

STATE BOARD OF EDUCATION
Consent Item
May 24, 2023

SUBJECT: Adoption of a Resolution Authorizing the Defeasance of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2020 Series D (Taxable)

PROPOSED BOARD ACTION

For Approval

AUTHORITY FOR STATE BOARD ACTION

Article XII, Section 9(a)(2) of the Florida Constitution, and Section 215.61, F.S.

BACKGROUND INFORMATION

The Division of Bond Finance of the State Board of Administration requests the State Board of Education to adopt a resolution authorizing the defeasance of all or a portion of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay (PECO) Refunding Bonds, 2020 Series D (Taxable) (the "Bonds") for the purpose of achieving debt service savings. Funds will be deposited into an escrow account in an amount, together with interest earnings thereon, sufficient to defease all remaining debt service payments due on the Bonds, which are currently payable from Florida's gross receipts tax and further secured by the full faith and credit of the State. After the defeasance, the Bonds will instead be secured by the escrowed funds and securities and the lien on the pledged revenues will be released.

The resolution authorizes the Division of Bond Finance of the State Board of Administration to prepare a notice of defeasance to bond holders and authorizes SBE officials and staff to execute documents and take other actions necessary to defease the Bonds.

Supporting Documentation Included: Defeasance Resolution

Facilitator/Presenter: Suzanne Pridgeon, Deputy Commissioner, Finance and Operations