# City of Port St. Lucie

121 SW Port St. Lucie Blvd.
Port St. Lucie, Florida 34984

## Meeting Agenda

***Summer Workshop Day 2***

**Thursday, July 23, 2026**

**8:30 AM**

**PSL Community Center 2195 SE Airoso Blvd**

## City Council Workshop

***Shannon M. Martin, Mayor***

***Jolien Caraballo, Vice Mayor, District IV***
***Stephanie Morgan, Councilwoman, District I***
***Dave Pickett, Councilman, District II***
***Anthony Bonna, Sr., Councilman, District III***

***Please visit www.cityofpsl.com/tv for new public comment options.***

1. **Meeting Called to Order**

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Public to be Heard**

5. **Workshop Business**

   **5.a** Provide a Review of the City's Debt Portfolio. **2026-653**

   **5.b** Hear a Review Regarding the City's Investment Portfolio. **2026-654**

   **5.c** FY 2026-27 Proposed Budget **2026-628**

   **5.d** Hear a State Legislative Update **2026-694**

6. **Adjourn**

Notice: No stenographic record by a certified court reporter will be made of the foregoing meeting. Accordingly, if a person decides to appeal any decision made by the City Council, board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

Notice: Public and Press are invited to review all the backup for Council Meetings. Copies are available in the City Clerk's Office on Wednesday, Thursday, Friday, and Monday before Council Meetings. On Meeting nights, a copy of backup material is available in the reception area of City Hall for public review. Please leave the agenda and backup material in good order for others to review.

Notice: Anyone wishing to speak during Public to be Heard and/or on any Agenda Item is asked to fill out a white Participation Card and submit it to the City Clerk. Participation Cards are available on the side table in Council Chambers, at the reception desk in City Hall lobby, and in the City Clerk's Office.

Notice: In accordance with the Americans with Disabilities Act of 1990, persons needing special accommodation to participate in this proceeding should contact the City Clerk's Office at 772-871-5157.

As a courtesy to the people recording the meeting, please turn all cell phones to silent or off. Thank you.

# Agenda Summary

2026-653

**Agenda Date:** 7/23/2026 **Agenda Item No.:** 5.a

Placement: Proclamations and Special presentations

Action Requested: Discussion

## Provide a Review of the City's Debt Portfolio.

Submitted By: Charlie Proulx, Deputy Director, Finance Department.

Strategic Plan Link: The City's Mission to utilize fiscal responsibility.

Executive Summary (General Business): This is a review and update on the City's debt portfolio.

Presentation Information: A PowerPoint presentation by Charlie Proulx, Deputy Director, Finance Department.

Staff Recommendation: Request that the Council acknowledge the progress made and reaffirm commitment to responsibly managing the City's long-term debt obligations.

Background: Outstanding bonded debt reached a high of $1.042 billion during FY 2009-10; actual for FY 2024-25 was $580 million. Total debt projected for FY 2025-26 is $626 million.

Issues/Analysis: N/A

Financial Information: The City will continue to focus on responsible debt management, ensuring adequate funds are available to meet current obligations while also maintaining flexibility to address future needs.

Special Consideration: N/A

Location of Project: N/A

Attachments: 1. Debt Review PowerPoint

*NOTE: All of the listed items in the "Attachment" section above are in the custody of the City Clerk. Any item(s) not provided in City Council packets are available upon request from the City Clerk.*

Internal Reference Number: N/A

Legal Sufficiency Review:
N/A

City of PORT ST. LUCIE
HEART OF THE TREASURE COAST

# Debt Review

Finance Department
City Council Workshop | July 2026



# Charlie Proulx, CGFO

Deputy Director, Finance

**17**
PROFESSIONAL YEARS

**17**
GOVERNMENT YEARS

## CERTIFICATIONS/HONORS

- Certified Government Finance Officer
- Lean Six Sigma Blackbelt Professional

## DEGREES

- MBA - Finance

# Major Reasons for Debt

- Capital Projects
- Investment in Public Services
- Investment in Public Enterprises
- Refinance Existing Debt





This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Benefits of Issuing Debt

- Funding Larger Projects
- Spread Cost Over Time
- Financial Flexibility



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# 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:**

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



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Debt Comparison

| 2025 | | | 2010 | | | | |
|---|---|---|---|---|---|---|---|
| City | Population | Outstanding Debt | City | Population | Outstanding Debt | Debt Reduction | Percentage |
| Jacksonville | 1,062,593 | $2,081,929,000 | Jacksonville | 901,271 | $2,731,111,076 | ($649,182,076) | -24% |
| Gainesville | 151,275 | $1,979,105,721 | Gainesville | 132,217 | $1,087,563,020 | $891,542,701 | 82% |
| Tampa | 414,547 | $1,755,455,000 | Tampa | 350,210 | $816,628,000 | $938,827,000 | 115% |
| Fort Lauderdale | 192,338 | $1,451,098,000 | Fort Lauderdale | 180,400 | $571,835,000 | $879,263,000 | 154% |
| Orlando | 340,681 | $1,349,873,409 | Orlando | 233,160 | $1,067,025,462 | $282,847,947 | 27% |
| Cape Coral | 228,881 | $1,023,939,407 | Cape Coral | 163,095 | $902,587,138 | $121,352,269 | 13% |
| Miami | 478,799 | $989,408,104 | Miami | 399,457 | $704,277,770 | $285,130,334 | 40% |
| Tallahassee | 205,091 | $973,708,000 | Tallahassee | 178,923 | $1,008,466,000 | ($34,758,000) | -3% |
| St. Petersburg | 266,153 | $756,701,481 | St. Petersburg | 244,769 | $362,711,925 | $393,989,556 | 109% |
| City of Port St Lucie | 260,194 | $580,070,000 | City of Port St Lucie | 164,603 | $1,042,316,195 | ($462,246,195) | -44% |
| Hollywood | 156,997 | $424,568,000 | Hollywood | 142,397 | $414,702,000 | $9,866,000 | 2% |
| Miramar | 140,807 | $211,267,000 | Miramar | 122,041 | $185,190,000 | $26,077,000 | 14% |
| Pembroke Pines | 171,413 | $193,651,218 | Pembroke Pines | 150,587 | $378,731,759 | ($185,080,541) | -49% |
| Hialeah | 221,901 | $98,778,810 | Hialeah | 226,419 | $106,634,050 | ($7,855,240) | -7% |
| Coral Springs | 136,062 | $70,825,245 | Coral Springs | 127,359 | $62,597,102 | $8,228,143 | 13% |



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

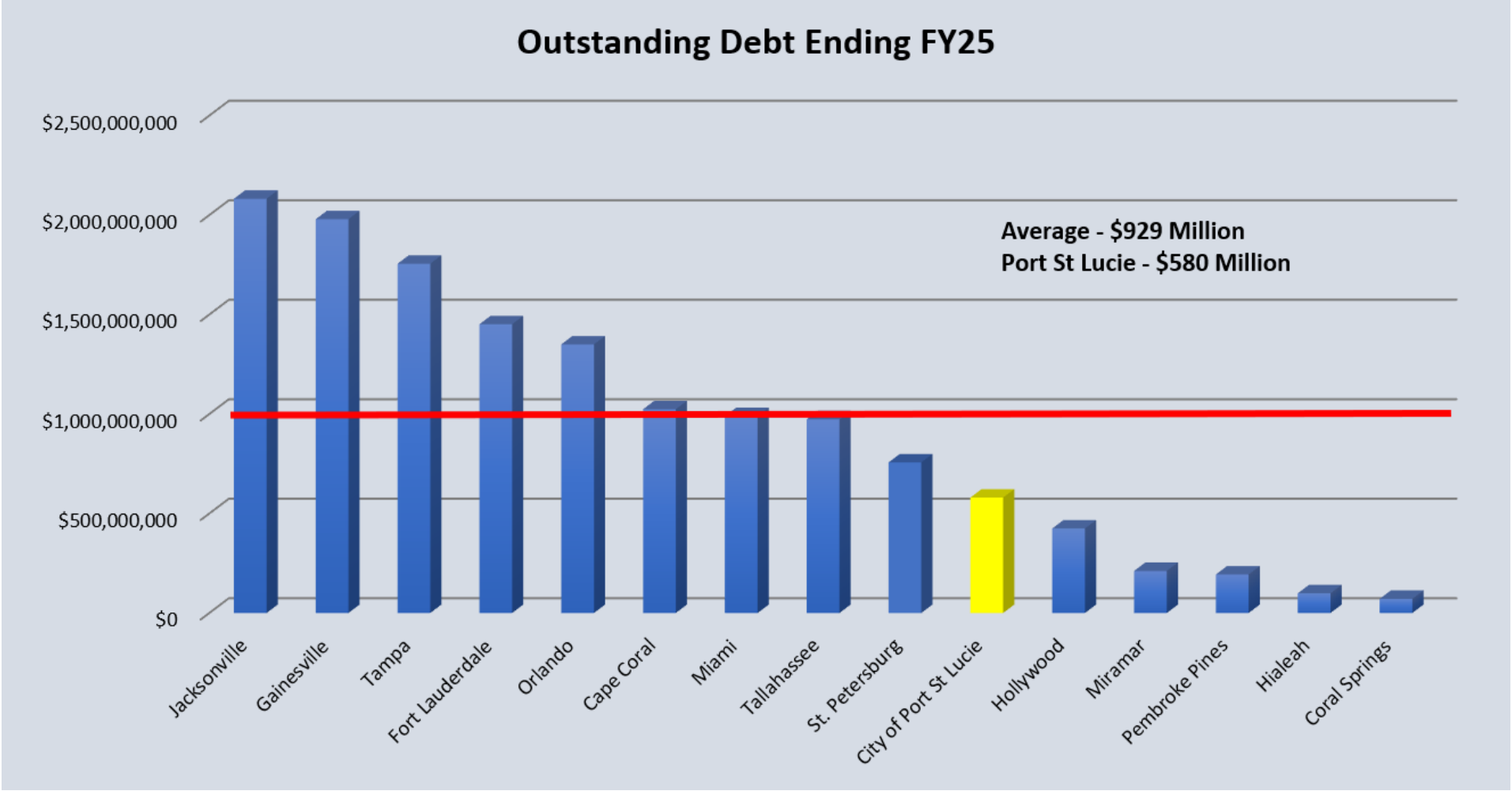
# Debt Per Capita

| 2025 | | | | 2010 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| City | Population | Outstanding Debt | Per Capita | City | Population | Outstanding Debt | Per Capita | Debt Reduction | Percentage |
| Gainesville | 151,275 | $1,979,105,721 | $13,083 | Gainesville | 132,217 | $1,087,563,020 | $8,226 | $4,857 | 59% |
| Fort Lauderdale | 192,338 | $1,451,098,000 | $7,545 | Fort Lauderdale | 180,400 | $571,835,000 | $3,170 | $4,375 | 138% |
| Tallahassee | 205,091 | $973,708,000 | $4,748 | Tallahassee | 178,923 | $1,008,466,000 | $5,636 | ($889) | -16% |
| Cape Coral | 228,881 | $1,023,939,407 | $4,474 | Cape Coral | 163,095 | $902,587,138 | $5,534 | ($1,060) | -19% |
| Tampa | 414,547 | $1,755,455,000 | $4,235 | Tampa | 350,210 | $816,628,000 | $2,332 | $1,903 | 82% |
| Orlando | 340,681 | $1,349,873,409 | $3,962 | Orlando | 233,160 | $1,067,025,462 | $4,576 | ($614) | -13% |
| St. Petersburg | 266,153 | $756,701,481 | $2,843 | St. Petersburg | 244,769 | $362,711,925 | $1,482 | $1,361 | 92% |
| Hollywood | 156,997 | $424,568,000 | $2,704 | Hollywood | 142,397 | $414,702,000 | $2,912 | ($208) | -7% |
| City of Port St Lucie | 260,194 | $580,070,000 | $2,229 | City of Port St Lucie | 164,603 | $1,042,316,195 | $6,332 | ($4,103) | -65% |
| Miami | 478,799 | $989,408,104 | $2,066 | Miami | 399,457 | $704,277,770 | $1,763 | $303 | 17% |
| Jacksonville | 1,062,593 | $2,081,929,000 | $1,959 | Jacksonville | 901,271 | $2,731,111,076 | $3,030 | ($1,071) | -35% |
| Miramar | 140,807 | $211,267,000 | $1,500 | Miramar | 122,041 | $185,190,000 | $1,517 | ($17) | -1% |
| Pembroke Pines | 171,413 | $193,651,218 | $1,130 | Pembroke Pines | 150,587 | $378,731,759 | $2,515 | ($1,385) | -55% |
| Coral Springs | 136,062 | $70,825,245 | $521 | Coral Springs | 127,359 | $62,597,102 | $492 | $29 | 6% |
| Hialeah | 221,901 | $98,778,810 | $445 | Hialeah | 226,419 | $106,634,050 | $471 | ($26) | -5% |



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

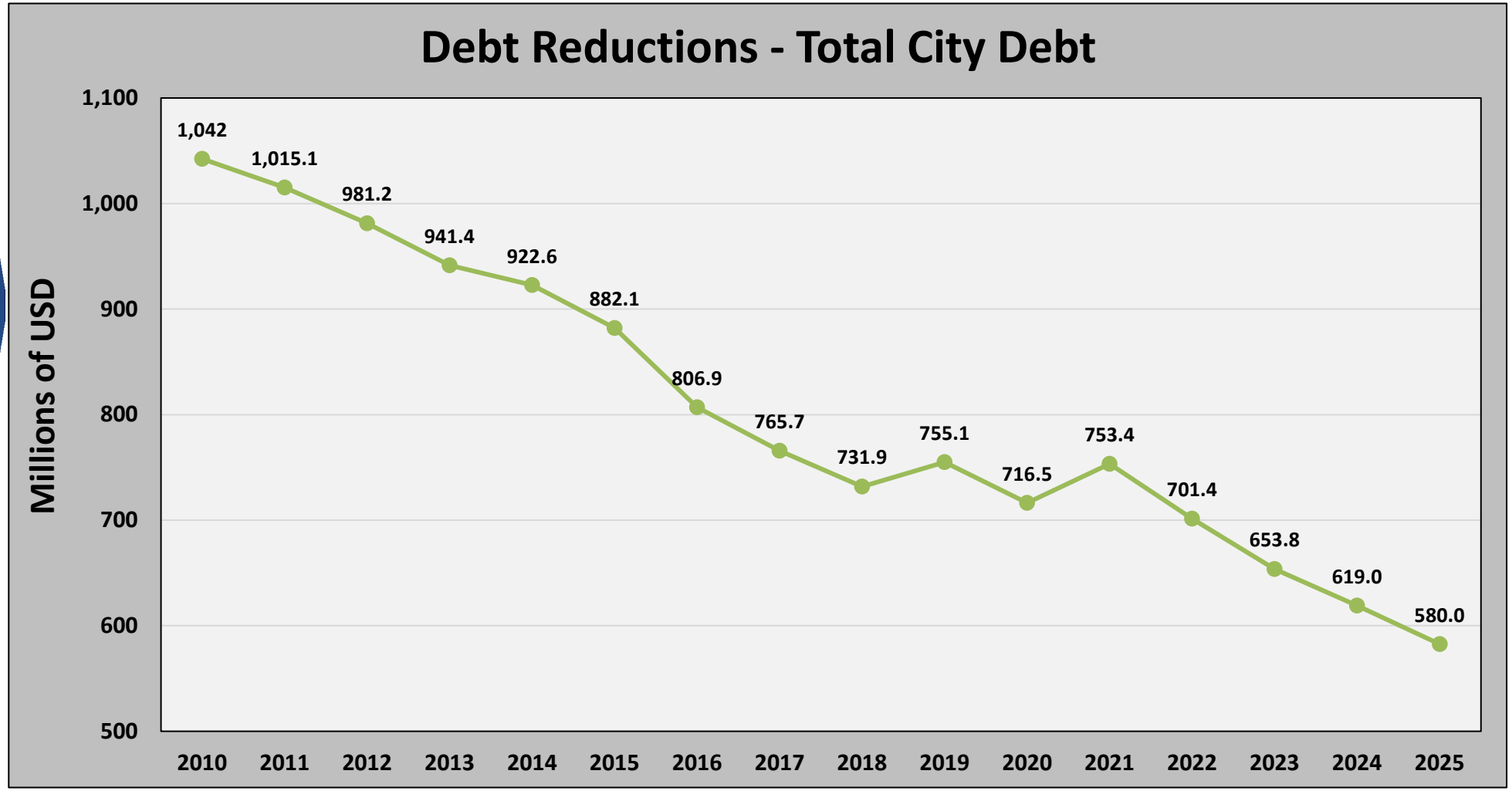
# Debt Comparison






This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

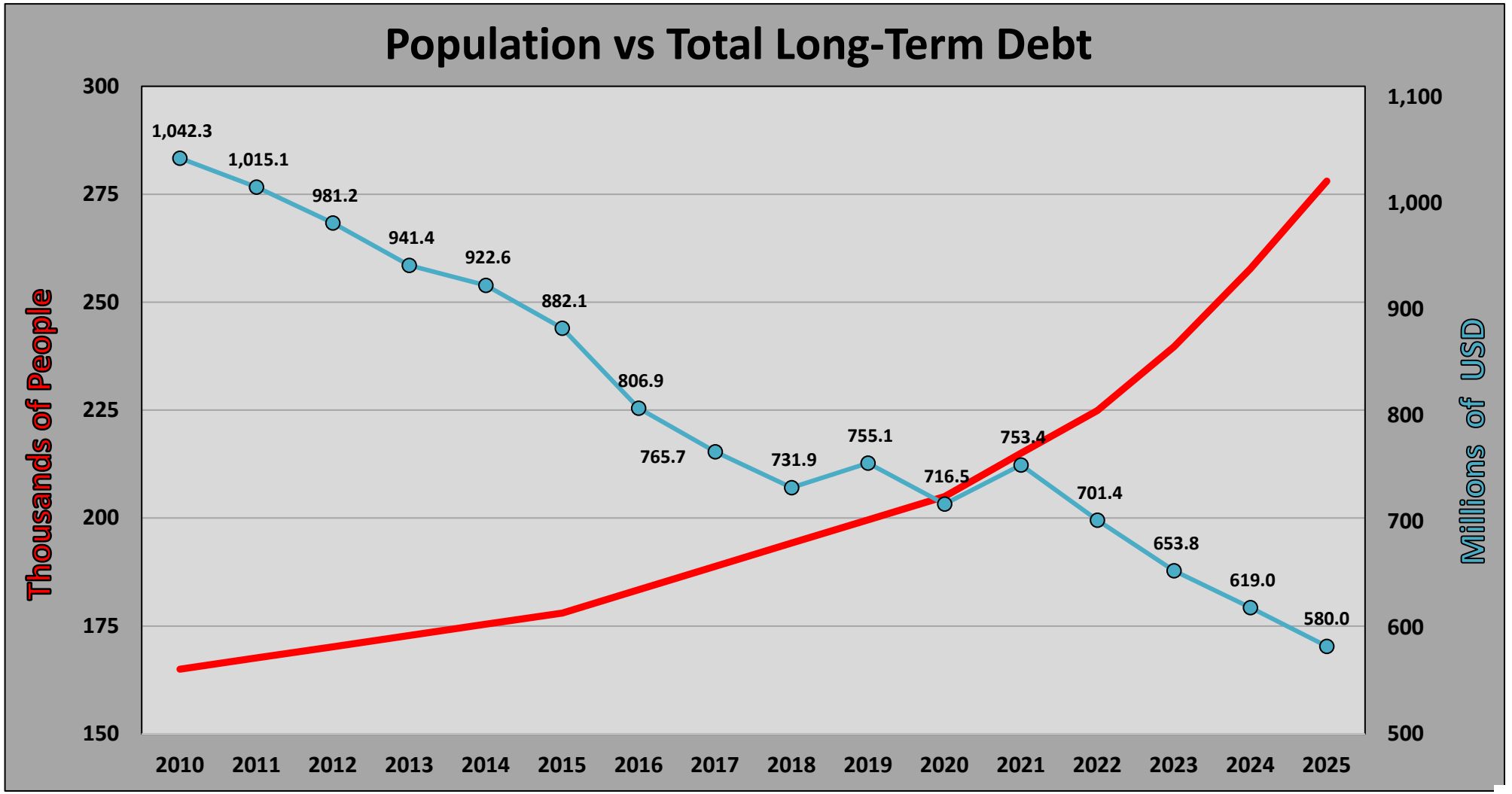
# Port St. Lucie Debt Reduction






This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

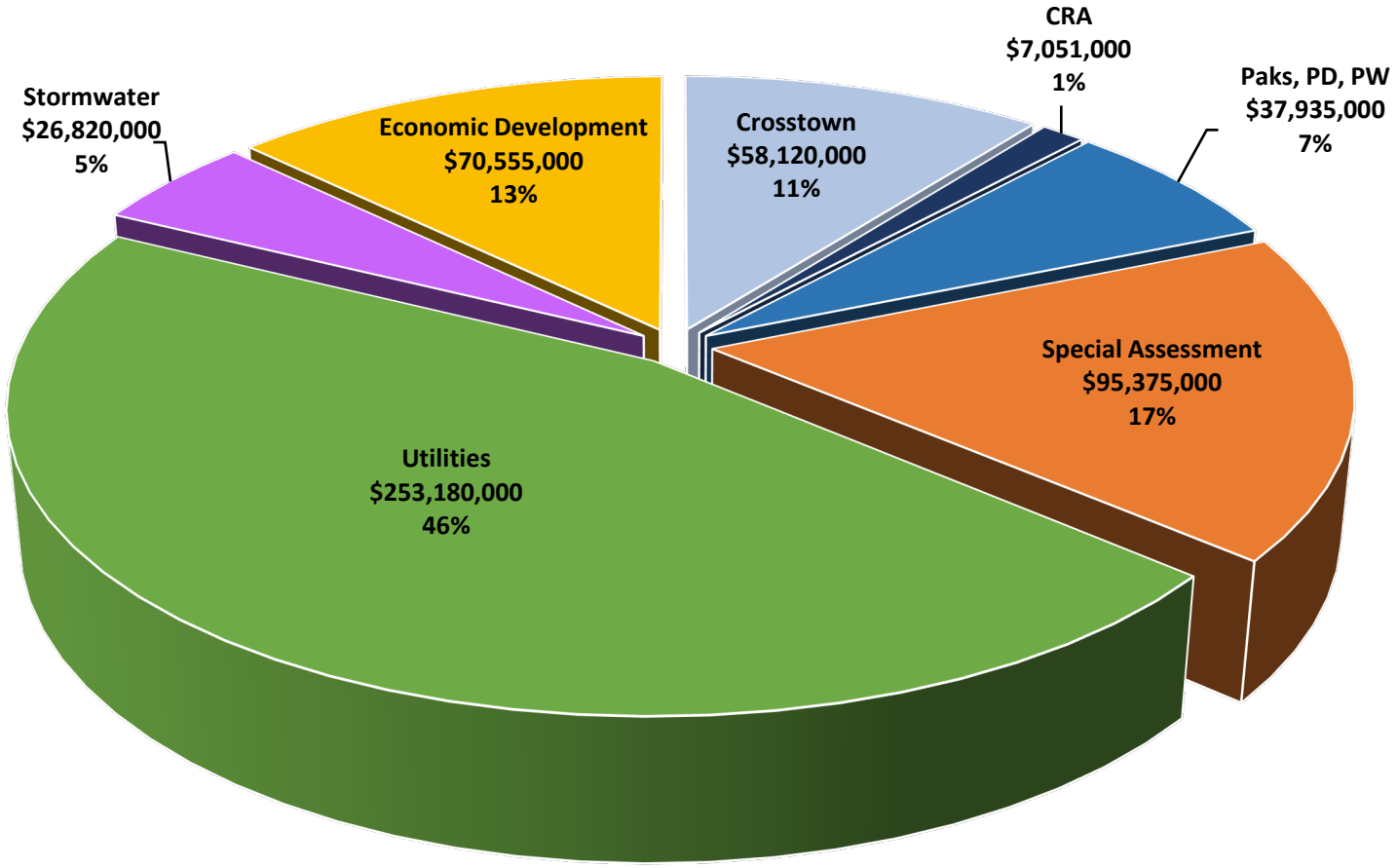
# Population vs. Debt






This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Outstanding Debt by Category




**Total: $549,036,000**

# Refunding Occurrences

| Bond Name | Net Present Value Savings (est.) |
|---|---|
| 2016 General Obligation & Refunding | $1,300,000 |
| **2025 Total** | **$1,300,000** |
| Prior Refunding's | $100,800,000 |
| **Total Debt Savings** | **$102,100,000** |

This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Current Bond Ratings

| | FITCH RATINGS | MOODY'S | STANDARD & POOR'S |
|---|---|---|---|
| General Obligation | No rating | Aa2 | AA |
| Utility Systems | AA | Aa3 | AA |
| Stormwater | No rating | Aa3 | No rating |
| Special Assessment | No rating | Aa2 | AA |
| Capital Improvement | No rating | No rating | AA |
| Public Service Tax | No rating | No rating | AA- |



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Total Debt Portfolio

| Bond Category | Bond Name | Series | Maturity Date | Issue Amount | 2026 Par Value | Call Date |
|---|---|---|---|---|---|---|
| Utilities | Util Refunding and Improvement | 2007 | Sep-27 | $119,445,000 | $10,675,000 | - |
| Utilities | Utility Refunding | 2016 | Sep-36 | $206,970,000 | $182,445,000 | 2026 |
| Utilities | Utility Refunding Revenue | 2018 | Sep-35 | $8,305,000 | $5,995,000 | 2028 |
| Utilities | Utility System Revenue | 2021 | Sep-51 | $30,635,000 | $27,720,000 | 2031 |
| Utilities | Utility System Refunding Revenue | 2023 | Sep-34 | $21,320,000 | $15,775,000 | - |
| Utilities | Loan: Utility System Refunding Revenue | 2022 | Sep-29 | $15,750,000 | $10,570,000 | Anytime |
| Economic Development | Public Service Tax - Digital Domain | 2014B | Sep-43 | $19,775,000 | $15,575,000 | 2024 |
| Economic Development | Taxable Spec. Oblig. Ref. Rev. - City Center | 2017 | Jul-35 | $22,345,000 | $12,580,000 | 2026 |
| Economic Development | Taxable Spec. Oblig. Ref. Rev. - FCB (VGTI) | 2018A | May-42 | $54,085,000 | $42,400,000 | 2028 |
| Government Revenue | Capital Improv & Refunding Revenue | 2021 | Sep-51 | $45,665,000 | $37,935,000 | 2031 |
| General Obligation | General Obligation & Refunding | 2016 | Jul-35 | $37,075,000 | $6,915,000 | 2025 |
| General Obligation | General Obligation & Refunding | 2025 | Jul-35 | $24,555,000 | $22,555,000 | - |
| General Obligation | General Obligation & Refunding | 2023 | Jul-35 | $39,750,000 | $28,650,000 | - |
| Special Assessment | Southwest Annex Refunding | 2016 | Jul-45 | $126,895,000 | $95,375,000 | 2026 |
| Stormwater | Stormwater Revenue | 2020 | May-39 | $30,145,000 | $26,820,000 | 2029 |
| CRA | Loan: 2025 CRA Redevelopment Trust Rev | 2025 | Jul-31 | $7,051,000 | $7,051,000 | Anytime |
| | | | | **$809,766,000** | **$549,036,000** | |



This document contains proprietary information and is intended for City use only. Share it with external contacts as needed.

