

STATE BOARD OF EDUCATION
Consent Item
May 29, 2024

SUBJECT: Adoption of Resolution Authorizing the Defeasance of any Outstanding Public Education Capital Outlay Bonds and Issuance and Sale of State Board of Education Public Education Capital Outlay Refunding Bonds Series (to be determined)

PROPOSED BOARD ACTION

For Approval

AUTHORITY FOR STATE BOARD ACTION

Article XII, section 9, subsection (a)(2) of the Florida Constitution

EXECUTIVE SUMMARY

The Division of Bond Finance of the State Board of Administration (the "Division") requests the State Board of Education to adopt a resolution that would grant the Division standing authorization to execute documents and take all other actions necessary to refund or defease all or a portion of the outstanding State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay ("PECO") Bonds for the purpose of producing debt services savings. The PECO Bonds are secured by Florida's gross receipts tax and the full faith and credit of the State.

In the past, each time the Division has sought to refund or defease outstanding PECO Bonds, it has presented standalone, transaction-specific resolutions to both the State Board of Education and the Governing Board of the Division (the "Governor and Cabinet") for approval. In order to streamline the process of reducing State debt, the resolution will grant the Division standing authority to execute refundings or defease any outstanding PECO Bonds. Any refunding of outstanding PECO Bonds will still require the approval of the Governor and Cabinet. The State Board of Education will continue to receive a pricing book following the sale of a refunding transaction and will receive information following a defeasance reporting the results.

Supporting Documentation Included: Seventy-third Supplemental Authorizing Resolution

Facilitator: Suzanne Pridgeon, Deputy Commissioner, Division of Finance and Operations