Debt Review

City of Port St. Lucie

Finance Department

March 3rd and 4th, 2016 City Council Retreat

"A City for All Ages"

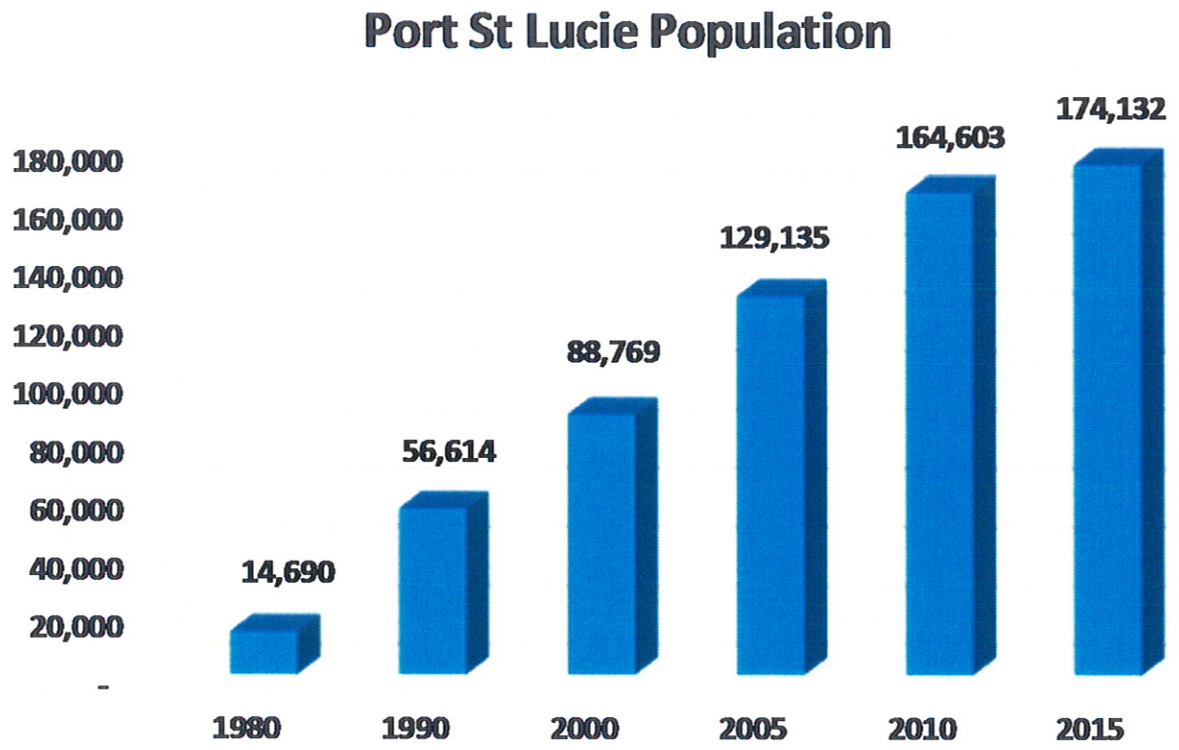
Strategic Plan

- Strategic Plan Goal – a financially sound City
  - Maintain a fiscally responsible level of debt

Debt Review

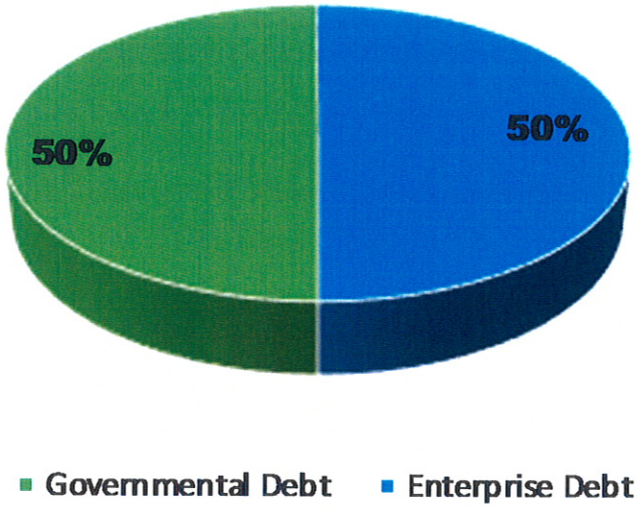
- Debt policy adopted October 2014
  - Debt must be approved by Council
  - Debt proceeds used for major capital projects
  - Debt refundings
- Major reasons for debt issuance
  - Water and sewer system
  - Explosive population growth
    - Road expansion
    - Stormwater infrastructure
    - City buildings

