



Town of Belleair, Florida

Overview of Outstanding Debt and Financing Considerations



May 14, 2025

PFM Financial
Advisors, LLC

200 S. Orange Ave
Suite 760
Orlando, FL 32801

407.648.2208
pfm.com



Town's Outstanding Debt

- ◆ Belleair has a strong financial position with low outstanding debt
- ◆ Significant annual revenues dedicated for capital
- ◆ Reserve levels provide financial flexibility

Town of Belleair, Florida - Summary of Outstanding Debt (as of 9/30/2024)						
Obligation	Use of Proceeds	Issue Size	Interest Rate	Issue Date	Maturity Date	Principal Outstanding
Governmental Activities						
Cap Imp Rev Ref Bond, Series 2019A	Refund 2012 CIRBs	\$ 7,313,000	2.46%	Oct-2019	Oct-2032	\$ 5,295,000
Cap Imp Rev Bond, Series 2019B	Finance Capital Projects	4,687,000	2.46%	Nov-2019	Oct-2034	3,977,000
Facility Lease	Master Lease Agreement	762,390	3.53%	Mar-2018	Apr-2030	502,099
		<u>12,762,390</u>				<u>9,774,099</u>
Business-Type Activities						
DW State Revolving Fund Loan ⁽¹⁾	Lead Service Line Testing	825,000	0.00%	Nov-2023	Dec-2026	188,708
Vehicle Leases	Right-To-Use Lease Assets	257,521	Various	Various	Various	169,261
		<u>1,082,521</u>				<u>357,969</u>
Total		<u>\$13,844,911</u>				<u>\$ 10,132,068</u>

Source: Town of Belleair FY 2024 Annual Comprehensive Financial Report
⁽¹⁾Expected to mature in 2026



Existing Annual General Governmental Debt Service

Outstanding Governmental Activities Debt									
Maturity Date	Capital Improvement Revenue Refunding Bond, Series 2019A			Capital Improvement Revenue Bond, Series 2019B			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
10/1/2025	\$ 546,000	\$ 117,170	\$ 663,170	\$ 217,000	\$ 92,619	\$ 309,619	\$ 763,000	\$ 209,789	\$ 972,789
10/1/2026	560,000	103,738	663,738	221,000	87,281	308,281	781,000	191,019	972,019
10/1/2027	574,000	89,962	663,962	227,000	81,844	308,844	801,000	171,806	972,806
10/1/2028	587,000	75,842	662,842	233,000	76,260	309,260	820,000	152,102	972,102
10/1/2029	601,000	61,402	662,402	240,000	70,528	310,528	841,000	131,930	972,930
10/1/2030	618,000	46,617	664,617	243,000	64,624	307,624	861,000	111,241	972,241
10/1/2031	630,000	31,414	661,414	252,000	58,646	310,646	882,000	90,061	972,061
10/1/2032	647,000	15,916	662,916	257,000	52,447	309,447	904,000	68,363	972,363
10/1/2033	-	-	-	926,000	46,125	972,125	926,000	46,125	972,125
10/1/2034	-	-	-	949,000	23,345	972,345	949,000	23,345	972,345
Total	\$4,763,000	\$542,061	\$5,305,061	\$3,765,000	\$653,720	\$4,418,720	\$8,528,000	\$1,195,781	\$9,723,781

