



Debt Review
Finance Department
September 2022

City of Port St Lucie Debt Policy



Debt must be
approved by
Council.



Authorized by
Florida Constitution,
State Statutes and
City Charter.



Debt proceeds used
for major capital
projects or refunding
existing debt.

Debt Refunding Requirements:

Current Refunding

When net present value savings is
equal or exceeds 3% of refunded
debt



Major Reasons For Debt Issuance

WATER AND SEWER SYSTEMS

EXPLOSIVE POPULATION GROWTH

Road Expansion, Stormwater infrastructure,
City Buildings.

INTER-PERIOD EQUITY

Future users of capital improvements
should share the cost of those improvements.

USEFUL LIFE

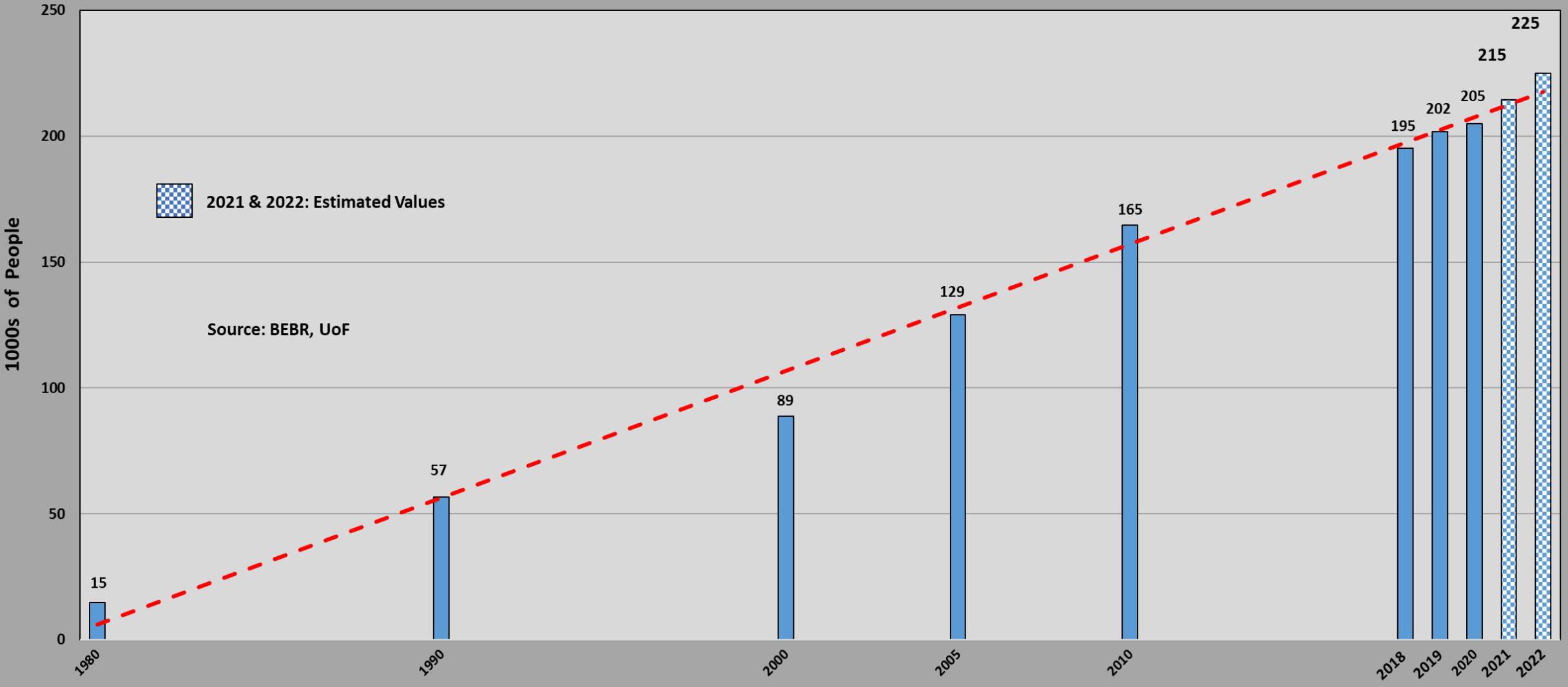
Expected useful life should exceed final
payment date of bond.