# Questions

This document contains proprietary information and is intended for City use only.  Share it with external contacts as needed.

# Agenda Summary

2026-654

**Agenda Date:** 7/23/2026 **Agenda Item No.:** 5.b

Placement: Proclamations and Special presentations

Action Requested: Discussion

Hear a Review Regarding the City's Investment Portfolio.

Submitted By: Karen Russell, Assistant Finance Director, Finance Department.

Strategic Plan Link: The City's Goal of a high-performing city government organization.

Executive Summary (General Business): This is a review of the City's investment portfolio.

Presentation Information: A PowerPoint presentation by John Grady, Managing Director, from PTMA Financial Solutions - one of our Investment Managers.

Staff Recommendation: Request that the Council provide staff direction for future investments and the investment policy.

Background: N/A

Issues/Analysis: N/A

Financial Information: N/A

Special Consideration: N/A

Location of Project: N/A

Attachments:

1. Economic Update PowerPoint presentation
2. Investment Review PowerPoint presentation

*NOTE: All of the listed items in the "Attachment" section above are in the custody of the City Clerk. Any item(s) not provided in City Council packets are available upon request from the City Clerk.*

Internal Reference Number: N/A

Legal Sufficiency Review:
N/A

PTMA
FINANCIAL SOLUTIONS

# ECONOMIC UPDATE

July 2026



## Karen Russell

Assistant Director, Finance

**35**
PROFESSIONAL YEARS

**35**
GOVERNMENT YEARS

### CERTIFICATIONS/HONORS

- Certified Internal Auditor (CIA)
- Certified Government Finance Officer (CGFO), and
- Certified Government Financial Manager (CGFM)

### DEGREES

- Masters in Accounting (MAcc)
- Masters in Public Administration (MPA)



## John Grady

PTMA, Managing Director

**28**
PROFESSIONAL YEARS

**4**
GOVERNMENT YEARS

### CERTIFICATIONS

- Previously held Certified Treasury Professional (CTP)
- Previously held Series 7 license

### DEGREES

- BSBA Finance and Insurance, minor in Economics, University of Florida
- MBA, University of Florida

Copyright © 2026 PTMA. All Rights Reserved.

# LEGAL DISCLOSURE

The information provided in this presentation does not, and is not intended to, constitute legal advice; instead, all information, content, and materials discussed herein are for general informational purposes only. Information in this presentation may not constitute the most up-to-date legal or other information. Viewers of this presentation should contact their attorney to obtain advice with respect to any particular legal matter. No reader, user, or audience member should act or refrain from acting on the basis of information in this presentation without first seeking legal advice from counsel in the relevant jurisdiction. Only your individual attorney can provide assurances that the information contained herein – and your interpretation of it – is applicable or appropriate to your particular situation.

The views expressed at, or through, this presentation are those of the presenter(s) in their individual capacities only – not those of their respective employers, PTMA Financial Solutions (“PTMA”), or affiliates of PTMA. All liability with respect to actions taken or not taken based on the contents of this presentation are hereby expressly disclaimed. The content in this presentation is provided "as is;" no representations are made that the content is error-free.

The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. The foregoing is for informational purposes only and should not be considered a solicitation of investment advisory services.

Copyright © 2026 PTMA. All Rights Reserved.

# DISCLAIMER

Data unaudited. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The materials in the attached are opinions of PTMA Financial Solutions (“PTMA”) or their affiliates, and should not be construed as investment advice. The presentation is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. All calculations and results presented and are for discussion purposes only and should not be used for making and calculations and/or decisions.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Performance comparisons will be affected by changes in interest rates. Investing involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. PTMA is not a bank. An investment in PTMA is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the PTMA stable NAV fund(s) seek to preserve the value of your investment at $1.00 per share, this is not guaranteed. Please review the applicable Information Statement(s) before investing. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

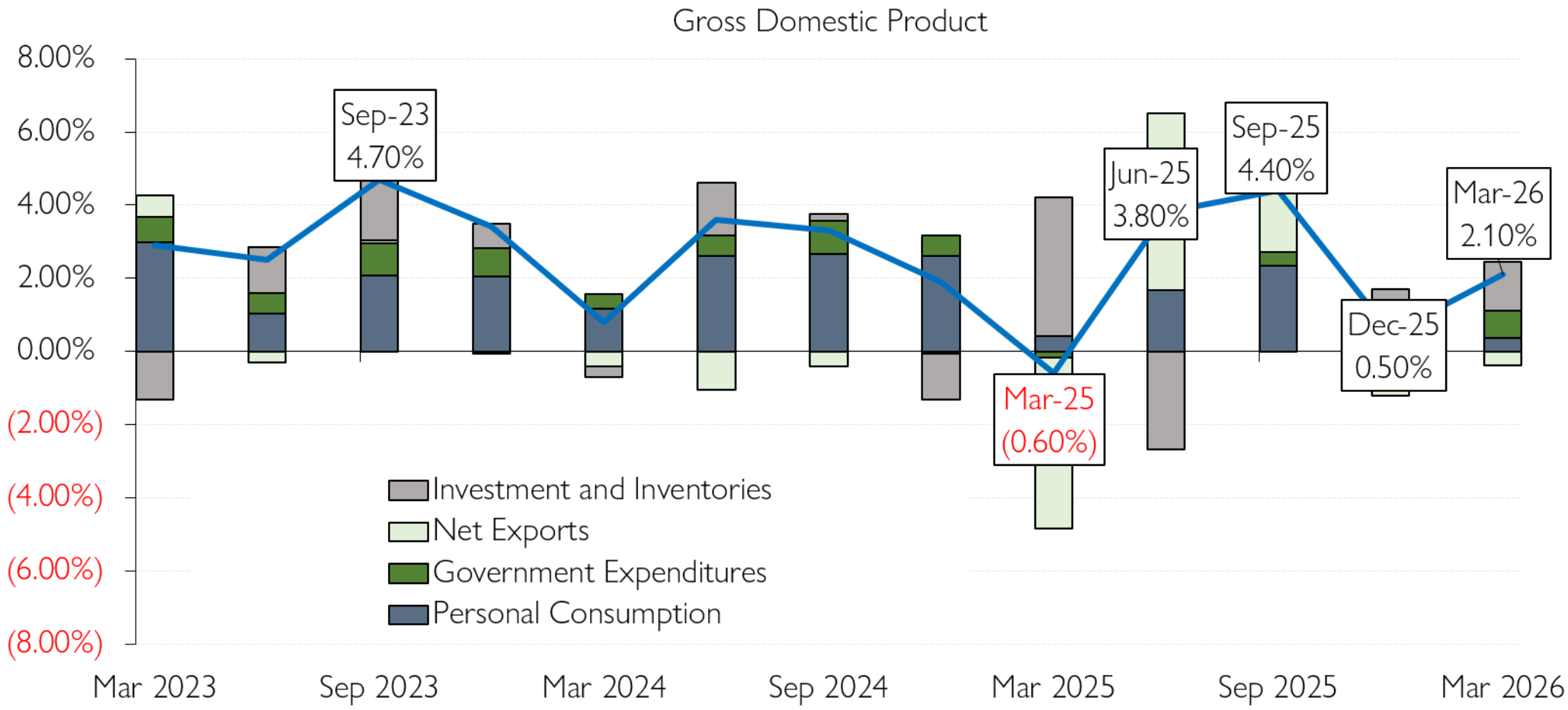
Public Trust Advisors, LLC, PMA Financial Network, LLC, PMA Securities, LLC and PMA Asset Management, LLC are under common ownership as part of PTMA Financial Solutions, LLC ("PTMA"). Public Trust Advisors, LLC and PMA Asset Management, LLC, are two separate SEC registered investment advisers, both doing business as PTMA Investment Advisors. PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB and is a member of FINRA and SIPC. Registration with the SEC does not imply a certain level of skill or training. Marketing, securities, institutional brokerage services and municipal advisory services are offered through PMA Securities, LLC. PTMA Investment Advisors provides investment advisory services to local government investment pools ("Funds") and separate accounts. All other products are provided by PMA Financial Network, LLC.

There is no guarantee that investment strategies will achieve the desired results under all market conditions, and each investor should evaluate its ability to invest long-term, especially during periods of a market downturn. This information may contain statements, estimates, or projections that constitute “forward-looking statements” as defined under U.S. federal and other jurisdictions’ securities laws. Any such forward looking statements are inherently speculative and are based on currently available information, operating plans, and projections about future events and trends. As such, they are subject to numerous risks and uncertainties.

Copyright © 2026 PTMA. All Rights Reserved.

# GROSS DOMESTIC PRODUCT

- The final reading of Q1 2026 GDP indicates the U.S. economy increased at an annualized rate of 2.1%. This was an improvement over the previous quarter and net exports were the only drag on the economy. While consumer spending experienced the slowest growth in a year, business spending was the largest contributor to GDP during the period.




Source: Bloomberg, Bea.gov, data June 25, 2026

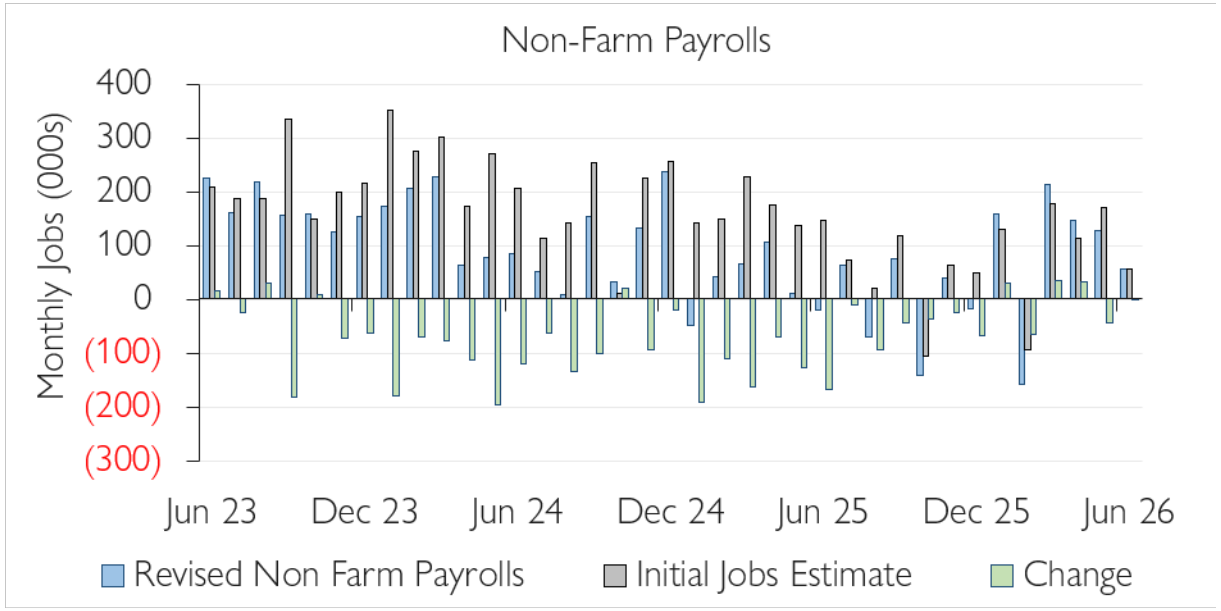
Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# LABOR MARKET AND INFLATION

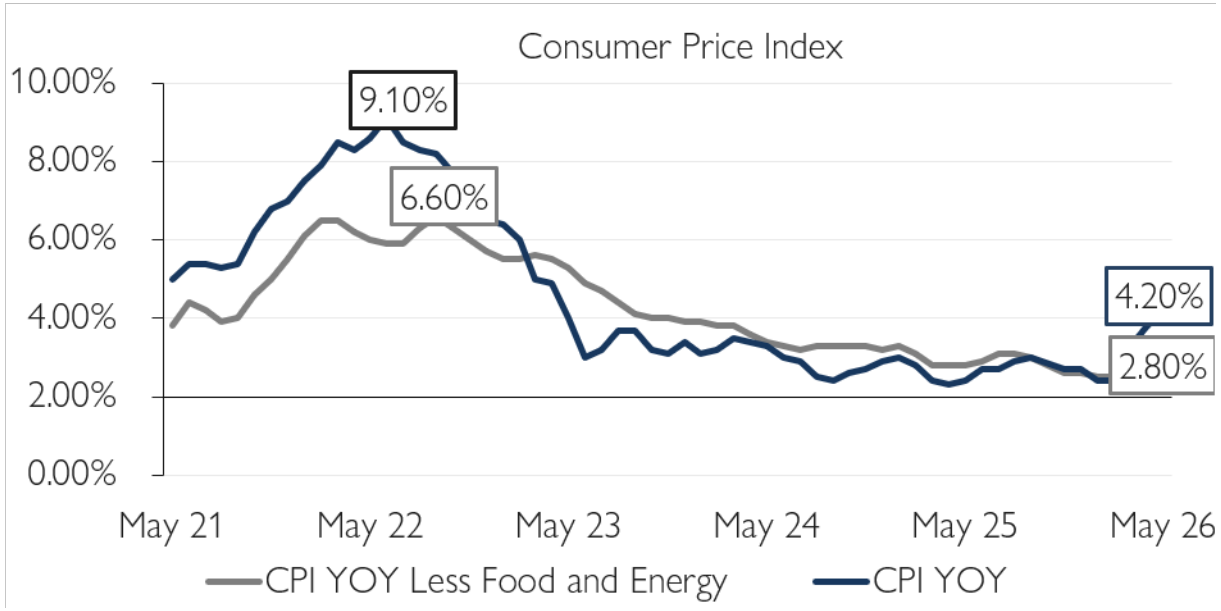
## Unemployment Rate vs. Participation Rate

- While the labor market slowed in June, more 550k jobs have been created in the first six months of 2026, compared to 162k during the same period of 2025.
- The unemployment rate dropped to 4.2%, although this was a result of a declining labor force.
- The labor force participation rate continues to decline, dropping to 61.5%, the lowest level since March 2021.




## Inflation Continues Trend Led by Energy Costs

- The Consumer Price Index increased 0.5% on a seasonally adjusted basis in May, down from 0.9% and 0.6% in March and April, respectively.
- The index for energy rose 3.9%, and 23.5% for the previous 12 months. The energy sector accounted for more than 60% of the increase in CPI.
- Food price increased at 3.1% and shelter increased 3.4%.




Source: Bloomberg. Bureau of Labor Statistics. Data June 5th and 10th 2026

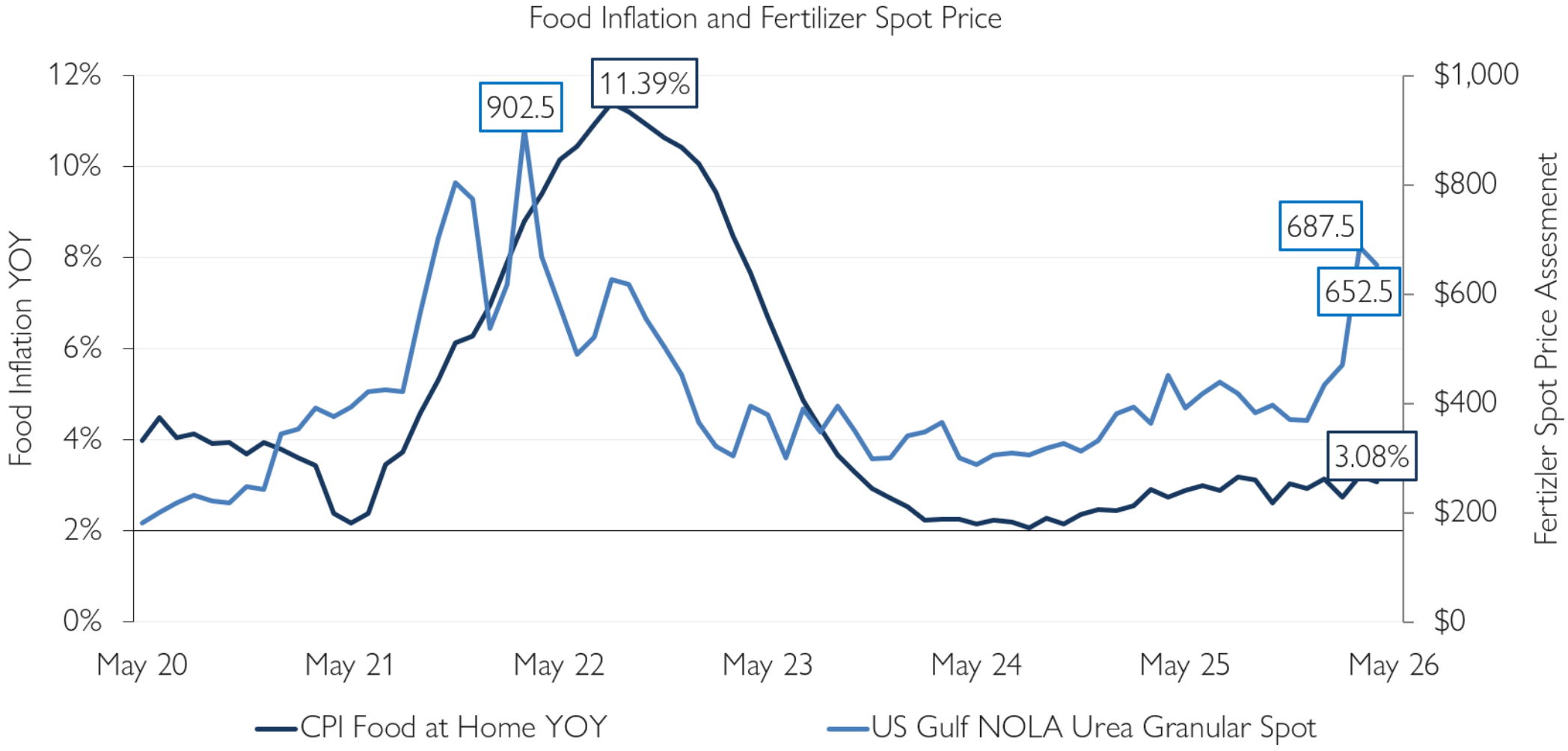
Copyright © 2026 PTMA. All Rights Reserved.



Please refer to the disclosure slide of this presentation for more information.

# FERTILIZER AND FOOD PRICES

- Approximately 20-30% of globally traded fertilizer moves through the Strait of Hormuz. Supply issues have pushed prices significantly higher since the beginning of the Iranian conflict.



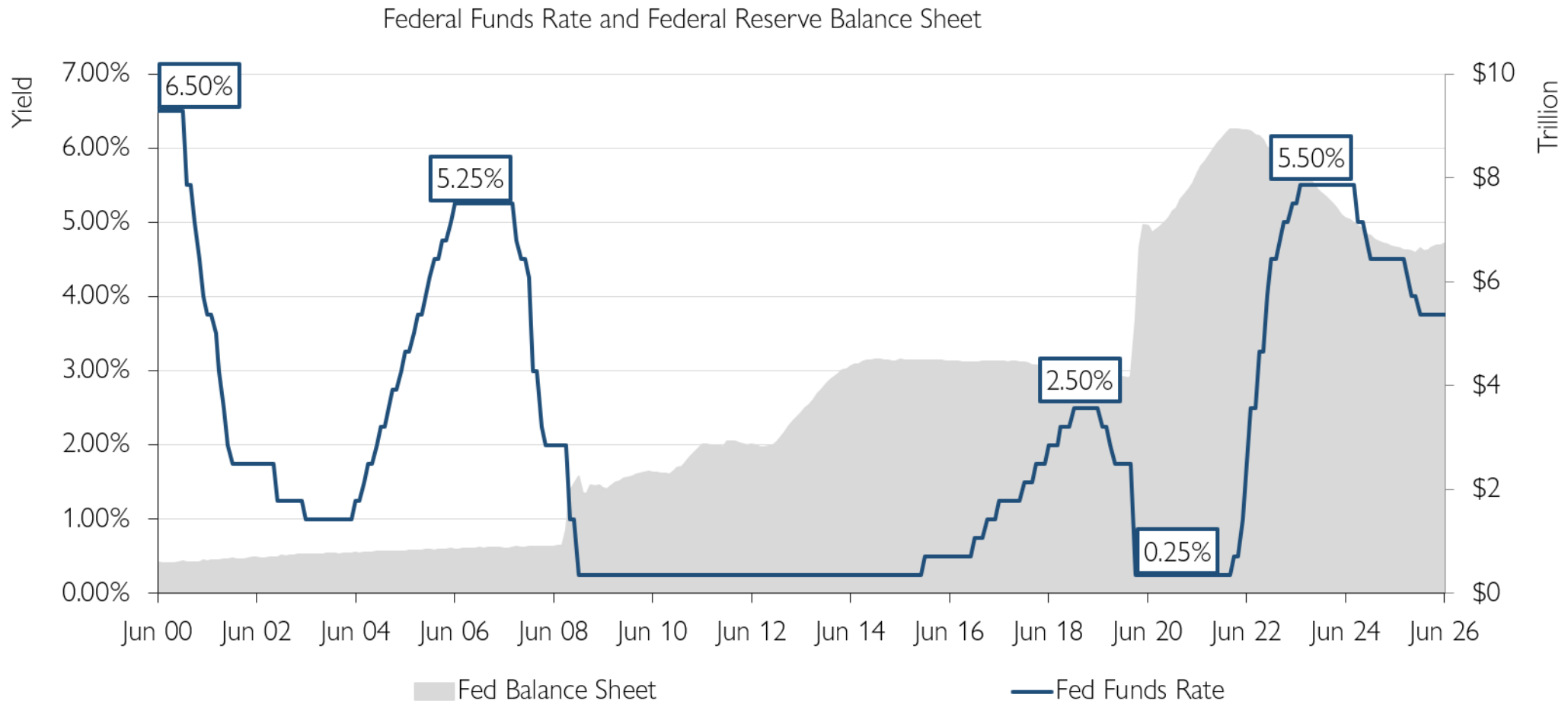

Source: Bloomberg, Green Markets, Center for Strategic and International Studies
Data as June 10, 2026

Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# FEDERAL FUNDS RATE AND BALANCE SHEET

- The FOMC maintained the Federal Funds rate at 3.75% during the June 2026 meeting, the same rate since December 2025. The ten - and twenty-year average for the overnight rate is 2.51% and 1.84%, respectively. The Federal Reserve has also reduced the balance sheet from a peak of $8.9T to the current level of $6.7T.




