,725	2.60x
2035	45,184,523	19,615,769	25,568,754	5,175,894	3,470,000	199,525	3,669,525	8,845,419	2.89x
2036	45,184,523	19,615,769	25,568,754	1,153,925	-	-	-	1,153,925	22.16x
2037	45,184,523	19,615,769	25,568,754	1,155,463	-	-	-	1,155,463	22.13x
2038	45,184,523	19,615,769	25,568,754	1,154,863	-	-	-	1,154,863	22.14x
2039	45,184,523	19,615,769	25,568,754	1,152,125	-	-	-	1,152,125	22.19x
2040	45,184,523	19,615,769	25,568,754	1,152,250	-	-	-	1,152,250	22.19x

¹ Does not include the effects of the proposed refunding. It is anticipated the refunded bonds will be called for redemption immediately following delivery of the proposed refunding bonds. Also excluded are the bonds refunded by the 2014A Bonds, which were economically defeased with the escrow invested in the State Treasury. The previously refunded bonds are not legally defeased and will be called for redemption on May 1, 2015.

² Revenues and expenses for Fiscal Years 2009 through 2013 have been provided by the University.

³ Projected revenues and expenses for Fiscal Years 2015 through 2019 have been provided by the University. Projections provided by the University for Fiscal Year 2019 have been held constant thereafter. No representation is made that the amounts shown will be collected.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$27,000,000
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY
DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):**

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 \$27,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 1999, 2004A and 2005A Bonds.

The 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 amended on October 28, 2003, and September 20, 2011, and the Sixteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida State University Housing Facility and Dormitory Revenue and Revenue Refunding Bonds, Series 1993 through 2014A (the "Outstanding Bonds"). The Division has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$40,500,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A (the "2015A Bonds") at its March 10, 2015, meeting of the State Board of Administration. The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds and the 2015A Bonds when and if approved and issued.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$27,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA STATE UNIVERSITY DORMITORY
REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$27,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 1999, 2004A and 2005A Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the 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 amended on October 28, 2003, and September 20, 2011, and the Sixteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively, the "Resolution"); and,

WHEREAS, the principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Division has heretofore issued Florida State University Housing Facility and Dormitory Revenue and Revenue Refunding Bonds, Series 1993 through 2014A (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$40,500,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A (the "2015A Bonds") at its March 10, 2015, meeting; and,

WHEREAS, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds and the 2015A Bonds when and if approved and issued; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the Florida State University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

WHEREAS, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement;
Now, Therefore,

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$27,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

POST OFFICE BOX 13300
TALLAHASSEE, FLORIDA 32317-3300
(Address mail to P.O. Box; deliveries to street address)

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 11, 2015

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$27,000,000 State of Florida, Board of Governors, Florida State University
Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The proposed bonds will be issued to refund all or a portion of the outstanding Series 1993, 2004A and 2005A Bonds and to pay costs associated with the issuance and sale of the bonds and will only be issued if there is a debt service savings derived from the transaction.

The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from rental income. The bonds will be payable on a parity with the outstanding Florida State University Housing Facility Revenue and Dormitory Revenue Bonds, Series 1993 through 2014A and the not exceeding \$40,500,000 Florida State University Dormitory Revenue Bonds also requested for fiscal sufficiency approval on March 10, 2015, when and if issued.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and as restated on July 25, 2000, as amended on October 28, 2003 and September 20, 2011, and the Sixteenth Supplemental Resolution anticipated to be adopted on March 10, 2015. The Original Resolution and the amending resolutions have been previously provided with prior fiscal sufficiency requests.

Mr. Williams
February 11, 2015
Page Two

Enclosed for your review are the following:

- Enclosure 1: An estimated coverage table for the program based on outstanding debt service without consideration of the potential savings from the proposed refunding bonds, but including the not exceeding \$40,500,000 revenue bonds also anticipated to be approved on March 10, 2015;
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds; and
- Enclosure 3: a draft copy of the Sixteenth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Kim Nichols of this office for review. Should you have any questions, please contact either myself, Donna Biggins or Kim Nichols at 488-4782. Your consideration of this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Ben Watkins III". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