Port St. Lucie Population Growth



City of Port St. Lucie - Historic Population



FY 2021 Bond Ratings



| | | | |
|-------------------------|-----------|-----------|-----------|
| General Obligation | No rating | Aa3 | AA- |
| Utility (Water & Sewer) | AA- | A1 | AA |
| Stormwater | No rating | Aa3 | No rating |
| Special Assessment | No rating | No rating | AA- |
| Capital Improvement | No rating | No rating | AA |
| Public Service Tax | No rating | No rating | AA- |

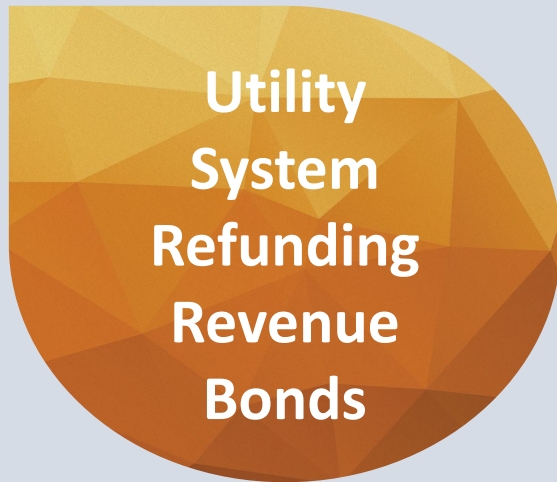
Note: The City's Bond Rating increased from the prior year:

Utility (Water & Sewer): Fitch Rating A+ to AA- ; S&P Rating AA- to AA

Public Service Tax: S&P Rating A+ to AA-

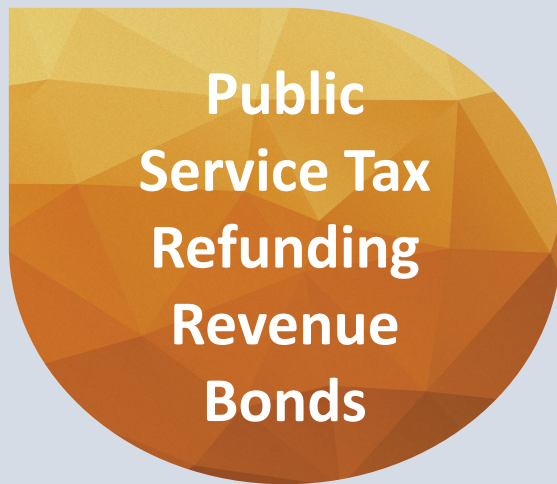


FY 2022 Bond Refunding



| | |
|-------------------------|---|
| ISSUANCE DATE: | JUNE 2022 |
| ISSUANCE AMOUNT: | \$16.7M |