Source: Bloomberg. Federal Reserve. Data as of June 30, 2026.

Copyright © 2026 PTMA. All Rights Reserved.

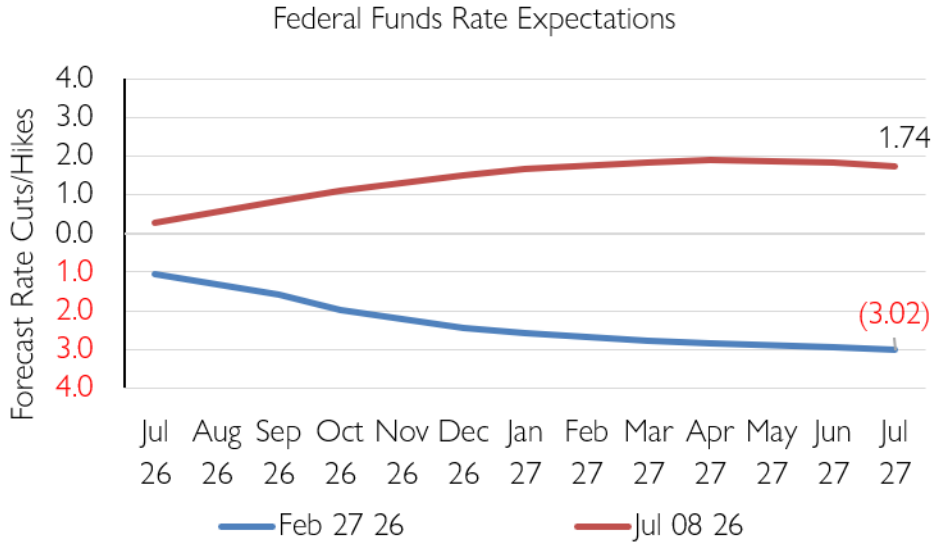


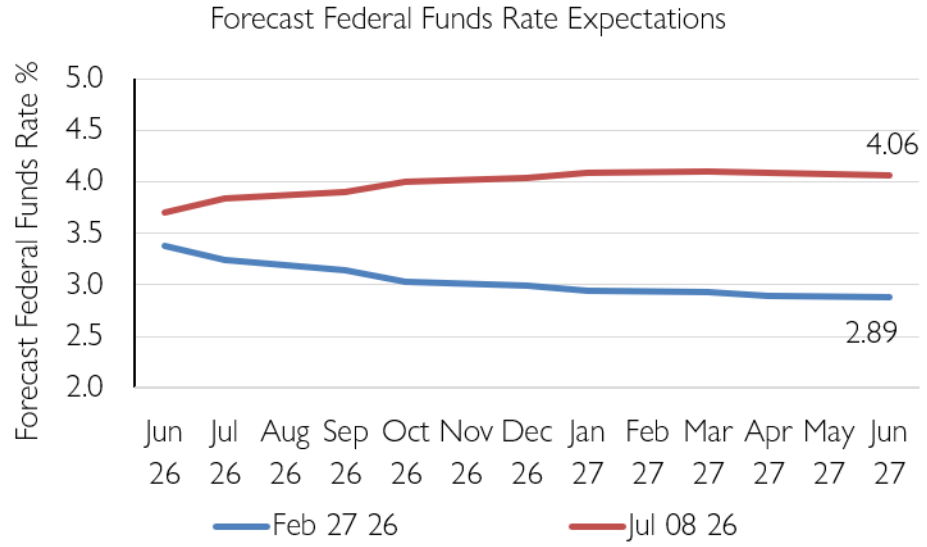


Please refer to the disclosure slide of this presentation for more information.

# FEDERAL FUNDS RATE EXPECTATIONS

- Federal Funds Rate expectations have shifted considerably since the beginning of the Iranian conflict. Prior to the start of the conflict, the market was pricing in up to three rate cuts by mid 2027. Currently the market is pricing in a stronger chance of an increase in rates than a reduction.



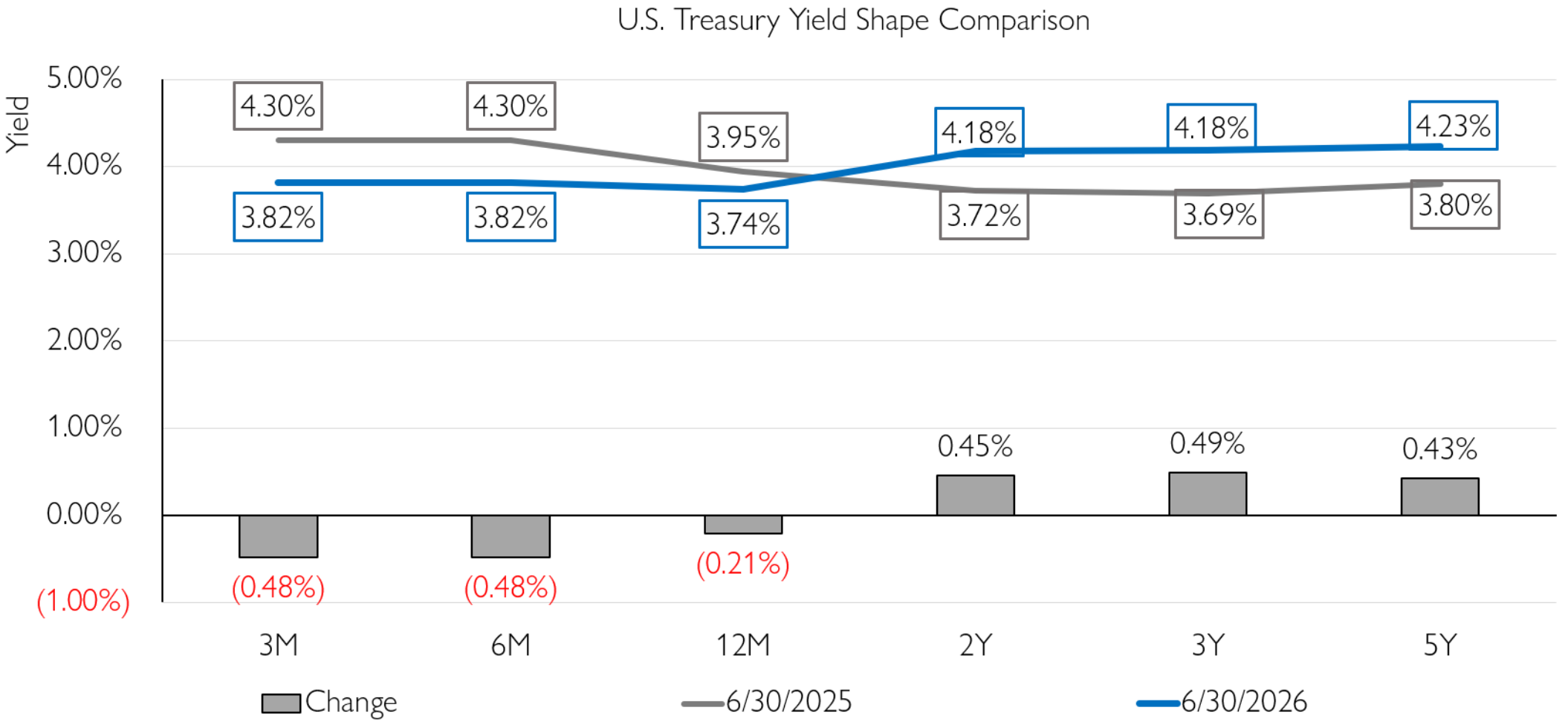

Source: Bloomberg. Data as of July 8, 2026

Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# U.S. TREASURY YIELDS

- Short term rates are lower year over year following three 0.25% Federal Funds rate cuts during the fall of 2025. Interest rates for maturities between one and five years drifted lower through February 2026. In early March fixed income rates in this part of the yield curve increased by approximately 50 basis points.



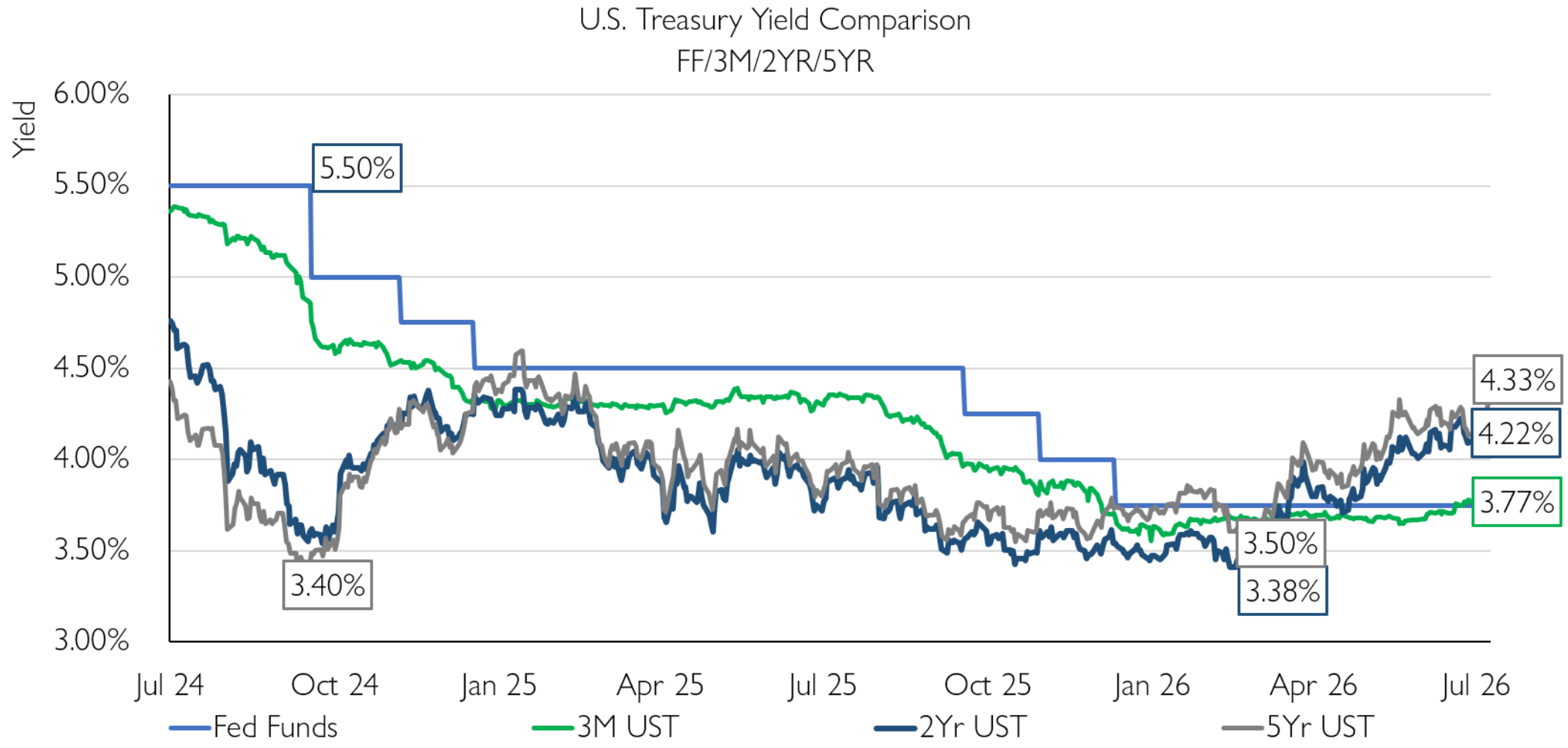

Source: Bloomberg. Data as of June 30, 2026

Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# U.S. TREASURIES AND FEDERAL FUNDS RATE

- U.S. Treasury yields continue to increase as inflation fears dominate the economic discussion as inflation fears remain a significant concern.




Source: Bloomberg. Data as of July 8, 2026

Copyright © 2026 PTMA. All Rights Reserved.





Please refer to the disclosure slide of this presentation for more information.

PTMA
FINANCIAL SOLUTIONS

# INVESTMENT STRATEGY REVIEW

PORT ST. LUCIE
HEART OF THE TREASURE COAST

June 2026

# LEGAL DISCLOSURE

The information provided in this presentation does not, and is not intended to, constitute legal advice; instead, all information, content, and materials discussed herein are for general informational purposes only. Information in this presentation may not constitute the most up-to-date legal or other information. Viewers of this presentation should contact their attorney to obtain advice with respect to any particular legal matter. No reader, user, or audience member should act or refrain from acting on the basis of information in this presentation without first seeking legal advice from counsel in the relevant jurisdiction. Only your individual attorney can provide assurances that the information contained herein – and your interpretation of it – is applicable or appropriate to your particular situation.

The views expressed at, or through, this presentation are those of the presenter(s) in their individual capacities only – not those of their respective employers, PTMA Financial Solutions (“PTMA”), or affiliates of PTMA. All liability with respect to actions taken or not taken based on the contents of this presentation are hereby expressly disclaimed. The content in this presentation is provided "as is;" no representations are made that the content is error-free.

The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. The foregoing is for informational purposes only and should not be considered a solicitation of investment advisory services.

Copyright © 2026 PTMA. All Rights Reserved.

# DISCLAIMER

Data unaudited. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The materials in the attached are opinions of PTMA Financial Solutions ("PTMA") or their affiliates, and should not be construed as investment advice. The presentation is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. All calculations and results presented and are for discussion purposes only and should not be used for making and calculations and/or decisions.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Performance comparisons will be affected by changes in interest rates. Investing involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. PTMA is not a bank. An investment in PTMA is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the PTMA stable NAV fund(s) seek to preserve the value of your investment at $1.00 per share, this is not guaranteed. Please review the applicable Information Statement(s) before investing. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

Public Trust Advisors, LLC, PMA Financial Network, LLC, PMA Securities, LLC and PMA Asset Management, LLC (collectively "PTMA Financial Solutions" or "PTMA") are under common ownership. Public Trust Advisors, LLC and PMA Asset Management, LLC, are both SEC registered investment advisers. The information presented herein is for general information purposes only and is not a specific/buy sell recommendation. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. PMA Securities is a broker-dealer and municipal advisor registered with the SEC and MSRB and is a member of FINRA and SIPC. Registration with the SEC does not imply a certain level of skill or training. Marketing, securities, institutional brokerage services and municipal advisory services are offered through PMA Securities, LLC. Public Trust Advisors and PMA Asset Management provide investment advisory services primarily to local government investment pools ("Funds") and separate accounts. All other products are provided by PMA Financial Network, LLC.

There is no guarantee that investment strategies will achieve the desired results under all market conditions, and each investor should evaluate its ability to invest long-term, especially during periods of a market downturn. This information may contain statements, estimates, or projections that constitute "forward-looking statements" as defined under U.S. federal and other jurisdictions' securities laws. Any such forward looking statements are inherently speculative and are based on currently available information, operating plans, and projections about future events and trends. As such, they are subject to numerous risks and uncertainties.

Copyright © 2026 PTMA. All Rights Reserved.

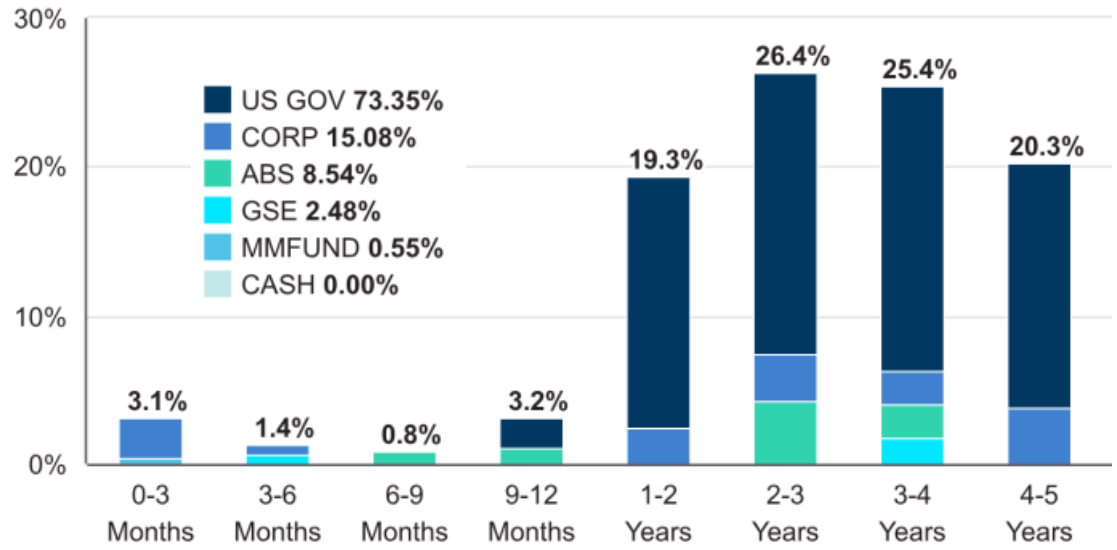
# PORTFOLIO STRATEGY REVIEW

- The portfolio book yield increased during the quarter as legacy lower yielding securities were replaced with higher yielding securities through active portfolio management. This higher book yield may provide improved income opportunities for the portfolio.
- Interest rates continued to increase during the second quarter, providing opportunities to purchase securities at higher yields compared to the previous quarter.
- During the first half of calendar year 2026, we reinvested $65.7mm (24.0% of the portfolio). The security purchases included U.S, Treasuries and Corporate Notes with a weighted average maturity of 3.8 years and book yield of 4.1%.
- These investments transacted through the year have improved the overall portfolio book yield (+0.52%) compared to June 2025.
- The portfolio duration was 2.54 years as of June 30th, in line with the target duration of 2.5-2.6 years.
- The portfolio is compliant with the City's investment policy and Florida State Statutes.

## PORTFOLIO CHARACTERISTICS

| | 03/31/26 | 06/30/26 |
|---|---|---|
| Duration | 2.496 | 2.545 |
| Years to Effective Maturity | 2.694 | 2.772 |
| Years to Final Maturity | 2.873 | 2.938 |
| Coupon Rate | 3.561 | 3.599 |
| Book Yield | 3.832 | 3.969 |
| Market Yield | 3.984 | 4.272 |
| Benchmark Yield | 3.869 | 4.187 |

## MATURITY DISTRIBUTION BY TYPE



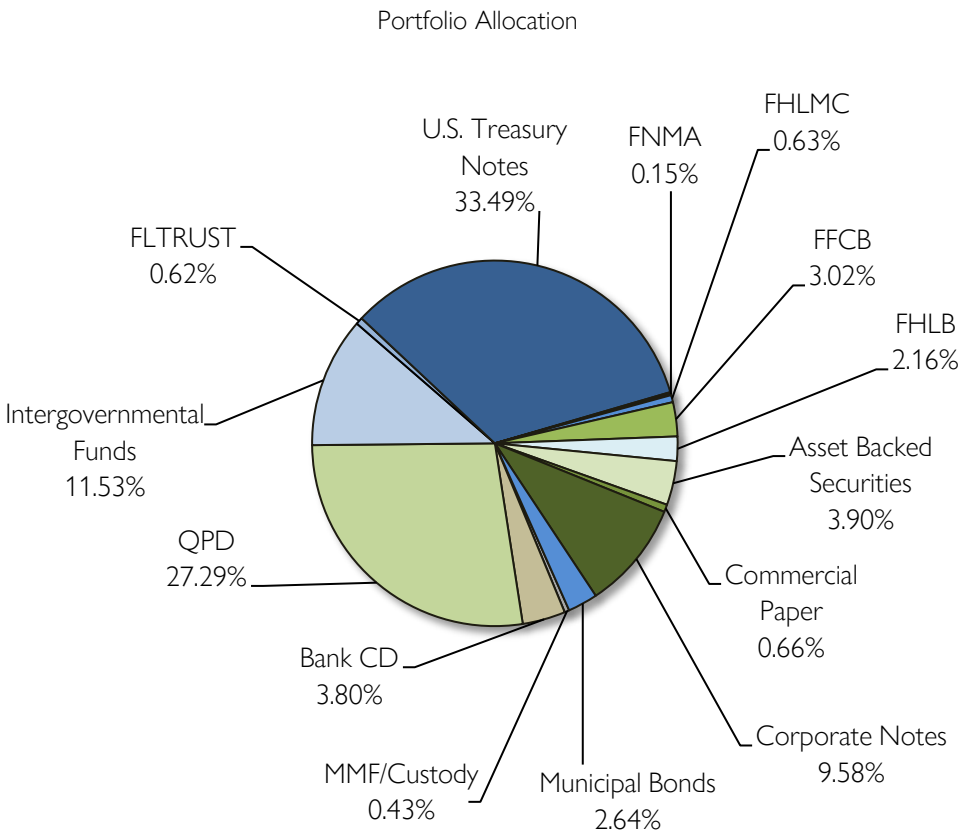

Source: PTMA. City of Port St Lucie

Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# INVESTMENT PROGRAM ASSET ALLOCATION

| Security Distribution[1],[2] | June 30, 2026 Ending Balance | Portfolio Allocation | Permitted by Policy[2] | Compliant |
|---|---|---|---|---|
| MMF/Custody | $ 2,563,721.12 | 0.43% | 25.00% | YES |
| Bank CD | 22,792,981.01 | 3.80% | 25.00% | YES |
| QPD | 163,785,532.37 | 27.29% | 75.00% | YES |
| Intergovernmental Funds | 69,204,083.35 | 11.53% | 25.00% | YES |
| FLTRUST | 3,723,694.54 | 0.62% | 25.00% | YES |
| U.S. Treasury Notes | 201,031,717.77 | 33.49% | 80.00% | YES |
| FAMC | 690,431.68 | 0.12% | 80.00% | YES |
| FNMA | 929,045.68 | 0.15% | 40.00% | YES |
| FHLMC | 3,787,068.59 | 0.63% | 40.00% | YES |
| FFCB | 18,101,256.02 | 3.02% | 40.00% | YES |
| FHLB | 12,965,925.32 | 2.16% | 40.00% | YES |
| Asset Backed Securities | 23,393,809.69 | 3.90% | 35.00% | YES |
| Commercial Paper | 3,981,201.39 | 0.66% | 30.00% | YES |
| Corporate Notes | 57,483,794.50 | 9.58% | 25.00% | YES |
| Municipal Bonds | 15,837,536.74 | 2.64% | 25.00% | YES |
| Total Portfolio Market Value | $ 600,271,799.77 | 100.00% | | |




(1) Individual issuer information available in holdings reports. PTMA managed assets represent market value plus accrued interest. External asset information provided by the City and not verified by PTMA.
(2) This chart includes external assets not managed by PTMA. PTMA does not evaluate external assets for creditworthiness or compliance. External asset information provided by City staff. Asset allocation limits defined in the City's investment policy.

Source: PTMA. Port St Lucie

Please refer to the disclosure slide of this presentation for more information.

Copyright © 2026 PTMA. All Rights Reserved.

# Agenda Summary

2026-628

**Agenda Date:** 7/23/2026 **Agenda Item No.:** 5.c

Placement: New Business

Action Requested: Motion / Vote

## FY 2026-27 Proposed Budget

Submitted By: Ivy Ladyko, CGFO, Office of Management & Budget

Strategic Plan Link: The City's Goal of a high-performing city government organization.

Executive Summary (General Business): The City Manager's Proposed Budget for Fiscal 2026-27 was released on July 7, 2026. The proposed budget will be presented by City Manager Jesus Merejo and OMB Director Caroline Sturgis. At the conclusion of the presentation and discussion, the City Council will be asked to formally set the preliminary millage rates (which are the rates that the City Council sets as the ceiling for the truth in millage, TRIM, notices) for FY 2026-27; tentatively approve the additional staffing level recommendation; tentatively approve the City Manager's Proposed Budget for FY 2026-27, and tentatively approve the fee schedule for proposed non-ad valorem rates.

Presentation Information: An overview of the City Manager's Fiscal 2026-27 Proposed Budget, including departmental spending plans.

Staff Recommendation: Move that the Council 1) Formally set the preliminary millage rates, (which are the rates that the City Council sets as the ceiling for the truth in millage, TRIM, notices). 2) Tentatively approve the additional staffing level recommendation. 3) Tentatively approved the proposed operating and amended FY 2026-27 and capital budgets. 4-7) Tentatively approve fee schedules for non-ad valorem rates so respective departments can advertise and include the proposed rates in truth in millage (TRIM) process and publications.

