CHARLOTTE COUNTY BOARD OF COUNTY COMMISSIONERS FINANCE COMMITTEE



THE HONORABLE ROGER D. EATON

Clerk of the Circuit Court and County Comptroller Charlotte County, Florida

March 26, 2025

COMPTROLLER DIVISION

18500 Murdock Circle Port Charlotte, FL 33948

FINANCE COMMITTEE MEETING AGENDA Wednesday, March 26, 2025 8:00 AM Murdock Administration Building, B-106

18500 Murdock Circle, Port Charlotte 33948

Joe Tiseo, BCC Chairman Bill Truex, Commissioner or Ken Doherty, Commissioner Roger D. Eaton, Clerk of Circuit Court and County Comptroller Hector Flores, County Administrator Janette S. Knowlton, County Attorney Gordon Burger, Dir. Budget & Admin Services Stacy Wear, Finance Director, Clerk of the Circuit Court and County Comptroller

- 1. Call to Order
- 2. Introductions
- 3. Citizen Input
- 4. Approval of Finance Committee Minutes May 23, 2024 Chairman, Joe Tiseo
- 5. Overview and Discussion of Current County debt Stacy Wear, Finance Director, Clerk of the Court and County Comptroller
 - Outstanding Debt for Charlotte County, February 28, 2025
 - Outstanding Debt Ten Years
 - Summary Changes to Debt Balances since September 2024
- 6. Dredging and Paving Update Denise Kolerski, Fiscal Services
- 7. Utility/SRF Projects Update Scott Ericson, Fiscal Services
- 8. Market Update Financing– Joel Tindal, Hilltop Securities, Inc.
- 9. Any other questions or discussions
- 10. Adjournment

BOARD OF COUNTY COMMISSIONERS

MAY 23, 2024

A Finance Committee Meeting was held at the Murdock Administration Complex in Room B-106, Port Charlotte, Florida.

The following members were present: Chair Bill Truex, Commissioner Ken Doherty, County Administrator Hector Flores, County Attorney Janette Knowlton, Budget and Administrative Services Director Gordon Burger, and Finance Director Stacy Wear. Also in attendance were: Minutes Clerk Welsh. The following members were absent: Clerk of the Circuit Court Roger D. Eaton.

1. Call to Order

Chair Truex called the Meeting to order at 2:30 pm.

2. Introductions

Chair Truex introduced the following members: Senior Financial Analyst John Sanguinet, Financial Assessment and Compliance Analyst Scott Ericson, Clerk of the Circuit Court and County Comptroller Financial Accountant Eugene Shabanov, Senior Financial Analyst Denise Kolerski, Financial Manager Pamela Kirchner, Fiscal Services Manager Rick Arthur, Intern Makayla Rassbach, Financial Assessment and Compliance Analyst Brian Orlando-Reno, Senior Financial Analyst Kristen Zeh-Franke, Utilities Operations Supervisor Denise Caruthers, Utilities Director Dave Watson, Nabors, Giblin & Nickerson President Tom Giblin, Clerk of the Circuit Court and County Comptroller Finance Director Stacy Wear, Hilltop Securities Public Finance Director Joel Tindal, County Attorney Janette Knowlton, Budget and Administrative Services Director Gordon Burger, County Administrator Hector Flores, Assistant County Administrator Claire Jubb, Vice Chair Ken Doherty, Raftelis Vice President Murray Hamilton (via teleconference), and Raftelis Senior Consultant Diana Ling (via teleconference).

3. Citizen Input - None

4. Approval of Finance Committee Minutes – December 13, 2023 – Chairman, Bill Truex

FINANCE COMMITTEE MEMBER DOHERTY MOVED TO APPROVE DECEMBER 13, 2023 FINANCE COMMITTEE MEETING MINUTES, SECONDED BY FINANCE COMMITTEE MEMBER KNOWLTON AND DECLARED UNANIMOUS

5. Overview and Discussion of Current County Debt – Stacy Wear, Finance Director, Clerk of Court and County Comptroller

<u>Clerk of the Circuit Court Debt Discussion</u>

- Outstanding Debt for Charlotte County, April 30, 2024
- Outstanding Debt Ten Years

• Summary Changes to Debt Balances since September 2023

Finance Committee Member Wear gave a brief overview of Outstanding Debt for Charlotte County, April 30, 2024, Outstanding Debt – Ten Years, and Summary Changes to Debt Balances since September, 2023.

6. Dredging and Paving Update – Denise Kolerski, Fiscal Services

Senior Financial Analyst Denise Kolerski gave a brief overview of Paving and Dredging Anticipated Borrowing Summary Fiscal Year (FY) 2024.