| PURPOSE: | <ul style="list-style-type: none">- To refund the S2012 Utility Refunding Bonds- By refunding the 2012 Bonds and issuing the 2022 Bond, the City will realize \$1.465 million of Net Present Value (NPV) Debt Service Savings (net of all costs associated with completing the transaction) or 9.00% of the Refunded Bonds par amount. |

FY 2022 Bond Defeasance and Redemption



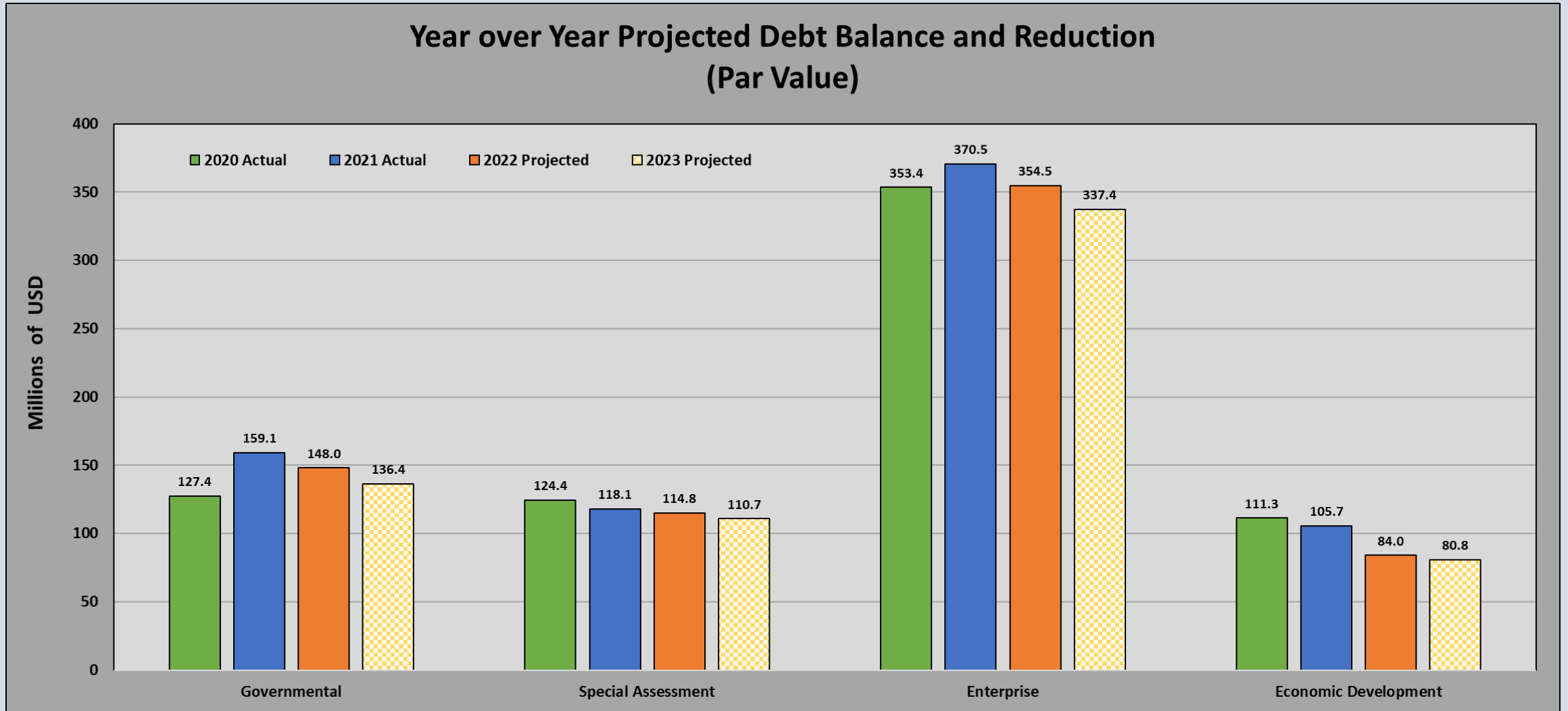
| | |
|---------------------------|---|
| RESOLUTION DATE: | SEPT 2022 |
| DEFEASANCE AMOUNT: | \$15.9M |
| PURPOSE: | <ul style="list-style-type: none">- To redeem the City's outstanding Public Service Tax Refunding Revenue Bonds, Series 2016- In order to reduce the debt of the City, certain legally available monies will be utilized for the defeasance and redemption of the outstanding City's Public Service Tax Refunding Revenue Bonds, Series 2016. The proceeds of the Public Service Tax Refunding Revenue Bonds, Series 2016 were used to refinance the costs of various governmental buildings and facilities. |

