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FOR IMMEDIATE RELEASE

The City of Port St. Lucie Utility bond sales exceeds expectations Debt service payment to drop about 14 percent annually

PORT ST. LUCIE, FL (Sept. 9, 2016) – The City of Port St. Lucie will save \$4.1 million a year in debt service payments for the next three years after one of the most successful bond sales in the City’s history.

On August 10, 2016, the City’s underwriting team sold the \$206,970,000 Utility System Refunding Bonds, Series 2016. The results of the sale exceeded the expectations of the City’s Finance, Legal and Utility staff along with its underwriting team.

“The sale was a huge success,” said Ed Fry, the City’s Finance Director. “This is the largest bond issue the City has ever had, and from my viewpoint, the most successful.”

This bond issue is expected to save the City a total of about \$40 million over the life of the bonds.

City staff in June had expected to achieve a 16.5 percent debt service savings in this Utility bond sale. Since then, interest rates declined and the demand for the bonds was greater than expected. The actual debt service savings was 18.8 percent. That means the City’s annual debt service payment will be \$4.1 million less over the next three years, a 14 percent decrease.

This successful bond issue will help further several of the City’s goals, including:

- Stabilizing the City’s annual Utility bond payment at about \$26.7 million for the next five years, then increasing to \$28.1 million for the life of the bonds.
- Accumulating funds for major Utility renewal, replacement and expansion projects in the next five years without the need to issue more debt. This could lead to the potential savings of more than \$20 million.

Fry credits the high demand for the Utility bonds in part to the recent A+ ratings from both the Standard and Poor and Fitch rating agencies. He also attributes it to the fact that this year, the City used four separate underwriting firms to market the bonds, instead of relying on only one firm – reaching a wider audience of potential investors.

In total, 63 investors put in a total of more than \$1.6 billion in orders for the Utility bonds during this sale.

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The City of Port St. Lucie is proud to be a hometown where people live, learn, work and play, and celebrate all of life's opportunities. With over 179,000 residents, Port St. Lucie is Florida's eighth largest city by population (South Florida's 3rd largest city). The City occupies an area of 120 square miles in St. Lucie County on Florida's east coast, about 50 miles north of West Palm Beach, half way between Miami and Orlando. The City provides most traditional municipal services including law enforcement, water and sewer, and public works. For more information, please visit: www.cityofpsl.com