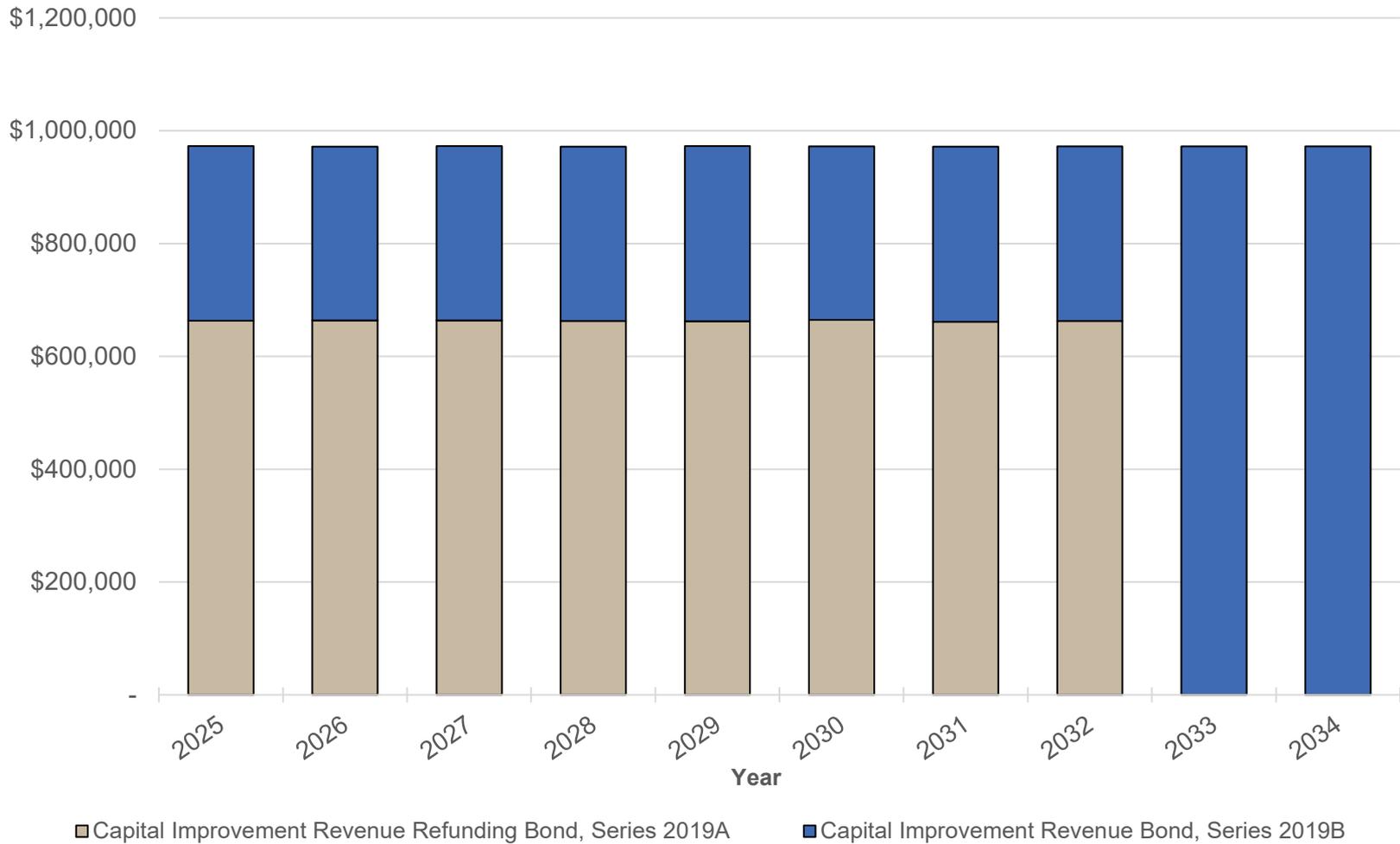
Security Pledge

Covenant to Budget & Appropriate Non-Ad Valorem Revenues

Covenant to Budget & Appropriate Non-Ad Valorem Revenues



Existing Annual General Governmental Debt Service





Capital Improvement Program (Without Borrowing)

	2024 Actual	2025	2026	2027	2028	2029	Total (w/ 2024)
Beginning Fund Balance	\$ 6.9	\$ 6.7	\$ (0.4)	\$ (4.9)	\$ (7.7)	\$ (12.2)	
Sources of Funds							
Revenues/Grants/Appropriations							
Capital Revenues	3.4	3.4	3.3	3.4	3.4	3.5	20.4
Joint Participation w Co. (IRR Ph 3)	-	-	0.5	0.5	-	-	1.0
Grants	3.3	-	-	-	-	-	3.3
State Appropriations	-	1.1	-	-	-	-	1.1
Transfer from General Fund	-	0.4	-	-	-	-	0.4
Subtotal Revs/Grants/Appr	6.7	4.9	3.8	3.9	3.4	3.5	26.2
Loan Proceeds	-	-	-	-	-	-	-
Total Sources of Funds	6.7	4.9	3.8	3.9	3.4	3.5	26.2
Uses of Funds							
Capital Projects							
Indian Rocks Ph. 2	-	-	0.3	0.2	4.5	4.5	9.5
Indian Rocks Ph. 3	0.3	-	5.6	2.7	-	-	8.7
Barbara Circle	-	5.5	-	-	-	-	5.5
Mehlenbacher	-	4.0	-	-	-	-	4.0
Other	5.6	1.5	1.3	2.6	2.4	5.8	19.2
Subtotal Capital Projects	5.9	11.0	7.2	5.6	6.9	10.3	46.9
Debt Service							
Existing Debt Service	1.0	1.0	1.0	1.0	1.0	1.0	6.3
New Debt Service (SRF/Bank Loan)	-	-	-	-	-	-	-
Subtotal Debt Service	1.0	1.0	1.0	1.0	1.0	1.0	6.3
Transfers Out	-	0.0	0.0	0.0	0.0	0.0	0.1
Total Uses of Funds	6.9	12.0	8.3	6.7	7.9	11.4	53.2
Ending Fund Balance	\$ 6.7	\$ (0.4)	\$ (4.9)	\$ (7.7)	\$ (12.2)	\$ (20.1)	