Alternate Recommendations:

1. Move that the Council amend the recommendation and formally set the preliminary millage rates; tentatively approved the additional staffing level recommendation; tentatively approve the City Manager's Proposed Budget for FY 2026-27 and tentatively approve the fee schedule for proposed non -ad valorem rates.
2. Move that the Council provide staff with direction.

Background: N/A

Issues/Analysis: N/A

Financial Information: The City Manager's FY 2026-27 Proposed Budget includes the Capital Improvement Program, which was tentatively approved on April 20, 2026. The City Manager's proposed budget has

incorporated the City Council's Strategic Plan. The proposed Operating Millage rate is 4.6607, proposed to remain the same as prior year. The proposed Voted Debt Millage (for Crosstown Parkway) is 0.3143, proposed to remain the same as prior year. The total Proposed Millage Rate is 4.9750.

Special Consideration: N/A

Location of Project: N/A

Business Impact Statement: N/A

Attachments: Fiscal 2026-27 Proposed Budget Presentation.

*NOTE: All of the listed items in the "Attachment" section above are in the custody of the City Clerk. Any item(s) not provided in City Council packets are available upon request from the City Clerk.*

Internal Reference Number: N/A

Legal Sufficiency Review:
N/A

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

# City Manager Introduction

July 23, 2026



# City Manager's Budget Message

- **We are facing one of the most challenging years in PSL history with the budget.**
- Looming state legislative actions created significant uncertainty.
- There are so many uncertainties, we have updated the budget several times in the past three months.
  - Key pressures included uncertain revenues, rising operating costs, infrastructure needs, and public safety commitments.
  - Every expenditure was carefully reviewed.



# Why So Many Uncertainties?

## Senate Bill 4F

- The **maximum** property tax rate approved by a **simple majority** is now limited to the **true rolled-back rate**.
- Effective June 24, 2026.

## House Joint Resolution 1F: Amendment 3 – Property Tax

- Increase homestead exemption to $150K beginning Jan. 1, 2027, and $250K beginning Jan. 1, 2028.
- Non-homestead property assessment growth cap reduced from 10% to 5%.
- **Property Tax Amendment on November 3rd ballot for voters to decide.**

# Fiscal Impact of Property Tax Amendment

- **Reduces the largest City revenue source.**
- Property taxes are collected for the General Fund, Road & Bridge, and Crosstown Debt Service.

| $26.3 Million | $22.1 Million | $48.4 Million |
|---|---|---|
| Lost revenue in year 1 **Includes GF, RB, & CD* | Lost revenue in year 2 **Includes GF, RB, & CD* | 2-Year Total Revenue Loss **Includes GF, RB, & CD* |
| 20% Reduction | 17% Reduction | 37% Reduction |

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

# Fiscal 2026-27 is a Balanced Budget

- **We are focused on fiscal responsibility by:**
  - Maintaining current funding level, accounting for inflation and contractual obligations.
  - Prioritizing core services.
  - Not approving 184.2 requested positions, $28.3M.
    - Unable to authorize 25 forecasted positions($2.7M) for FY27 for police officers and parks staff to address growing community needs and Torino Regional Park.

# Fiscal 2026-27 is a Balanced Budget

- **We are focused on fiscal responsibility by:**
  - Deferring projects, including Public Works Admin Building

**Deferred (10 projects totaling $7.8M) - due to potential property tax amendment**

- Marshall Parkway & I-95 Interchange PD&E Study $2M
- Community Center Interior Renovation $500K
- Community Center Retractable Walls $300K *(moved to FY26)*
- McChesney Park Inclusive Playground Replacement $1.6M
- Port St. Lucie Elementary Renovations $250K
- Riverland Paseo Park Parking Lot Expansion $1.3M
- Sportsman's Park Sports Lighting $807K *(moved to FY26)*
- MIDFLORIDA Event Center Garage Roof Deck Lighting $200K
- Saints Golf Course Training Center $350K
- City Council Chambers Renovation $500K

# Looking Ahead

## Together, we will continue to:

- Be efficient fiscal stewards of taxpayer dollars,
- Address fiscal impacts of 2026 State legislative mandates, and
- Monitor proposed Constitutional Property Tax Amendment #3.



# FISCAL 2026-27 PROPOSED BUDGET:

**PRESENTED BY**
**OFFICE OF MANAGEMENT & BUDGET**

**JULY 23, 2026**



121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984
www.CityofPSL.com

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST



# CAROLINE STURGIS

## Director, Office of Management and Budget

**29**
PROFESSIONAL YEARS

**25**
GOVERNMENT YEARS

### CERTIFICATIONS/HONORS

- Certified Public Finance Officer
- Certified Government Finance Officer
- President, Florida Government Finance Officers Association – Treasure Coast

### DEGREES

- Master of Business Administration

# Navigating Growth & Challenges

- **FY26-27 Proposed Budget, most challenging in recent years.**

- Port St. Lucie continues to **grow**:
  - Over **55,000 new residents** in past 5 years
  - Florida's sixth-largest city
  - Second largest in South Florida
  - 86th-largest U.S. city (Census Bureau)

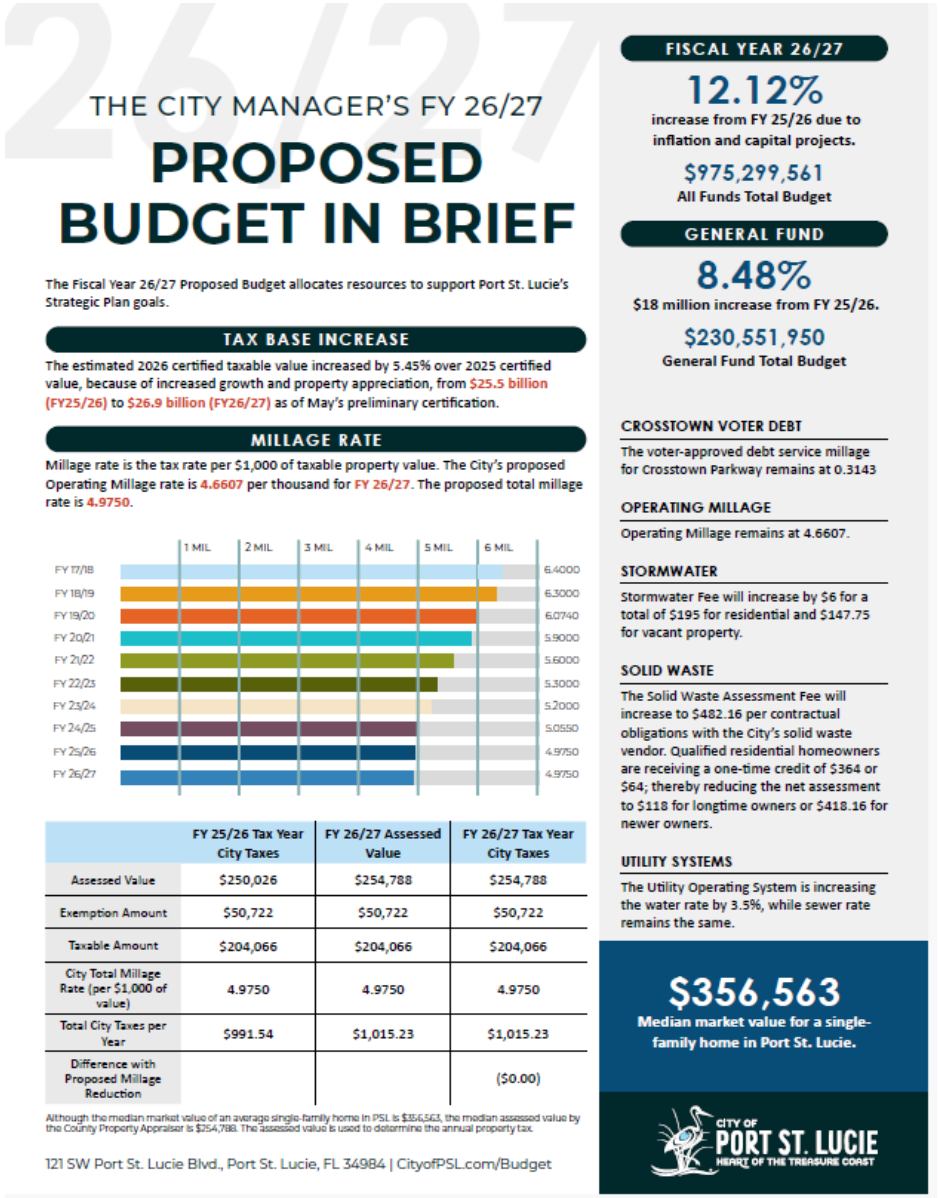
- Progress achieved amid **economic uncertainty**.
  - Local, state, and national levels
  - FY 26-27 is a balanced-budget
  - Fiscals 2028 and beyond are forecasted with structural deficits

- City remains committed to **fiscal responsibility** and the continued delivery of essential services.

# Commitment to Excellence & Investment

- ✓ Historic commitment to quality and **efficient government** drives budget decisions.
- ✓ **Lowered property tax rates** for 10 consecutive years for a total of 25%.
  - ✓ (**3rd lowest** among Florida's 20 largest cities).
- ✓ **Reduced** City **debt by $400 million** (from over $1 billion).
- ✓ **Improved bond ratings** through strong financial performance and sound fiscal management.
- ✓ **Completed 50+ infrastructure projects** with Half-Cent Sales Tax Funding.
- ✓ **Continued investment** in infrastructure: roads, water, drainage, and public safety.
- ✓ **Expanded services** for a growing population while **decreasing staffing ratios**.
- ✓ **Building** the foundation to keep Port St. Lucie **safe and connected**.

# City Manager's Goals



THE CITY MANAGER'S FY 26/27

## PROPOSED BUDGET IN BRIEF

The Fiscal Year 26/27 Proposed Budget allocates resources to support Port St. Lucie's Strategic Plan goals.

**TAX BASE INCREASE**

The estimated 2026 certified taxable value increased by 5.45% over 2025 certified value, because of increased growth and property appreciation, from $25.5 billion (FY25/26) to $26.9 billion (FY26/27) as of May's preliminary certification.

**MILLAGE RATE**

Millage rate is the tax rate per $1,000 of taxable property value. The City's proposed Operating Millage rate is 4.6607 per thousand for FY 26/27. The proposed total millage rate is 4.9750.



| | FY 25/26 Tax Year City Taxes | FY 26/27 Assessed Value | FY 26/27 Tax Year City Taxes |
|---|---|---|---|
| Assessed Value | $250,026 | $254,788 | $254,788 |
| Exemption Amount | $50,722 | $50,722 | $50,722 |
| Taxable Amount | $204,066 | $204,066 | $204,066 |
| City Total Millage Rate (per $1,000 of value) | 4.9750 | 4.9750 | 4.9750 |
| Total City Taxes per Year | $991.54 | $1,015.23 | $1,015.23 |
| Difference with Proposed Millage Reduction | | | ($0.00) |

Although the median market value of an average single-family home in PSL is $356,563, the median assessed value by the County Property Appraiser is $254,788. The assessed value is used to determine the annual property tax.

121 SW Port St. Lucie Blvd., Port St. Lucie, FL 34984 | CityofPSL.com/Budget

**FISCAL YEAR 26/27**

12.12%
increase from FY 25/26 due to inflation and capital projects.

$975,299,561
All Funds Total Budget

**GENERAL FUND**

8.48%
$18 million increase from FY 25/26.

$230,551,950
General Fund Total Budget

**CROSSTOWN VOTER DEBT**

The voter-approved debt service millage for Crosstown Parkway remains at 0.3143

**OPERATING MILLAGE**

Operating Millage remains at 4.6607.

**STORMWATER**

Stormwater Fee will increase by $6 for a total of $195 for residential and $147.75 for vacant property.

**SOLID WASTE**

The Solid Waste Assessment Fee will increase to $482.16 per contractual obligations with the City's solid waste vendor. Qualified residential homeowners are receiving a one-time credit of $364 or $64; thereby reducing the net assessment to $118 for longtime owners or $418.16 for newer owners.

**UTILITY SYSTEMS**

The Utility Operating System is increasing the water rate by 3.5%, while sewer rate remains the same.

$356,563
Median market value for a single-family home in Port St. Lucie.

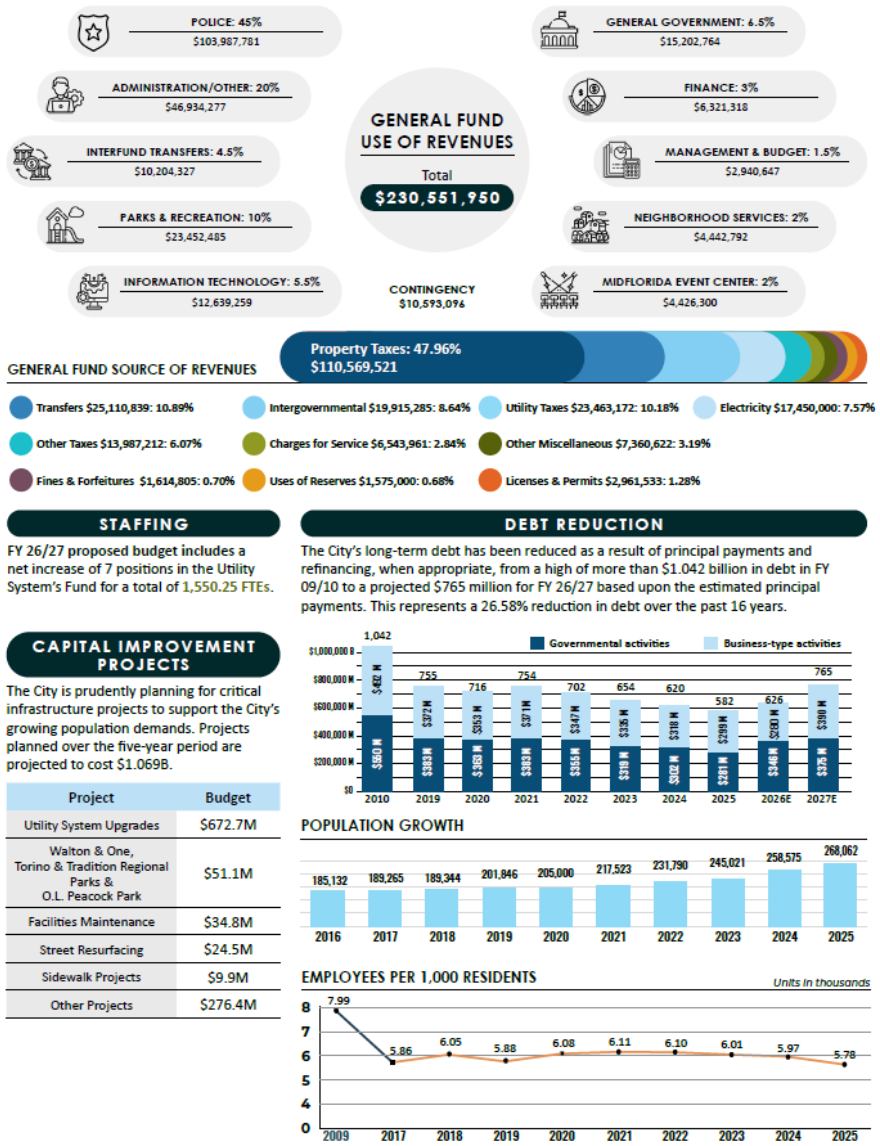
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

- ✓ Advance City Council's long-term Strategic Plan.
- ✓ Maintain ranking as the safest large city in Florida.
- ✓ Maintain current service levels – while meeting growing demands of residents and businesses.
- ✓ Maintain the City's infrastructure, equipment, facilities, services and programs.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# City Manager's Goals




- ✓ Focus on retaining valued staff and attracting highly skilled employees to enhance customer service.
- ✓ Meet City Council's targeted General Fund Emergency Reserve levels of 20%, ($37.9M).
- ✓ Utilize one-time revenues for one-time expenses.
- ✓ Plan prudently and prepare the City to meet potential emergencies.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# Agenda

**Introduction**

- Budget Strategy
- Proposed Budget Overview

**Proposed Operating Budget**

- Departmental Budgets

**Proposed Capital Budget**

**City Manager Recommendations**

# INTRODUCTION

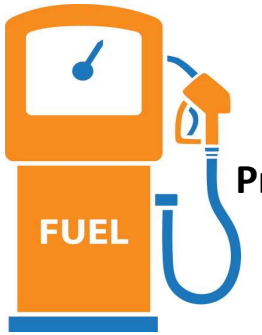
# Budget Strategy

Aligns with the Adopted Strategic Plan.



# Budget Approach:

## Economic Considerations




### Inflation

**Prices for gas, food, supplies and materials still elevated.**



### City Capital Projects

**Advance City Council Goals: safety, mobility, roadways, parks, recreation, job opportunities, public facilities, etc.**

**Since 2020:**

- **The cost for repaving a centerline mile has increased 58% - from $89,000 to $141,000.**
- **The cost for concrete has increased 30% from $160 per cubic yard to $180 per cubic yard.**
- **The cost for sidewalk projects has increased 140% from $625,000 to $1.5 million.**

%

### Interest Rates

**Expected to remain or decrease.**



### Unemployment

**Unemployment as of April 2026:**
**US - 4.3% ,**
**Florida - 4.8% ,**
**PSL - 5.2% .**
**(Source: U.S. Bureau of Labor Statistics).**

# Budget Approach:

## Economic Considerations

### Population Growth

Increased population requires additional public services for Police, Parks, Public Works, Building, Utilities and other departments.



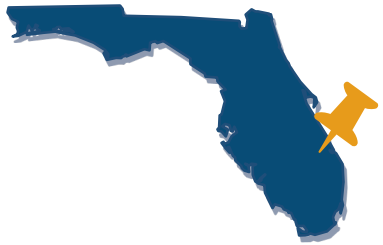
### Property Values

**Proposed Budget – 5.45% increase.**

***Final Certified Value from Property Appraiser = 8.36% increase.***

**Existing property values = 4.66%**

**New construction/growth = 3.70%**



### Housing Market

**Housing market has cooled in recent months. After steady gains during the pandemic, activity has slowed.**

**New housing decreased by 8% from 2024 to 2025.**

**Ad valorem taxable value increases expected to continue at a slower trend.**

### Homesteaded Property

**Value increase is capped at 3% or CPI (2.7% for FY 26-27).**

# Proposed Budget

## FISCAL YEAR 26/27

**12.12%**

Increase from FY 25/26 is due to inflation and new capital projects.

**TOTAL FISCAL 2026-27 PROPOSED BUDGET**
**$975,299,561**

**FY 2025-26 Adopted Budget**
**$869,811,393**

**Most of the 12.12% increase is supported by the enterprise funds – not property tax dollars.**

## GENERAL FUND

**8.48%**

Increase from FY 25/26 is **$18M**.

**TOTAL GENERAL FUND BUDGET**
**$230,551,950**

**FY 2025-26 Adopted Budget**
**$212,526,706**

**The General Fund $18M increase includes a $10M transfer from Government Finance Corporation for Sundance (North/South A) road construction and $8M in new revenue, which will be set aside in reserves to offset a potential revenue reduction from Amendment #3.**

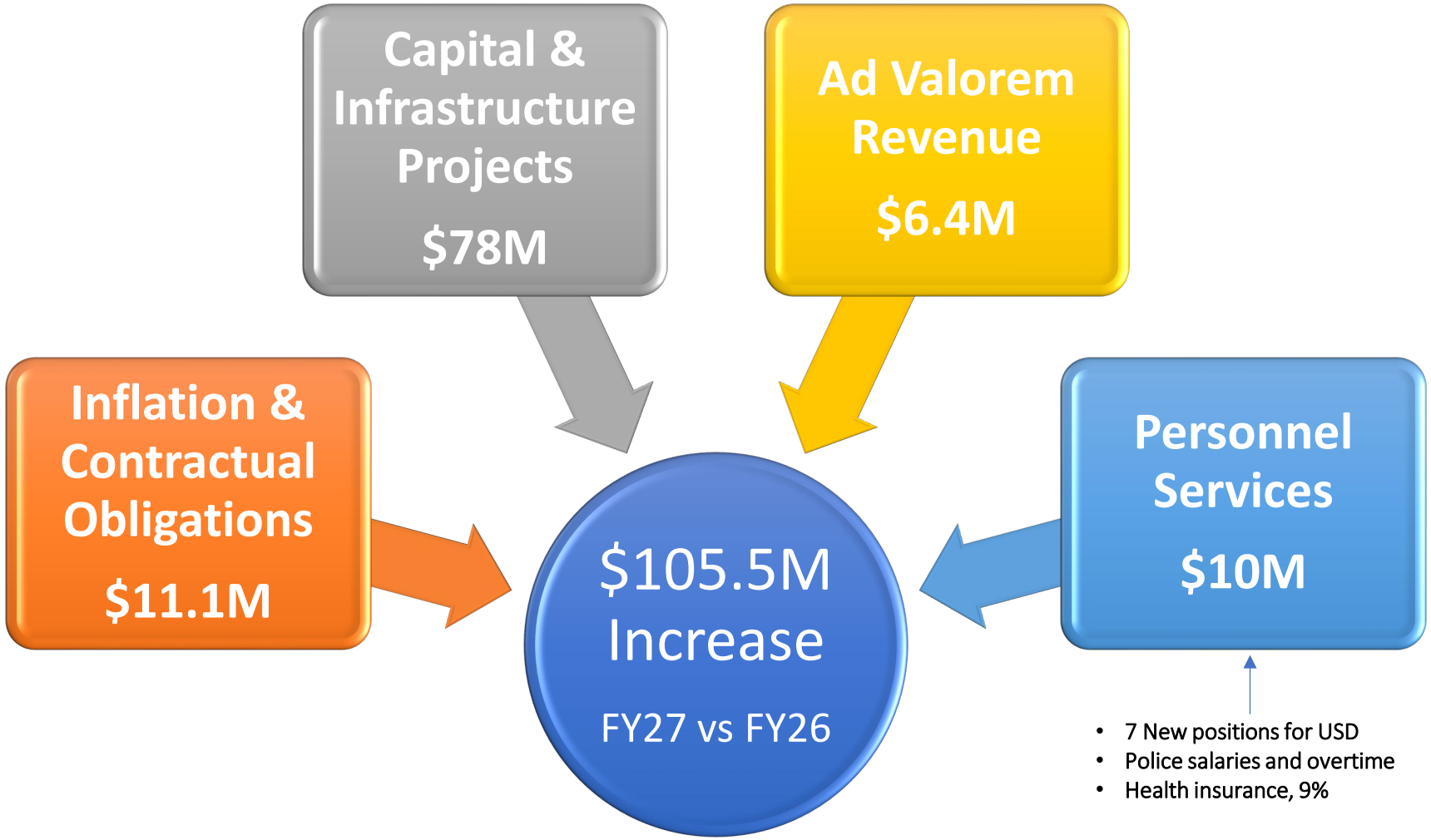
# What's Driving the 12.12% Increase?



The main drivers are because of inflation and capital projects. Below is a list, but not all inclusive, of the capital projects moving forward in Fiscal 2026-27:

- Gatlin/Savona Phase II Widening *(Mobility Fees & Reserves)*
- California Widening *(Half-Cent Sales Tax)*
- Gatlin Resurfacing *(Half-Cent Sales Tax)*
- Sundance (North/South A) *(Government Finance Corporation)*
- Port St. Lucie Blvd. South Segment 1 (Becker to Paar) improvements *(Federal Dept of Transportation reimbursement)*
- Paar, Darwin, and Savona Roundabouts *(Gas Tax and Mobility Fees)*
- Oak Hammock Watershed Improvements *(Stormwater)*
- E-8 Downstream Repairs *(Stormwater)*
- Discovery Reverse Osmosis Water Treatment Plant *(Water & Sewer Fees)*
- Glades Wastewater Treatment Plant Expansion *(Water & Sewer Fees)*
- MIDFlorida Event Center Roof *(Tax Increment Financing)*

# What's Driving the 12.12% Increase?



# Revenue Assumptions

## MILLAGE (TAX) RATE

- Maintain Debt Millage Rate to current Millage of 0.3143.
- Maintain Operating Millage Rate to current Millage of 4.6807.

## TAXABLE VALUE

- 8.36% increase for FY 2026-27.

## ECONOMIC REVENUES

- Slowdown in growth
- Conservative budgeting

## PROPOSED RATE INCREASES

- A 3.5% increase in water rates is proposed, with no change to sewer rates. This would result in an average monthly bill increase of approximately $1.98.
- Stormwater Fees – $6 increase, to support new projects to mitigate flooding and maintenance costs.
- Solid Waste – $14.83 increase per contractual obligations with the City's solid waste vendor and County land disposal agreement. Qualified residential homeowners are receiving a one-time credit of $364 or $64; thereby reducing the net assessment to $118 for longtime owners or $418.16 for newer owners.