Year Over Year Projected Debt Balance (Par Value – with Series 2016 Torrey Pines Payoff)

| | 2020 Actual Par Value | 2021 Actual Par Value | 2022 Projected Par Value | 2023 Projected Par Value |
|---------------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| Governmental | 127,350,000 | 159,060,000 | 148,005,000 | 136,425,000 |
| Special Assessment | 124,430,000 | 118,060,000 | 114,845,000 | 110,730,000 |
| Enterprise | 353,390,000 | 370,515,000 | 354,515,000 | 337,390,000 |
| Economic Development | 111,300,000 | 105,720,000 | 84,010,000 | 80,830,000 |
| | 716,470,000 | 753,355,000 | 701,375,000 | 665,375,000 |



City of Port St Lucie – Debt Review



Bond Type by Category

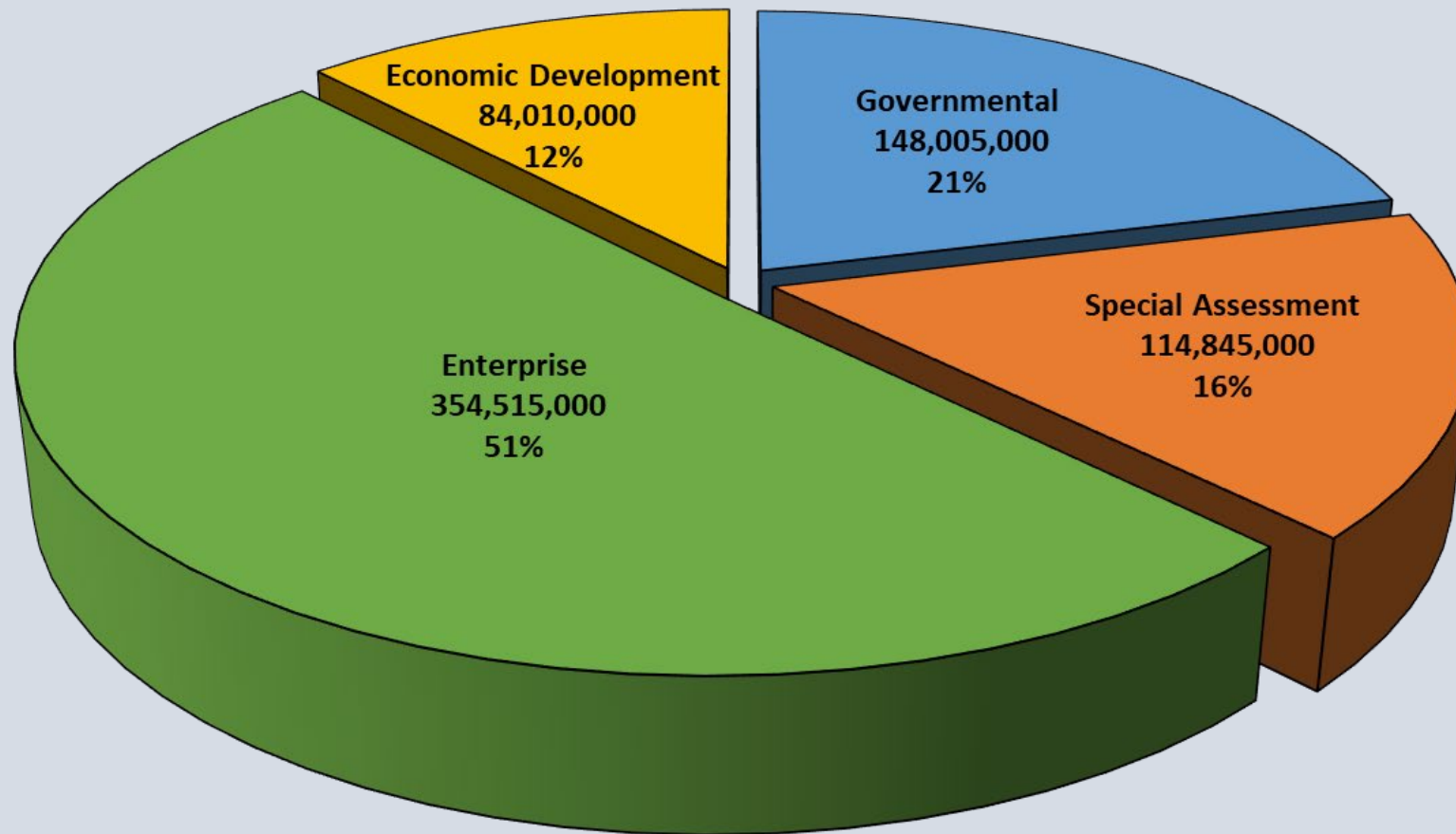
| Category | FY 2022 Projected Par Value | FY 2023 Projected Par Value |
|----------------------|--|--|
| Governmental | 148,005,000 | \$ 136,425,000 |
| Special Assessment | 114,845,000 | \$ 110,730,000 |
| Enterprise | 354,515,000 | \$ 337,390,000 |
| Economic Development | 84,010,000 | \$ 80,830,000 |
| TOTAL | 701,375,000 | \$ 665,375,000 |

