

**MEETING OF THE STATE BOARD OF ADMINISTRATION**

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

**MARCH 24, 2015**

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**AGENDA**

**ITEM 1. REQUEST APPROVAL OF SBA QUARTERLY REPORT REQUIRED BY THE PROTECTING FLORIDA'S INVESTMENTS ACT (PFIA).**

Pursuant to Sections 215.473 and 215.442, F.S., the SBA is required to submit a quarterly report that includes lists of "Scrutinized Companies" with activities in Sudan and Iran. The PFIA prohibits the SBA, acting on behalf of the Florida Retirement System Trust Fund, from investing in, and requires divestment from, companies involved in certain types of business activities in or with Sudan or Iran (i.e., the "Scrutinized Companies").

**(See Attachment 1A)**

**ACTION REQUIRED**

**ITEM 2. REQUEST APPROVAL OF A DRAFT LETTER TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING THAT THE SBA TRUSTEES HAVE "REVIEWED AND APPROVED THE MONTHLY [FLORIDA PRIME AND FUND B MANAGEMENT SUMMARY] REPORTS AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY [MATERIAL] IMPACTS," AND "HAVE CONDUCTED A REVIEW OF THE [FUND B] TRUST FUND AND THAT THE TRUST FUND IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION." (SECTIONS 218.409(6)(a)1 AND 218.421(2)(a), F.S.)**

During the fourth quarter of 2014, there were no material impacts. Copies of the October, November, and December 2014 reports are attached.

**(See Attachments 2A – 2D)**

**ACTION REQUIRED**

**ITEM 3. REQUEST APPROVAL OF A DRAFT LETTER CERTIFYING THE TRUSTEES HAVE REVIEWED THE AUDITOR GENERAL'S ANNUAL FINANCIAL AUDIT (REPORT NO. 2015-054) OF THE LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND (NOW KNOWN AS "FLORIDA PRIME").**

Pursuant to Section 218.409(9), F.S., the Auditor General shall conduct an annual financial audit of the trust fund, which shall include testing for compliance with the investment policy. The trustees shall report to the Joint Legislative Auditing Committee that the trustees have reviewed the report of the trust fund audit and shall certify that any necessary items are being addressed by a corrective action plan that includes target completion dates. The Auditor General did not report any material deficiencies.

**(See Attachments 3A and 3B)**

**ACTION REQUIRED**

**ITEM 4. REQUEST APPROVAL OF THE REAPPOINTMENT OF LES DANIELS AND MICHAEL PRICE TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).**

**(See Attachments 4A – 4B)**

**ACTION REQUIRED**

**ITEM 5. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES**

- Executive Director & CIO Introductory Remarks and Standing Reports – *Ash Williams*
- Major Mandates Investment Performance Reports as of December 31, 2014 – *Steve Cummings – Hewitt EnnisKnupp*
  - Florida Retirement System Pension Plan (DB)
  - Florida Retirement System Investment Plan (DC)
  - Florida PRIME (Local Government Surplus Funds Trust Fund) and Fund B
  - Florida Hurricane Catastrophe Fund (FHCF)

**(See Attachments 5A – 5I)**

**INFORMATION/DISCUSSION ITEMS**

- ITEM 6. REQUEST APPROVAL OF, AND AUTHORITY TO FILE, A NOTICE OF PROPOSED RULES FOR RULES 19-8.029, F.A.C., INSURER REPORTING REQUIREMENTS, AND 19-8.030, F.A.C., INSURER RESPONSIBILITIES, AND TO FILE THESE RULES, ALONG WITH THE INCORPORATED FORMS, FOR ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING, OR IF A HEARING IS REQUESTED AND NO CHANGES ARE NEEDED.**

See Jack Nicholson's Memo Detailing FHFC Items 6 and 7 (Attachment 6)  
(See Attachments 6A – 6L)

**ACTION REQUIRED**

- ITEM 7. REQUEST APPROVAL OF RESOLUTIONS OF THE STATE BOARD OF ADMINISTRATION AS THE GOVERNING BODY OF THE FLORIDA HURRICANE CATASTROPHE FUND (FHCF) DELEGATING TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO CONSIDER, NEGOTIATE, AND EXECUTE EITHER INDIVIDUALLY OR IN COMBINATION CERTAIN RISK-TRANSFER ARRANGEMENTS AUTHORIZED BY PARAGRAPH 215.555(7)(A), FLORIDA STATUTES, AND CERTAIN PRE-EVENT FINANCINGS AS AUTHORIZED IN SUBPARAGRAPH 215.555(6)(A)1., FLORIDA STATUTES FOR THE PURPOSE OF MAXIMIZING THE CAPACITY AND CLAIMS PAYING ABILITY OF THE FHCF BY UP TO \$2.2 BILLION IN ORDER TO CREATE A FULLY LIQUID FINANCING STRUCTURE FOR THE FHCF FOR THE 2015-2016 REIMBURSEMENT CONTRACT YEAR.**

(Backup to Follow)

**ACTION REQUIRED**