# Expenditure Assumptions

## CAPITAL COSTS:
- Maintaining inflationary costs.

## HEALTH INSURANCE PROGRAM:
- Claims costs are rising.

## SALARY COSTS:
- Contractual increase for Police sworn personnel only.

## OPERATING COSTS:
- Inflation plus maintenance.

## STAFFING LEVELS:
- FY 26/27= 7 New Enterprise funded FTEs for the Utility Systems Dept.

## DEBT STRATEGY:
- Proactively pay down legacy obligations.
- Issue new debt for Paar Drive Intersection Improvements (Savona Blvd. & Darwin Blvd).

## FUEL COSTS:
- Gas & Oil are based on fluctuating market values.

# Proposed Property Tax Reform

## City of Port St. Lucie to Lose **$48.4** Million in Revenue

**2-Year Total Impact**
**$48.4M**
**Revenue Loss**
**37% Reduction**

### What's Being Proposed

- Increase homestead exemption from $50K to $150K January 2027
- Further increase exemption to $250K January 2028
- Reduces the largest City revenue source
- Reduces cap on annual assessment for non-homestead properties from 10% to 5%

### PSL Year 1 (FY 27/28) Impact

- Annual Property Tax
  $131.5M to $105.2M
- **56%** of General Fund spending is **Public Safety**
- Projected **Revenue Loss**
  **$26.3M**
  **20% Reduction**
- Options to Address **Reduction**
  Increase millage, Increase fees, Use reserves, Eliminate capital projects, and/or Reduce level of service

### PSL Year 2 (FY 28/29) Impact

- Annual Property Tax
  $105.2M to $83.1M
- **56%** of General Fund spending is **Public Safety**
- Projected **Revenue Loss**
  **$22.1M**
  **17% Reduction**
- Options to Address **Reduction**
  Increase millage, Increase fees, Use reserves, Eliminate capital projects. and/or Reduce level of service

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# Proposed Property Tax Reform

## Year 1 Impact in Public Services

FISCAL YEAR 2027
Total Funds Supported By Property Tax
**$268,537,151**
(General Fund, Road & Bridge, and Debt Service Fund)

## Current Proposed 2027

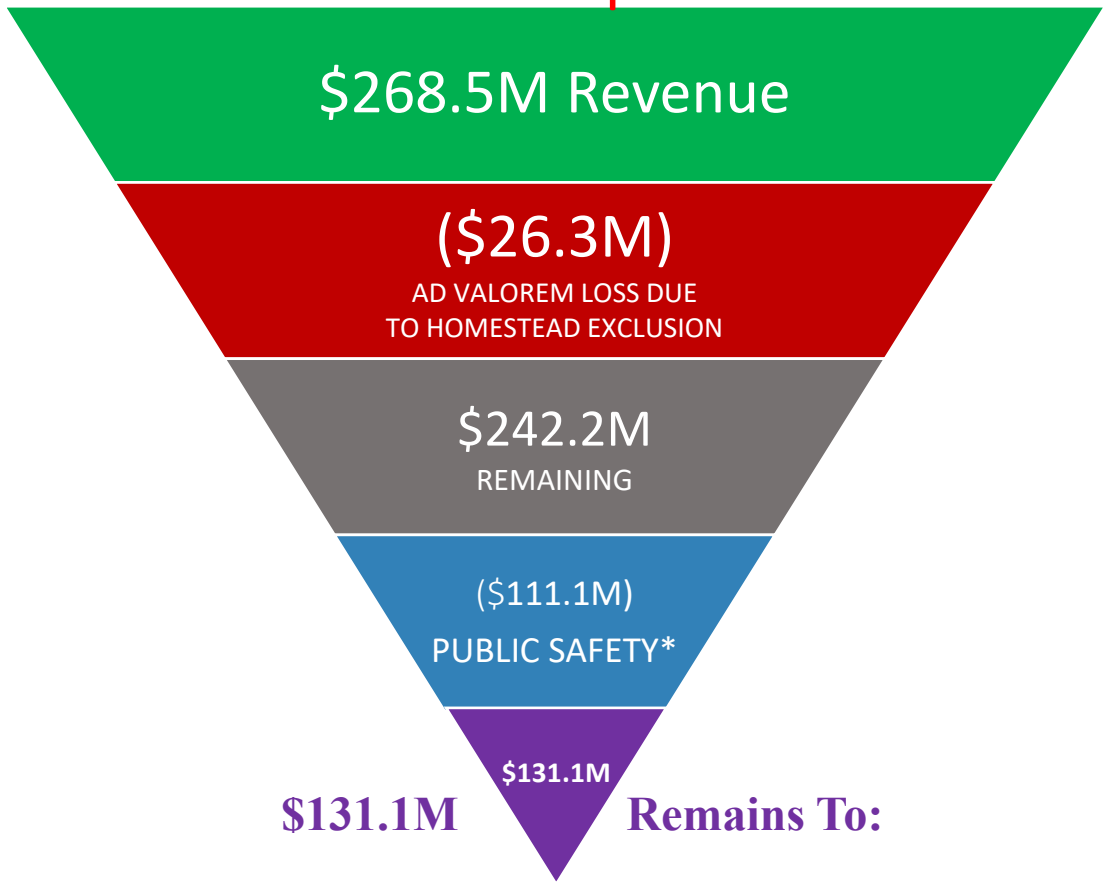
**$268.5M Revenue**

**($111.1M) PUBLIC SAFETY***

**$157.4M REMAINS**

- Operating and maintain parks, playgrounds and community centers
- Maintain Streets, sidewalks and buildings
- Maintain right of ways and landscaping
- Fund City Events
- Fund Capital projects
- Fund Debt Service
- All City Departments, staff & their operations

## Year 1 Impact




**$131.1M Remains To:**

- Operate and maintain parks, playgrounds and community centers
- Maintain streets, sidewalks and buildings
- Maintain right of ways and landscaping
- Fund capital projects
- Fund City events
- Fund debt service
- All City Departments, staff and their operations

***Public Safety includes law enforcement, code enforcement, and emergency management.**

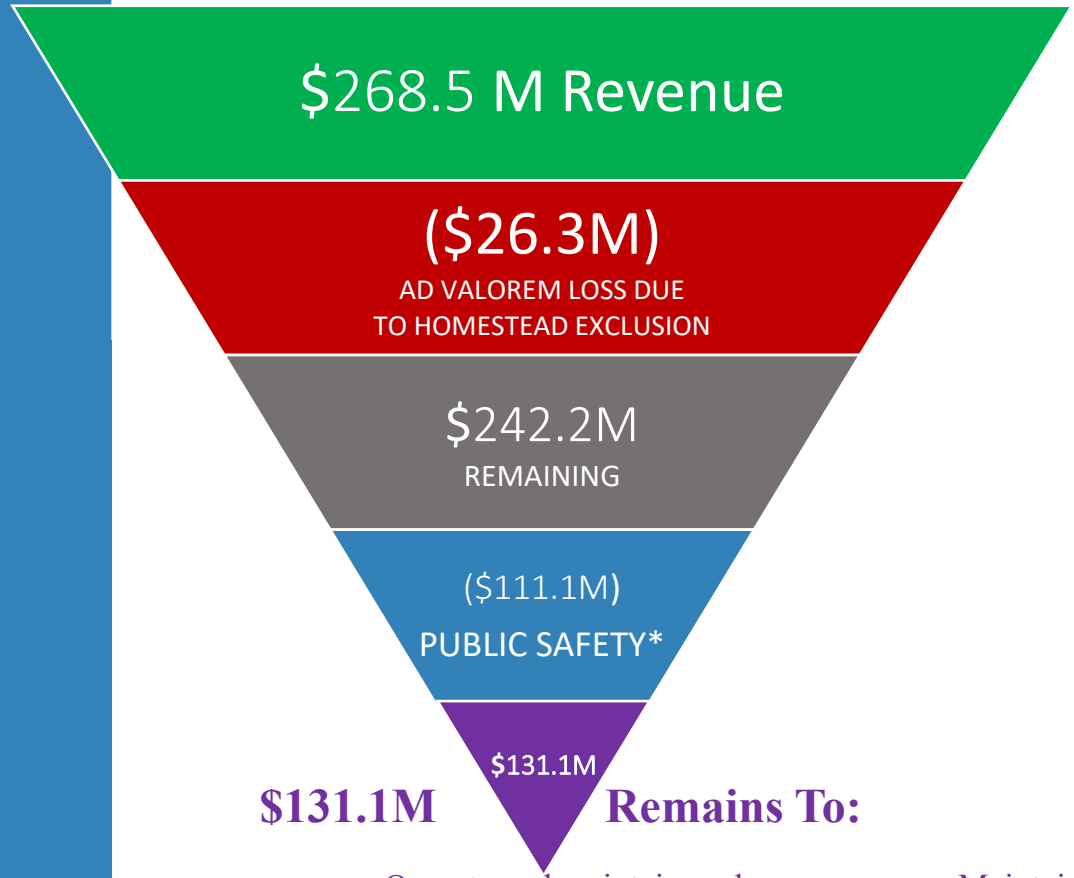
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# Proposed Property Tax Reform

## Two-Year Impact in Public Services

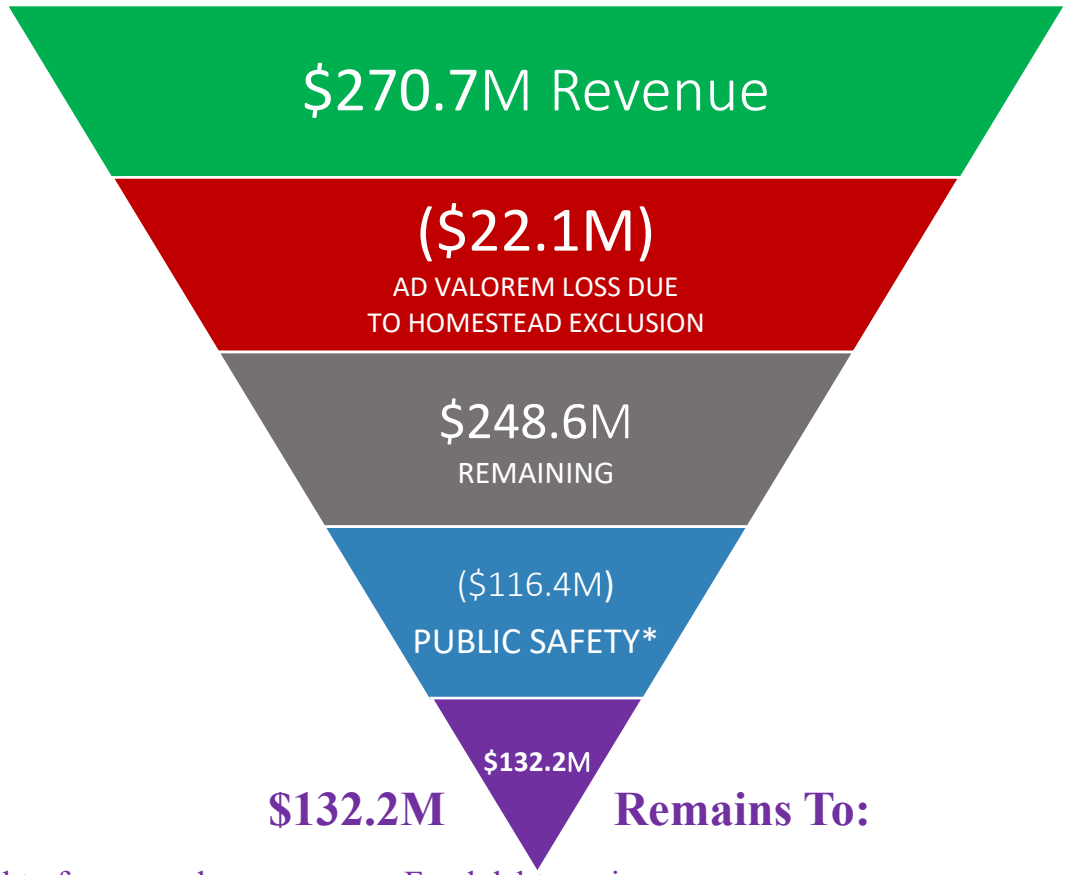
### Year 1 Impact




**$131.1M Remains To:**

- Operate and maintain parks, playgrounds and community centers
- Maintain streets, sidewalks and buildings
- Maintain right of ways and landscaping
- Fund capital projects
- Fund City events

### Year 2 Impact




**$132.2M Remains To:**

- Fund debt service
- All City Departments, staff and their operations

*** Public Safety includes law enforcement, code enforcement, and emergency management.**

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# PSL Prepares for a Potential Property Tax Reform

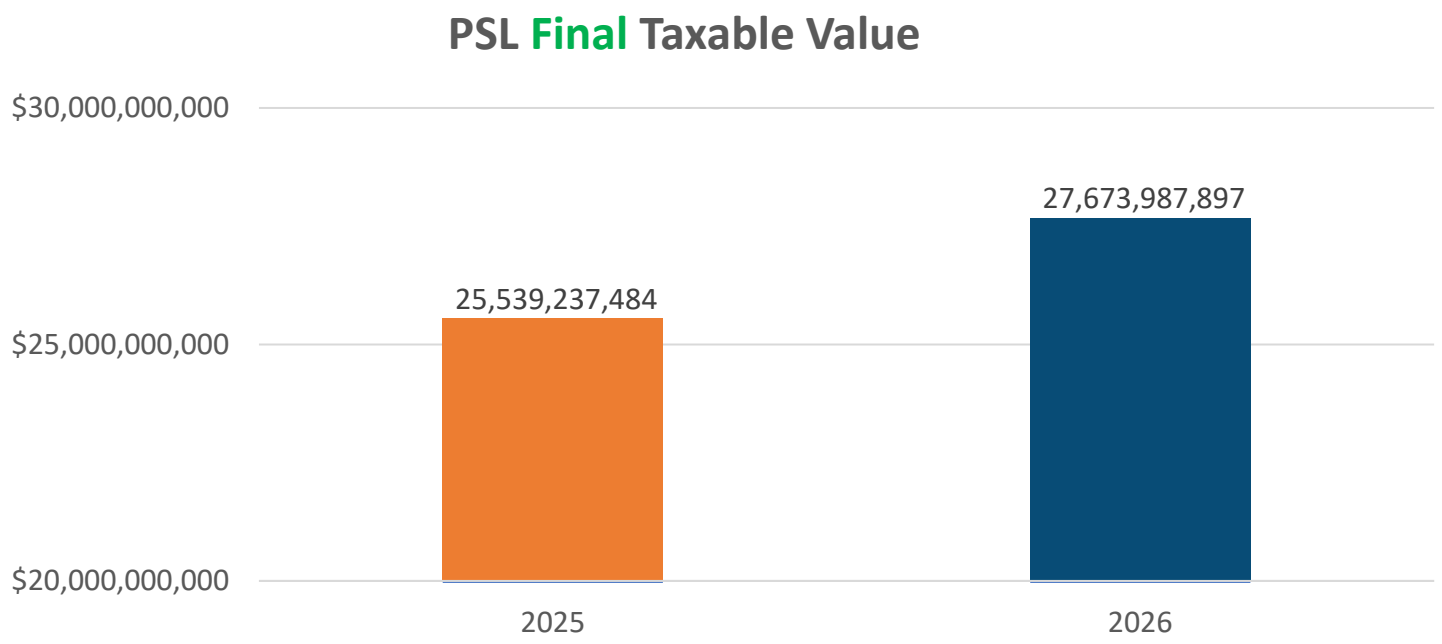
**In preparation for potential property tax reform should Amendment #3 pass in November, the City of Port St. Lucie has already adjusted its budget. Steps taken include:**

- ✓ Not allocating new revenue and set aside in reserves to help offset potential ad valorem revenue reduction.
- ✓ Maintaining current funding levels, except for the Utility Systems, and increases due to inflation and contractual obligations.
- ✓ Not adding new forecasted police officers and new parks staffing for Torino and Tradition BMX.
- ✓ Not offering cost of living adjustments for employees.
- ✓ Deferring capital projects – listed on slide #6.
- ✓ Deferring construction of the Public Works Admin Building.
- ✓ Deferring City Hall renovations and parking garage construction.
- ✓ Exploring increasing user fees to cover 90-95% cost of service.
- ✓ Prioritizing funding for core public safety and essential City services.
- ✓ Continuing to evaluate vacant positions before authorizing recruitment.
- ✓ Considering additional service level changes.
- ✓ Maintaining reserve levels in accordance with City policy to support long-term financial stability.

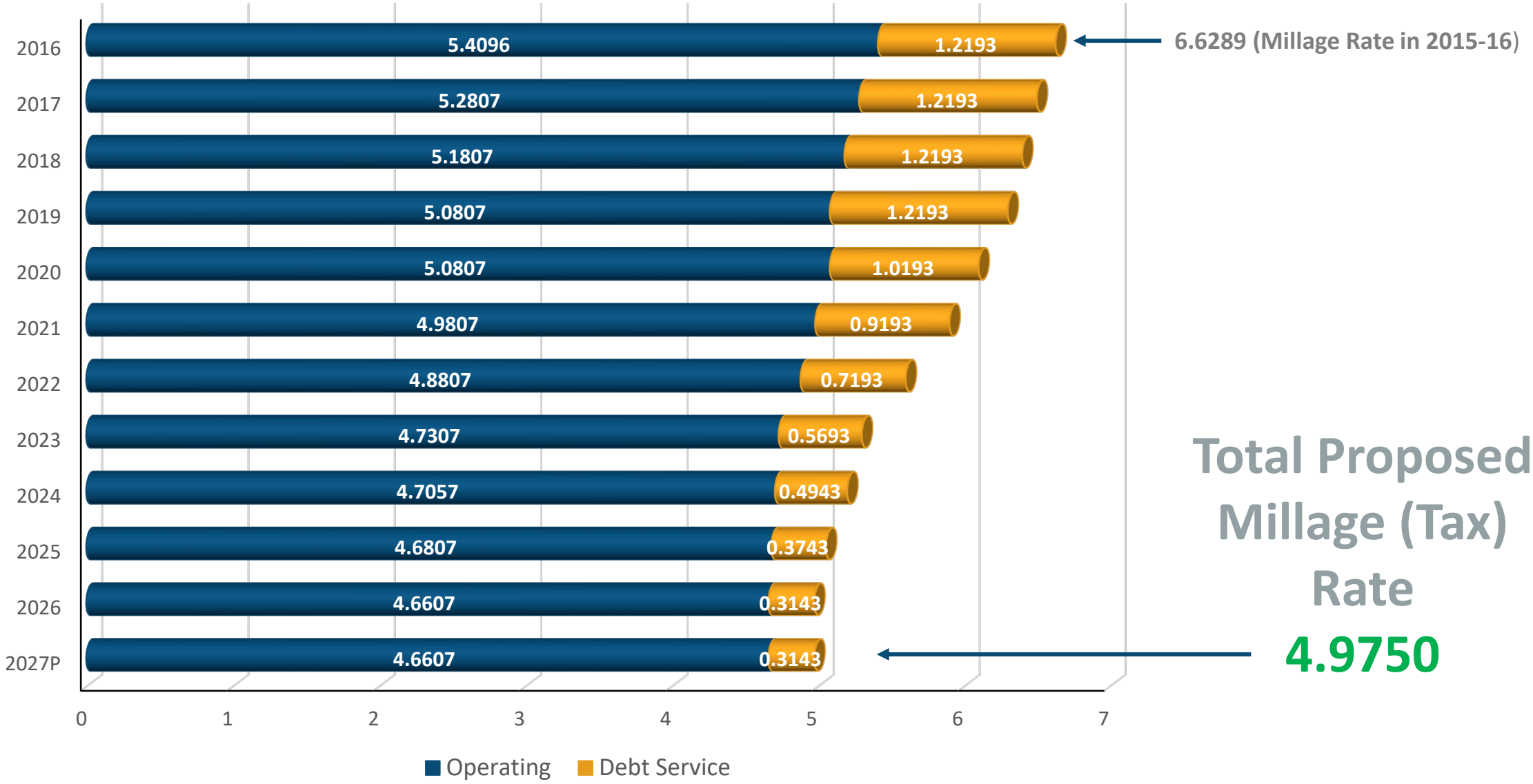
# Tax Base Increase

The Tax Base for 2026 increased by **8.36%** over the final adjusted value of 2025, due to increased growth and property appreciation.

## City's final taxable value for 2026 is $27.7 Billion.



# PSL Millage (Tax) Rate History




6.6289 (Millage Rate in 2015-16)

**Total Proposed Millage (Tax) Rate**

**4.9750**

# Proposed Operating & Crosstown Voter Debt Millage (Tax) Reduced

## Proposed millage (tax rate) would remain unchanged.

| Proposed Operating Millage (Tax) | |
|---|---|
| Current | Proposed |
| 4.6607 | 4.6607 |
| No Reduction | |

| Proposed Crosstown Voter Approved Debt | |
|---|---|
| Current | Proposed |
| 0.3143 | 0.3143 |
| No Reduction | |

Millage rate is the rate of tax per $1,000 of taxable property value. The Proposed City's Operating Millage rate is **4.6607** per thousand for **FY 26/27**. The Proposed City's Voter Approved Debt Millage rate is **0.3143** per thousand for **FY26/27**. The proposed overall total millage is **4.9750**.