J. Ben Watkins III
Director

JBW:kjn

Enclosures

cc: Anthony Doheny
Robert Copeland

**STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA STATE UNIVERSITY
DORMITORY REVENUE BONDS**

ESTIMATED DEBT SERVICE COVERAGE

Year Ending June 30	Gross Revenues	Current Expenses	Pledged Revenue	Outstanding Debt Service ¹	Estimated Debt Service 2015A Bonds			Total Estimated Debt Service	Debt Service Coverage
					Principal	Interest	Total		
<i>Historical²</i>									
2010	\$32,670,761	\$16,301,053	\$16,369,708	\$8,843,447				\$8,843,447	1.85x
2011	34,045,134	15,777,800	18,267,334	9,690,729				9,690,729	1.89x
2012	35,638,656	16,415,729	19,222,927	9,812,690				9,812,690	1.96x
2013	39,011,272	15,963,165	23,048,107	9,630,714				9,630,714	2.39x
2014	42,205,883	18,192,541	24,013,342	11,165,702				11,165,702	2.15x
<i>Projected³</i>									
2015	\$42,033,545	\$17,606,469	\$24,427,076	\$11,449,115				\$11,449,115	2.13x
2016	42,121,157	18,117,193	24,003,964	12,818,588	-	2,328,750	2,328,750	15,147,338	1.58x
2017	42,963,580	18,602,366	24,361,214	12,818,988	-	2,328,750	2,328,750	15,147,738	1.61x
2018	44,298,553	19,101,741	25,196,812	12,802,388	1,340,000	2,328,750	3,668,750	16,471,138	1.53x
2019	45,184,523	19,615,769	25,568,754	12,793,938	1,420,000	2,251,700	3,671,700	16,465,638	1.55x
2020	45,184,523	19,615,769	25,568,754	12,809,169	1,500,000	2,170,050	3,670,050	16,479,219	1.55x
2021	45,184,523	19,615,769	25,568,754	12,797,144	1,585,000	2,083,800	3,668,800	16,465,944	1.55x
2022	45,184,523	19,615,769	25,568,754	12,803,125	1,680,000	1,992,663	3,672,663	16,475,788	1.55x
2023	45,184,523	19,615,769	25,568,754	12,625,625	1,775,000	1,896,063	3,671,063	16,296,688	1.57x
2024	45,184,523	19,615,769	25,568,754	12,178,475	1,875,000	1,794,000	3,669,000	15,847,475	1.61x
2025	45,184,523	19,615,769	25,568,754	12,175,225	1,985,000	1,686,188	3,671,188	15,846,413	1.61x
2026	45,184,523	19,615,769	25,568,754	12,177,275	2,100,000	1,572,050	3,672,050	15,849,325	1.61x
2027	45,184,523	19,615,769	25,568,754	11,318,050	2,220,000	1,451,300	3,671,300	14,989,350	1.71x
2028	45,184,523	19,615,769	25,568,754	11,318,550	2,345,000	1,323,650	3,668,650	14,987,200	1.71x
2029	45,184,523	19,615,769	25,568,754	11,313,200	2,480,000	1,188,813	3,668,813	14,982,013	1.71x
2030	45,184,523	19,615,769	25,568,754	11,317,063	2,625,000	1,046,213	3,671,213	14,988,275	1.71x
2031	45,184,523	19,615,769	25,568,754	10,767,544	2,775,000	895,275	3,670,275	14,437,819	1.77x
2032	45,184,523	19,615,769	25,568,754	9,681,869	2,935,000	735,713	3,670,713	13,352,581	1.91x
2033	45,184,523	19,615,769	25,568,754	9,672,838	3,105,000	566,950	3,671,950	13,344,788	1.92x
2034	45,184,523	19,615,769	25,568,754	6,159,313	3,285,000	388,413	3,673,413	9,832,725	2.60x
2035	45,184,523	19,615,769	25,568,754	5,175,894	3,470,000	199,525	3,669,525	8,845,419	2.89x
2036	45,184,523	19,615,769	25,568,754	1,153,925	-	-	-	1,153,925	22.16x
2037	45,184,523	19,615,769	25,568,754	1,155,463	-	-	-	1,155,463	22.13x
2038	45,184,523	19,615,769	25,568,754	1,154,863	-	-	-	1,154,863	22.14x
2039	45,184,523	19,615,769	25,568,754	1,152,125	-	-	-	1,152,125	22.19x
2040	45,184,523	19,615,769	25,568,754	1,152,250	-	-	-	1,152,250	22.19x

¹ Does not include the effects of the proposed refunding. It is anticipated the refunded bonds will be called for redemption immediately following delivery of the proposed refunding bonds. Also excluded are the bonds refunded by the 2014A Bonds, which were economically defeased with the escrow invested in the State Treasury. The previously refunded bonds are not legally defeased and will be called for redemption on May 1, 2015.

² Revenues and expenses for Fiscal Years 2009 through 2013 have been provided by the University.

³ Projected revenues and expenses for Fiscal Years 2015 through 2019 have been provided by the University. Projections provided by the University for Fiscal Year 2019 have been held constant thereafter. No representation is made that the amounts shown will be collected.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$32,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

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 \$32,000,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2004A Bonds and to pay costs associated with the issuance and sale of the Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively referred to herein as the "Resolution"). The Division has heretofore issued Florida International University Dormitory Revenue Bonds, Series 2004A through 2012A (collectively, the "Outstanding Bonds"). The 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 Outstanding Bonds.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$32,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE REFUNDING
BONDS, SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$32,000,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2004A Bonds and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015 (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has heretofore issued Florida International University Dormitory Revenue Bonds, Series 2004A through 2012A (collectively, the "Outstanding Bonds"); and,

WHEREAS, the 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 described in the Resolution, and in all other respects, with the Outstanding Bonds; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefor, as described in the Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, Florida International University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds and all other issues secured by the same pledged revenues exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

WHEREAS, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement;
Now, Therefore,

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$32,000,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

POST OFFICE BOX 13300
TALLAHASSEE, FLORIDA 32317-3300
(Address mail to P.O. Box; deliveries to street address)

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 20, 2015

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$32,000,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The proposed bonds are being issued to refund all or a portion of the outstanding Series 2004A Bonds and to pay costs associated with the issuance and sale of the proposed bonds. The bonds will only be issued if there is a savings derived from the transaction. The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from student housing rental income. The bonds will be payable on a parity with the previously issued Florida International University Dormitory Revenue Bonds, Series 2004A through 2012A.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution anticipated to be adopted on March 10, 2015 (the "Seventh Supplemental Resolution") authorizing the issuance and the sale of bonds. The Original Resolution and the previously adopted supplemental resolutions have already been provided to you with prior fiscal sufficiency requests. The Seventh Supplemental Resolution will be provided as soon as it's available.

