

**Agenda**  
**Edison State College Financing Corporation (the “Corporation”)**  
**Lee Campus – President’s Conference Room 1-225**  
**January 20, 2015**  
**4:00 p.m.**

**I. Public Comment**

**II. Vote to Take Action On:**

1. Approval of Minutes Regular Meeting July 29, 2014. (Presenter: John Noland) (Page 1)
2. Approval of the revision of changes that were incorporated in the existing investment policy. (Presenter: Gina Doeble) (Page 4)

**III. Information Only**

3. Florida SouthWestern State College Financing Corporation 3rd Quarter Financial Statements and Investment Report. (Presenter: Gina Doeble) (Page 9)
4. Florida SouthWestern State College Financing Corporation Interest Rate Swap Agreement Market Valuation. (Presenter: Gina Doeble) (Page 14)

Board Members’ Comments

President’s Comments

Adjournment

Minutes  
Edison State College Financing Corporation (the "Corporation")  
Lee Campus – Board Conference Room, I-228  
July 29, 2014  
4:00 p.m.

The Florida SouthWestern State College Financing Corporation met in Lee County, Florida, on July 29, 2014 at 4:00 p.m. with the meeting called to order by John Noland, Chair.

Members Present: Jeffery Allbritten, DA, Corporation President  
John Noland, Chair  
Eddie Webb, III, Vice Chair  
David Hall, Secretary  
Mary Lee Mann  
Randall Parrish, Jr., OD

Members Absent: Christopher Vernon

Others Present: Gina Doeble, Treasurer  
Mark Lupe, General Counsel  
Christine Davis, VP, Student Services  
Valerie Miller, Recorder  
Debbie Kivel, DSO Finance

**Public Comment:** None

**Vote to Take Action On:**

Agenda Item #1. Approval of Minutes Regular Meeting May 20, 2014. (Presenter: John Noland)

MOTION by Mr. Hall; seconded by Mr. Webb, to approve the minutes of the regular meeting May 20, 2014, as presented. Approved unanimously.

Agenda Item #2. Approve the Edison State College Financing Corporations Audited Financial Report for Fiscal Year Ending March 31, 2013 (Presenter: Martin Redovan, CliftonLarsonAllen)

MOTION by Mr. Hall to accept the Audited Financial Report for FY Ending March 31, 2013; seconded by Mrs. Mann, to approve as presented. Approved unanimously

Agenda Item #4. Approve to 2013 Federal IRS Return of Organization Exempt from Income Tax Form 990 (Presenter: Martin Redovan, CliftonLarsonAllen)

MOTION by Mr. Hall to accept the 2014 Income Tax Form 990; seconded by Mr. Webb, to approve as presented. Approved unanimously

Agenda Item #3. Approve a resolution of the Board of Directors of Florida SouthWestern State College Financing Corporation establishing policy guidelines and procedures for processing all delinquent accounts and delegating authority to the President and Treasurer to enforce collection or write off small accounts. (Presenter: Gina Doeble)

MOTION by Mrs. Mann to approve the resolution for the policy guidelines and procedures for delinquent accounts and delegating authority to the President and Treasurer to enforce collections or write off small accounts; seconded by Mr. Webb, to approve as presented. Approved unanimously

**Information Only**

Agenda Item #5. Florida SouthWestern State College Financing Corporation 1st Quarter Financial Statements and Investment Report. (Presenter: Gina Doeble)

Dr. Doeble presented the Florida SouthWestern State College Financing Corporation 1st Quarter Financial Statements and Investment Report for information only.

Agenda Item #6. Florida SouthWestern College Financing Corporation Interest Rate Swap Agreement Market Valuation. (Presenter: Gina Doeble)

Dr. Doeble presented the Florida SouthWestern State College Financing Corporation Rate Swap Agreement Market Valuation for information only.

Agenda Item #7. Renewal of the insurance for the Financing Corporation (August 1, 2014 – August 1, 2015) (Presenter: Mark Lupe) (Backup will be available at the meeting)

Mr. Lupe presented the renewal of the insurance for the Florida SouthWestern State College insurance. He has been in contact with Trustee Chapman who has advised him to look to increase crime coverage and some of the umbrella coverage's. Mr. Lupe will contact BB & T and discuss those changes.