# Impact of Incremental Millage Reduction



**11-Year Cumulative Taxpayer Savings ($1,974.40)**



*Compared to 2015-16 Millage of 6.6289 vs. Fiscal 2025-26 millage of 4.9750.*

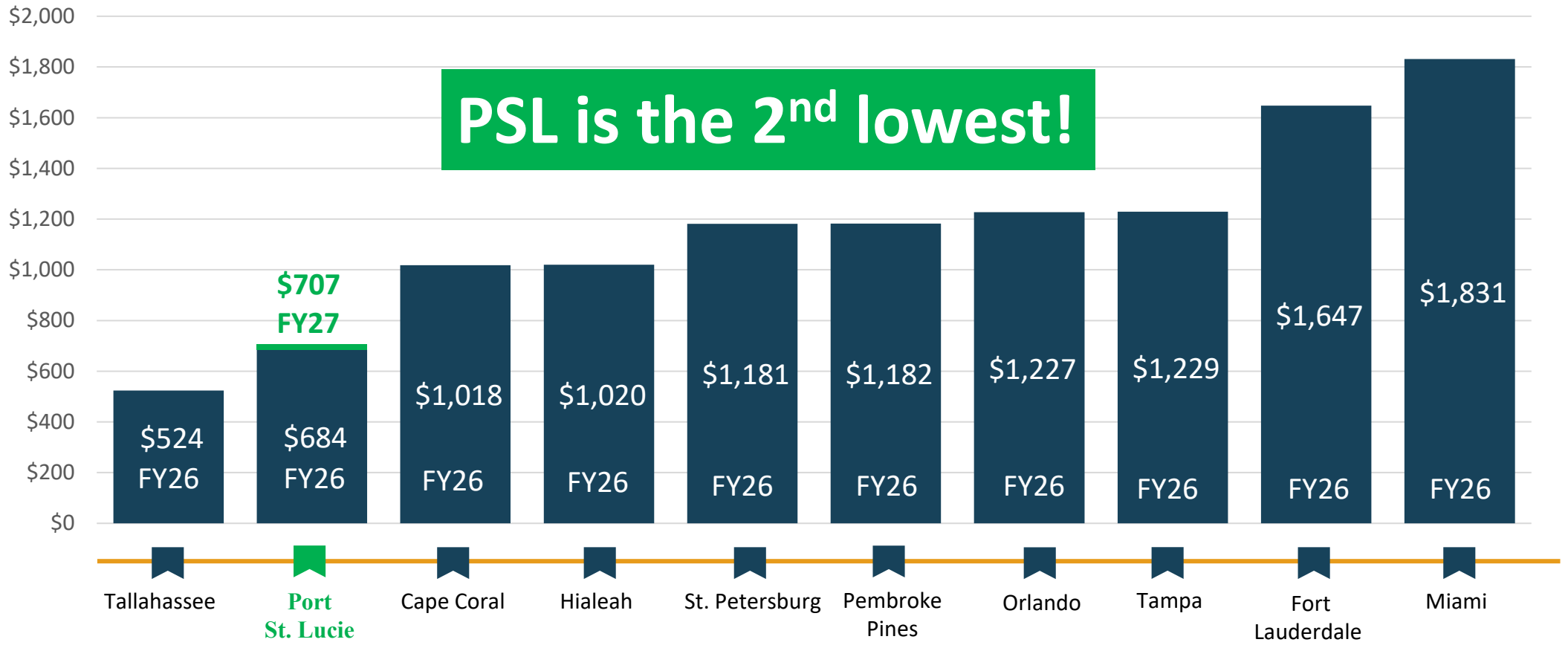
| Year | Assessed Value | Homestead Exemption | Taxable Value | PSL Millage Rate | PSL Taxes | Year over Year Change | PSL Taxes @ 6.6289 | Savings vs 2016 millage (6.6289) |
|---|---|---|---|---|---|---|---|---|
| **2016** | $200,402 | $50,000 | $150,402 | 6.6289 | $997.00 | | | |
| **2017** | $201,804 | $50,000 | $151,804 | 6.5000 | $986.73 | **($10.27)** | $1,006.29 | ($19.57) |
| **2018** | $206,041 | $50,000 | $156,041 | 6.4000 | $998.66 | **$11.94** | $1,034.38 | ($35.72) |
| **2019** | $210,367 | $50,000 | $160,367 | 6.3000 | $1,010.31 | **$11.65** | $1,063.06 | ($52.74) |
| **2020** | $214,363 | $50,000 | $164,363 | 6.0740 | $998.34 | **($11.97)** | $1,089.55 | ($91.21) |
| **2021** | $219,293 | $50,000 | $169,293 | 5.9000 | $998.83 | **$0.49** | $1,122.23 | ($123.40) |
| **2022** | $222,363 | $50,000 | $172,363 | 5.6000 | $965.23 | **($33.60)** | $1,142.58 | ($177.34) |
| **2023** | $229,033 | $50,000 | $179,033 | 5.3000 | $948.87 | **($16.36)** | $1,186.79 | ($237.92) |
| **2024** | $235,903 | $50,000 | $185,903 | 5.2000 | $966.70 | **$17.82** | $1,232.33 | ($265.64) |
| **2025** | $242,980 | $50,000 | $192,980 | 5.0550 | $975.51 | **$8.82** | $1,279.25 | ($303.73) |
| **2026** | $250,026 | $50,722 | $199,304 | 4.9750 | $991.54 | **$16.02** | $1,321.17 | ($329.63) |
| **2027** | $254,788 | $50,722 | $204,066 | 4.9750 | $1,015.23 | **$23.69** | $1,352.73 | ($337.50) |
| | | | | | | **11-Year Savings Total --->>** | | ($1,974.40) |

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

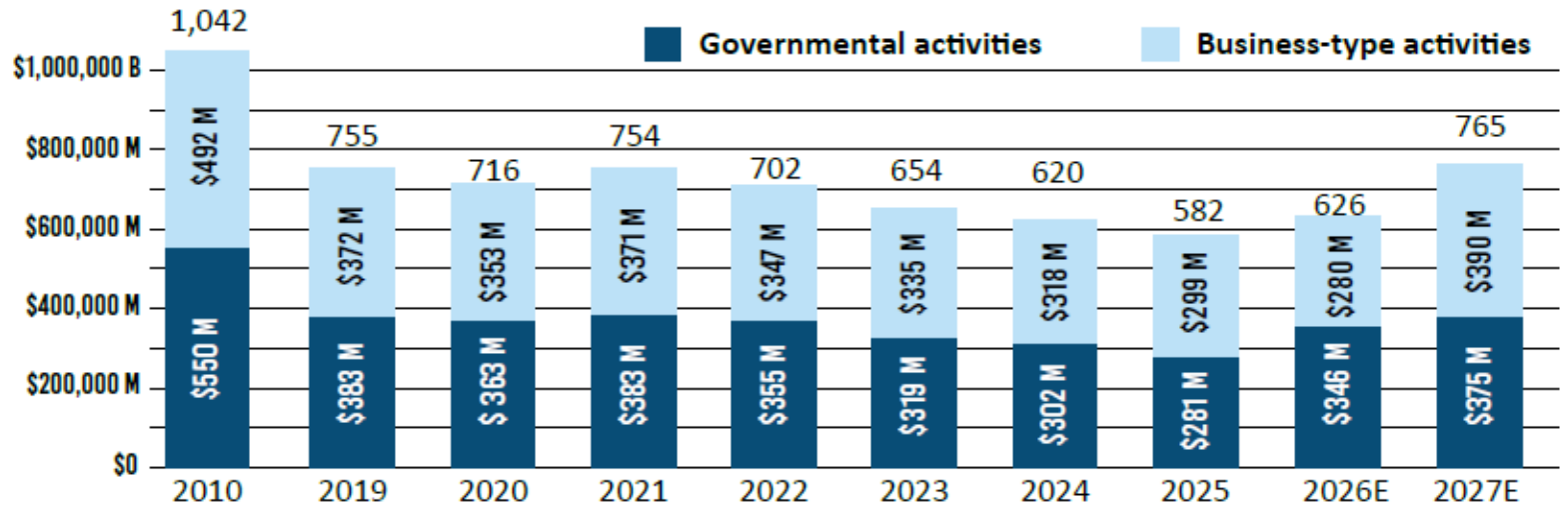
# City Services – Cost Per Resident

## Top Ten Cities

Cost of City Services per Resident per Fiscal Year (General Fund Operations)



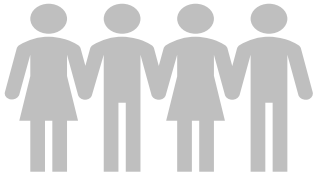
# Long-Term Debt




**City's long-term debt; $277M (27%) lower than high of 2010.**

- Reduction of $277M - due to regular principal payments and refinancing, when appropriate.
- New debt is being planned for issuance in FY27 for Road and Bridge, Stormwater, and Utilities projects.

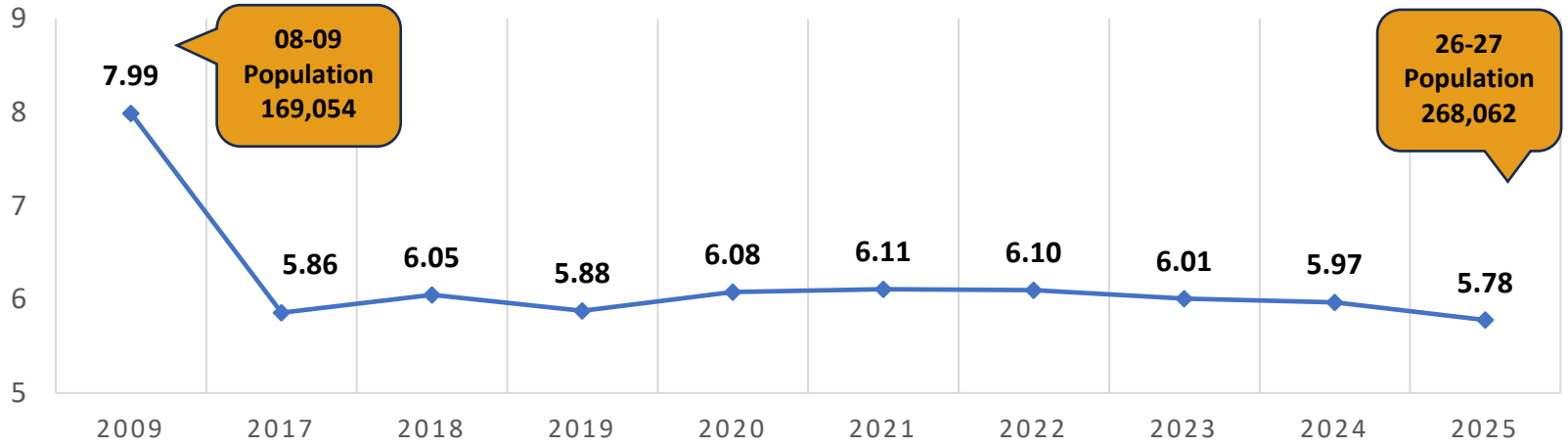
- Government Activities: (Parks, Road & Bridge, Public Facilities, Special Assessments, CRA, etc.).
- Business **(Enterprise)** Type: (Utility System and Stormwater).

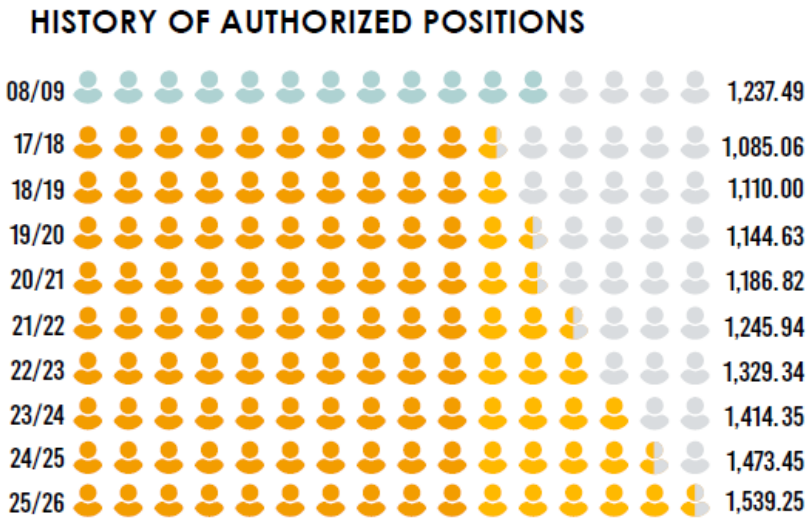


# PROPOSED STAFFING CHANGES

# Staffing

**Employees per 1,000 residents** *Units in thousands*



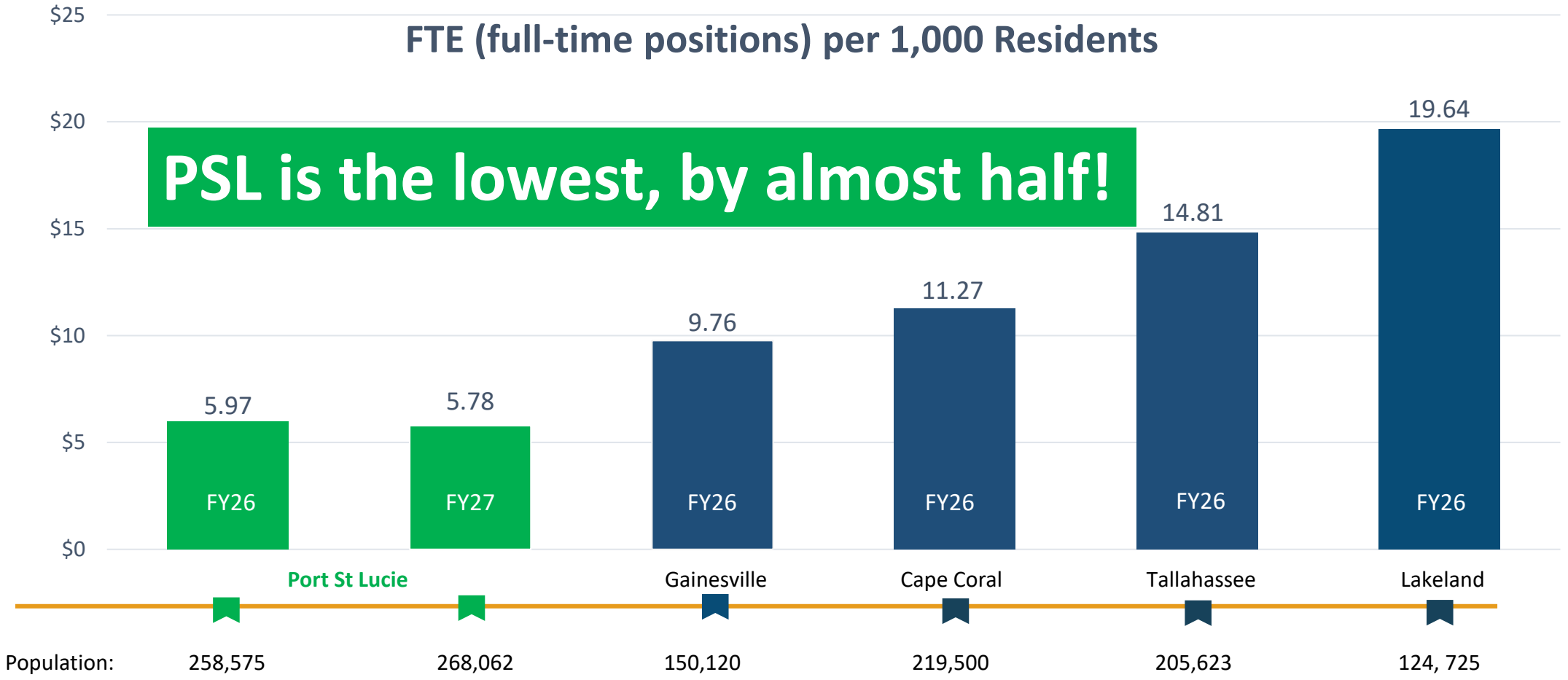




## FY 26/27

- Full-time employees is proposed at 1,550.25.
- No new FTEs for the General Fund.
- 7 Enterprise-funded positions for Utility Systems Dept.

# City Services – FTE per 1,000 Residents

# PSL and Benchmark Cities



# Opportunities



- New commercial and economic development.
- The Port District – commencement of construction on waterfront restaurants and food venues and increased use.
- Enhancements to the parks systems, the opening of Tradition and Torino Regional Parks.
- Expansion of commercial and industrial development across Port St. Lucie.
- Acquisition of grant funding resulting from advocacy efforts at the state and federal level.

# Threats



- Accelerated demands on our traffic system to accommodate our changing City.
- Impact of development in our county and in counties adjacent to our City boundaries.
- Limited commercial resources to keep up with residents' needs.
- Changes in federal and state grant priorities.
- State legislation that could impact home rule and create unfunded mandates, as well as the proposed property tax reform.
- Inflation and rising costs for construction projects, goods and services.
- Potential impacts to the City's bond rating, increasing the cost of future capital projects.
- Rising fuel prices.

# Outcomes



## Responsible, fiscally conservative budget:

- Implement Strategic Plan priorities.
- Prudently manage debt strategies.
- Sustain positive bond ratings:
  - General Obligation, Moody's ratings upgraded to "Aa2" from "Aa3".
  - Utility Systems Revenue, Fitch's ratings maintained @ "AA".
- Maintain a high-quality service level.



## City Staff is committed to:

- Being an efficient & effective government.
- Improving the quality of life for all citizens.
- Being an award-winning organization.

Port St. Lucie Florida
All-America City
NATIONAL CIVIC LEAGUE
2025

What Works Cities Certification
SILVER

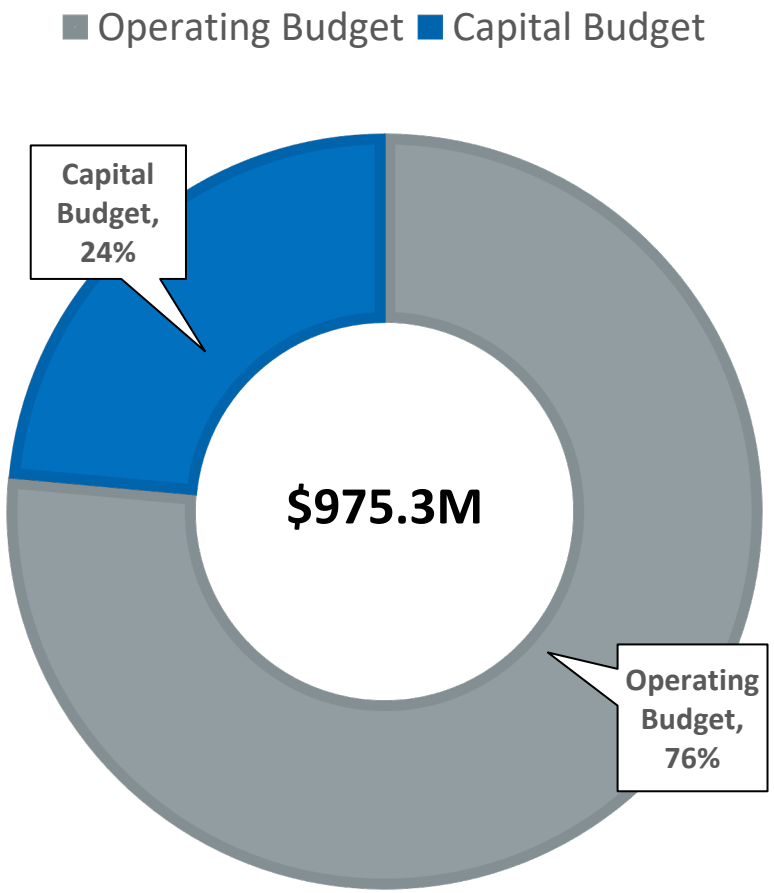
# BUDGET OVERVIEW

# Budget Overview

## Fiscal Year 2026-27

- The City adopts one budget every year, which includes an Operating Budget and a Capital Budget.

- The City's Proposed **Operating** Budget for FY 2026-27 is **$745.5 million.**
- The City's Proposed **Capital** Budget for FY 2026-27 is **$229.8 million.**



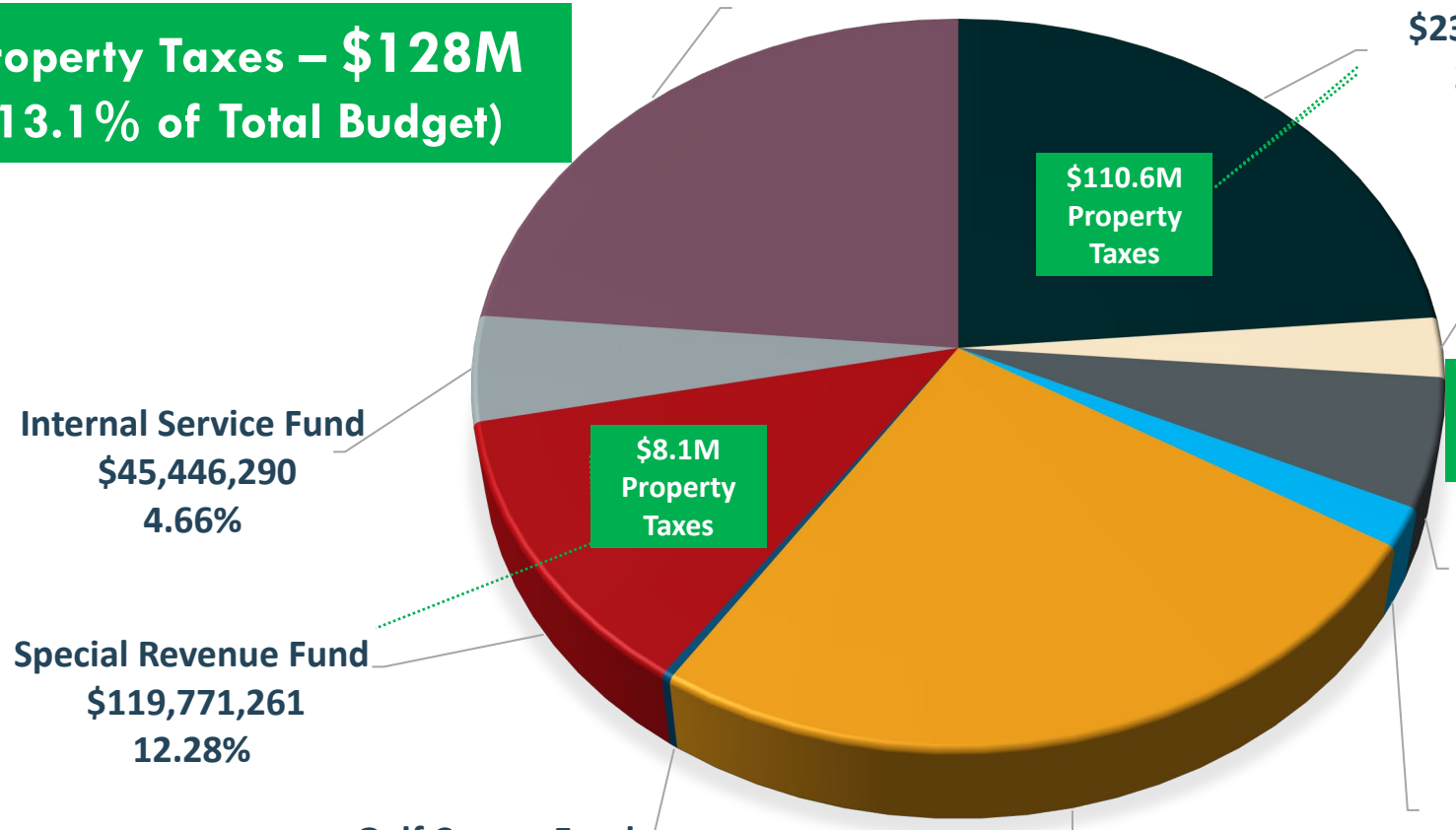

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

# Budget at-a-Glance

## All Funds Summary

**$975.3M**

**Property Taxes – $128M**
**(13.1% of Total Budget)**



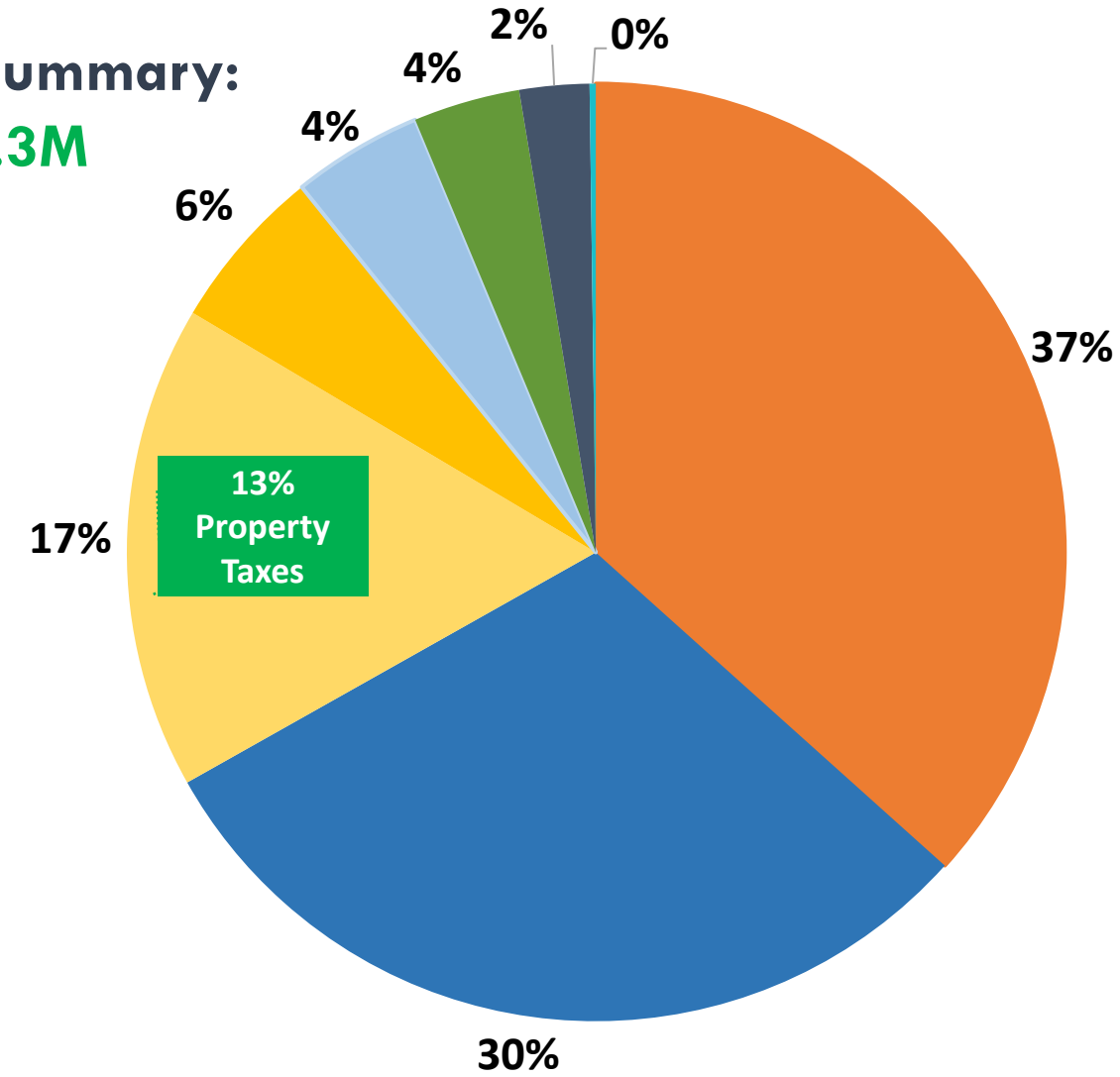

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# Where Does the Money Come From?