February 20, 2015
Page Two

Enclosed for your review are the following:

- Enclosure 1: an estimated coverage table for the program without considering the potential savings from the proposed refunding bonds;
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed bonds; and
- Enclosure 3: A draft copy of the Seventh Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Nora Wittstruck of this office for review. Should you have any questions, please contact either myself, Donna Biggins or Nora Wittstruck at 488-4782. Your consideration of this matter is appreciated.

Sincerely,



J. Ben Watkins III
Director

JBW:nw

Enclosures

cc: Anthony Doheny
Janie Knight
Robert Copeland

**STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA INTERNATIONAL UNIVERSITY
DORMITORY REVENUE REFUNDING BONDS
FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$32,000,000
ESTIMATED DEBT SERVICE COVERAGE**

Year Ending June 30	Operating Revenues	Current Expenses ¹	Pledged Revenue	Outstanding Debt Service ⁴	Debt Service Coverage
<i>Historical²</i>					
2010	\$23,517,686	\$12,418,545	\$11,099,141	\$7,124,129	1.56x
2011	26,003,372	13,886,283	12,117,089	7,129,454	1.70x
2012	25,069,322	14,048,563	11,020,759	7,253,378	1.52x
2013	25,991,329	14,148,524	11,842,805	8,666,438	1.37x
2014	31,070,030	15,689,733	15,380,297	9,696,088	1.59x
<i>Projected³</i>					
2015	\$28,251,144	\$14,470,475	\$13,780,669	\$9,702,238	1.42x
2016	28,838,673	15,933,336	12,905,337	9,694,038	1.33x
2017	29,513,093	16,305,952	13,207,141	7,620,738	1.73x
2018	30,395,935	16,793,721	13,602,214	7,619,188	1.79x
2019	31,305,262	17,296,124	14,009,138	7,619,488	1.84x
2020	31,305,262	17,296,124	14,009,138	7,613,888	1.84x
2021	31,305,262	17,296,124	14,009,138	7,621,188	1.84x
2022	31,305,262	17,296,124	14,009,138	7,624,363	1.84x
2023	31,305,262	17,296,124	14,009,138	7,614,713	1.84x
2024	31,305,262	17,296,124	14,009,138	7,617,175	1.84x
2025	31,305,262	17,296,124	14,009,138	7,682,369	1.82x
2026	31,305,262	17,296,124	14,009,138	6,716,494	2.09x
2027	31,305,262	17,296,124	14,009,138	6,710,819	2.09x
2028	31,305,262	17,296,124	14,009,138	6,707,619	2.09x
2029	31,305,262	17,296,124	14,009,138	5,081,469	2.76x
2030	31,305,262	17,296,124	14,009,138	5,081,944	2.76x
2031	31,305,262	17,296,124	14,009,138	5,081,244	2.76x
2032	31,305,262	17,296,124	14,009,138	5,084,144	2.76x
2033	31,305,262	17,296,124	14,009,138	5,085,219	2.75x
2034	31,305,262	17,296,124	14,009,138	5,084,244	2.76x
2035	31,305,262	17,296,124	14,009,138	2,866,019	4.89x
2036	31,305,262	17,296,124	14,009,138	2,862,331	4.89x
2037	31,305,262	17,296,124	14,009,138	2,865,138	4.89x
2038	31,305,262	17,296,124	14,009,138	2,864,025	4.89x
2039	31,305,262	17,296,124	14,009,138	2,860,963	4.90x
2040	31,305,262	17,296,124	14,009,138	2,863,650	4.89x
2041	31,305,262	17,296,124	14,009,138	2,861,663	4.90x

¹ Includes operating expenses of the Housing System only and does not include depreciation or administrative overhead paid to the University.

² Revenues and expenses for Fiscal Years 2010 through 2014 have been provided by the University.

³ Projected revenues and expenses for Fiscal Years 2015 through 2019 have been provided by the University. Projections provided by the University for Fiscal Year 2019 have been held constant thereafter. No representation is made that the amounts shown will be collected.

⁴ Does not include the effects of the proposed refunding. The refunded bonds will be legally defeased and will be called for redemption immediately following the delivery of the proposed bonds.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING
\$195,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS, SERIES 2015A:**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$195,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2015A (the "Bonds") for the purpose of financing the construction or acquisition of capital improvements to the turnpike system. The Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-eighth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"). The State Board of Administration has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$80,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") at its March 10, 2015. The Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and the Refunding Bonds when and if approved and issued. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$195,000,000 STATE OF FLORIDA, DEPARTMENT OF
TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2015A**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$195,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2015A (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose of financing the construction or acquisition of capital improvements to the turnpike system; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-eighth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015, (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Division, on behalf of the Department of Transportation has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$80,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Refunding Bonds") at its March 10, 2015, meeting; and,

WHEREAS, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and the Refunding Bonds when and if approved and issued; and,

WHEREAS, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

WHEREAS, the Florida Department of Transportation has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

WHEREAS, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and;

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$195,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2015A for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA
DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
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RICK SCOTT
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AS CHAIRMAN

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ATTORNEY GENERAL
AS SECRETARY

JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 20, 2015

Mr. Ashbel C. Williams
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$195,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2015A

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2005A through 2014A Bonds and the not to exceed \$80,000,000 Series (to be determined) refunding bonds expected to be approved for fiscal sufficiency on March 10, 2015, when and if issued. The bonds will be issued for the purpose of financing the construction or acquisition of capital improvements to the turnpike system.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-eighth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