### President's Comments

- President Allbritten gave an update on the occupancy rate in student housing; which is at capacity, with a waiting list.
- Two Coaches have been hired, a baseball and softball coach. Both are currently recruiting students for the opening season in fall 2015.
- With enrollment down, the College has started recruiting students, new marketing campaign with commercials, billboards and radio spots advertising the College. The goal is to get the FTE and headcount to balance out.
- In fall of 2014 all students will require testing before enrolling at the College.
- Dr. Traina is continuing to work on getting a sponsor the athletic facility and working on the fundraising. Will report more information at the next meeting.

Adjournment – The meeting was adjourned at 4:50 p.m.

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Dr. Jeffery S. Allbritten  
Corporate President  
Board of Directors

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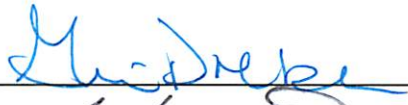
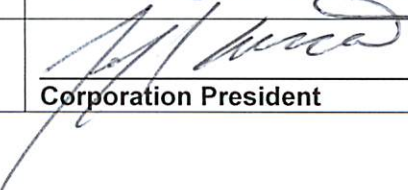
David Hall, Secretary  
Board of Directors

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Date

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Date

<b>FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION</b> <b>Agenda Item Summary</b>	
Meeting Date: 1/20/2015	
<b>1. Action Requested/Purpose:</b>  Florida SouthWestern State College Financing Corporation Investment Strategy Statement	
<b>2. Fiscal Impact:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
<b>3. Funding Source:</b> Amount: \$	
<b>4. Administration Recommendation: Approval of modification of the proposed policy.</b>	
<b>5. Agenda Item Type:</b>  <input checked="" type="checkbox"/> Action Item <input type="checkbox"/> Consent Agenda <input type="checkbox"/> Information Only <input type="checkbox"/> Board Requested Information/Report	<b>8. Requirement/Purpose (Include Citation)</b>  <input type="checkbox"/> Statute <input type="checkbox"/> Administrative Code <input type="checkbox"/> Other
<b>9. Background Information:</b>  The FSW State College Financing Corporation's Investment Policy was recently reviewed by our Investment Advisor with the following change being recommended as attached:  1) Approval of the revision of changes that were incorporated in the existing policy. The intermediate taxable fixed income portfolio duration range from 2 to 3 years to 1.5 to 3 years.  Attachment	
<b>Requested By:</b>	 _____ Corporation Treasurer
<b>Funding Verified by:</b>	 _____
<b>Approved For Agenda by:</b>	 _____ Corporation President

Investment Strategy Statement  
For  
Edison State College Financing Corporation  
January 8, 2013

Introduction/Investment Objectives:

The Edison State College Financing Corp. (ESCFC) is a direct support organization designed for the advancement of Edison State College. The investment objectives for the management of the ESCFC funds are preservation of capital, liquidity and income in that order of priority. The funds are to be used to support the objectives of the ESCFC and to achieve growth of principal through income over time, while mitigating risks.

Duties and Responsibilities:

The ESCFC is responsible for managing the investment process in a prudent manner while preserving principal and providing reasonable returns. The ESCFC has retained FineMark National Bank & Trust (FineMark) as an investment advisor and allows for the provision of a sub-advisor to be selected by FineMark to assist in managing the Fund. The investment advisor's role is to provide guidance to the ESCFC on matters pertaining to the Fund, including changes to the investment objective, investment selection, monitoring the Fund's performance and assuring compliance with the approved investment objective. The investment advisor, in carrying out the investment objective, holds the responsibility for and authority to select appropriate investments as stipulated by the ESCFC.

Investment Strategy (see attached presentation):

- i. ESCFC objectives suggest an investment strategy of an intermediate taxable fixed income portfolio. The intermediate taxable fixed income portfolio will have a duration range of 2 to 3 years determined first by the liquidity requirements of ESCFC and then by yields available in the market. A maximum, final maturity for any single issue will be 3 ½ years (with the exception of agency mortgage-backed securities, which may have longer final maturities, but must have average lives of less than 3 ½ years at purchase).