7. SRF Projects Update – Scott Ericson, Fiscal Services

Financial Assessment and Compliance Analyst Scott Ericson highlighted State Revolving Fund (SRF), East Port, award, cap, Ackerman Septic to Sewer (S2S) and Repair and Replacement (R&R) projects, Department of Environmental Protection (DEP), Supplemental Appropriation for Hurricanes Fiona and Ian, South County Infrastructure Projects, qualifying expenditures, Ioan forgiveness, and disbursements. **Finance Committee Member Flores** discussed SRF, timing, and uses. **Fiscal Services Manager Rick Arthur** commented on S2S projects and interest rates.

8. Market Update/Utility Bonding Discussion – Joel Tindal, Hilltop Securities Inc

Hilltop Securities Public Finance Director Joel Tindal gave a brief overview of Weekly Benchmark Interest Rates, Change in 20-Year Municipal Market Data (MMD), Tax-Exempt Market Overview: MMD, The Bond Buyer, Historical AAA MMD Rates, Taxable Market Overview: U.S. Treasuries, and Utility Bond Financing Update. Finance Committee Member Burger mentioned Weekly Benchmark Interest Rates, Secured Overnight Financing Rate (SOFR), and Historical AAA MMD Rates. Finance Committee Member Doherty mentioned Utility Bond Financing Update, debt service, West Port, Burnt Store, and East Port. Financial Assessment and Compliance Analyst Ericson spoke to East Port, Supplemental Appropriation for Hurricanes Fiona and Ian, and cost. Finance Committee Member Truex noted debt and cost. Finance Committee Member Flores remarked on Burnt Store, McKim & Creed, cost, and June 11, 2024 BCC Regular and Land Use Meeting.

9. Additional Utility Bond Discussion – Murray Hamilton, Raftelis

Raftelis Vice President Murray Hamilton gave a brief overview of Raftelis Project Initiatives, Scope Limitations, responded to Peace River Manasota Regional Water Supply Authority (PRMRWSA), financial forecasts, DEP, requirements, costs, connection fees, wastewater plant expansions, analysis, financing options, scenarios, Utility Capital Tiered Projects, execution plan, and June 11, 2024 BCC Regular and Land Use Meeting. **Raftelis Senior Consultant Diana Ling** gave a brief overview of Evolution of Charlotte County Utilities (CCU) Capital Improvement Program led by CCU staff, Utility Capital Tiered Projects, Study Progress: Miscellaneous Utility Charges, TAP Fees, Financial Forecast, and Scope Limitations: Peace River Financing Strategies. **Finance Committee Member Doherty** discussed PRMRWSA, surface water expansion project, cost, rates, increases, capital and operational expenditures, bids, Reservoir 2, debt responsibility, Reservoir 3, and options. **Finance Committee Member Flores** commented on financing,

bonds, operational coverage, growth, rates, and options. **Finance Committee Member Burger** mentioned PRMRWSA, projects, execution, funding, and reimbursement Resolution.

10. Any other questions or discussions - None

11. Adjournment: 3:15 pm

Joseph M. Tiseo, Chair

DATE ADOPTED: _____

ATTEST:

ROGER D. EATON, CLERK OF THE CIRCUIT COURT AND EX-OFFICIO OF THE BOARD OF COUNTY COMMISSIONERS

Ву: _____

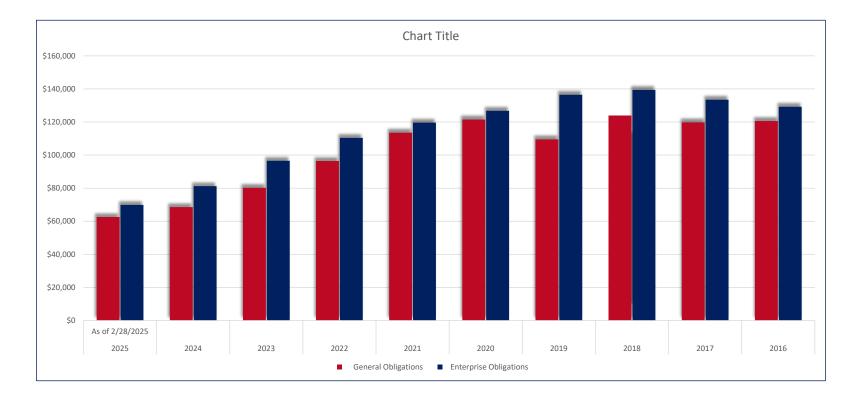
Deputy Clerk

Charlotte County Outstanding Debt

	Origination Date	Original Principal	Balance at 2/28/2025	Matures / Final Pmt	Repayment Source	Fixed/ Var	CURRENT** Rate Terms
Non Utility Commercial Paper A-8-3 Various Transportation Improvements throughout County A-8-4 Various Transportation Improvements throughout County A-9-2 Various Transportation Improvements throughout County (rolled A-9-1) A-10-1 Burnt Store Village and Pirate Harbor Paving A-11-1 Various Transportation Improvements throughout County	12/7/2021 12/5/2022 6/6/2023 7/11/2023 8/5/2024	3,878,000 5,433,000 1,568,000 1,321,000 7,403,000	1,157,000 1,251,000 1,226,000	12/01/2026 Balloon 12/06/27 6/1/2028 Final pmt 6/1/28 Balloon 6/5/2029 (\$5,427,000)	MSBU Assessment MSBU Assessment MSBU Assessment MSBU Assessment MSBU Assessment	Var Var Var Var Var	(all - in rate) 3.180% 3.180% 3.180% 3.180% 3.180% 3.180%
Total Non Utility Commercial Paper			\$ 11,856,000	-			
Other Long Term Governmental Debt	_						
Environmental Lands - General Obligation Debt refinanced 9/1/2020 Stadium Bonds - Revenue Bonds Murdock Village Note Payable refinanced on 5/26/2020 Transportation Revenue Note, Series 2019(Burnt Store Rd, Phase 2, Ioan #1) Public Improvement Revenue Note, Series 2020 (Burnt Store Rd, Phase 2, Ioan #2) Capital Improvement Revenue Note, Series 2020 (Manasota Key Beach Renourishment) Public Improvement Revenue Note, Series 2021 (NW Port Charlotte Paving) Total Other Long Term Governmental Type Debt	9/1/2020 5/6/2015 5/26/2020 11/20/2019 12/17/2020 2/20/2020 7/23/2021	20,975,000 20,250,000 25,306,000 9,056,000 9,076,000 20,557,000 4,479,000	9,450,000 10,864,000 6,418,000 6,960,000 6,147,000 3,200,000 \$ 50,724,000	10/1/2034 10/1/2035 8/1/2026	Ad Valorem (.2 mills max) Tourist Tax (4th & 5th cent) Developer /TIF/ TBD Gas Tax Non-Ad valorem Rev Non-Ad valorem Rev Non-Ad valorem Rev	Fixed Fixed Fixed Fixed Fixed Fixed Fixed	1.140% 2.0 - 5% 1.77% 2.27% 1.69% 1.87% 1.86%
TOTAL ALL NON UTILITY DEBT			\$ 62,580,000	-			
ENTERPRISE DEBT Revenue Bonds: Utilities:	-						
Series 2021 Revenue Bonds -(Private Issued 3/8/2021) Series 2016 Revenue Bonds (Private Issue - Bank of America) Total Utilities Revenue Bonds	3/8/2021 7/6/2016	15,935,000 23,955,000	- - \$ -	10/24 10/24 balloon 5.69M	Utility Revenues & Conn. Fees Utility Revenues & Conn. Fees		0.68% 1.71%
	_	Loan Award	Balance at 02/28/25	Matures / Final Pmt	Repayment Source	_	
State Revolving Funds (DEP) South Gulf Cove Phase 5 Water Expansion (DW0817040) South Gulf Cove Phase 5 Sewer Expansion (62818S) Pirate Harbor Sewer Expansion- Preconstruction (62821P) Pirate Harbor Sewer Expansion- Construction (628210) WW080200 Spring Lake Sewer Expansion Project WW080220 Spring Lake Sewer Contract D WW080241 Loveland Grand Master Lift Station WW080250- East point recl, Deep Creek, Parkside Clean Wtr SRF WW080251- Deep Creek Force Main DW080260 East/West Spring Lake Drinking Water B,C,D DW080260 Clean Wtr, Villity Planning Activities DW080280 Clean Wtr, Villity Planning Activities DW080280 Ingram Water Main WW080280 Ingram Water Reclamation Facility WW080281 Eastport Water Reclamation Facility WW080280 Ingram Water Main WW080280 Ingram Water Reclamation Facility WW080281 Eastport Water Reclamation Facility WW080281 Eastport Water Reclamation Facility WW0802910 Burnt Store Water Reclamation Facility WW080210 El Jobean Total Enterprise State Revolving Fund Debt	2/15/2006 5/15/2009 4/15/2009 3/15/2019 2/9/2017 2/1/2017 2/9/2017 9/30/2016 4/23/2019 4/5/2016 9/30/2016 6/15/2018 2/14/2019 4/5/2018 12/6/2019 6/26/2023 12/6/2019 4/21/2020	863,558 556,822 170,781 1,070,649 15,308,781 3,826,153 3,382,800 22,437,123 5,367,255 3,702,800 1,897,943 8,401,606 463,193 1,564,836 3,610,591 574,700 9,000,000 738,900 23,300,592 4,263,600 \$ 114,311,979	17,850 51,388 301,123 10,094,876 2,783,729 1,985,368 18,459,332 4,060,403 3,174,645 1,205,530 5,784,285 322,962 1,273,742 2,806,338 488,028 5,164,044 624,718 7,820,656	2025 (Annual Debt Service) 2029 (Annual Debt Service) 2029 (Annual Debt Service) 2029 (Annual Debt Service) 2038 (Annual Debt Service) 2038 (Annual Debt Service) 2039 (Annual Debt Service) 2040 Annual Debt Service) 2042 Annual Debt Service) 2038 (Annual Debt Service) 2038 (Annual Debt Service) 2043 (Annual Debt Service) 2040 Annual Debt Service) 2043 (Annual Debt Service) 2043 (Annual Debt Service) 2044 (Annual Debt Service)	MSBU Assessment MSBU Assessment MSBU Assessment MSBU Assessment MSBU Assessment MSBU Assessment Operating Revenue Operating Revenue	Fixed Fixed	2.810% 2.900% 2.630% 3.120% 0.720% 0.130% 1.400% 4.40% & .54% 0.030% 1.020% 0.620% 0.540% 1.030% 1.120% 0.750% 0.880% 0.880% 0.880% 0.880% 0.000% 0.000%
Total All Enterprise Debt			\$ 69,873,671	-			
Total Debt as of February 28, 2025			\$ 132,453,671	_			