The following documents are enclosed for your consideration:

Enclosure 1: An estimated coverage table for the program, including the proposed \$195,000,000 Turnpike bonds;

Enclosure 2: An estimated debt service schedule for the proposed bonds; and

February 20, 2015

Page Two

Enclosure 3: A draft copy of the Thirty-eighth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 20, 2015.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Nora Wittstruck of this office for review. Should you have any questions, please contact either myself or Nora Wittstruck at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,



J. Ben Watkins III
Director

JBW\nw

Enclosures

cc: Robert Copeland
Janie Knight
Anthony Doheny

**STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS
FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$195,000,000
ESTIMATED COVERAGE TABLE**

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES ¹		ESTIMATED DEBT SERVICE			TOTAL DEBT SERVICE	LESS FEDERAL SUBSIDY ⁴	NET DEBT SERVICE	NET DEBT SERVICE COVERAGE
	TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES ²	NET REVENUE	OUTSTANDING DEBT SERVICE ³	PRINCIPAL				
Historical¹									
2010	\$ 611,596,000	\$ 172,422,000	\$ 439,174,000	\$ 224,220,717	\$ 730,000	\$ 2,531,100	\$ 3,261,100	\$ 218,409,620	2.01 x
2011	611,946,000	180,060,000	431,886,000	243,061,034	2,990,000	10,199,175	13,189,175	237,118,033	1.82 x
2012	620,201,000	173,704,000	446,497,000	249,182,170	3,150,000	10,042,200	13,192,200	243,239,169	1.84 x
2013	767,985,000	157,388,000	610,597,000	251,384,741	3,315,000	9,876,825	13,191,825	245,700,260	2.49 x
2014	808,374,000	157,343,000	651,031,000	251,945,453	3,485,000	9,702,788	13,187,788	246,430,348	2.64 x
Projected									
2015	\$ 808,000,000	\$ 166,000,000	\$ 642,000,000	\$ 258,598,826	\$ 4,990,000	8,200,763	13,190,763	\$ 216,437,796	3.53 x
2016	834,000,000	174,000,000	660,000,000	260,300,191	4,740,000	8,449,613	13,189,613	216,011,605	3.55 x
2017	868,000,000	179,000,000	689,000,000	259,608,041	5,250,000	7,938,788	13,188,788	212,274,059	3.54 x
2018	916,000,000	183,000,000	733,000,000	260,502,391	5,525,000	7,663,163	13,188,163	216,437,796	3.54 x
2019	928,000,000	183,000,000	745,000,000	260,977,391	5,250,000	7,938,788	13,188,788	216,437,796	3.54 x
2020	947,000,000	180,000,000	767,000,000	244,480,141	5,250,000	7,663,163	13,188,163	216,437,796	3.54 x
2021	947,000,000	180,000,000	767,000,000	244,457,609	5,250,000	7,663,163	13,188,163	216,437,796	3.54 x
2022	947,000,000	180,000,000	767,000,000	217,821,872	4,065,000	9,124,238	13,189,238	216,437,796	3.54 x
2023	947,000,000	180,000,000	767,000,000	209,275,947	4,280,000	8,910,825	13,190,825	216,437,796	3.53 x
2024	947,000,000	180,000,000	767,000,000	208,248,002	4,905,000	8,686,125	13,191,125	216,437,796	3.53 x
2025	947,000,000	180,000,000	767,000,000	207,644,669	4,740,000	8,449,613	13,189,613	216,437,796	3.53 x
2026	947,000,000	180,000,000	767,000,000	186,691,260	4,990,000	8,200,763	13,190,763	216,437,796	3.53 x
2027	947,000,000	180,000,000	767,000,000	186,198,055	5,250,000	7,938,788	13,188,788	216,437,796	3.53 x
2028	947,000,000	180,000,000	767,000,000	159,096,448	5,525,000	7,663,163	13,188,163	216,437,796	3.53 x
2029	947,000,000	180,000,000	767,000,000	152,787,618	5,815,000	7,373,100	13,188,100	216,437,796	3.53 x
2030	947,000,000	180,000,000	767,000,000	145,025,914	6,120,000	7,067,813	13,187,813	216,437,796	3.53 x
2031	947,000,000	180,000,000	767,000,000	142,030,471	6,445,000	6,746,513	13,191,513	216,437,796	3.53 x
2032	947,000,000	180,000,000	767,000,000	141,711,601	6,760,000	6,408,150	13,188,150	216,437,796	3.53 x
2033	947,000,000	180,000,000	767,000,000	141,385,951	7,140,000	6,052,200	13,192,200	216,437,796	3.53 x
2034	947,000,000	180,000,000	767,000,000	130,104,740	7,515,000	5,677,350	13,192,350	216,437,796	3.53 x
2035	947,000,000	180,000,000	767,000,000	114,240,290	7,905,000	5,282,813	13,187,813	216,437,796	3.53 x
2036	947,000,000	180,000,000	767,000,000	113,866,183	8,320,000	4,867,800	13,187,800	216,437,796	3.53 x
2037	947,000,000	180,000,000	767,000,000	79,754,940	8,760,000	4,431,000	13,191,000	216,437,796	3.53 x
2038	947,000,000	180,000,000	767,000,000	66,806,566	9,220,000	3,971,100	13,191,100	216,437,796	3.53 x
2039	947,000,000	180,000,000	767,000,000	66,298,509	9,705,000	3,487,050	13,192,050	216,437,796	3.53 x
2040	947,000,000	180,000,000	767,000,000	46,457,975	10,215,000	2,977,538	13,192,538	216,437,796	3.53 x
2041	947,000,000	180,000,000	767,000,000	30,280,150	10,750,000	2,441,250	13,191,250	216,437,796	3.53 x
2042	947,000,000	180,000,000	767,000,000	23,503,750	11,315,000	1,876,875	13,191,875	216,437,796	3.53 x
2043	947,000,000	180,000,000	767,000,000	17,200,075	11,905,000	1,282,838	13,187,838	216,437,796	3.53 x
2044	947,000,000	180,000,000	767,000,000	6,775,600	12,530,000	657,825	13,187,825	216,437,796	3.53 x
				\$ 4,582,131,171	\$ 195,000,000	\$ 190,773,788	\$ 385,773,788	\$ 4,967,904,958	\$ 4,864,829,503