Note: Economic Development includes S2016 PST Torrey Pines Bond (Econ Dev) anticipated payoff in Sept 2022 \$15,900,000.



Bond Type by Category (Projected Par Value)

Total: \$701,375,000



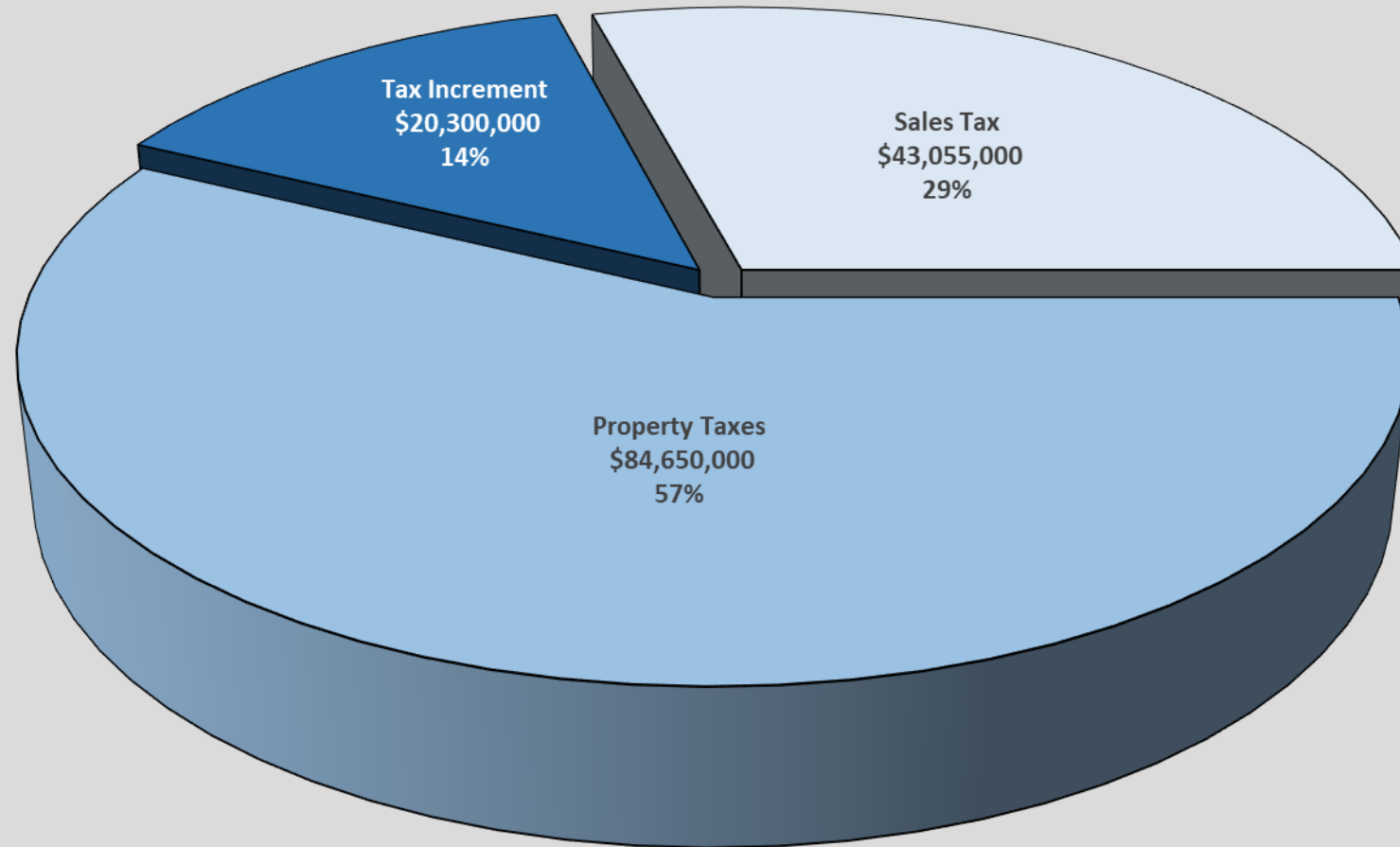
Government Bonds

| Bond Type | Series | Maturity Date | Projected Par Value |
|-----------------------------|--------|---------------|-----------------------|
| Gen. Obligation - Crosstown | 2014 | JUL 2035 | \$ 23,125,000 |
| Gen. Obligation Refunding | 2014 | JUL 2032 | \$ 25,580,000 |
| C.R.A. T.I.F. Ref. Revenue* | 2016 | JAN 2026 | \$ 20,300,000 |
| Gen. Obligation & Refunding | 2016 | JUL 2035 | \$ 35,945,000 |
| Capital Refunding Revenue | 2021 | SEP 2051 | \$ 43,055,000 |
| Total | | | \$ 148,005,000 |

*Anticipating paying off – CRA – reserve funds within the next year or two.



Governmental Debt (Projected Par Value)



Total: \$148,005,000

**S2016 CRA
TIF Refunding
Revenue Bond
(Civic Center)**

| TYPE | CATEGORY | FY23 | FY24 | FY25 |
|-----------------|-----------------|----------------------|----------------------|----------------------|
| BALANCE | TOTAL | \$ 20,300,000 | \$ 16,345,000 | \$ 11,160,000 |
| Revenue | G.F. Transfer | \$ 985,184 | \$ 2,017,989 | \$ 0 |
| | CRA Revenue | \$ 3,504,215 | \$ 3,854,637 | \$ 4,201,554 |
| | Debt Reserve | \$ 0 | \$ 0 | \$ 6,958,446 |
| | Total | \$ 4,871,125 | \$ 5,872,625 | \$ 11,160,000 |
| CRA Debt | Principal | \$ 3,955,000 | \$ 5,185,000 | \$ 11,160,000 |
| | Interest | \$ 916,125 | \$ 687,625 | \$ 0 |
| | Total | \$ 4,871,125 | \$ 5,872,625 | \$ 11,160,000 |

Enterprise Bonds

| Bond Type | Series | Maturity Date | Projected Par Value |
|-----------------------------------|--------|---------------|-----------------------|
| Utility Refunding and Improvement | 2007 | SEP 2027 | \$ 48,300,000 |
| Stormwater Utility Ref. Rev | 2011 | MAY 2023 | \$ 1,325,000 |
| Utility Refunding* | 2012 | SEP 2029 | \$ 0 |
| Utility Refunding | 2014 | SEP 2034 | \$ 25,005,000 |
| Utility Refunding | 2016 | SEP 2036 | \$ 7,225,000 |
| Utility Refunding Revenue | 2018 | SEP 2035 | \$ 30,145,000 |
| Stormwater Revenue | 2020 | MAY 2039 | \$ 30,095,000 |
| Utility System Revenue | 2021 | SEP 2051 | \$ 196,965,000 |
| Utility System Refunding Revenue* | 2022 | SEP 2029 | \$ 15,455,000 |
| Total | | | \$ 354,515,000 |