CHARLOTTE COUNTY - OUTSTANDING DEBT (in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	As of 2/28/2025									
General Obligations	\$17,135	\$18,650	23,030	27,275	31,425	35,500	39,300	43,075	46,755	51,350
Commercial Paper	11,856	15,715	14,975	19,050	24,379	35,090	42,380	49,676	38,592	31,710
Notes Payable	33,589	34,160	42,206	50,109	57,760	50,879	27,854	31,164	34,377	37,499
General Obligations	\$62,580	\$68,525	80,211	96,434	113,564	121,469	109,534	123,915	119,724	120,559
Self-Supporting Revenue										
Bonds (Utilities)	\$0	\$15,070	29,735	43,935	57,655	70,345	83,195	95,710	107,900	119,380
Commercial Paper	0	0	0	0	600	1,201	1,800	2,666	3,000	0
State Revolving Funds (FDEP)										
(Utilities)	69,874	66,193	66,846	66,493	61,319	55,227	51,442	40,980	22,588	9,814
Enterprise Obligations	\$69,874	\$81,263	96,581	110,428	119,574	126,773	136,437	139,356	133,488	129,194
Total Charlotte County Debt	\$132,454	\$149,788	176,792	206,862	233,138	248,242	245,971	263,271	253,212	249,753



Charlotte County Summary of Changes to Debt Balances Debt Activity 10/01/2024 to 2/28/2025