- ii. Sector Allocation:

Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:



- o Maximum allocation to taxable municipal bonds shall be 25%.
- o Maximum allocation to corporate bonds shall be 25%.
- o The minimum allocation to Government agency and agency mortgage-backed securities shall be 50%, with the additional provision that the maximum allocation to agency mortgage-backed securities shall be 20%.

iii. Credit Quality:

All corporate bond investments will be A rated or better with the further provision that no purchases will be made if a bond is rated below A by any of the three ratings agencies. All taxable municipal bond investments will be AA rated or better with the further provision that no purchases will be made if a bond is rated below AA by any of the three ratings agencies. If a bond should fall below A, in the case of corporate bonds, or AA in the case of taxable municipal bonds, by any of the three rating services after purchase, FineMark and its sub-advisors must present a recommendation to the Treasurer of ESCFC to either hold or sell this security based upon their independent research while maintaining an overall average credit quality for the portfolio of AA or better. As it relates to the above statement, it is understood that all three major rating agencies may not rate a particular issuer.

iv. Liquidity:

ESCFC requires that all assets be invested in liquid securities, defined as securities that can be sold quickly and efficiently for cash, and will settle within three business days.

Reporting/Meetings:

Custodial reports are produced monthly (by FineMark) which will show all investments within the portfolio. A comprehensive portfolio report will be sent following each quarter-end by the sub-advisor (Wasmer, Schroeder & Company). FineMark recommends a minimum of quarterly meeting to review the overall strategy with ESCFC.

Approved:

Edison State College Financing Corp.

By: John A. Nelson

Date: 1/8/13

Investment Strategy Statement  
For  
Florida SouthWestern State College Financing Corp

December 15, 2014

Introduction/Investment Objective:

The Florida SouthWestern State College Financing Corp. (FSWFC) is a direct support organization designed for the advancement of Florida SouthWestern State College (FSW). The investment objective for the management of the FSWFC funds is preservation of capital, liquidity and income in that order of priority. The funds are to be used to support the objectives of the FSWFC and to achieve growth of principal through income over time, while mitigating risks.

Duties and Responsibilities:

The FSWFC is responsible for managing the investment process in a prudent manner while preserving principal and providing reasonable returns. The FSWFC has retained FineMark National Bank & Trust (FineMark) as an investment advisor and allows for the provision of a sub-advisor to be selected by FineMark to assist in managing the Fund. The investment advisor's role is to provide guidance to the FSWFC on matters pertaining to the Fund, including changes to the investment objective, investment selection, monitoring the Fund's performance and assuring compliance with the approved investment objective. The investment advisor, in carrying out the investment objective, holds the responsibility for and authority to select appropriate investments as stipulated by the FSWFC.

Investment Strategy (see attached presentation):

- i. FSWFC objectives suggest an investment strategy of an intermediate taxable fixed income portfolio. The intermediate taxable fixed income portfolio will have a duration of 1.5 to 3 years. A maximum, final maturity for any single issue will be 3.5 years (with the exception of agency mortgage-backed securities, which may have longer final maturities, but must have average lives of less than 3.5 years at purchase).
- ii. Sector Allocation:

Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:



- Maximum allocation to taxable municipal bonds shall be 25%.
- Maximum allocation to corporate bonds shall be 25%.
- The minimum allocation to Government agency and agency mortgage-Backed securities shall be 50%, with the additional provision that the Maximum allocation to agency mortgage-backed securities shall be 20%.

iii. Credit Quality:

All corporate bond investments will be A rated or better with the further provision that no purchases will be made if a bond is rated below A by any of the three rating agencies. All taxable municipal bond investments will be AA rated or better with the further provision that no purchases will be made if a bond is rated below AA by any of the three ratings agencies. If a bond shall fall below A, in the case of corporate bonds, or AA in the case of taxable municipal bonds, by any of the three ratings services after purchase, FineMark and its sub-advisors must present a recommendation to the Treasurer of FSWFC to either hold or sell this security based upon their independent research while maintaining an overall average credit quality for the portfolio of AA or better. As it relates to the above statement, it is understood that all three major ratings agencies may not rate a particular issuers.

iv. Liquidity:

FSWFC requires that all assets be invested in liquid securities, defined as securities that can be sold quickly and efficiently for cash, and will settle within three business days.

Reporting/Meetings:


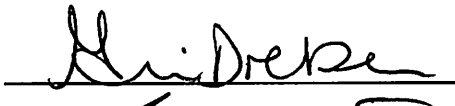

Custodial reports are produced monthly (by FineMark) which will show all investments within the portfolio. A comprehensive portfolio report will be sent following each quarter-end by the sub-advisor (Wasmer, Schroeder & Company). FineMark recommends a minimum of a quarterly meeting to review the overall strategy with FSWFC.