¹ Historical and projected revenues and expenses through fiscal year 2024 provided by the Turnpike's traffic and revenue consultant. For fiscal years 2025 and thereafter, revenue and expense projections have been held constant. However, no representation is made that the amounts shown in any fiscal year will be collected.

² The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforceable by bondholders.

³ Does not include the effects of the proposed refunding. The proposed refunding will be an economic refunding with the escrow invested in a SIFA account with the State Treasury. The refunded bonds will not be legally defeased and will be called for redemption on July 1, 2015.

⁴ Federal subsidy payments on Build America Bonds Series 2009B, adjusted for actual impact for Sequestration in 2013 and 2014, an estimated 7.2% reduction for 2015, and 7.3% reduction through 2024.

⁵ Fiscal Years 2010 through 2014 represent audited financial results.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$80,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$80,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding Series 2005A Bonds. The Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-ninth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"). The State Board of Administration has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$195,000,000 Turnpike Revenue Bonds, Series 2015A (the "2015A Bonds") at its March 10, 2015. The Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and the 2015A Bonds when and if approved and issued. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue 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 proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$80,000,000 STATE OF FLORIDA, DEPARTMENT OF
TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$80,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose of refunding all or a portion of the outstanding Series 2005A Bonds; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-ninth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015, (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Division, on behalf of the Department of Transportation has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"); and,

WHEREAS, State Board of Administration has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$195,000,000 Turnpike Revenue Bonds, Series 2015A (the "2015A Bonds") at its March 10, 2015, meeting, and;

WHEREAS, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds and the 2015A Bonds when and if approved and issued; and; and,

WHEREAS, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

WHEREAS, the Florida Department of Transportation has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

WHEREAS, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$80,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 10, 2015

STATE OF FLORIDA)
:)
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 10, 2015, approving the fiscal sufficiency of an amount not exceeding \$80,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 10th day of March 2015.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



2.J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

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RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL
AS SECRETARY

JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 20, 2015

Mr. Ashbel C. Williams
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$80,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2005A through 2014A Bonds and the not to exceed \$195,000,000 Series 2015A bonds expected to be approved for fiscal sufficiency on March 10, 2015, when and if issued. The bonds will be issued for the purpose of refunding the outstanding Series 2005A. The proposed refunding bonds will only be issued if there is a savings.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and the Thirty-ninth Supplemental Turnpike Revenue Bond Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

The following documents are enclosed for your consideration:

- Enclosure 1: An estimated coverage table for the program without considering the potential savings from the proposed \$80,000,000 refunding bonds;
- Enclosure 2: An estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds; and

February 20, 2015
Page Two

Enclosure 3: A draft copy of the Thirty-ninth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Carol Bagley of this office for review. Should you have any questions, please contact either myself or Carol Bagley at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,

A handwritten signature in blue ink, appearing to read "J. Ben Watkins III". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

J. Ben Watkins III
Director

JBW\nw

Enclosures

cc: Robert Copeland
Janie Knight
Anthony Doheny

**STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS
FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$195,000,000**