	Loan Date	Original Principal	Balances at 10/01/2024	Additions	Payments	Balances at 2/28/2025
Non Utility Commercial Paper					-	
A-8-3 Various Transportation Improvements throughout County	Dec-21	3,878,000	1,640,000	-	(821,000)	819,000
A-8-4 Various Transportation Improvements throughout County	Dec-22	5,433,000	4,195,000	-	(3,038,000)	1,157,000
A-9-2 Various Transportation Improvements throughout County (rolled .	Jun-23	1,568,000	1,251,000	-	-	1,251,000
A-10-1 Burnt Store Village and Pirate Harbor Paving	Jul-23	1,321,000	1,226,000	-	-	1,226,000
A-11-1 Various Transportation Improvements throughout County	Aug-24	7,403,000	7,403,000	-	-	7,403,000
Total Non Utility Commercial Paper			\$ 15,715,000	\$-	\$ (3,859,000)	\$ 11,856,000
Other Long Term Governmental Debt						
Environmental Lands - General Obligation Debt	Sep-20	20,975,000	9,200,000	-	(1,515,000)	7,685,000
Stadium Bonds - Revenue Bonds	May-15	20,250,000	9,450,000	-	-	9,450,000
Murdock Village Note Payable refinanced on 5/26/2020	May-20	25,306,000	10,864,000	-	-	10,864,000
Burnt Store Road Widening	Nov-19	9,056,000	6,418,000	-	-	6,418,000
Burnt Store Road Widening #2	Dec-20	9,076,000	7,531,000	-	(571,000)	6,960,000
Manasota Key Beach Renourishment	Feb-20	20,557,000	6,147,000	-	-	6,147,000
Northwest Port Charlotte - Rev Note - paving	Jul-21	4,479,000	3,200,000	-	-	3,200,000
Total Other Long Term Governmental Type Debt			\$ 52,810,000	\$-	\$ (2,086,000)	\$ 50,724,000
TOTAL ALL NON UTILITY DEBT			\$ 68,525,000	\$-	\$ (5,945,000)	\$ 62,580,000
Revenue Bonds: Utilities: Series 2021 Revenue Bonds - Issued 03/08/2021 Series 2016 Revenue Bonds (Private Issue - Bk of America)	Mar-21 Jul-16	15,935,000 23,955,000	9,380,000 5,690.000		(9,380,000) (5,690,000)	-
Total Utilities Revenue Bonds			\$ 15,070,000	\$-	\$ (15,070,000)	\$-
State Revolving Funds (DEP)						
South Gulf Cove Phase 5 Water Expansion (DW0817040)	Feb-06	863,558	53,923	-	(26,774)	27,149
South Gulf Cove Phase 5 Sewer Expansion (62818S)	May-05	556,822	35,445	-	(17,595)	17,850
Pirate Harbor Sewer Expansion- Preconstruction (62821P)	Sep-09	170,781	51,388			51,388
Pirate Harbor Sewer Expansion- Construction (628210)	Apr-09	1,070,649	332,064	-	(30,941)	301,123
WW080200 Spring Lake Sewer Expansion Project	Mar-15	15,308,781	10,450,276	-	(355,400)	10,094,876
WW080220 Spring Lake Sewer Contract D	Feb-17	3,826,153	2,878,787	-	(95,058)	2,783,729
WW080240 NonPoint Wtr Pollution, Ackerman, US41 Corridor	Feb-17	3,382,800	1,985,368	-		1,985,368
WW080241 Loveland Grand Master Lift Station	Feb-17	24,239,985	18,459,332	-		18,459,332
WW080250- Eastpoint recl, Dp Creek, Parkside Clean Wtr SRF	Sep-16	5,367,255	4,060,403	-		4,060,403
WW080251- Deep Creek Force Main	Apr-19	3,702,800	3,260,582	-	(85,937)	3,174,645
DW080260 East/West Spring Lake Drinking Water B,C,D	Apr-16	1,897,943	1,248,273		(42,743)	1,205,530
DW080270-Drinking Wtr, Parkside, West Tarpon, Fixed Meter	Sep-16	8,401,605	5,985,915	-	(201,630)	5,784,285
WW080280 Clean Wtr, Utility Planning Activities	Jun-18	463,193	334,084	-	(11,122)	322,962
DW080290 Myakka Booster Station	Jun-21	1,564,836	1,309,995	-	(36,253)	1,273,742

			Ва	alances at			Balances at
(Continued)	Loan Date	Original Principal	1	0/01/2024	Additions	Payments	2/28/2025
DW0802B0 Ingram Water Main	Oct-20	3.610.591		2.891.555	-	(85,217)	2,806,338
WW0802E0 Eastport Water Reclamation Facility	Dec-19	574,700		500,726	-	(12,698)	488,028
WW0802E1 Eastport Water Reclamation Facility	Jun-23	9,000,000		-	5,164,044	-	5,164,044
WW0802F0 Burnt Store Water Reclamation Facility	Dec-19	738,900		640,972	-	(16,254)	624,718
WW0802H0 Ackerman	Apr-21	23,300,592		8,188,961	-	(368,305)	7,820,656
WWW0802I0 El Jobean	Sep-20	4,263,600		3,525,433	-	(97,928)	3,427,505
Total Enterprise State Revolving Fund Debt		\$ 119,013,383	\$	66,193,482 \$	5,164,044	\$ (1,483,855) \$	69,873,671
Total All Enterprise Debt			\$	81,263,482 \$	5,164,044	\$ (16,553,855) \$	69,873,671
Total All Debt			\$	149,788,482 \$	5,164,044	\$ (22,498,855) \$	132,453,671