Approved:

Florida SouthWestern State College Financing Corp.

By: \_\_\_\_\_

Date: \_\_\_\_\_

<p><b>FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION</b>  <b>Agenda Item Summary</b></p> <p>Meeting Date: 1/20/2015</p>	
<p><b>1. Action Requested/Purpose:</b></p> <p style="padding-left: 40px;"><b>Florida SouthWestern State College Financing Corporation 3rd Quarter Financial Statements and Investment Report</b></p>	
<p><b>2. Fiscal Impact:</b>    <input type="checkbox"/> Yes    <input type="checkbox"/> No    <input checked="" type="checkbox"/> N/A</p>	
<p><b>3. Funding Source:</b>                      Amount: \$</p>	
<p><b>4. Administration Recommendation:</b></p>	
<p><b>5. Agenda Item Type:</b></p> <p><input type="checkbox"/> Action Item  <input type="checkbox"/> Consent Agenda  <input checked="" type="checkbox"/> Information Only  <input type="checkbox"/> Board Requested Information/Report</p>	<p><b>8. Requirement/Purpose (Include Citation)</b></p> <p><input type="checkbox"/> Statute  <input type="checkbox"/> Administrative Code  <input type="checkbox"/> Other</p>
<p><b>9. Background Information:</b></p> <p>Table 1 – The Statement of Net Position reflects the assets and liabilities of the Financing Corporation using the accrual basis of accounting, and presents the financial position at a specified time.</p> <p>Table 2 - The Statement of Revenues, Expenses and Changes in Net Position is used to evaluate the financial position of the Financing Corporation and is provided to show the reader how the net assets are increasing or decreasing throughout the year.</p> <p>Table 3 - Compares the actual sources and uses of operating and housing funds to the budgeted sources and uses of funds for the current fiscal period. It is provided to give the reader an indication of how the Financing Corporation is performing in relation to its current budget.</p> <p>The investment report summarizes the performance of investments and allows management to assess the yields on investments, to shift strategies if needed, and the ability to project out future earnings in order to budget accordingly.</p> <p>Attachment</p>	
<b>Requested By:</b>	 Corporation Treasurer
<b>Funding Verified by:</b>	 Corporation Treasurer
<b>Approved For Agenda by:</b>	 Corporation President

**TABLE 1**  
**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION**  
**STATEMENT OF NET POSITION**  
**FOR THIRD QUARTER ENDED DECEMBER 31, 2014**

	Financing Corp	Housing	Unexpended Plant Fund	Debt Services	Investment in Plant	Quarter Ending 12/31/2014 Actual (Year to Date)
<b>CURRENT ASSETS</b>						
Cash & Cash Equivalents	617,027	1,218,728	-	-	-	1,835,756
Accounts Receivable	-	-	-	-	-	-
Receivable - FSW	62,500	-	-	-	-	62,500
Prepaid Expense	47,452	-	-	-	-	47,452
Due from Auxiliary	400,000	-	-	-	-	400,000
	-	-	-	-	-	-
<b>NONCURRENT ASSETS</b>						
Investments	6,132,998	-	-	-	-	6,132,998
Restricted Cash & Cash Equivalents	-	-	-	1,770,932	-	1,770,932
Reserve for Uncollectible Accts	-	(137,977)	-	-	-	(137,977)
Capital Assets, Net	-	-	-	-	20,510,505	20,510,505
<b>TOTAL ASSETS</b>	<b>7,259,977</b>	<b>1,080,751</b>	<b>-</b>	<b>1,770,932</b>	<b>20,510,505</b>	<b>30,622,165</b>
<b>CURRENT LIABILITIES</b>						
Accrued Expense	30,000	25,000	-	-	-	55,000
Due to Current Funds - Unrestricted	-	400,000	-	-	-	400,000
Bonds Payable - Current	-	-	147,376	-	-	147,376
	-	-	-	-	-	-
<b>NONCURRENT LIABILITIES</b>						
Derivative Instrument - Interest Rate SWAP	-	21,691	-	-	-	21,691
Bonds Payable - Non-Current	-	-	24,552,718	-	-	24,552,718
<b>TOTAL LIABILITIES</b>	<b>30,000</b>	<b>446,691</b>	<b>24,700,094</b>	<b>-</b>	<b>-</b>	<b>25,176,785</b>
<b>FUND BALANCE</b>						
Fund Balance	7,229,977	634,060	(24,700,094)	1,770,932	20,510,505	5,445,379
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>7,259,977</b>	<b>1,080,751</b>	<b>-</b>	<b>1,770,932</b>	<b>20,510,505</b>	<b>30,622,164</b>
<b>TRANSFERS</b>	<b>-</b>	<b>670,720</b>	<b>(670,720)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, FUND BALANCE &amp; TRANSFERS</b>	<b>7,259,977</b>	<b>1,751,472</b>	<b>(670,720)</b>	<b>1,770,932</b>	<b>20,510,505</b>	<b>30,622,164</b>