ESTIMATED COVERAGE TABLE

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES ¹				ESTIMATED DEBT SERVICE				TOTAL DEBT SERVICE	LESS FEDERAL SUBSIDY ⁴	NET DEBT SERVICE	NET DEBT SERVICE COVERAGE
	TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES ²	NET REVENUE	OUTSTANDING DEBT SERVICE ³	PRINCIPAL	INTEREST	TOTAL	TOTAL DEBT SERVICE				
Historical¹												
2010	\$ 611,596,000	\$ 172,422,000	\$ 439,174,000	\$ 224,220,717	\$ 730,000	\$ 2,531,100	\$ 3,261,100	\$ 224,220,717	\$ (5,811,097)	\$ 218,409,620	2.01 x	
2011	611,946,000	180,060,000	431,886,000	243,061,034	2,990,000	10,199,175	13,189,175	243,061,034	(5,943,001)	237,118,033	1.82 x	
2012	620,201,000	173,704,000	446,497,000	249,182,170	3,150,000	10,042,200	13,192,200	249,182,170	(5,943,001)	243,239,169	1.84 x	
2013	767,985,000	157,388,000	610,597,000	251,384,741	3,315,000	9,876,825	13,191,825	251,384,741	(5,684,481)	245,700,260	2.49 x	
2014	808,374,000	157,343,000	651,031,000	251,945,453	3,485,000	9,702,788	13,187,788	251,945,453	(5,515,105)	246,430,348	2.64 x	
Projected												
2015	\$ 808,000,000	\$ 166,000,000	\$ 642,000,000	\$ 258,598,826	\$ 730,000	\$ 2,531,100	\$ 3,261,100	\$ 261,859,926	\$ (5,515,105)	\$ 256,344,821	2.50 x	
2016	834,000,000	174,000,000	660,000,000	260,300,191	2,990,000	10,199,175	13,189,175	273,489,366	(5,509,162)	267,979,204	2.46 x	
2017	868,000,000	179,000,000	689,000,000	259,608,041	3,150,000	10,042,200	13,192,200	272,800,241	(5,509,162)	267,291,079	2.58 x	
2018	916,000,000	183,000,000	733,000,000	260,502,391	3,315,000	9,876,825	13,191,825	273,694,216	(5,509,162)	268,185,054	2.73 x	
2019	928,000,000	183,000,000	745,000,000	260,977,391	3,485,000	9,702,788	13,187,788	274,165,178	(5,509,162)	268,656,016	2.77 x	
2020	947,000,000	180,000,000	767,000,000	244,480,141	3,670,000	9,519,825	13,189,825	257,669,966	(5,509,162)	252,160,804	3.04 x	
2021	947,000,000	180,000,000	767,000,000	244,487,609	3,865,000	9,327,150	13,192,150	257,649,759	(5,367,124)	252,282,635	3.04 x	
2022	947,000,000	180,000,000	767,000,000	217,821,872	4,065,000	9,124,238	13,189,238	231,011,109	(5,192,713)	225,818,396	3.40 x	
2023	947,000,000	180,000,000	767,000,000	209,275,947	4,260,000	8,910,825	13,190,825	222,466,772	(5,011,330)	217,455,442	3.53 x	
2024	947,000,000	180,000,000	767,000,000	208,248,002	4,505,000	8,686,125	13,191,125	221,439,127	(4,822,676)	216,616,451	3.54 x	
2025	947,000,000	180,000,000	767,000,000	207,644,669	4,740,000	8,449,613	13,189,613	220,834,281	(4,900,887)	215,933,394	3.55 x	
2026	947,000,000	180,000,000	767,000,000	186,691,260	4,990,000	8,200,763	13,190,763	199,882,023	(4,770,829)	195,111,194	3.94 x	
2027	947,000,000	180,000,000	767,000,000	186,198,055	5,250,000	7,938,788	13,188,788	199,386,843	(4,517,478)	194,869,365	3.94 x	
2028	947,000,000	180,000,000	767,000,000	159,096,448	5,525,000	7,663,163	13,188,163	172,284,610	(4,252,941)	167,767,132	4.57 x	
2029	947,000,000	180,000,000	767,000,000	152,787,618	7,373,100	7,373,100	13,188,100	165,975,718	(3,976,623)	161,722,777	4.74 x	
2030	947,000,000	180,000,000	767,000,000	145,025,914	6,120,000	7,067,813	13,187,813	158,213,726	(3,688,167)	154,237,103	4.97 x	
2031	947,000,000	180,000,000	767,000,000	142,030,471	6,445,000	6,746,513	13,191,513	155,221,984	(3,386,839)	151,512,892	5.06 x	
2032	947,000,000	180,000,000	767,000,000	141,711,601	7,905,000	6,408,150	13,188,150	154,899,751	(3,072,342)	151,512,892	5.06 x	
2033	947,000,000	180,000,000	767,000,000	141,385,951	7,140,000	6,052,200	13,192,200	154,578,151	(2,743,902)	151,505,809	5.06 x	
2034	947,000,000	180,000,000	767,000,000	130,104,740	7,515,000	5,677,350	13,192,350	143,297,090	(2,400,944)	140,533,188	5.46 x	
2035	947,000,000	180,000,000	767,000,000	114,240,290	7,905,000	5,282,813	13,187,813	127,428,103	(2,042,754)	125,027,159	6.14 x	
2036	947,000,000	180,000,000	767,000,000	113,866,183	8,320,000	4,867,800	13,187,800	127,053,983	(1,668,737)	125,011,229	6.14 x	
2037	947,000,000	180,000,000	767,000,000	79,754,940	8,760,000	4,431,000	13,191,000	92,945,940	(1,278,179)	91,277,203	8.40 x	
2038	947,000,000	180,000,000	767,000,000	66,806,566	9,220,000	3,971,100	13,191,100	79,997,666	(870,366)	78,719,487	9.74 x	
2039	947,000,000	180,000,000	767,000,000	66,298,509	9,705,000	3,487,050	13,192,050	79,490,559	(444,584)	78,620,193	9.76 x	
2040	947,000,000	180,000,000	767,000,000	46,457,975	10,215,000	2,977,538	13,192,538	59,650,513	-	59,205,929	12.95 x	
2041	947,000,000	180,000,000	767,000,000	30,260,150	10,750,000	2,441,250	13,191,250	43,471,400	-	43,471,400	17.64 x	
2042	947,000,000	180,000,000	767,000,000	23,503,750	11,315,000	1,876,875	13,191,875	36,695,625	-	36,695,625	20.90 x	
2043	947,000,000	180,000,000	767,000,000	17,200,075	11,905,000	1,282,838	13,187,838	30,387,913	-	30,387,913	25.24 x	
2044	947,000,000	180,000,000	767,000,000	6,775,600	12,530,000	657,825	13,187,825	19,963,425	-	19,963,425	38.42 x	
				\$ 4,582,131,171	\$ 195,000,000	\$ 1,907,773,788	\$ 385,773,788	\$ 4,967,904,958	\$ (97,560,350)	\$ 4,864,829,503		

¹ Historical and projected revenues and expenses through fiscal year 2024 provided by the Turnpike's traffic and revenue consultant. For fiscal years 2025 and thereafter, revenue and expense projections have been held constant. However, no representation is made that the amounts shown in any fiscal year will be collected.