Port St Lucie Population



Outstanding Debt

Total City Debt Outstanding
September 30, 2015
$882,087,934



City of Port St. Lucie Bond Ratings

	Fitch	Moody's	Standard & Poor's
General Obligation	AA- (negative outlook)	A1	AA-
Utility (Water & Sewer)	A+		A-
Special Assessment		A2	A+
Sales Tax			A+
Gas Tax			A+
Public Service Tax			AA-
Certificates of Participation		A2	A+

City of Port St. Lucie Bond Ratings

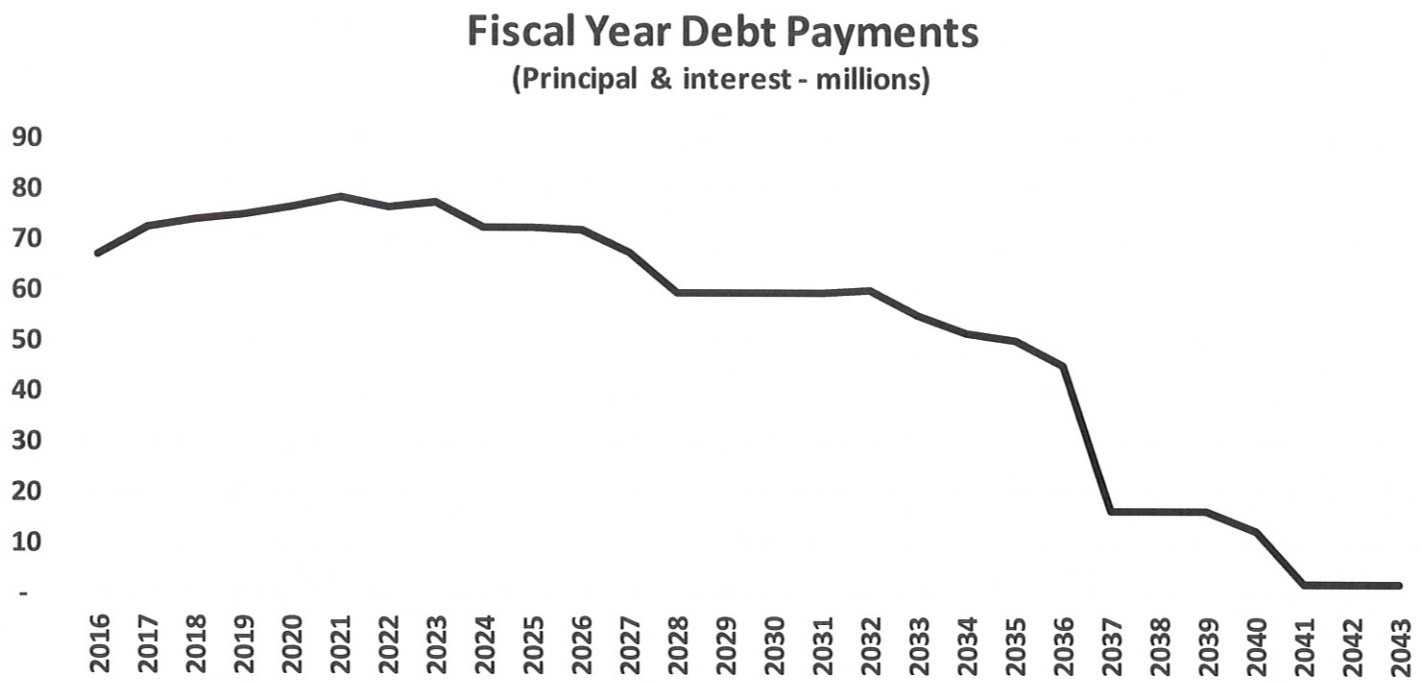
- Standard & Poor's October 2015 Rating Report
  - "City council recently approved a 1-mill property tax increase... As a result, we believe Port St. Lucie continues to demonstrate a strong willingness to support these obligations."
- Moody's October 2015 Issuer Comment
  - "On September 28, the Port St. Lucie City Council approved a significant millage rate increase and a structurally balanced budget, both of which are credit positive."