**TABLE 2**  
**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**FOR THIRD QUARTER ENDED DECEMBER 31, 2014**

	Financing Corp	Housing	Unexpended Plant Fund	Debt Services	Investment in Plant	Total
<b>REVENUE</b>						
Contributions - FSW	233,910	-	-	-	-	233,910
Contributions - Collegiate High Schools	175,000	-	-	-	-	175,000
Housing Income	-	1,615,132	-	-	-	1,615,132
Insurance Recovery	-	40,087	-	-	-	40,087
Interest	65,181	-	-	133	-	65,314
Gain/Loss on Investments	(31,575)	-	-	-	-	(31,575)
<b>Total Revenue</b>	<b>442,516</b>	<b>1,655,219</b>	<b>-</b>	<b>133</b>	<b>-</b>	<b>2,097,869</b>
<b>EXPENSES</b>						
Operating Expenses	12,894	1,422	-	-	-	14,316
Utilities	-	130,982	-	-	-	130,982
Data & Other Communications Services	-	125,290	-	-	-	125,290
Insurance	155,860	-	-	-	-	155,860
Contract Services	78,417	75,000	-	-	-	153,417
Other Services & Expenses	-	-	-	-	-	-
Resident Activities	-	10,494	-	-	-	10,494
Reserves	-	58,377	-	-	-	58,377
Interest Expense	-	453,857	220,821	-	-	674,678
Depreciation Expense	-	-	-	-	381,190	381,190
Amortization Expense	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	(3,634)	(3,634)
<b>Total Expenses</b>	<b>247,171</b>	<b>855,422</b>	<b>220,821</b>	<b>-</b>	<b>377,557</b>	<b>1,700,970</b>
<b>TRANSFERS</b>	-	670,720	(670,720)	-	-	-
<b>Change in Net Position</b>	<b>195,345</b>	<b>129,077</b>	<b>449,900</b>	<b>133</b>	<b>(377,557)</b>	<b>396,899</b>
<i>Beginning Net Position</i>	<i>7,034,632</i>	<i>504,983</i>	<i>(25,149,994)</i>	<i>1,770,799</i>	<i>20,888,062</i>	<i>5,048,480</i>
<b>Ending Net Position</b>	<b>7,229,977</b>	<b>634,060</b>	<b>(24,700,094)</b>	<b>1,770,932</b>	<b>20,510,505</b>	<b>5,445,379</b>

**TABLE 3**  
**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION**  
**COMPARISON OF CURRENT YEAR ACTUAL TO CURRENT YEAR BUDGET**  
**for Fiscal Year Ending March 31, 2015**

**General Operating Budget**

	Original Budget	Revised Budget	Actual (as of 12/31/14)	% of Revised Budget
<b><u>SOURCES OF FUNDS</u></b>				
Bandwidth Lease Revenue	\$311,880	\$311,880	\$233,910	75.0%
High School Lease Revenue	250,000	250,000	175,000	70.0%
Investment Income	75,000	75,000	33,606	44.8%
<b>Total Funds Available</b>	<b>\$636,880</b>	<b>\$636,880</b>	<b>\$442,516</b>	<b>69.5%</b>

**USES OF FUNDS**

Operating Expenses	\$70,000	\$70,000	\$12,894	18.4%
Insurance	200,000	200,000	155,860	77.9%
Contract Services	83,200	83,200	78,417	94.3%
<b>Total Expenses</b>	<b>\$353,200</b>	<b>\$353,200</b>	<b>\$247,171</b>	<b>70.0%</b>