**All Funds Summary:**

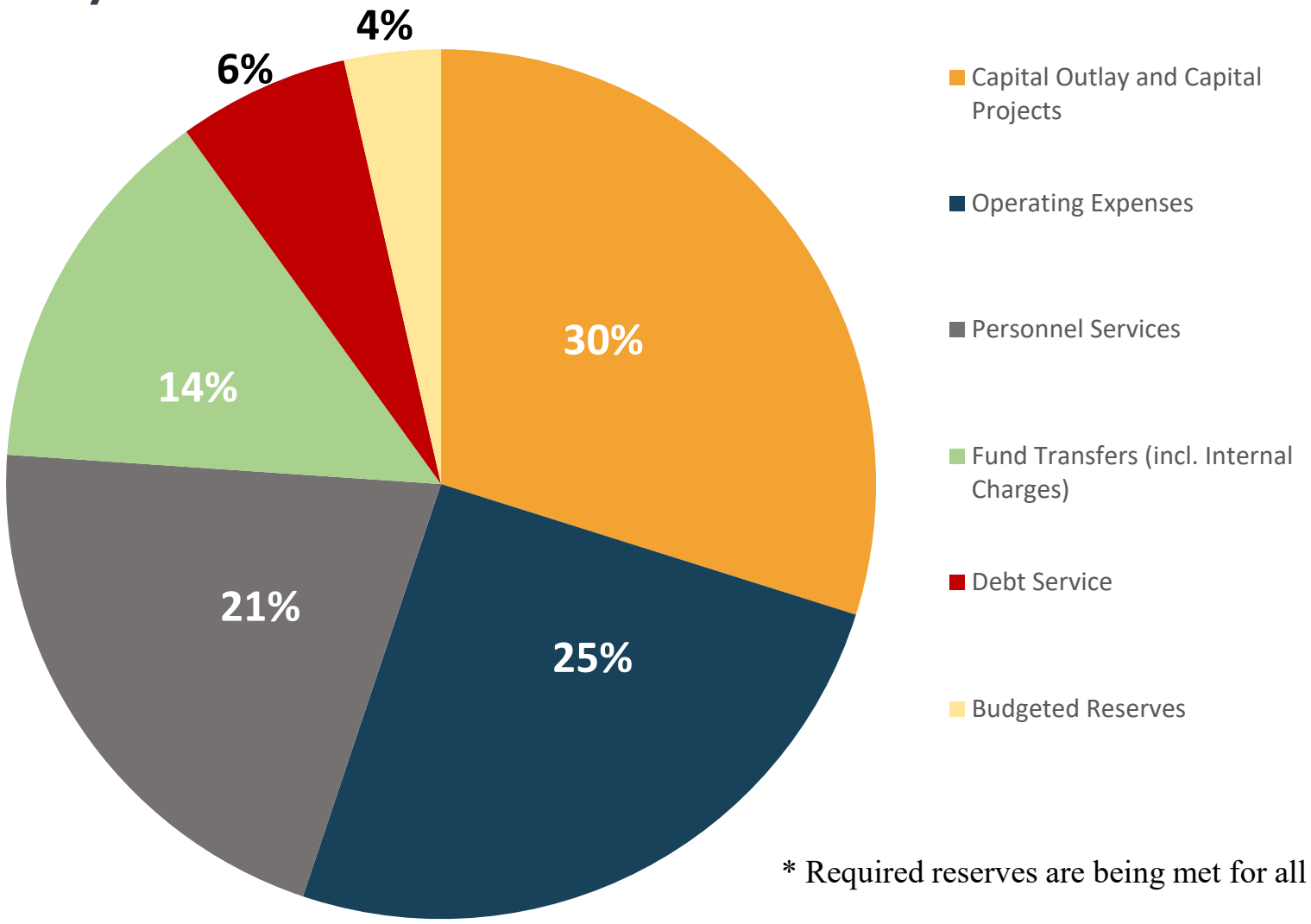
**$975.3M**



# Where Does the Money Go?

## All Funds Summary:

**$975.3M**




* Required reserves are being met for all funds

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

# OPERATING PROPOSED BUDGET

# Fund Types

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds (Medical)
- Trust Funds (OPEB)

# Budget Constraints

- City funds are highly regulated by state laws & federal/state regulations over grants.
- General Fund can support other funds.
- Other funds can only support their specific operations / purposes.
- Emergency reserves policy.
- City's financial reports show cash committed for specific purposes.
- Some funds save money from year-to-year to complete large capital projects: parks, roads, stormwater, and utility improvements.
- Internal transfers may occur in different funds.

# Proposed Budget

***Items impacting most funds and departments:***

- Operating costs are based on inflation, plus maintenance and repairs.
- Capital (outlay) spending fluctuates based upon needs of the departments.
- Liability insurance (general, auto, property) increases.
- Compensation adjustments, including healthcare.

# Abbreviations

FY = Fiscal Year

A = Prior Fiscal Year Actuals

B = Current Fiscal Year Budget

E = Current Year Estimated Actuals

P = City Manager's Proposed Budget

N/A = Not Applicable

FTE = Full-Time Equivalent Employee(s)

*For this presentation FTEs are rounded to whole #s.*

# Proposed Budget

- Recommends a spending plan of **$975.3** million.
- Maintains the total millage rate, unchanged.
- Maintains emergency reserves throughout all funds.
  - Including a set aside of new revenue to offset potential impact of Amendment #3.
- Advances critical infrastructure projects including:
  - Port St. Lucie Boulevard improvements ($26M).
  - Paar, Savona, and Darwin intersection improvements ($9M).
  - Road construction of Sundance North/South A ($10M).
  - Stormwater quality improvements ($18M).
  - Utility Systems renovations, upgrades, and expansions ($141M) – necessary to meet increased users' demands.
- Includes seven (7) new positions in the Utility Systems Fund to meet increase demands for City services.

# DEPARTMENT BUDGETS

# City Council

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $1,103,980 | $1,133,920 | 2.71% |
| Operating Expenses | 173,333 | 175,333 | 1.15% |
| Totals | $1,277,313 | $1,309,253 | 2.50% |
| FTEs | 3.00 | 3.00 | |
| Highlights & Enhancements: | | | |

- *Note: The five (5) City Council Members are not counted as FTE's.*

# City Manager

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,118,259 | $2,209,219 | 4.29% |
| Operating Expenses | 110,628 | 114,708 | 3.69% |
| Totals | $2,228,887 | $2,323,927 | 4.26% |
| FTEs | 9.00 | 9.00 | |
| Highlights & Enhancements: | | | |

*Two positions are vacant.

# Strategic Initiatives & Innovation

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $376,339 | $391,087 | 3.92% |
| Operating Expenses | 7,484 | 53,188 | 610.69% |
| Totals | $383,823 | $444,275 | 15.75% |
| FTEs | 3.00 | 3.00 | |

## Highlights & Enhancements:

* Adjusted operational funding to secure professional services that strengthen the City's capacity in innovation, data driven decision making, and strategic planning.

*SII division delivers high value, generating over $16.5 million in FY 2025 through grants and appropriations and driving cost saving efficiencies that reduce taxpayer burden.

# City Clerk

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $1,092,414 | $1,111,378 | 1.74% |
| Operating Expenses | 184,072 | 198,238 | 7.70% |
| Totals | $1,276,486 | $1,309,616 | 2.60% |
| FTEs | 9.00 | 9.00 | |

Highlights & Enhancements:

* The Legistar expense, previously in IT's budget, has been shifted to the Clerk's Office.

# Finance

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $5,344,573 | $5,424,447 | 1.49% |
| Operating Expenses | 704,911 | 896,871 | 27.23% |
| Totals | $6,049,484 | $6,321,318 | 4.49% |
| FTEs | 42.00 | 42.00 | |

Highlights & Enhancements:

* Technology system migration to a Software-as-a-Service (SaaS) platform, a cloud-based model that reduces operational and cybersecurity liability.

# Human Resources

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,076,002 | $2,194,616 | 5.71% |
| Operating Expenses | 957,225 | 981,347 | 2.52% |
| Totals | $3,033,227 | $3,175,963 | 4.71% |
| FTEs | 16.825 | 16.825 | |
| Highlights & Enhancements: | | | |

# Medical Insurance Fund

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $404,296 | $392,714 | -2.86% |
| Operating Expenses | 39,032,908 | 44,953,970 | 15.17% |
| Other Non-Operating Exp | 90,551 | 99,606 | 10.00% |
| Totals | $39,527,755 | $45,446,290 | 14.97% |
| FTEs | 3.00 | 3.00 | |

Highlights & Enhancements:

* Increase reflects costs for wellness program payouts, contractual obligations, and rising health insurance claims.

# Communications

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $1,819,873 | $1,888,001 | 3.74% |
| Operating Expenses | 968,847 | 980,283 | 1.18% |
| Totals | $2,788,720 | $2,868,284 | 2.85% |
| FTEs | 14.20 | 14.20 | |
| Highlights & Enhancements: | | | |

# Neighborhood Services

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $3,536,931 | $3,554,110 | 0.49% |
| Operating Expenses | 830,958 | 888,682 | 6.95% |
| Totals | $4,367,889 | $4,442,792 | 1.71% |
| FTEs | 31.80 | 31.80 | |

Highlights & Enhancements:

* Operational expense increase is driven by fuel cost and required technology replacements.

# Community Development Block Grant

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $301,872 | $361,840 | 19.87% |
| Operating Expenses | 1,462,193 | 600,226 | -58.95% |
| Totals | $1,764,065 | $962,066 | -45.46% |
| FTEs | 3.20 | 3.20 | |

Highlights & Enhancements:

* Major decrease in Operating Expenses due to a reduction of Grant-funded projects.

# State Housing Initiative Partnership

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $212,327 | $261,401 | 23.11% |
| Operating Expenses | 2,005,363 | 2,005,363 | 0.00% |
| Totals | $2,217,690 | $2,266,764 | 2.21% |
| FTEs | 2.20 | 2.20 | |
| Highlights & Enhancements: | | | |

# Risk Management

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $637,059 | $666,822 | 4.67% |
| Operating Expenses | 73,016 | 74,792 | 2.43% |
| Totals | $710,075 | $741,614 | 4.44% |
| FTEs | 4.00 | 4.00 | |
| Highlights & Enhancements: | | | |

# Information Technology

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $6,076,417 | $6,257,735 | 2.98% |
| Operating Expenses | 5,166,628 | 5,873,474 | 13.68% |
| Capital Outlay | 1,067,674 | 508,050 | -52.42% |
| Totals | $12,310,719 | $12,639,259 | 2.67% |
| FTEs | 43.00 | 43.00 | |

## Highlights & Enhancements:

* Increase in operating expenses driven by enhanced physical security, required technology replacements, expanded dashboard reporting, added satellite and phone services for emergency operations, higher cabling costs, and additional repairs and maintenance for IT infrastructure.
* Reduction in capital outlay reflects the reclassification of IT purchases to operating expenses, as these items do not meet the City's capitalization criteria.

# Office of Management & Budget

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,379,819 | $2,521,859 | 5.97% |
| Operating Expenses | 428,982 | 418,788 | -2.38% |
| Totals | $2,808,801 | $2,940,647 | 4.69% |
| FTEs | 16.00 | 17.00 | |

Highlights & Enhancements:

* The Fleet Manager position was transferred from Facilities Maintenance to the Office of Management & Budget Department.

# General Government

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Operating Services | $5,232,624 | $5,202,764 | -0.57% |
| Capital Outlay | - | 10,000,000 | 100.00% |
| Totals | $5,232,624 | $15,202,764 | 190.54% |
| FTEs | 0.00 | 0.00 | |

Highlights & Enhancements:

* Capital Outlay includes the North South A (Sundance) road construction project. Funds supported by a transfer to the General Fund from the Government Finance Corporation.

# Fleet Management

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Operating Expenses | $251,403 | $258,183 | 2.70% |
| Capital Outlay | 42,000 | - | -100.00% |
| Totals | $293,403 | $258,183 | -12.00% |
| FTEs | 0.00 | 0.00 | |

Highlights & Enhancements:

* Reduction in Capital Outlay due to a one-time replacement of a fleet vehicle in FY25/26.

# City Attorney

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,850,428 | $2,907,861 | 2.01% |
| Operating Expenses | 664,793 | 664,793 | 0.00% |
| Totals | $3,515,221 | $3,572,654 | 1.63% |
| FTEs | 17.00 | 17.00 | |
| Highlights & Enhancements: | | | |

# Planning & Zoning

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,207,612 | $2,267,017 | 2.69% |
| Operating Expenses | 860,724 | 789,447 | -8.28% |
| Totals | $3,068,336 | $3,056,464 | -0.39% |
| FTEs | 17.30 | 17.30 | |

Highlights & Enhancements:

* Decrease in operating expenses reflects the elimination of one-time consulting services and recording scanning costs incurred in FY26.

# Police

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $74,295,664 | $81,307,943 | 9.44% |
| Operating Expenses | 18,191,556 | 20,773,358 | 14.19% |
| Capital Outlay | 2,192,900 | 1,906,480 | -13.06% |
| Totals | $94,680,120 | $103,987,781 | 9.83% |
| FTEs | 468.23 | 468.23 | |

## Highlights & Enhancements:

* Personnel Services include a contractual 5% salary increase for sworn officers.
* Operating increases due to new equipment leases, protective gear replacements, ammunition and training needs, expanded operational supplies, added technology and software services, including intelligence tools and radio applications. Also includes Real Time Intelligence Center and mandated system enhancements.
* Decrease in Capital Outlay due to one-time purchases last fiscal year.

# Emergency Management

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $455,445 | $477,731 | 4.89% |
| Operating Expenses | 216,225 | 218,958 | 1.26% |
| Totals | $671,670 | $696,689 | 3.72% |
| FTEs | 3.20 | 3.20 | |
| Highlights & Enhancements: | | | |

# Office of Solid Waste

| Operating Fund #106 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $1,112,171 | $1,091,453 | -1.86% |
| Operating Expenses | 2,023,313 | 552,588 | -72.69% |
| Other Non-Operating Exp | - | 874,023 | N/A |
| Totals | $3,135,484 | $2,518,064 | -19.69% |
| FTEs | 11.50 | 11.50 | |

## Highlights & Enhancements:

* Major reduction in operating expenses due to the convenient drop-off center closure.
* Increase in Other Non-Operating Expenses reflects the transfer to the General Fund for reimbursement of prior support provided for the convenience drop-off center, as well as ongoing administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# Office of Solid Waste

| Keep Port St. Lucie Beautiful | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $759,637 | $738,044 | -2.84% |
| Operating Expenses | 244,677 | 241,590 | -1.26% |
| Totals | $1,004,314 | $979,634 | -2.46% |
| FTEs | 7.50 | 7.50 | |
| Highlights & Enhancements: | | | |

# Facilities Maintenance

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,402,736 | $2,361,695 | -1.71% |
| Operating Expenses | 1,641,667 | 1,737,204 | 5.82% |
| Capital Outlay | 120,000 | 120,000 | 0.00% |
| Totals | $4,164,403 | $4,218,899 | 1.31% |
| FTEs | 21.00 | 20.00 | |

Highlights & Enhancements:

* Personnel Services reflect the transfer of the Fleet Manager position to OMB.
* Increase in operational expenses to support the annual asset management software used to track facilities, equipment, work orders, and preventative maintenance.

# Office of Economic Development

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $194,946 | $178,731 | -8.32% |
| Operating Expenses | 451,067 | 453,067 | 0.44% |
| Totals | $646,013 | $631,798 | -2.20% |
| FTEs | 1.00 | 1.00 | |
| Highlights & Enhancements: | | | |

# Parks & Recreation

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $12,592,249 | $12,848,001 | 2.03% |
| Operating Expenses | 9,074,645 | 10,413,384 | 14.75% |
| Capital Outlay | 716,300 | 191,100 | -73.32% |
| Totals | $22,383,194 | $23,452,485 | 4.78% |
| FTEs | 142.475 | 142.475 | |

Highlights & Enhancements:

* Increase reflects operational costs associated with the opening of the new Torino Regional Park and the BMX Facility at Tradition Regional Park.
* Decrease in Capital Outlay due to one-time funding for upgrades that are not required this year.

# Saints Golf Course

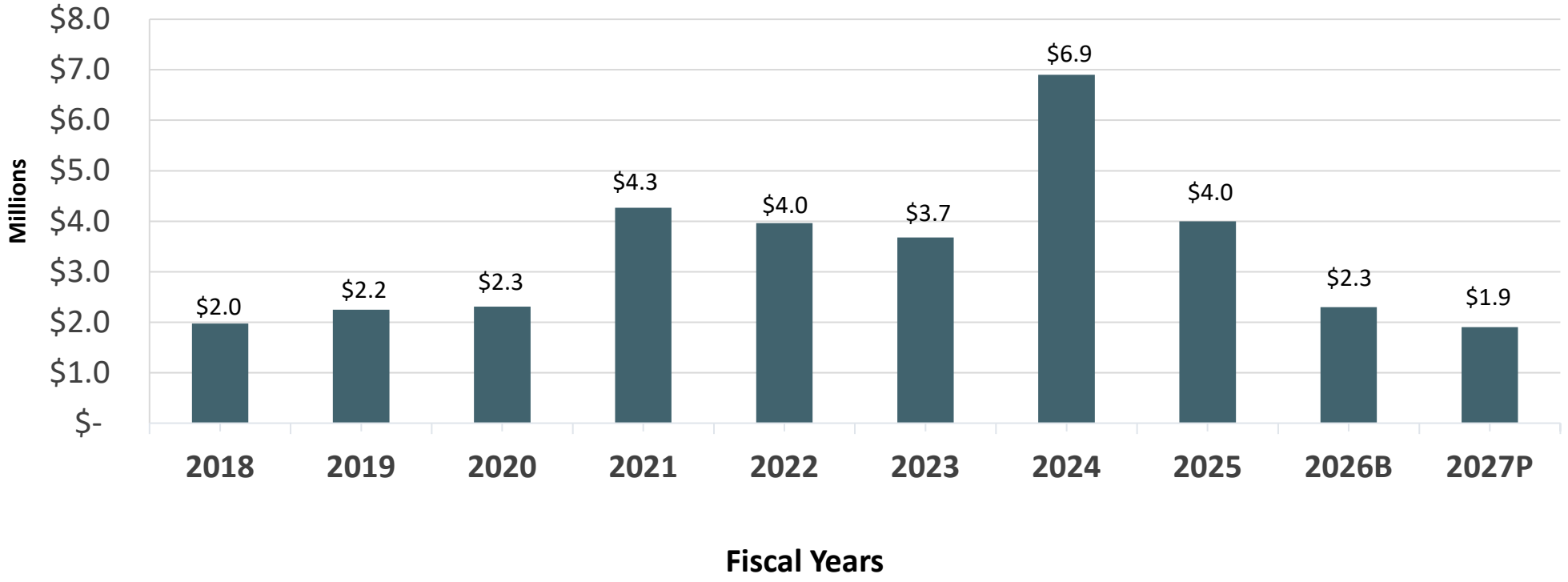
| PSL Saints Golf Course Fund #421 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $948,179 | $909,469 | -4.08% |
| Operating Expenses | 1,325,745 | 1,437,350 | 8.42% |
| Capital Outlay | 609,358 | 314,330 | -48.42% |
| Other Non-Operating Exp | 198,538 | 153,344 | 0.00% |
| Totals | $3,081,820 | $2,814,493 | -8.67% |
| FTEs | 10.175 | 10.175 | |

Highlights & Enhancements:

* Increase in operational expenses driven by minimum wage adjustments for contractual services, swale maintenance contract, added crew member, and HVAC controller replacements.
* Decrease in Capital Outlay due to a one-time expense purchased in prior year.

# Parks Impact Fee Fund

## Proposed Budget –
## FY 26/27 - $1.9 Million



# Special Events

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $844,370 | $757,338 | -10.31% |
| Operating Expenses | 1,271,738 | 1,316,846 | 3.55% |
| Totals | $2,116,108 | $2,074,184 | -1.98% |
| FTEs | 6.00 | 6.00 | |

Highlights & Enhancements:

* Increase in Operating Expenses due to needed vehicle-related repairs, including a cargo van, truck, and trailers.

# MIDFLORIDA Event Center

| | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $2,463,928 | $2,486,241 | 0.91% |
| Operating Expenses | 1,986,400 | 1,892,059 | -4.75% |
| Capital Outlay | 52,000 | 48,000 | -7.69% |
| Totals | $4,502,328 | $4,426,300 | -1.69% |
| FTEs | 25.12 | 25.12 | |
| Highlights & Enhancements: | | | |

# Community Redevelopment Agency

| CRA Fund #175 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $383,442 | $428,387 | 11.72% |
| Operating Expenses | 371,871 | 371,013 | -0.23% |
| Debt Services | 5,857,875 | 1,515,348 | -74.13% |
| Other Non-Operating Exp | 54,397 | 59,837 | 10.00% |
| Contingency | 106,702 | 5,421,798 | 4981.25% |
| Totals | $6,774,287 | $7,796,383 | 15.09% |
| FTEs | 2.00 | 2.00 | |

Highlights & Enhancements:

* The proposed budget includes the bond payments for the MIDFLORIDA Event Center Exterior Painting, Front Plaza Upgrades, and Roof Restoration projects.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.
* Reserves set aside in contingency for new debt in the CRA Fund.

# Community Redevelopment Agency

| Southern Grove CRA Fund #178 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Operating Expenses | 5,041,606 | 6,190,002 | 22.78% |
| Other Non-Operating Exp | 1,976 | 26,759 | 1254.20% |
| Totals | $5,043,582 | $6,216,761 | 23.26% |
| FTEs | 0.00 | 0.00 | |

Highlights & Enhancements:

* The City collects the Tax Increment Financing (TIF) revenue from the General Fund, St. Lucie County, and the Road & Bridge Fund. Of this amount, 95% is returned to property owners to offset their Special Assessment Districts (SAD) payments.

# Public Works

| Road & Bridge Fund #104 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $9,517,397 | $9,725,850 | 2.19% |
| Operating Expenses | 14,686,151 | 13,651,182 | -7.05% |
| Capital Outlay | 818,000 | 100,000 | -87.78% |
| Other Non-Operating Exp | 2,066,316 | 2,310,154 | 11.80% |
| Totals | $27,087,864 | $25,787,186 | -4.80% |
| FTEs | 80.00 | 80.00 | |

Highlights & Enhancements:

* Significant decreases in Operating and Capital Outlay are primarily due to one-time project-related expenses not required this year.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# Public Works

| Stormwater Utility Fund #401 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $6,858,986 | $6,925,324 | 0.97% |
| Operating Expenses | 21,977,024 | 25,051,963 | 13.99% |
| Capital Outlay | 9,890,000 | 17,894,600 | 80.94% |
| Debt Services | 2,685,380 | 3,452,743 | 28.58% |
| Other Non-Operating Exp | 1,792,123 | 2,189,484 | 22.17% |
| Totals | $43,203,513 | $55,514,114 | 28.49% |
| FTEs | 68.50 | 68.50 | |

Highlights & Enhancements:

* Major increases driven by expected construction expenses for several projects, including Oak Hammock Watershed improvements, the Swale Liner/Culvert program, and Elkcam Basin upgrades.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement. This also includes a transfer to National Pollution Discharge Elimination System Fund for Personnel Services support.