² The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforceable by bondholders.

³ Does not include the effects of the proposed refunding. The proposed refunding will be an economic refunding with the escrow invested in a SPIA account with the State Treasury. The refunded bonds will not be legally defeased and will be called for redemption on July 1, 2015.

⁴ Federal subsidy payments on Build America Bonds Series 2009B, adjusted for actual impact for Sequestration in 2013 and 2014, an estimated 7.2% reduction for 2015, and 7.3% reduction through 2024.

⁵ Fiscal Years 2010 through 2014 represent audited financial results.

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 25, 2015

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$300,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION REFUNDING BONDS, SERIES (TO BE DETERMINED)

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 \$300,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) (the "Bonds"), in one or more series, for the purpose of refunding all or a portion of the outstanding Series 2005A and 2005B Bonds and to pay costs associated with the issuance and sale of the Bonds. 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 a resolution authorizing the sale and issuance of the Bonds which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015.

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 2005A through 2012B (the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$278,000,000 Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) (the "Series 2012 Refunding Bonds") at its September 18, 2012, meeting, of which \$43,285,000 remains unissued. The Division has requested, and it is anticipated that the State Board of Administration will rescind its approval of fiscal sufficiency with respect to the unissued portion of the Series 2012 Refunding 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 the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$300,000,000 STATE OF FLORIDA, FULL FAITH AND
CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY
ACQUISITION AND BRIDGE CONSTRUCTION REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$300,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) (the "Bonds"), in one or more series, for the purpose of refunding all or a portion of the outstanding Series 2005A and Series 2005B Bonds and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, during the 1988 Legislative Session, the Florida Legislature passed and submitted to the electors of the State for approval or rejection at the general election held on November 8, 1988, Senate Joint Resolution 391, which created Section 17 of Article VII of the State Constitution, providing for the issuance of bonds pledging the full faith and credit of the State, without a vote of the electors, to finance or refinance the cost of acquiring real property or the rights to real property for State roads as defined by law, or to finance or refinance the cost of State bridge construction, and purposes incidental to such property acquisition or State bridge construction; and,

WHEREAS, the majority of the electors of the State approved the creation of Section 17 of Article VII of the State Constitution at the general election held on November 8, 1988; and,

WHEREAS, the Florida Legislature also enacted Chapter 88-247, Laws of Florida, which implements the provisions of Section 17 of Article VII of the State Constitution, providing for the issuance of the Bonds by the Division on behalf of the Department of Transportation; and,

WHEREAS, 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; and,

WHEREAS, 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 a resolution authorizing the sale and issuance of the Bonds which is anticipated to be adopted by the Governor and Cabinet on March 10, 2015; and,

WHEREAS, 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 2005A through 2012B (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$278,000,000 Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) (the "Series 2012 Refunding Bonds") at its September 18, 2012, meeting, of which \$43,285,000 remains unissued; and,

WHEREAS, the Division of Bond Finance of the State Board of Administration has requested, and it is anticipated that the State Board of Administration will rescind its approval of fiscal sufficiency with respect to the unissued portion of the Series 2012 Refunding Bonds; and,

WHEREAS, the Bonds will be issued on a parity as to lien and security for payment from the Pledged Gas Taxes with the Outstanding Bonds; and,

WHEREAS, it appears and the Board so finds that this financing will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, in no State fiscal year will the annual debt service exceed ninety percent (90%) of the Pledged Gas Taxes available for payment of the annual debt service; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration of Florida to issue an amount not exceeding \$300,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined), is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the \$43,285,000 remaining portion of the \$278,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds (to be determined) approved on September 18, 2012 is hereby rescinded.

ADOPTED March 10, 2015

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 10, 2015, approving the fiscal sufficiency of an issue of an amount not exceeding \$300,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the unissued portion of the \$278,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) approved on September 18, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 10th day of March 2015.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

POST OFFICE BOX 13300
TALLAHASSEE, FLORIDA 32317-3300
(Address mail to P.O. Box; deliveries to street address)

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL
AS SECRETARY

JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

February 20, 2015

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$300,000,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series 2015(to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of March 10, 2015.

The bonds will be payable from pledged gas taxes, consisting of certain motor fuel and diesel fuel taxes, and are additionally secured by the full faith and credit of the State of Florida. The proposed bonds will be payable on a parity with the previously issued Series 2005A through 2012B bonds. The remaining \$43,285,000 balance of Series (to be determined) refunding bonds approved for fiscal sufficiency September 18, 2012, should be rescinded.

The proposed bonds are being issued to refund a portion of the Series 2005A and Series 2005B bonds and to pay costs associated with the issuance and sale of the proposed bonds. The bonds will only be issued if there is debt service savings.

The bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on February 28, 1989, as amended and supplemented by various resolutions and a sale resolution expected to be adopted on March 10, 2015. Copies of the February 28, 1989 authorizing resolution and its subsequent supplemental resolutions have previously been provided to you. A draft copy of the authorizing and sale resolution anticipated to be adopted March 10, 2015 will be provided when available.