**Housing Budget**

	Original Budget	Revised Budget	Actual (as of 12/31/14)	% of Revised Budget
<b><u>SOURCES OF FUNDS</u></b>				
Rent Revenue	\$2,064,402	\$2,064,402	\$1,578,582	76.5%
Resident Activity Fee	\$21,060	\$21,060	24,450	116.1%
Application Fees	51,200	51,200	12,100	23.6%
Fines & Penalties	0	0	0	0.0%
Insurance Recovery	0	0	40,087	100.0%
<b>Total Funds Available</b>	<b>\$2,136,662</b>	<b>\$2,136,662</b>	<b>\$1,655,219</b>	<b>77.5%</b>

**USES OF FUNDS**

Operating Expenses	\$244,272	\$257,272	\$126,712	49.3%
Utilities	\$208,000	\$208,000	\$130,982	63.0%
Contract Services	\$100,000	\$100,000	\$75,000	75.0%
Reserves	60,795	52,795	58,377	110.6%
Resident Activities	21,060	38,872	10,494	27.0%
Interest Expense	326,705	326,705	220,821	67.6%
Debt Service Payments	1,175,830	1,175,830	903,757	76.9%
<b>Total Expenses</b>	<b>\$2,136,662</b>	<b>\$2,159,474</b>	<b>\$1,526,142</b>	<b>70.7%</b>

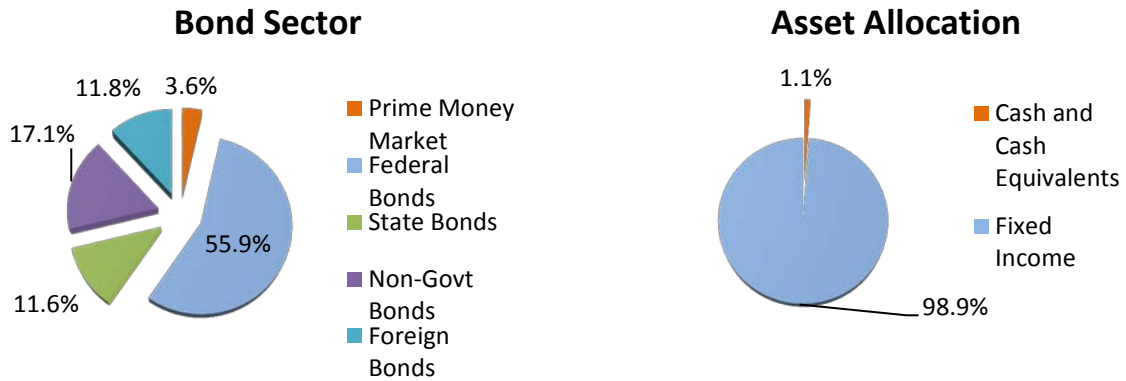
**Florida SouthWestern State College Financing Corporation**  
**Executive Investment Summary**  
**Third Quarter Ending 12-31-2014**

**Investment Strategy**

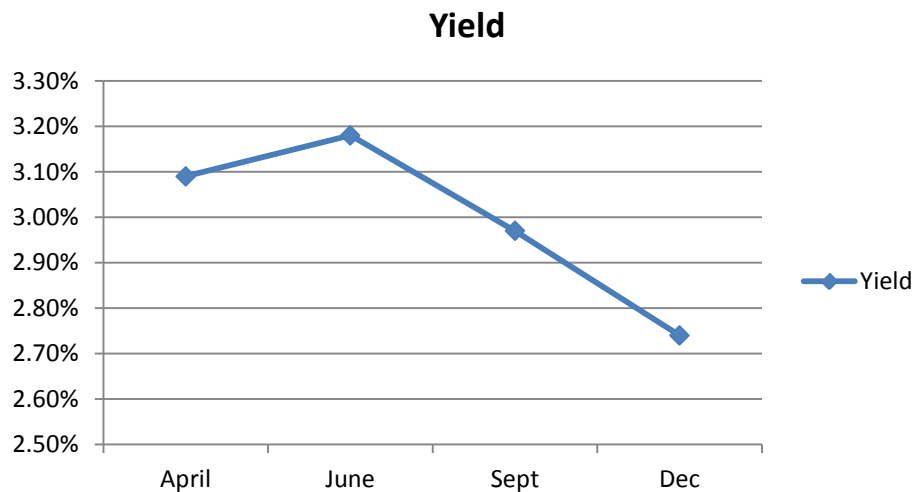
Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:

- Maximum allocation to taxable municipal bonds shall be 25%.
- Maximum allocation to corporate bonds shall be 25%.
- The minimum allocation to Government agency and agency mortgage-backed securities shall be 50%, with the additional provision that the maximum allocation to agency mortgage-backed securities shall be 20%. The Financing Corporation’s policy limits investments to U.S. Treasuries, U.S. Government Agency Bonds, and Corporate Bonds. All investments must be rated AA or better by any of the three rating agencies. The policy prescribes a final maturity of 3.5 years for any single issue.