Fund Balance and Additional Funding Required \$ (27.0)



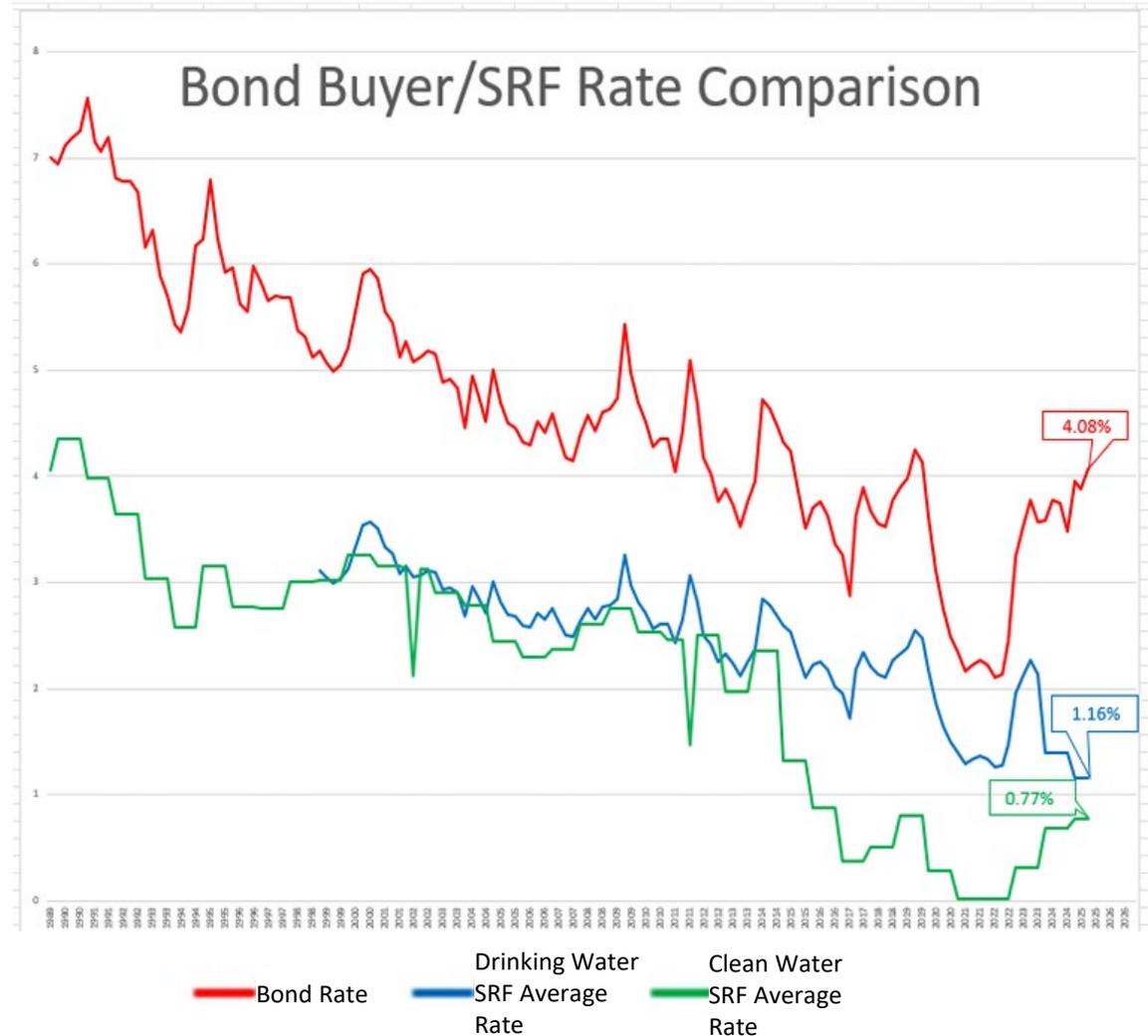
Example Funding of Priority Projects

- ◆ 5-Year CIP includes approximately \$47M in projects (including 2024)
- ◆ High priority projects total approximately \$28M
- ◆ Borrowing for portion of projects helps to leverage recurring annual revenues
- ◆ Spreads cost over future users who benefit from improvements
- ◆ Town can consider utilizing State Revolving Fund loan program for water, wastewater and stormwater portions
 - Below market interest rates subsidized by Federal and State
 - Most recent quarterly average interest rate is 1.16% for drinking water and 0.77% for wastewater*



State Revolving Loan Fund

- Town currently has SRF loan for lead service line testing
- Portion of projects funded with SRF are subject to Davis-Bacon and other federal requirements
- Town would submit Request for Inclusion
- Projects assigned priority score and placed on funding list (next quarterly public meeting August 2025)
- Once on funding list, loan application process begins





Example Project Funding Summary (\$M)

Project	Example Project Type			Funding							
	Road	Drainage	Total	Cash/Grants/Appropriations				Borrowing			Total
				Cash on Hand*	State-Other	State-Bridge	Total	SRF	Bond/Loan	Total	
Indian Rocks Ph. 3	\$ 5.8	\$ 2.5	\$ 8.3	\$ 1.0	\$ 1.1	\$ 1.5	\$ 3.6	\$ 2.5	\$ 2.2	\$ 4.7	\$ 8.3