February 20, 2015

Page Two

The following documents are enclosed for your consideration:

Enclosure 1: An estimated coverage schedule for the proposed refunding bonds;

Enclosure 2: An estimated savings schedule for the proposed refunding bonds;

Enclosure 3: A schedule showing the estimated Highway Fuel Sales Tax collections (the motor and diesel fuel taxes pledged) as projected by the Florida Consensus Estimating Conference at its December 2014 meeting; and,

Enclosure 4: A draft of the resolution authorizing the issuance and sale of \$300,000,000 refunding bonds expected to be adopted on March 10, 2015.

A draft of the fiscal sufficiency resolution should be sent to Ray Petty and Carol Bagley of this office for review. Should you have any questions, please contact either myself or Carol Bagley at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

A handwritten signature in blue ink, appearing to read "J. Ben Watkins III".

J. Ben Watkins III
Director

JBW:cb

Enclosures

cc: Robert Copeland
Janie Knight
Anthony Doheny

**STATE OF FLORIDA FULL FAITH AND CREDIT
RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION REFUNDING BONDS
SERIES 2015A
ESTIMATED SCHEDULE OF COVERAGE ON BONDS**

Fiscal Year Ended June 30	Projected Motor & Diesel Fuel Sales Tax Available for Debt Service (1)	Outstanding Debt Service (2)	Total Estimated Debt Service	Debt Service Coverage (2)	Maximum Allowable Debt Service (3)	Pro Forma Debt Service Coverage (4)
2015	\$ 1,241,130,000	\$ 140,839,146	\$ 140,839,146	8.81x	219,620,100	5.65x
2016	1,286,170,000	140,831,328	140,831,328	9.13x	226,608,200	5.68x
2017	1,326,940,000	140,881,840	140,881,840	9.42x	233,097,900	5.69x
2018	1,373,030,000	140,932,365	140,932,365	9.74x	240,073,400	5.72x
2019	1,424,660,000	140,861,240	140,861,240	10.11x	247,361,800	5.76x
2020	1,476,000,000	140,956,309	140,956,309	10.47x	254,297,400	5.80x
2021	1,530,720,000	140,958,140	140,958,140	10.86x	261,879,800	5.85x
2022	1,590,120,000	137,621,553	137,621,553	11.55x	269,845,800	5.89x
2023	1,643,260,000	136,705,648	136,705,648	12.02x	275,000,000	5.98x
2024	1,696,080,000	133,197,083	133,197,083	12.73x	275,000,000	6.17x
2025	1,696,080,000	122,796,558	122,796,558	13.81x	275,000,000	6.17x
2026	1,696,080,000	122,838,225	122,838,225	13.81x	275,000,000	6.17x
2027	1,696,080,000	113,194,531	113,194,531	14.98x	275,000,000	6.17x
2028	1,696,080,000	91,350,481	91,350,481	18.57x	275,000,000	6.17x
2029	1,696,080,000	82,822,538	82,822,538	20.48x	275,000,000	6.17x
2030	1,696,080,000	82,794,325	82,794,325	20.49x	275,000,000	6.17x
2031	1,696,080,000	82,750,913	82,750,913	20.50x	275,000,000	6.17x
2032	1,696,080,000	74,263,925	74,263,925	22.84x	275,000,000	6.17x
2033	1,696,080,000	63,022,488	63,022,488	26.91x	275,000,000	6.17x
2034	1,696,080,000	45,640,613	45,640,613	37.16x	275,000,000	6.17x
2035	1,696,080,000	28,931,988	28,931,988	58.62x	275,000,000	6.17x
2036	1,696,080,000	28,886,350	28,886,350	58.72x	275,000,000	6.17x
2037	1,696,080,000	28,846,688	28,846,688	58.80x	275,000,000	6.17x
2038	1,696,080,000	18,895,100	18,895,100	89.76x	275,000,000	6.17x
2039	1,696,080,000	18,894,100	18,894,100	89.77x	275,000,000	6.17x
2040	1,696,080,000	5,905,600	5,905,600	287.20x	275,000,000	6.17x
2041	1,696,080,000	5,907,200	5,907,200	287.12x	275,000,000	6.17x
		<u>\$ 2,411,526,270</u>	<u>\$ 2,411,526,270</u>			

- (1) The bonds are payable from the motor fuel and diesel fuel taxes pursuant to Sections 206.41(g) and 206.87(1)(e), Florida Statutes. The projected motor and diesel fuel tax collections are as adopted by the Florida Consensus Estimating Conference on Transportation Revenues, December 2014, and are rounded to the nearest thousand dollars. The projections are held constant in Fiscal Year 2023-24 for future years. **The projections are based on the best information available when the estimates are made, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections.**
- (2) Does not include the effects of the proposed refunding. The proposed refunding will be an economic refunding with the escrow invested in a SPIA account with the State Treasury. The refunded bonds will not be legally defeased and will be called for redemption on 7/1/2015.
- (3) Coverage has been calculated by dividing the amount of Projected Motor and Diesel Fuel Sales Tax Available for Debt Service by the Total Estimated Debt Service.
- (4) Pursuant to Section 206.46(2), Florida Statutes, debt service cannot exceed the lesser of 7% of state revenues transferred to the STTF or \$275 million.
- (5) Coverage has been calculated by dividing the amount of Projected Motor and Diesel Fuel Sales Tax Available for Debt Service by the Maximum Allowable Debt Service.