**Investment Allocation**

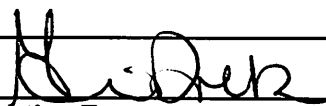
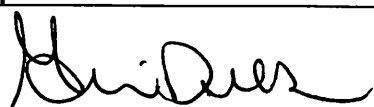
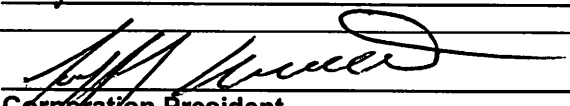


**Investment Earnings**



As of December 31, 2014, the Financing Corporation Portfolio had a market value of \$6,360,545. Through the third quarter ended December 31, 2014 the Financing Corporation had recorded investment income of \$33,606.



<b>FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION</b> <b>Agenda Item Summary</b>	
Meeting Date: 1/20/2015	
<b>1. Action Requested/Purpose:</b>  <b>Florida SouthWestern State College Financing Corporation Interest Rate Swap Agreement Market Valuation</b>	
<b>2. Fiscal Impact:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
<b>3. Funding Source:</b> Amount: \$	
<b>4. Administration Recommendation:</b>	
<b>5. Agenda Item Type:</b>  <input type="checkbox"/> Action Item <input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Information Only <input type="checkbox"/> Board Requested Information/Report	<b>8. Requirement/Purpose (Include Citation)</b>  <input type="checkbox"/> Statute <input type="checkbox"/> Administrative Code <input type="checkbox"/> Other
<b>9. Background Information:</b>  On December 23, 2010, the Financing Corporation entered into an interest rate swap agreement (Swap) with BB&T for the purpose of hedging its variable interest rate risk on the tax-exempt loan. The Swap provides that the Financing Corporation, pay an annual fixed rate of 3.66 percent effective July 1, 2012, and terminating December 17, 2017. The term and notional amount of the Swap will not exceed the term and principal amount of the tax-exempt loan.  The market valuation is for information purposes only.  Attachment	
<b>Requested By:</b>	 _____ Corporation Treasurer
<b>Funding Verified by:</b>	 _____
<b>Approved For Agenda by:</b>	 _____ Corporation President

**Florida SouthWestern State College Financing Corporation  
Monthly SWAP Agreement Market Valuation**

<b>Valuation Date</b>	<b>Outstanding Notional</b>	<b>Effective Date</b>	<b>Maturity Date</b>	<b>Total Value</b>
10/31/2013	\$ 25,714,752.99	7/1/2012	12/17/2017	(1,857,125.26)
11/29/2013	\$ 25,670,364.63	7/1/2012	12/17/2017	(1,849,141.37)
12/31/2013	\$ 25,623,234.05	7/1/2012	12/17/2017	(1,654,952.71)
1/31/2014	\$ 25,578,558.04	7/1/2012	12/17/2017	(1,694,939.83)
2/28/2014	\$ 25,533,741.61	7/1/2012	12/17/2017	(1,686,259.92)
3/31/2014	\$ 25,481,017.80	7/1/2012	12/17/2017	(1,538,253.93)
4/30/2014	\$ 25,435,894.79	7/1/2012	12/17/2017	(1,545,890.30)
5/30/2014	\$ 25,388,051.04	7/1/2012	12/17/2017	(1,594,541.95)
6/30/2014	\$ 25,342,635.83	7/1/2012	12/17/2017	(1,520,317.36)
7/31/2014	\$ 25,294,508.42	7/1/2012	12/17/2017	(1,394,533.24)
8/31/2014	\$ 25,248,799.20	7/1/2012	12/17/2017	(1,408,590.30)
9/30/2014	\$ 25,202,946.32	7/1/2012	12/17/2017	(1,304,551.77)
10/31/2014	\$ 25,154,394.01	7/1/2012	12/17/2017	(1,378,521.87)
11/30/2014	\$ 25,108,244.41	7/1/2012	12/17/2017	(1,379,021.65)
12/31/2014	\$ 25,059,404.06	7/1/2012	12/17/2017	(1,264,084.18)