Paving and Dredging (Public Works) Anticipated Borrowing Summary FY 2025

	FY25 Requests					
<u>Fund</u>	Name	4	Amount <u>Term</u>		<u>Purpose</u>	Status
1277	Engelwood East Street and Drainage	\$	4,560,000	15 years	Paving (reserves)	Board approved rate increase to begin in FY22 for paving. Contract awarded 2/25/25.
1408	Placida Area Street and Drainage	\$	2,199,000	15 years	Paving (reserves)	Board approved rate increase to begin in FY20 for paving. Contract awarded 2/25/25.
1438	Rotonda West Street and Drainage	\$	10,263,000	15 years	Paving (reserves)	Board approved rate increase to begin in FY20 for paving. Contract awarded 3/11/25.
	Postpone to FY26					
1122	Gulf Cove Waterway	\$	3,998,000	7 years	Dredging (reserves available)	Board approved rate increase to begin FY22 for dredging. Dredging was anticipated for FY22 and is being postponed to FY26.
1143	Pirate Harbor Waterway	\$	375,000	5 years	Dredging (reserves available)	Board approved rate increase to begin FY22 for dredging. Dredging was anticipated for FY23 and is being postponed to FY26.

Dredging Notes

Additional surveys will be performed to measure effects from the recent hurricanes. Public Works staff are planning to combine the two projects to help reduce costs. Construction anticipated in FY26.

Paving Notes

Englewood East and Placida Area paving programs awarded 2/25/25. Rotonda West awarded 3/11/25. Awaiting paving schedule from Public Works and contractor.

Borrowing amounts and durations will be re-evaluated once bids have been received.

HilltopSecurities

Investment Banking Solutions

RENG

CHARLOTTE COUNTY, FLORIDA FINANCE COMMITTEE MEETING

11- 11



CHARLOTTE COUNTY, FLORIDA FINANCE COMMITTEE MEETING

MARCH 26, 2025

450 S. Orange Avenue, Suite 225 Orlando, Florida 32801 Ph: 407.426.9611 HilltopSecurities.com

- Tab 1: Market Update (March 7, 2025)
- Tab 2: Outstanding Debt Summary
- Tab 3: Road Capital Projects
- Appendix A: Regulatory Disclosure

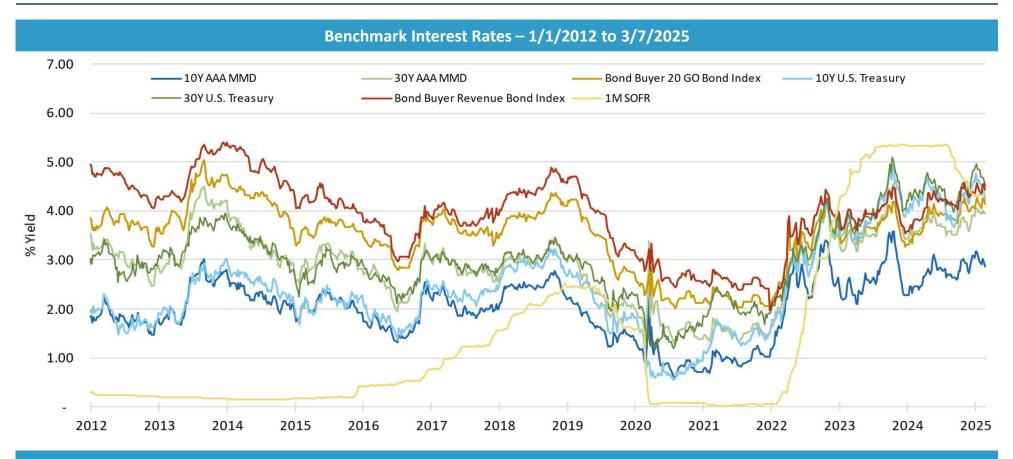
MARKET UPDATE (MARCH 7, 2025)

TAB 1



4

WEEKLY BENCHMARK INTEREST RATES

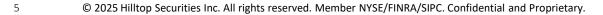


Rates Analysis – 1/1/2012 to 3/7/2025

	10-Year AAA MMD	30-Year AAA MMD	Bond Buyer 20 GO Bond Index	Bond Buyer Revenue Bond Index	10-Year U.S. Treasury	30-Year U.S. Treasury	SIFMA	1-Month SOFR ⁽¹⁾
Current	2.96	4.05	4.15	4.44	4.32	4.62	2.25	4.32
Maximum	3.59	4.57	5.03	5.40	4.93	5.09	5.20	5.36
Minimum	0.58	1.27	2.02	1.97	0.55	1.17	0.01	0.01
Average	2.03	2.89	3.50	3.93	2.45	3.02	1.02	1.49
% Time Lower	94.6%	94.5%	85.6%	75.6%	94.6%	96.7%	83.4%	85.3%

