



---

**MEMORANDUM**

Date: October 1, 2015  
To: Honorable City Commissioners, City of Ft. Pierce, Florida  
C.C.: Rob Schwerer, City Attorney, City of Ft Pierce, Florida  
From: Wes Bradish, Nate Eckloff, RBC Capital Markets  
Re: Refunding of City's Series 2004 and 2008A Capital Improvement Bonds

---

The RBC team routinely monitors the City of Ft. Pierce's ("the City") debt portfolio for refinancing opportunities. Starting in late July of this year, RBC identified an opportunity for the City to save significant monies through a refinancing of the City's 2004 and callable 2008A Capital Improvement Bonds ("refunding bonds"). The refunding bonds are secured by legally available monies in the City's General Fund. Given the term of the refunding bonds and other factors, RBC recommended to City staff that a private placement refunding would be the most efficient method to realize the debt service savings. On the City's behalf, RBC solicited private placement proposals from multiple highly rated financial institutions and ultimately determined that a private placement with Capital One Public Finance would generate the most savings and provide the most favorable terms.

In summary, the private placement transaction, if approved by the City Commission, will generate over \$3,000,000 of savings over the life of the transaction or approximately \$152,000/year. These savings amounts are net of all refinancing costs. In addition, the term of the refunding bonds will not be extended and will actually be shortened by 3 years through this refinancing.

Given the strong savings summarized above, RBC recommends that the City Commission approve Resolution No. 15-R28 which will authorize the City to enter into a loan agreement with Capital One Public Finance and defease the refunding bonds. This will allow the City to begin realizing the debt service savings starting in the 2015/2016 fiscal year.