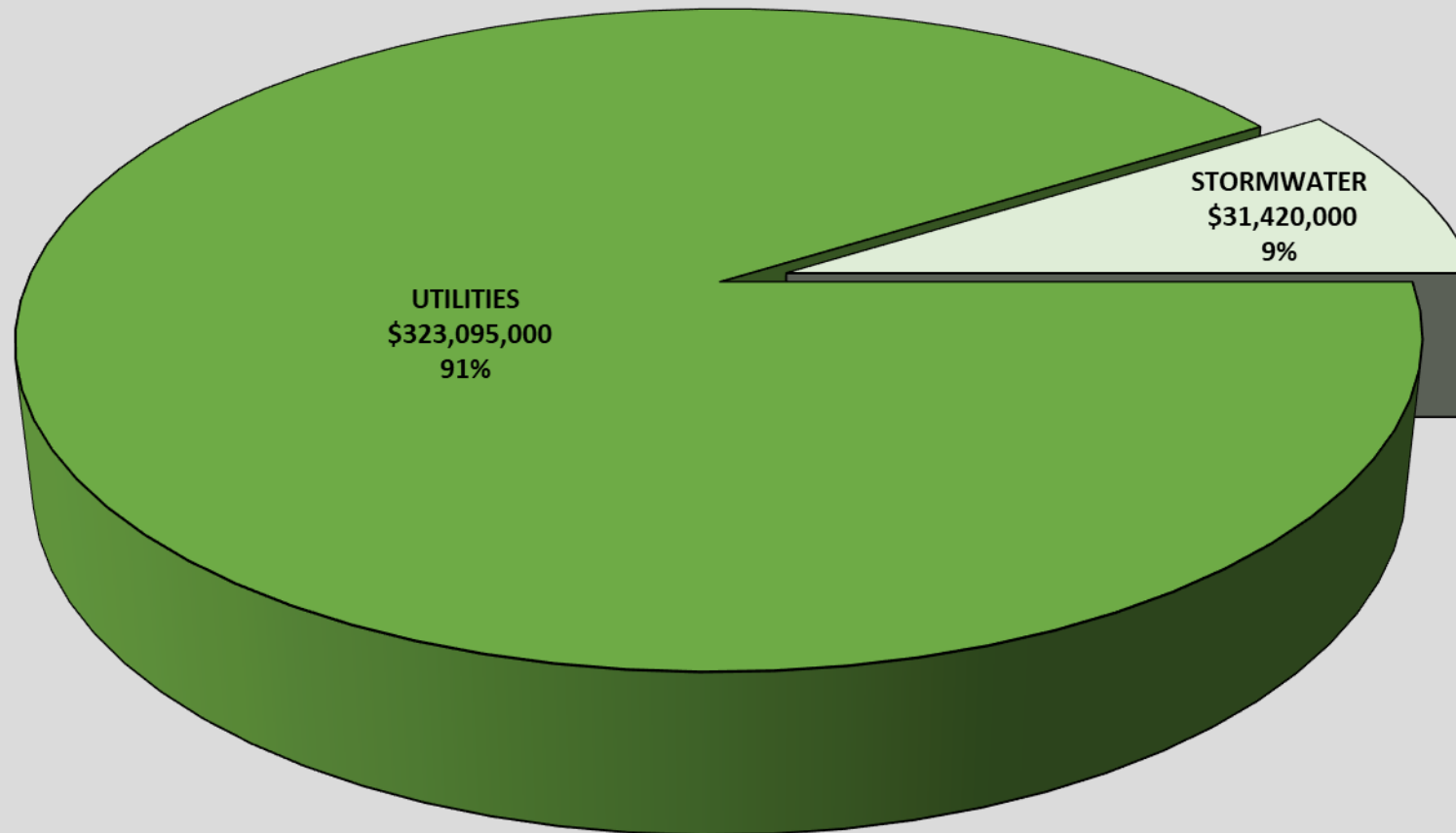
* Paid off and refunded to get NPV of \$1.45 Million.

Enterprise Bonds

| Bond Sub-Type | Projected Par Value |
|----------------------|----------------------------|
| Utilities | \$ 323,095,000 |
| Stormwater | \$ 31,420,000 |
| Total | \$ 354,515,000 |

Enterprise Bonds by Type (Projected Par Value)

