

SENATE CONCURRENT RESOLUTION NO. 19

WHEREAS, in April 2003, the state of Missouri issued \$387,425,000 in Series A revenue bonds; and

WHEREAS, the proceeds of such bonds were used for a new State Health Lab, the University of Missouri-Kansas City Pharmacy building, and various maintenance and repair projects at universities across the state; and

WHEREAS, the state also used approximately \$89 million of the bond proceeds to reimburse the state general revenue fund for previously completed capital improvement projects that used money from the state general revenue fund, as such reimbursement was necessary to cover a budget shortfall for fiscal year 2003; and

WHEREAS, the debt service on the Series A 2003 revenue bonds is approximately \$28 million annually and will continue until 2029; and

WHEREAS, if the state pays the bonds off at maturity in 2029, the state will have paid approximately \$695.7 million in principal and interest; and

WHEREAS, the bonds are callable in fiscal year 2014 with a payoff cost of \$311.2 million, which would result in a savings of \$123.6 million for the state; and

WHEREAS, in order to have the funds necessary to pay off the Series A 2003 bonds at their call date in fiscal 2014, the state needs to create a sinking fund where funds could be appropriated each year leading up to the call date; and

WHEREAS, the Board of Public Buildings must approve any early payoff of the Series A 2003 revenue bonds:

NOW THEREFORE BE IT RESOLVED that the members of the Missouri Senate, Ninety-fifth General Assembly, First Regular Session, the House of Representatives concurring therein, hereby urge the office of administration to create a sinking fund to collect moneys needed to payoff the Series A 2003 revenue bonds at the time the bonds are callable in fiscal year 2014; and

BE IT FURTHER RESOLVED that the General Assembly urges the Board of Public Buildings to approve the early payoff of the bonds in order to save the state approximately \$123.6 million that the state would have otherwise paid in principal and interest over the lifetime of the bonds; and

BE IT FURTHER RESOLVED that the Secretary of the Missouri Senate be instructed to prepare properly inscribed copies of this resolution for the Commissioner of the Office of Administration and each member of the Board of Public Buildings.