Debt Payments – FY 2015

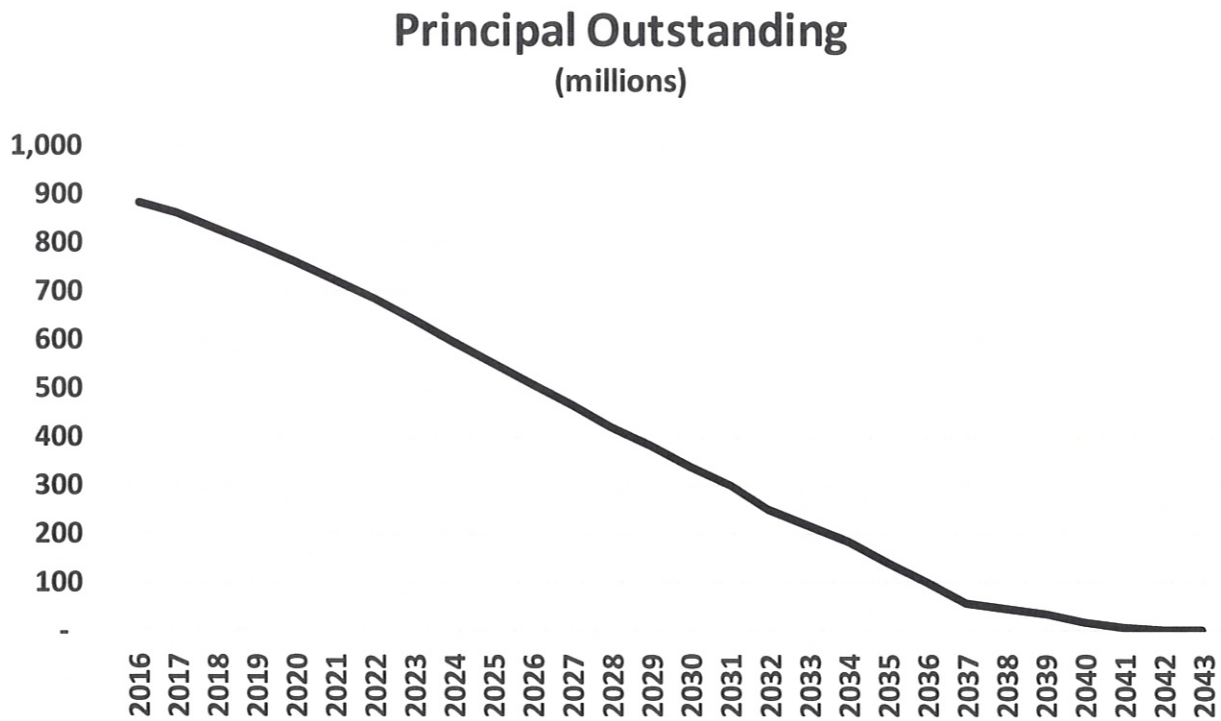
CHANGES IN LONG TERM DEBT FISCAL YEAR 2014-2015	
Principal Balance 9/30/2014	$ 922,624,274
Plus:	
Utility Refunding Bonds	29,585,000
Less:	
Utility Bonds Refunded	35,910,000
Additional Principal Payments	12,610,000
Scheduled Principal Payments	21,601,340
Principal Balance 9/30/2015	$ 882,087,934

Note: This schedule excludes interest.

Debt Reduction Plan



Debt Reduction Plan



Debt Reduction Plan

CHANGES IN LONG TERM DEBT
FISCAL YEAR 2015-2016

Principal Balance 9/30/2015	$	882,087,934
Plus:		
VGTI Bonds	$	56,940,000
Less:		
Additional Principal Payments		26,990,000
Scheduled Principal Payments		23,625,704
Principal Balance 9/30/2016	$	888,412,230

Note: This schedule excludes interest.

On The Horizon

- Refund 2004 and 2008 Certificates of Participation - $35.68 million balance
  - Issue Public Service Tax Revenue Refunding Bonds, Series 2016
  - Estimated savings of $3.2 million through 9/1/2027
  - Estimated 9% present value savings of refunded bonds
- Refund 2004 and 2006 CRA Bonds - $43.825 million balance
  - Issue CRA Refunding Revenue Bonds, Series 2016
  - Estimated savings of $3.5 million through 1/1/2026
  - Estimated 8% present value savings of refunded bonds

Debt Review

Questions?