# Public Works

| Urban Beautification | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $291,606 | $263,187 | -9.75% |
| Operating Expenses | 339,766 | 341,751 | 0.58% |
| Totals | $631,372 | $604,938 | -4.19% |
| FTEs | 3.50 | 3.50 | |
| Highlights & Enhancements: | | | |

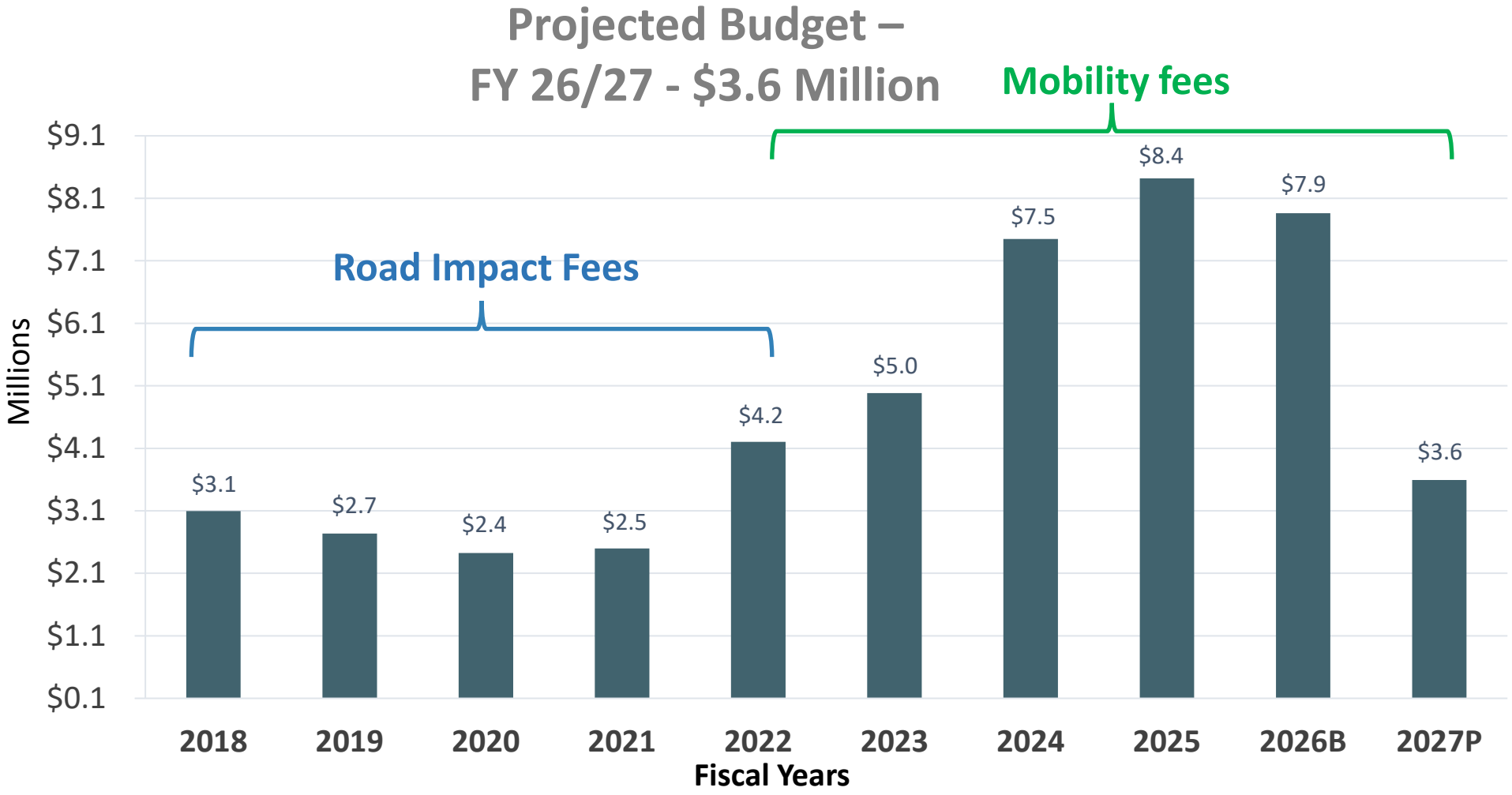
# Public Works

| National Pollution – NPDES Fund #112 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $216,267 | $225,911 | 4.46% |
| Operating Expenses | 95,871 | 93,951 | -2.00% |
| Other Non-Operating Exp | 25,209 | 27,730 | 10.00% |
| Totals | $337,347 | $347,592 | 3.04% |
| FTEs | 2.00 | 2.00 | |

Highlights & Enhancements:

* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# Public Works – Mobility Fees




* In FY 21-22 Mobility fees replaced City road impact fees.

# Building Department

| Building Fund #110 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $12,182,897 | $12,619,949 | 3.59% |
| Operating Expenses | 2,457,445 | 2,443,618 | -0.56% |
| Capital Outlay | 80,000 | 500,000 | 525.00% |
| Other Non-Operating Exp | 1,300,731 | 1,426,760 | 9.69% |
| Totals | $16,021,073 | $16,990,327 | 6.05% |
| FTEs | 101.50 | 101.50 | |

Highlights & Enhancements:

* Increase in Captial Outlay due to the needed replacement of 10 trucks that have reached 8–10 years of service life.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# Utility Systems



| Operating Fund #431 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $34,946,871 | $36,257,375 | 3.75% |
| Operating Expenses | 28,239,583 | 32,105,269 | 13.69% |
| Capital Outlay | 3,814,186 | 3,103,000 | -18.65% |
| Debt Services | 29,608,536 | 29,515,433 | -0.31% |
| Other Non-Operating Exp | 38,523,365 | 53,610,591 | 39.16% |
| Totals | $135,132,541 | $154,591,668 | 14.40% |
| FTEs | 339.20 | 346.20 | |

Highlights & Enhancements:

* 7 New FTEs: 1 Network Administrator, 3 Connection Support Specialists, 1 Plant Operator Trainee, 1 Financial Specialist, and 1 Cross Connection Technician.
* Operational expense increase driven by major factors such as sewer control panel upgrades, insurance costs, float disposal, sod restoration, plant and well field maintenance services, doubled sludge contract pricing, and the Korterra locate ticket system.
* New hydro-excavator, crane truck, and portable pump.
* Increase in Other Non-Operating Expenses are primarily attributable to transfers to the CIP Fund for capital improvement projects and internal service transfers to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# Utility Systems

| Water & Sewer Connection Fees Fund #439 | FY 2025-26 Budget | FY 2026-27 Proposed | % Change |
|---|---|---|---|
| Personnel Services | $1,022,163 | $1,023,415 | 0.12% |
| Operating Expenses | 13,470,877 | 10,203,381 | -24.26% |
| Capital Outlay | 442,000 | - | -100.00% |
| Other Non-Operating Exp | 190,948 | 210,043 | 10.00% |
| Contingency | 2,542,385 | - | -100.00% |
| Totals | $17,668,373 | $11,436,839 | -35.27% |
| FTEs | 7.00 | 7.00 | |

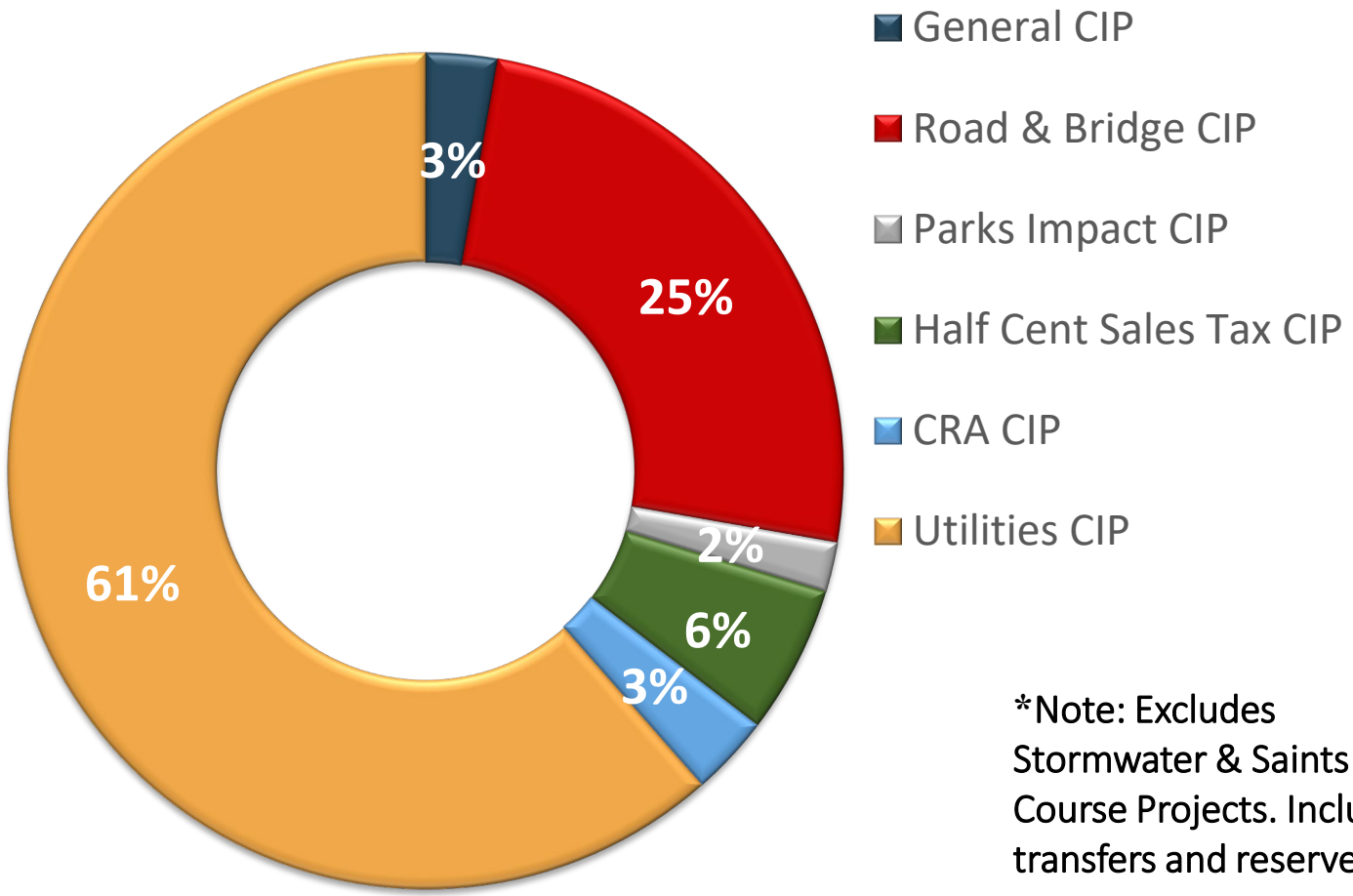
Highlights & Enhancements:

* Decrease in operating expenses due to the reduction in new water and sewer connection installations from 1,840 to 1,000.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

# CAPITAL BUDGET RECOMMENDATIONS

# FY 2026-27 Capital Budget

Recommended
One-Year Capital Expenditure Plan
$229,799,609




*Note: Excludes Stormwater & Saints Golf Course Projects. Includes transfers and reserves.

# Capital Budget Updates

- The City's Proposed **Capital Budget** for FY 2026-27 is **$245,756,526**
  - **Total includes Golf Course and Stormwater projects** funded by operating revenues, and reserves for future projects and does not include transfers.

- Proposed Capital Improvement Plan, including One-Year Capital Expenditure Plan **presented to City Council on April 20, 2026, and tentatively approved**.
  - **$244,528,641** (total includes Golf Course and Stormwater projects – excludes transfers).

- The difference from the April 20, 2026, tentatively approved CIP and **changes** total **$1.2M**.
  - 10 projects deferred
  - 1 project added

# Capital Budget Updates, cont'd.

**Deferred (10 projects totaling $7.8M) - due to potential property tax amendment**

- Marshall Parkway & I-95 Interchange PD&E Study $2M
- Community Center Interior Renovation $500K
- Community Center Retractable Walls $300K *(moved to FY26)*
- McChesney Park Inclusive Playground Replacement $1.6M
- Port St. Lucie Elementary Renovations $250K
- Riverland Paseo Park Parking Lot Expansion $1.3M
- Sportsman's Park Sports Lighting $807K *(moved to FY26)*
- MIDFLORIDA Event Center Garage Roof Deck Lighting $200K
- Saints Golf Course Training Center $350K
- City Council Chambers Renovation $500K

**Added (1 project totaling $9M)**

- Paar, Savona, and Darwin Intersection Improvements $9M

# Revised Proposed Budget

- City Taxable Value is increased by **8.36%** from 2025 based on final certification from the County Property Appraiser.
- The ad valorem revenue is **increased** by **$3.5 million**. Proposed Budget is amended as follows:
  - General Fund increase by $3.0M.
    - The general operating millage remains at 4.2991.
  - Road & Bridge Fund increase by $257K.
    - Millage remains at 0.3616.
  - Crosstown Debt Service Fund increase by $222K.
    - Millage remains at 0.3143.
- **The total proposed millage rate is maintained at 4.9750.**
- Additional revenue is set aside into reserves.
  - Total in Reserves is $13.5M. This will help offset a possible reduction in FY28 due Amendment #3.
  - Spending allocation will be decided after the outcome of Nov's election on Amendment #3.




# Key Dates

## ❑ City Council Budget Hearings

- September 14 at City Hall @ 5:30 p.m.
- September 28 at City Hall @ 5:30 p.m.

# Recommendations

- **Action 1 - Formally set the preliminary millage rates. This is the millage rate that the City cannot exceed:**
  - **Operating millage rate of 4.6607 which is the same as the current year's rate.**
  - **Debt Service millage of 0.3143 which is the same as the current year's rate.**
  - **For a total millage of 4.9750.**

- **Action 2 - Tentatively approve additional staffing level recommendations for Utility Systems Department.**

- **Action 3 - Tentatively approve the proposed operating and amended capital budgets for the next fiscal year.**
  - **This recommendation includes a set aside of $10.4M in the reserves to offset a potential revenue reduction from Amendment #3.**

# Recommendations, cont'd.

**Authorize preparation and advertising for resolution/ordinance to adopt FY 2026/27 Fee Schedules for:**

- **Action 4**
  - **Water Rate – 3.5% increase, $1.98/mo. for an average user.**
  - **Sewer Rate – no increase.**

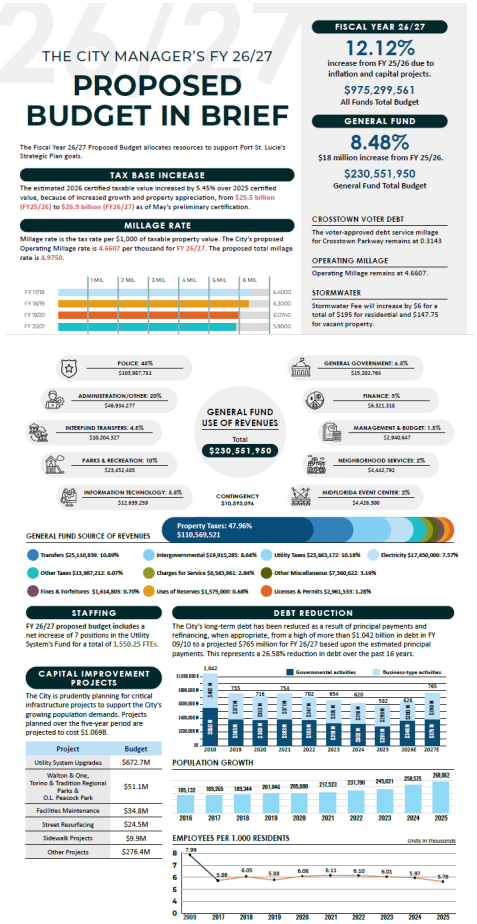
- **Action 5**
  - **Solid Waste Rate - increase of $14.83/yr. for a new annual rate of $482.16.**
  - **One-time credit of $364 or $64 for eligible property owners.**

- **Action 6**
  - **Stormwater Rate – increase of $6 for a new annual rate of $195 for improved lots and $147.75 for vacant lots.**

- **Action 7**
  - **Street Lighting – no increase (FPL controls rate).**

# Availability of Budget

- City Clerk's Office for review
- Posted on City Website
  - http://www.cityofpsl.com/budget
- Presentation on PSL TV-20
- Archived Council Mtgs. on Website



THE CITY MANAGER'S FY 26/27

PROPOSED BUDGET IN BRIEF

The Fiscal Year 26/27 Proposed Budget allocates resources to support Port St. Lucie's Strategic Plan goals.

TAX BASE INCREASE

The estimated 2026 certified taxable value increased by 5.45% over 2025 certified value, because of increased growth and property appreciation, from $25.5 billion (FY25/26) to $26.9 billion (FY26/27) as of May's preliminary certification.

MILLAGE RATE

Millage rate is the tax rate per $1,000 of taxable property value. The City's proposed Operating Millage rate is 4.6607 per thousand for FY 26/27. The proposed total millage rate is 4.9750.

FISCAL YEAR 26/27

12.12%

increase from FY 25/26 due to inflation and capital projects.

$975,299,561

All Funds Total Budget

GENERAL FUND

8.48%

$18 million increase from FY 25/26.

$230,551,950

General Fund Total Budget

CROSSTOWN VOTER DEBT

The voter-approved debt service millage for Crosstown Parkway remains at 0.3143

OPERATING MILLAGE

Operating Millage remains at 4.6607.

STORMWATER

Stormwater Fee will increase by $6 for a total of $195 for residential and $147.75 for vacant property.

GENERAL FUND USE OF REVENUES

Total

$230,551,950

POLICE: 46%

ADMINISTRATION/OTHER: 20%

INTERFUND TRANSFERS: 4.5%

PARKS & RECREATION: 10%

INFORMATION TECHNOLOGY: 0.6%

CONTINGENCY

GENERAL GOVERNMENT: 4.8%

FINANCE: 3%

MANAGEMENT & BUDGET: 1.8%

NEIGHBORHOOD SERVICES: 2%

MIDFLORIDA EVENT CENTER: 2%

GENERAL FUND SOURCE OF REVENUES

Property Taxes: 47.96% $110,569,521

STAFFING

FY 26/27 proposed budget includes a net increase of 7 positions in the Utility System's Fund for a total of 1,550.25 FTEs.

DEBT REDUCTION

The City's long-term debt has been reduced as a result of principal payments and refinancing, when appropriate, from a high of more than $1.042 billion in debt in FY 09/10 to a projected $765 million for FY 26/27 based upon the estimated principal payments. This represents a 26.58% reduction in debt over the past 16 years.

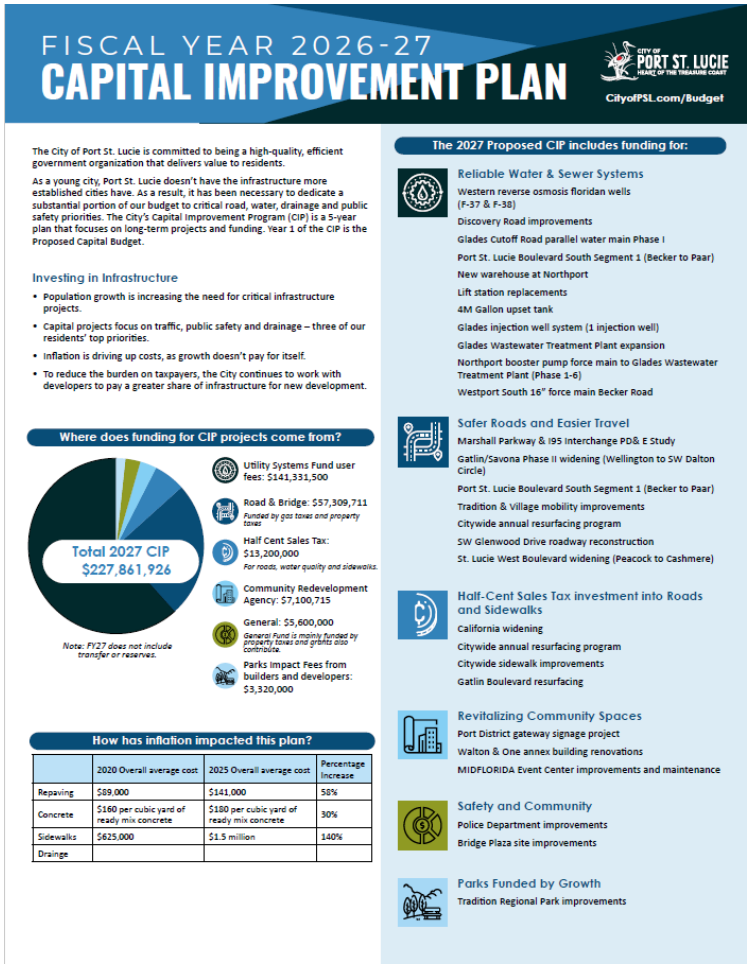
CAPITAL IMPROVEMENT PROJECTS

The City is prudently planning for critical infrastructure projects to support the City's growing population demands. Projects planned over the five-year period are projected to cost $1.069B.

| Project | Budget |
|---|---|
| Utility System Upgrades | $672.7M |
| Walton & One, Torino & Tradition Regional Parks & O.L. Peacock Park | $51.1M |
| Facilities Maintenance | $34.8M |
| Street Resurfacing | $24.5M |
| Sidewalk Projects | $9.9M |
| Other Projects | $276.4M |

POPULATION GROWTH

EMPLOYEES PER 1,000 RESIDENTS



FISCAL YEAR 2026-27

CAPITAL IMPROVEMENT PLAN

CITY OF PORT ST. LUCIE HEART OF THE TREASURE COAST

CityofPSL.com/Budget

The City of Port St. Lucie is committed to being a high-quality, efficient government organization that delivers value to residents.

As a young city, Port St. Lucie doesn't have the infrastructure more established cities have. As a result, it has been necessary to dedicate a substantial portion of our budget to critical road, water, drainage and public safety priorities. The City's Capital Improvement Program (CIP) is a 5-year plan that focuses on long-term projects and funding. Year 1 of the CIP is the Proposed Capital Budget.

Investing in Infrastructure

- Population growth is increasing the need for critical infrastructure projects.
- Capital projects focus on traffic, public safety and drainage – three of our residents' top priorities.
- Inflation is driving up costs, as growth doesn't pay for itself.
- To reduce the burden on taxpayers, the City continues to work with developers to pay a greater share of infrastructure for new development.

Where does funding for CIP projects come from?

Total 2027 CIP $227,861,926

Note: FY27 does not include transfer or reserves.

- Utility Systems Fund user fees: $141,331,500
- Road & Bridge: $57,309,711 Funded by gas taxes and property taxes
- Half Cent Sales Tax: $13,200,000 For roads, water quality and sidewalks.
- Community Redevelopment Agency: $7,100,715
- General: $5,600,000 General Fund is mainly funded by property taxes and grants also contributes.
- Parks Impact Fees from builders and developers: $3,320,000

How has inflation impacted this plan?

| | 2020 Overall average cost | 2025 Overall average cost | Percentage Increase |
|---|---|---|---|
| Repaving | $89,000 | $141,000 | 58% |
| Concrete | $160 per cubic yard of ready mix concrete | $180 per cubic yard of ready mix concrete | 30% |
| Sidewalks | $625,000 | $1.5 million | 140% |
| Drainge | | | |

The 2027 Proposed CIP includes funding for:

Reliable Water & Sewer Systems
Western reverse osmosis floridan wells (F-37 & F-38)
Discovery Road improvements
Glades Cutoff Road parallel water main Phase I
Port St. Lucie Boulevard South Segment 1 (Becker to Paar)
New warehouse at Northport
Lift station replacements
4M Gallon upset tank
Glades injection well system (1 injection well)
Glades Wastewater Treatment Plant expansion
Northport booster pump force main to Glades Wastewater Treatment Plant (Phase 1-6)
Westport South 16" force main Becker Road

Safer Roads and Easier Travel
Marshall Parkway & I95 Interchange PD& E Study
Gatlin/Savona Phase II widening (Wellington to SW Dalton Circle)
Port St. Lucie Boulevard South Segment 1 (Becker to Paar)
Tradition & Village mobility improvements
Citywide annual resurfacing program
SW Glenwood Drive roadway reconstruction
St. Lucie West Boulevard widening (Peacock to Cashmere)

Half-Cent Sales Tax investment into Roads and Sidewalks
California widening
Citywide annual resurfacing program
Citywide sidewalk improvements
Gatlin Boulevard resurfacing

Revitalizing Community Spaces
Port District gateway signage project
Walton & One annex building renovations
MIDFLORIDA Event Center improvements and maintenance

Safety and Community
Police Department improvements
Bridge Plaza site improvements

Parks Funded by Growth
Tradition Regional Park improvements

CITY OF PORT ST. LUCIE HEART OF THE TREASURE COAST

FY 26/27

# Agenda Summary

2026-694

**Agenda Date:** 7/23/2026 **Agenda Item No.:** 5.d

Placement: New Business

Action Requested: Discussion

## Hear a State Legislative Update

Submitted By: Kate Parmelee, Deputy City Manager and Chief Innovation Officer

Strategic Plan Link: The City's Mission to provide exceptional services.

Executive Summary (General Business): A legislative update will be provided outlining major actions of the 2026 Florida Legislative Session and implications for the City of Port St. Lucie.

Presentation Information: An approximately 20-minute presentation will be provided by the state legislative team.

Staff Recommendation: Request that the Council hear the update.

Background: At the conclusion of the State Legislative Session the state legislative team provides an update on legislative and budgetary actions of the Florida Legislature.

Issues/Analysis: The Legislative Team will discuss implications of the actions of the 2026 Florida Legislature on the City of Port St. Lucie.

Financial Information: N/A

Special Consideration: N/A

Location of Project: N/A

Attachments: A presentation will be provided on 07/22/2026

*NOTE: All of the listed items in the "Attachment" section above are in the custody of the City Clerk. Any item(s) not provided in City Council packets are available upon request from the City Clerk.*

Internal Reference Number: N/A

Legal Sufficiency Review:
N/A