Indian Rocks Ph. 2	6.3	2.7	9.0	1.2	-	-	1.2	2.7	5.2	7.9	9.0
Barbara Circle	3.9	1.7	5.5	-	-	-	-	1.7	3.9	5.5	5.5
Mehlenbacher	1.6	2.4	4.0	-	-	-	-	2.4	1.6	4.0	4.0
Total	\$ 17.6	\$ 9.2	\$ 26.8	\$ 2.2	\$ 1.1	\$ 1.5	\$ 4.8	\$ 9.2	\$ 12.8	\$ 22.1	\$ 26.8

Interest Rate Assumption

1.50% 4.30%

All numbers are preliminary estimates and subject to change. SRF funding dependent on amount of project considered water, wastewater or stormwater and subject to SRF loan approval. Assumes 30% of projects are financing water, wastewater or stormwater improvements.

**Assumes use of \$350,000 in cash from the General Fund (equipment) plus \$1.8M in ARPA funds.*



Example Funding Sources

	SRF Loan	Bank Loan	Total	Bank Loan	Combined SRF Higher/ (Lower) Than Bank Loan Only
Project Fund	\$ 9,240,000	\$ 12,810,000	\$ 22,050,000	\$ 22,050,000	\$ -
Costs of Issuance	204,800	75,000	279,800	100,000	179,800
Capitalized Interest	138,900	-	138,900		138,900
Total Borrowing	\$ 9,583,700	\$ 12,885,000	\$ 22,468,700	\$ 22,150,000	\$ 318,700
Interest Rate	1.50%	4.30%		4.30%	
Number of Years	20	20		20	-
Annual Debt Service	\$ 558,210	\$ 973,457	\$ 1,531,667	\$ 1,673,425	\$ (141,758)
Total Debt Service	\$ 11,164,193	\$ 19,469,144	\$ 30,633,337	\$ 33,468,493	\$ (2,835,156)
Present Value of Total Debt Service			\$19,145,766	\$21,236,817	\$ (2,091,051)



