

STATE BOARD OF EDUCATION

August 19, 2003

SUBJECT: A Resolution of the State Board of Education Authorizing the Issuance of Not to Exceed \$32,500,000 Florida State University Financial Assistance, Inc. Refunding Revenue Bonds to Refund Certain Outstanding Obligations.

UNIVERSITY AFFECTED: Florida State University

PROPOSED BOARD ACTION

Adopt a resolution authorizing the issuance of revenue bonds in an amount not to exceed \$32,500,000 to refund the outstanding balance of the \$52,750,000 Florida State University Financial Assistance, Inc. Educational, Including Athletic, Facilities Improvement Revenue and Refunding Bonds, Series 1994.

AUTHORITY FOR STATE BOARD OF EDUCATION ACTION

Section 1010.60(1), Florida Statutes.

BACKGROUND INFORMATION

Florida State University Financial Assistance, Inc. has submitted a proposal to issue variable and/or fixed rate subordinated revenue refunding bonds, in an amount not to exceed \$32,500,000 to refund the outstanding balance of \$29,450,000 of Florida State University Financial Assistance, Inc. Educational, Including Athletic, Facilities Improvement Revenue and Refunding Bonds, Series 1994. The original fixed rate bonds were issued as senior lien bonds in the aggregate principal amount of \$52,750,000 to finance the cost of the University Center Project. Due to restrictions and requirements of the letter of credit provider for the Series 1994 Bonds, the Series 2002 and Series 2003A Bonds were issued on a subordinated basis. Upon the accomplishment of the proposed refunding of the remaining Series 1994 Bonds, the outstanding debt will have a parity lien on the pledged revenues. The authority to refund the outstanding debt will be utilized only if market conditions are favorable.

Florida State University Financial Assistance, Inc. approved the issuance of the Refunding Bonds at the February 19, 2003 meeting, and the Florida State University Board of Trustees approved the item at the June 13, 2003 meeting.

Supporting Documentation Included: Requesting Resolution

Facilitators/Presenters: Raymond Monteleone