Total: \$ 354,515,000



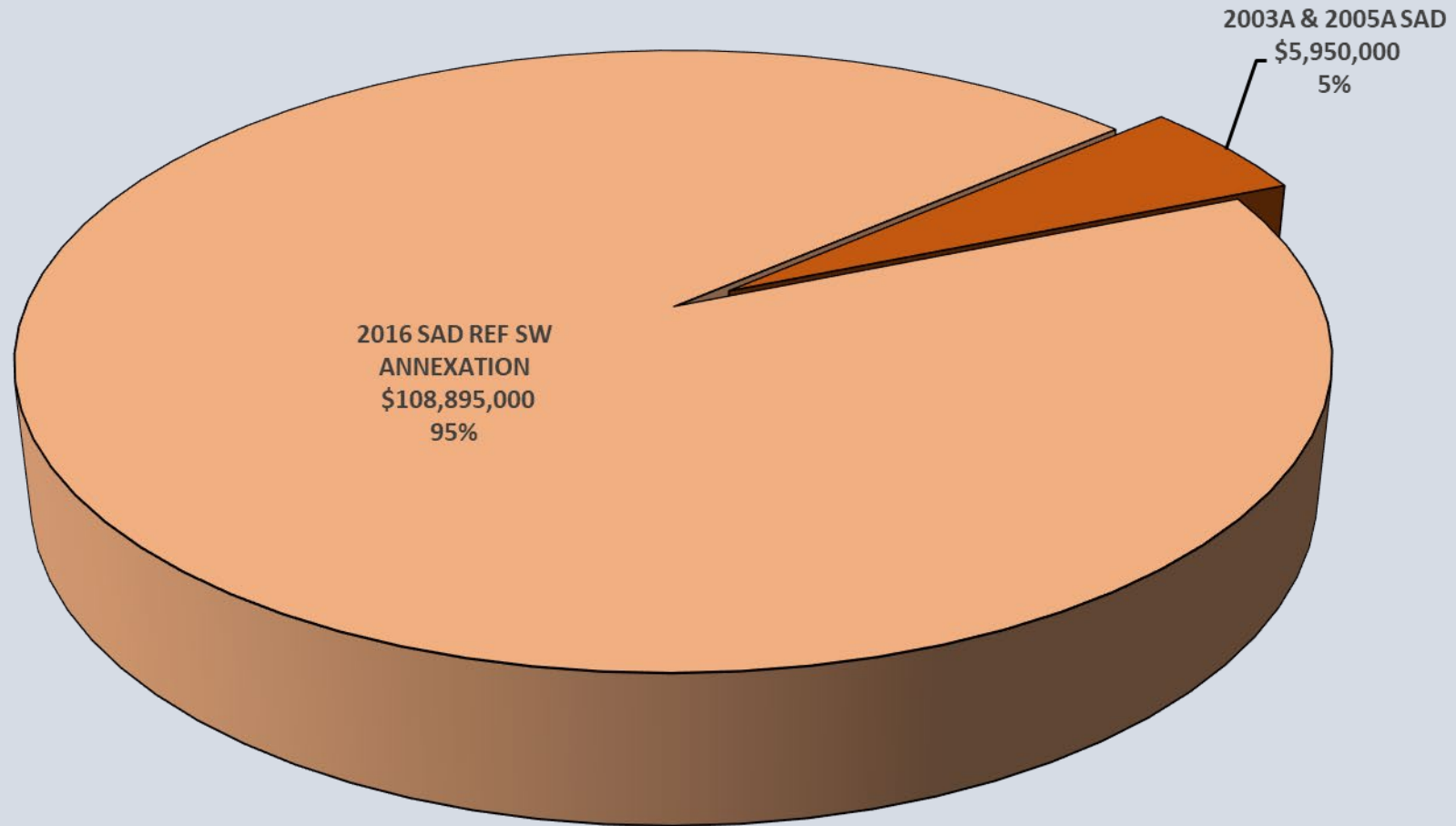
**Special
Assessment
Bonds**

| Bond Type | Series | Maturity Date | Projected Par Value |
|---------------------------|---------------|----------------------|----------------------------|
| East Lake Village | 2003A | JUL 2025 | \$ 515,000 |
| St Lucie Land Holdings | 2005A | JUL 2027 | \$ 5,435,000 |
| Southwest Annex Refunding | 2016 | JUL 2045 | \$ 108,895,000 |
| Total | | | \$ 114,845,000 |



Special Assessment Bonds (Projected Par Value)