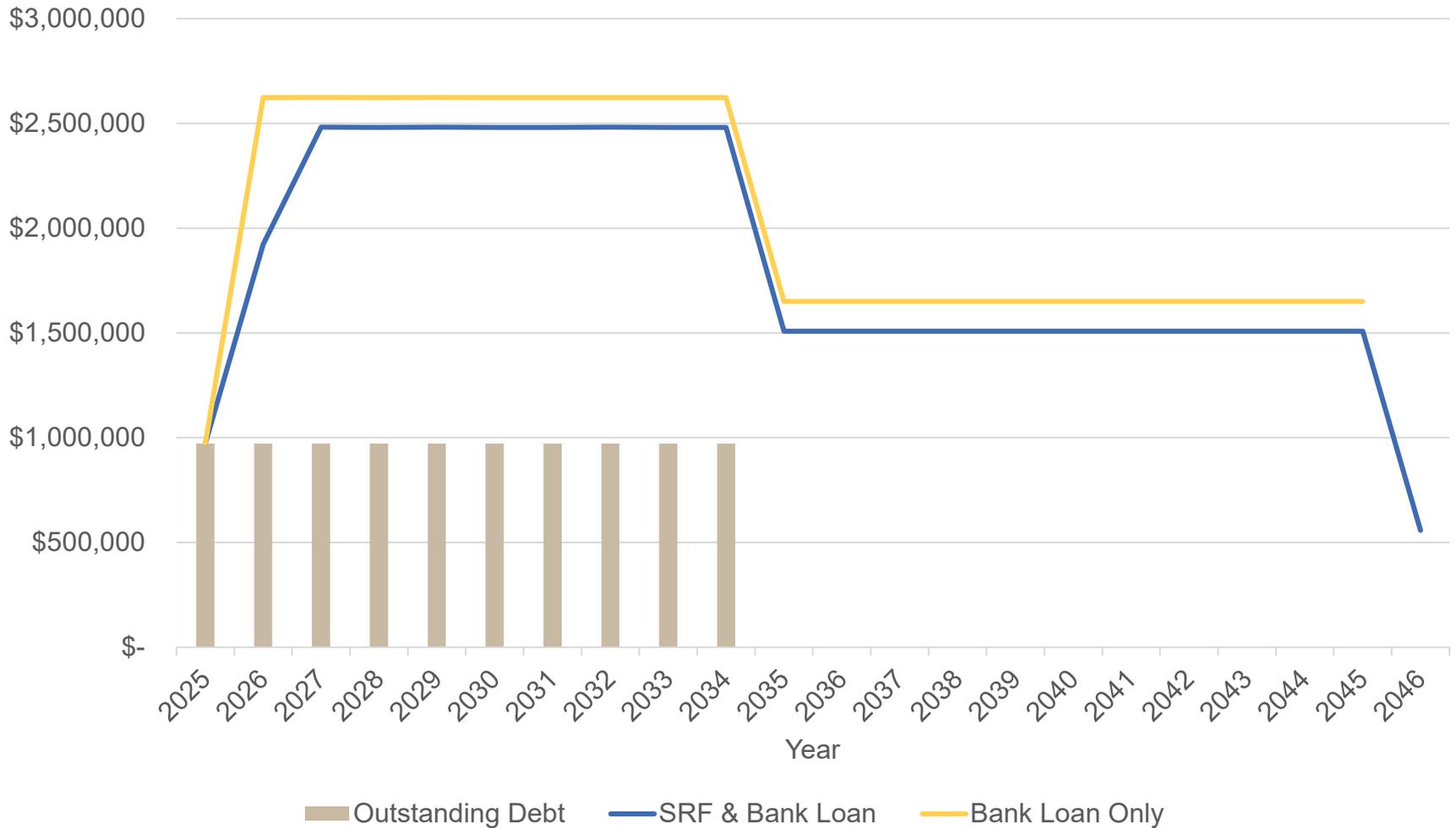
Example Annual Debt Service Comparison (\$000)