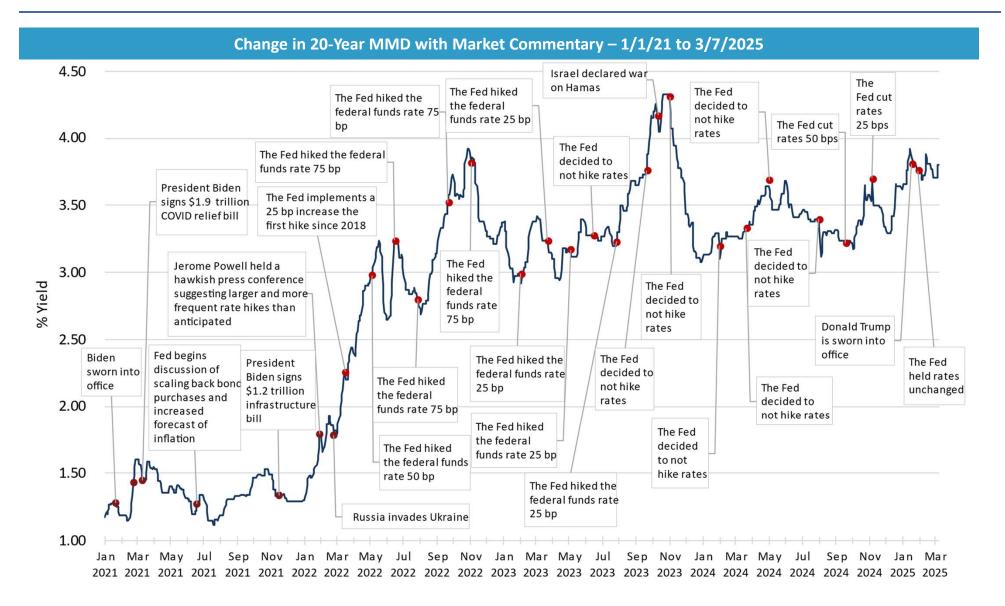
Source: Refinitiv Municipal Market Data, U.S. Treasury and Bloomberg

⁽¹⁾ SOFR 1 Month is blended with LIBOR 1 Month rates prior to 2019





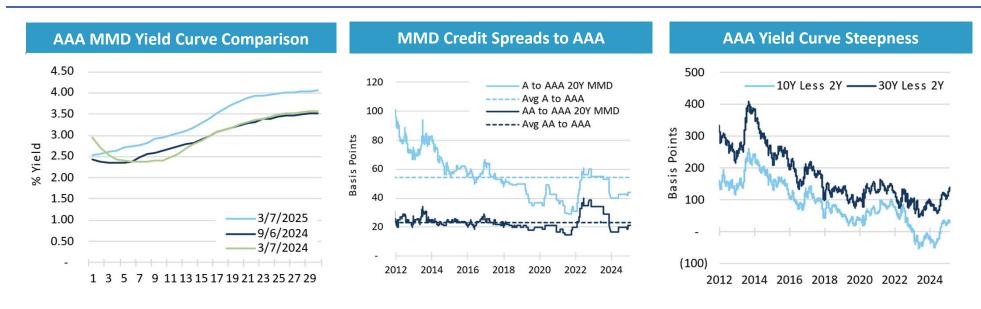
CHANGE IN 20-YEAR MMD



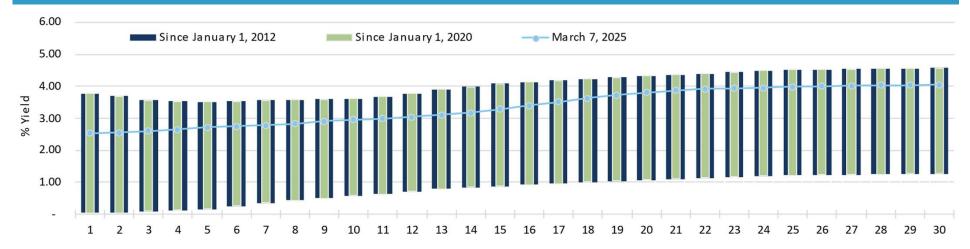
Source: Refinitiv Municipal Market Data and HilltopSecurities