Total: \$ 114,845,000



Economic Development Bonds

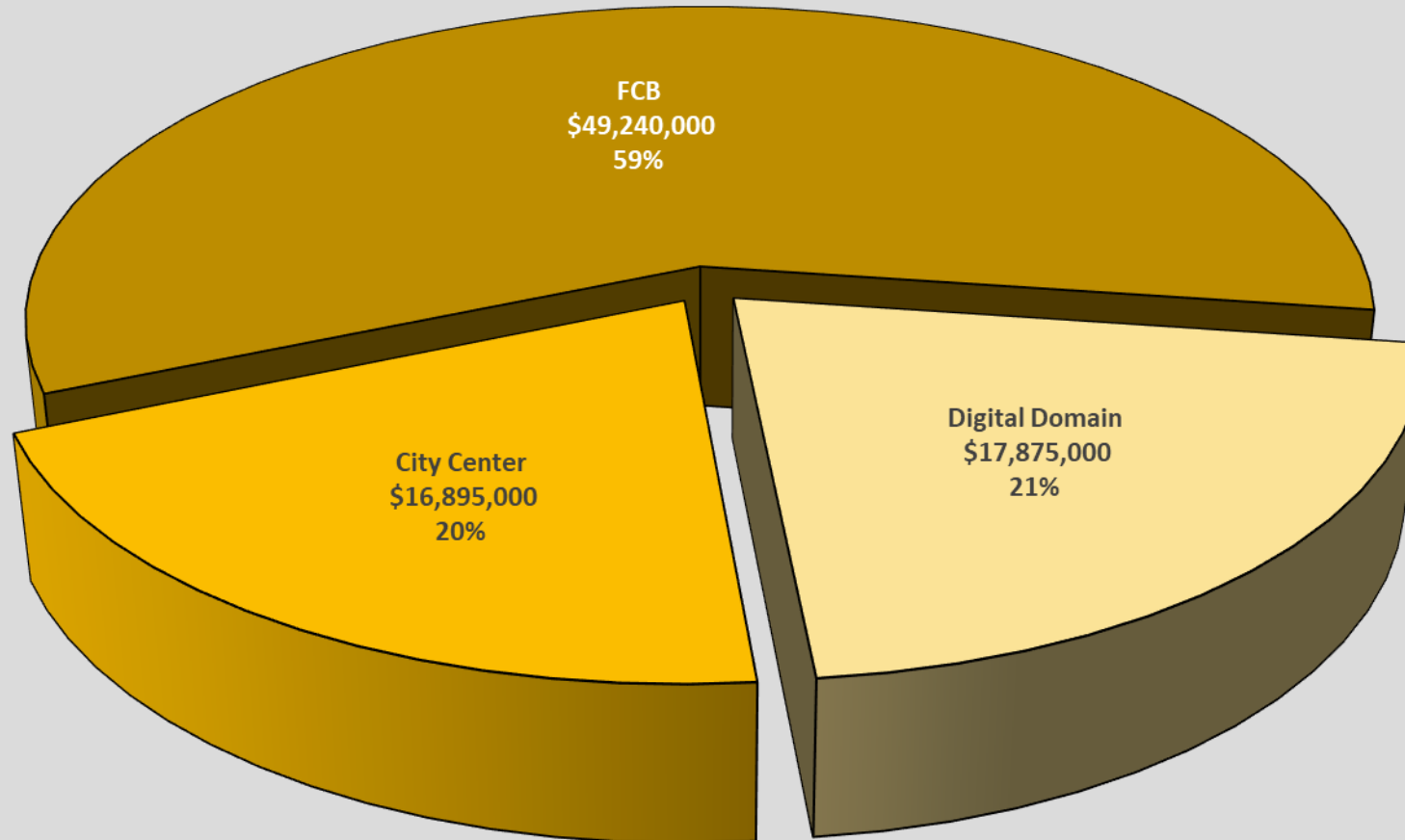
| Bond Type | Series | Maturity Date | Projected Par Value |
|--|--------|---------------|----------------------|
| Public Service Tax - Digital Domain | 2014B | SEP 2043 | \$ 17,875,000 |
| Public Service Tax - Torrey Pines * | 2016 | SEP 2027 | \$ 0- |
| Taxable Spec. Oblig. Ref. Rev. - City Center | 2017 | JUL 2035 | \$ 16,895,000 |
| Taxable Spec. Oblig. Ref. Rev. - FCB | 2018A | MAY 2042 | \$ 49,240,000 |
| Total | | | \$ 84,010,000 |

*Includes S2016 PST Torrey Pines Bond anticipated payoff (Sept 2022) \$15,900,000.



Economic Development Bonds (Projected Par Value)

Total: \$ 84,010,000



Florida Cities Long-Term Debt (Bonds)

| Florida Cities Long-Term Liability (per AFR) | | | |
|---|--------------------------------|---------------------------------|--|
| City | 2021 AFR Long-term Liabilities | April 2021 BEBR Population Est. | BEBR Rank by Population Change, 2020 to 2021 |
| Gainesville* | \$ 2,063,114,744 | 143,835 | 15 |
| Tallahassee | \$ 971,485,000 | 198,371 | 21 |
| Fort Lauderdale | \$ 932,043,036 | 186,076 | 13 |
| Tampa | \$ 930,754,832 | 391,800 | 6 |
| Orlando | \$ 910,494,112 | 314,506 | 5 |
| St. Petersburg | \$ 886,404,102 | 260,778 | 18 |
| Cape Coral | \$ 862,220,299 | 201,554 | 3 |
| Port St. Lucie | \$ 765,362,593 | 214,514 | 2 |
| Hollywood | \$ 306,309,031 | 153,854 | 51 |
| Pembroke Pines | \$ 246,250,622 | 170,857 | N/A |
| Miramar | \$ 227,526,387 | 136,007 | 32 |
| Hialeah | \$ 126,674,935 | 225,493 | 19 |
| Coral Springs | \$ 110,530,041 | 134,558 | N/A |
| Sources: | | | |
| AFR Values: MyFloridaCFO.com | | | |
| Population: (UoF) Bureau of Economic Business Research (BEBR) | | | |
| *2020 data for AFR Value | | | |

Florida Statutes, defines long-term debt as “any agreement or series of agreements to pay money, which, at inception, contemplate terms of payment exceeding 1 year in duration”. For AFR purposes, the following is **excluded**: compensated leave absences, other postemployment benefits (OPEB) liability, unscheduled landfill closure liability, pensions, prepayments made after the close of the fiscal year being reported, and current portion of the long-term debt (amount due within 1 year).



Debt Rollforward (FY2022 Par Value)



| | |
|--|--------------|
| Opening Par Value | 753,355,000 |
| Less Principal Repayments | (35,555,000) |
| Less Refunding 2012 Utility Bond | (16,275,000) |
| New S2022 Utility System Refunding Revenue Bond | 15,750,000 |
| S2016 PST Torrey Pines Bond (anticipated payoff) | (15,900,000) |
| Debt outstanding, September 30, 2022 | 701,375,000 |

Questions?