Maturity	Combined SRF & Bank Loan								Bank Loan Only					
	SRF Loan				Bank Loan				Total New Debt Service	Aggregate Debt Service	Principal	Interest	Total	Aggregate Debt Service
	Existing Debt Service	Principal	Interest	Total	Principal	Interest	Total							
10/1/2025	\$ 973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 973	\$ -	\$ -	\$ -	\$ 973	
10/1/2026	972	-	-	-	419	554	973	973	1,945	721	952	1,673	2,645	
10/1/2027	973	414	144	558	437	536	973	1,532	2,504	752	921	1,673	2,646	
10/1/2028	972	421	138	558	456	517	973	1,532	2,504	784	889	1,673	2,646	
10/1/2029	973	427	131	558	476	498	973	1,532	2,505	818	855	1,673	2,646	
10/1/2030	972	433	125	558	496	477	973	1,532	2,504	853	820	1,673	2,646	
10/1/2031	972	440	118	558	518	456	973	1,532	2,504	890	784	1,673	2,645	
10/1/2032	972	446	112	558	540	434	973	1,532	2,504	928	745	1,673	2,646	
10/1/2033	972	453	105	558	563	410	973	1,532	2,504	968	705	1,673	2,646	
10/1/2034	972	460	98	558	587	386	973	1,532	2,504	1,010	664	1,673	2,646	
10/1/2035	-	467	91	558	613	361	973	1,532	1,532	1,053	620	1,673	1,673	
10/1/2036	-	474	84	558	639	334	973	1,532	1,532	1,098	575	1,673	1,673	
10/1/2037	-	481	77	558	666	307	973	1,532	1,532	1,146	528	1,673	1,673	
10/1/2038	-	488	70	558	695	278	973	1,532	1,532	1,195	479	1,673	1,673	
10/1/2039	-	496	63	558	725	248	973	1,532	1,532	1,246	427	1,673	1,673	
10/1/2040	-	503	55	558	756	217	973	1,532	1,532	1,300	374	1,673	1,673	
10/1/2041	-	511	48	558	789	185	973	1,532	1,532	1,356	318	1,673	1,673	
10/1/2042	-	518	40	558	823	151	973	1,532	1,532	1,414	259	1,673	1,673	
10/1/2043	-	526	32	558	858	116	973	1,532	1,532	1,475	199	1,673	1,673	
10/1/2044	-	534	24	558	895	79	973	1,532	1,532	1,538	135	1,673	1,673	
10/1/2045	-	542	16	558	933	40	973	1,532	1,532	1,604	69	1,673	1,673	
10/1/2046	-	550	8	558	-	-	-	558	558	-	-	-	-	
	\$ 9,724	\$ 9,584	\$ 1,580	\$ 11,164	\$ 12,885	\$ 6,584	\$ 19,469	\$ 30,633	\$ 40,357	\$ 22,150	\$ 11,318	\$ 33,468	\$ 43,192	

SRF scenario assumes acceptance into SRF Program and SRF loan includes capitalized interest with first debt service payment six months after substantial completion of project. Interest rates preliminary and subject to change based on market conditions at time of issuance.



Example Annual Debt Service





Example Impact on Capital Improvement Program

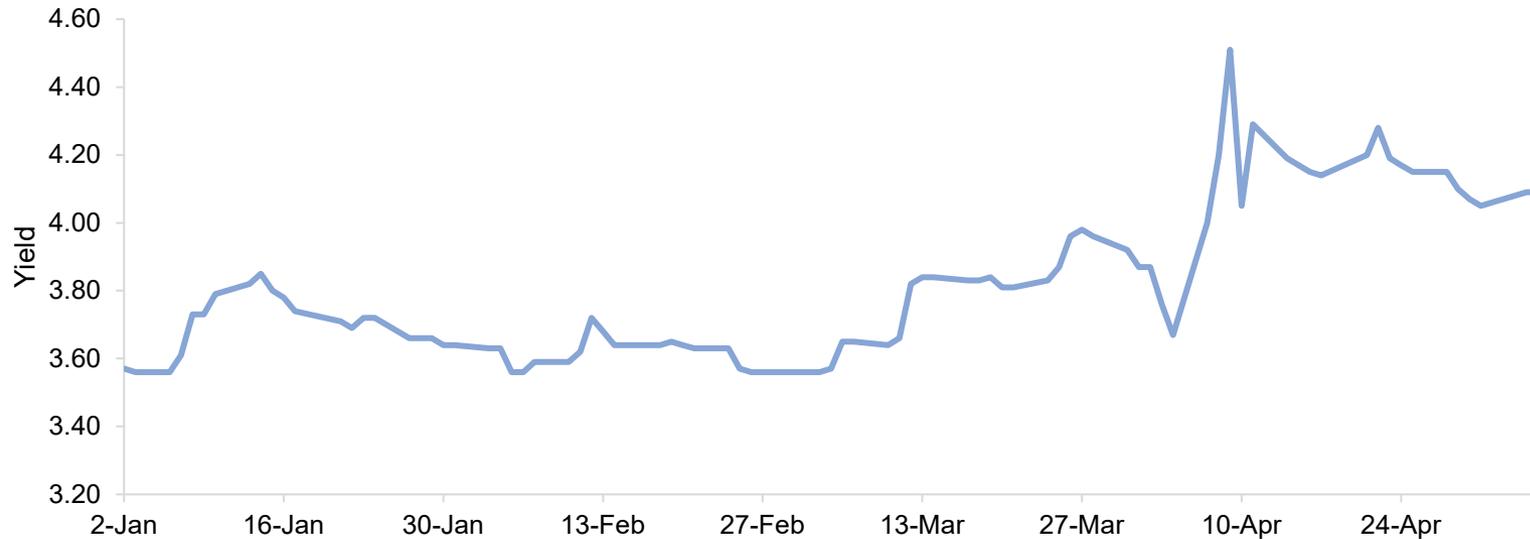
	2024	2025	2026	2027	2028	2029	Total
	Actual						(w/ 2024)
Beginning Fund Balance	\$ 6.9	\$ 6.7	\$ 12.4	\$ 16.2	\$ 11.8	\$ 5.8	
Sources of Funds							
Revenues/Grants/Appropriations							
Capital Revenues	3.4	3.4	3.3	3.4	3.4	3.5	20.4
Joint Participation w Co. (IRR Ph 3)	-	-	0.5	0.5	-	-	1.0
Grants	3.3	-	-	-	-	-	3.3
State Appropriations	-	1.1	-	-	-	-	1.1
Transfer from General Fund	-	0.4	-	-	-	-	0.4
Subtotal Revs/Grants/Apr	6.7	4.9	3.8	3.9	3.4	3.5	26.2
Loan Proceeds	-	12.8	9.2	-	-	-	22.1
Total Sources of Funds	6.7	17.7	13.0	3.9	3.4	3.5	48.2
Uses of Funds							
Capital Projects							
Indian Rocks Ph. 2	-	-	0.3	0.2	4.5	4.5	9.5
Indian Rocks Ph. 3	0.3	-	5.6	2.7	-	-	8.7
Barbara Circle	-	5.5	-	-	-	-	5.5
Mehlenbacher	-	4.0	-	-	-	-	4.0
Other	5.6	1.5	1.3	2.6	2.4	5.8	19.2
Subtotal Capital Projects	5.9	11.0	7.2	5.6	6.9	10.3	46.9
Debt Service							
Existing Debt Service	1.0	1.0	1.0	1.0	1.0	1.0	6.3
New Debt Service (SRF/Bank Loan)	-	-	1.0	1.5	1.5	1.5	5.6
Subtotal Debt Service	1.0	1.0	2.0	2.6	2.6	2.6	11.8
Transfers Out	-	0.0	0.0	0.0	0.0	0.0	0.1
Total Uses of Funds	6.9	12.0	9.3	8.2	9.5	12.9	58.8
Ending Fund Balance	\$ 6.7	\$ 12.4	\$ 16.2	\$ 11.8	\$ 5.8	\$ (3.6)	



Current Market Conditions

- ◆ Markets have been volatile over past month

20-Year Tax-Exempt Index Since January 2025



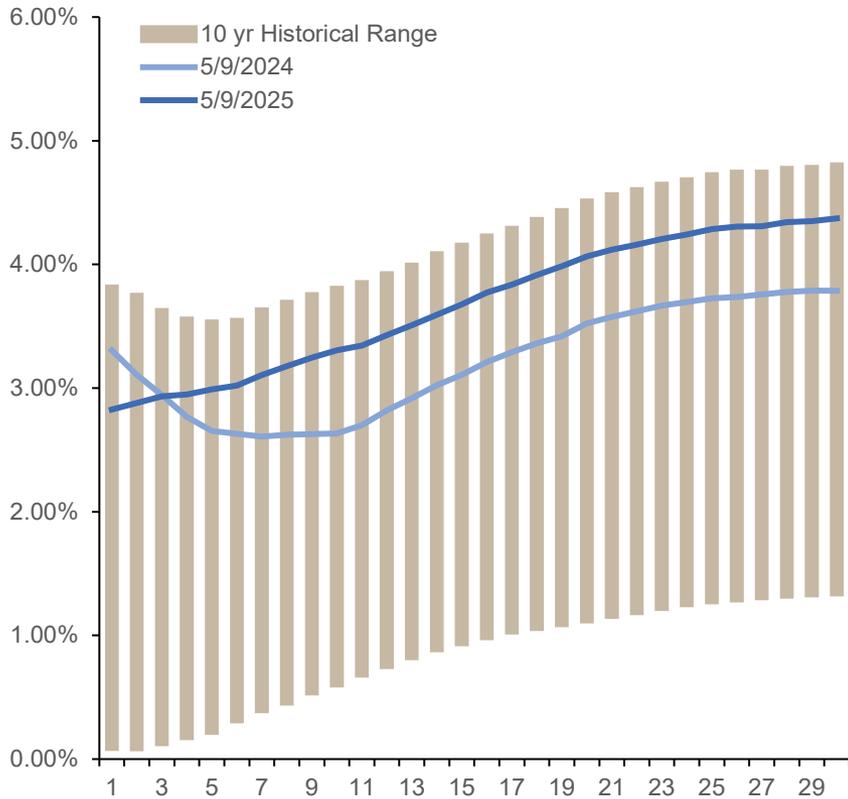
Source: BVAL, Bloomberg, treasury.gov
PFM Pricing Group



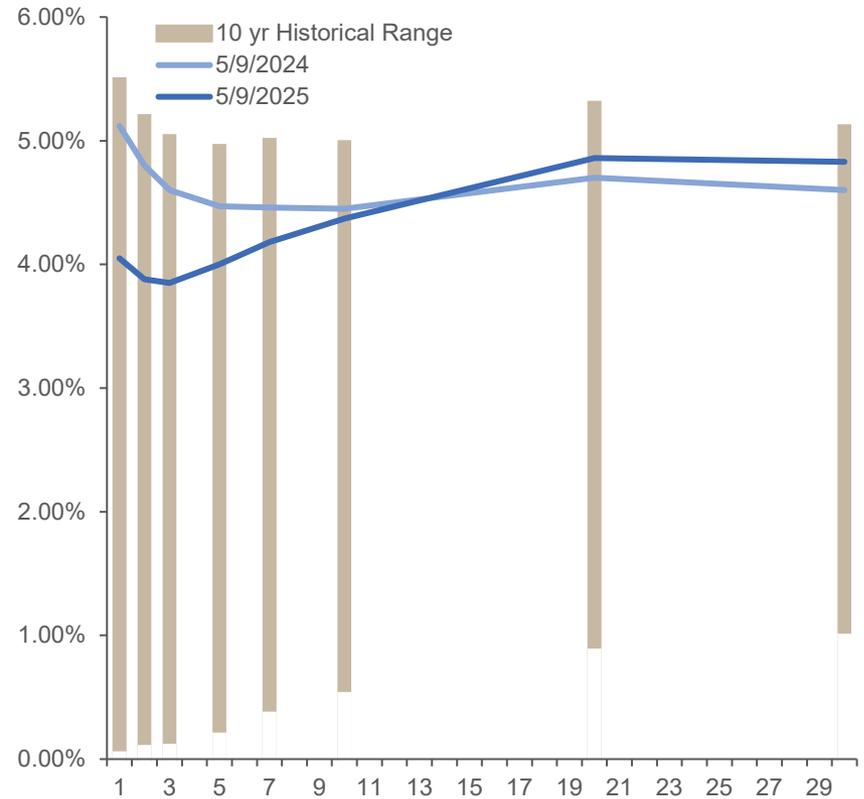
Current Market Conditions

◆ Long-term interest rates are manageable from historical perspective

AAA Municipal Curve



U.S. Treasury Curve



Source: Bloomberg, treasury.gov
PFM Pricing Group



Conclusion

- ◆ Town is in a strong financial position to fund its major capital projects
- ◆ Borrowing leverages annual recurring revenues and spreads cost over future users of improvements
- ◆ Town has alternatives to fund projects with combination of loans, cash, grants, and appropriations
- ◆ PFM is pleased to assist Town in creating optimal funding plan at lowest possible cost while preserving Town's ability to afford other projects in CIP



Thank you!



pfm



Disclosures

ABOUT PFM

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC a registered municipal advisor with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. PFM's financial modelling platform for strategic forecasting is provided through PFM Solutions LLC.

For more information regarding PFM's services or entities, please visit www.pfm.com.