TAX-EXEMPT MARKET OVERVIEW | MMD



Maximum and Minimum AAA MMD Yields

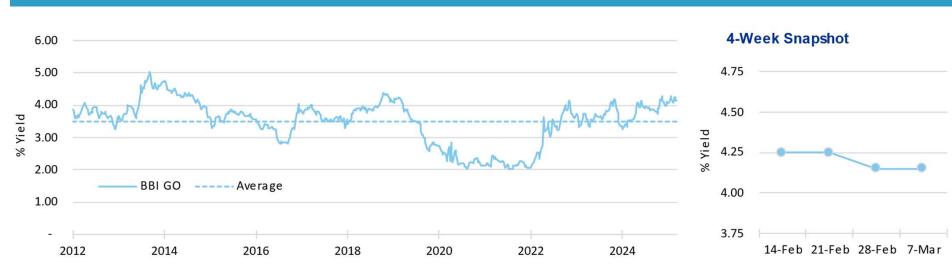


Source: Refinitiv Municipal Market Data

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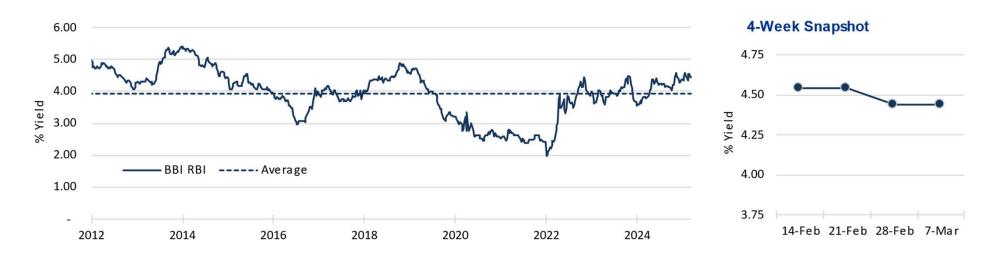


TAX-EXEMPT MARKET OVERVIEW | THE BOND BUYER



The Bond Buyer 20-Bond General Obligation Index – 1/1/12 to 3/7/2025

The Bond Buyer Revenue Bond Index – 1/1/12 to 3/7/2025

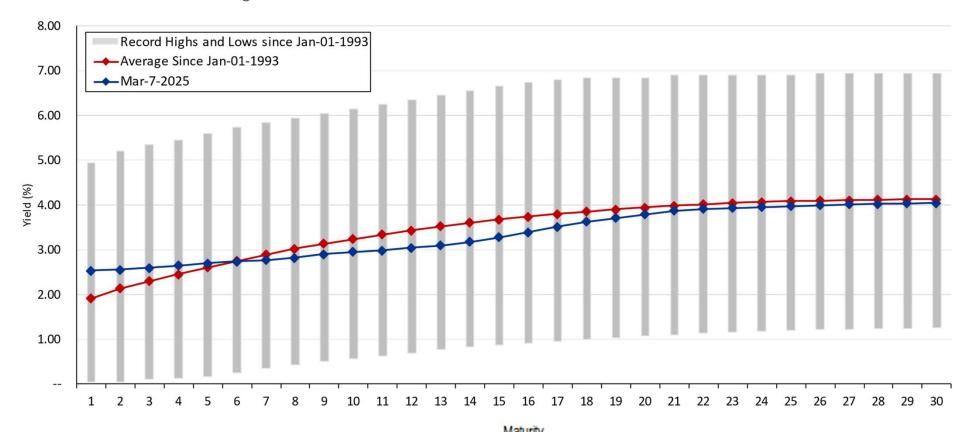


Source: The Bond Buyer



HISTORICAL AAA MMD RATES

• The graph below illustrates the range between the record highs and lows of AAA MMD at each maturity since 1993, along with the current rates and average rates over this time frame

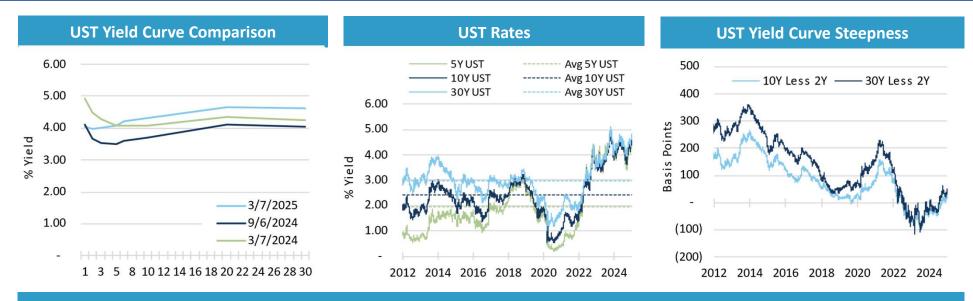


Waturiy											
	1	5	10	15	20	25	30				
Record Low Since 1993	0.05	0.16	0.58	0.88	1.08	1.22	1.27				
Record High Since 1993	4.95	5.60	6.15	6.65	6.85	6.90	6.95				
Average Since 1993	1.92	2.61	3.24	3.68	3.95	4.09	4.13				
Current (Mar-7-2025)	2.54	2.71	2.96	3.29	3.80	3.98	4.05				

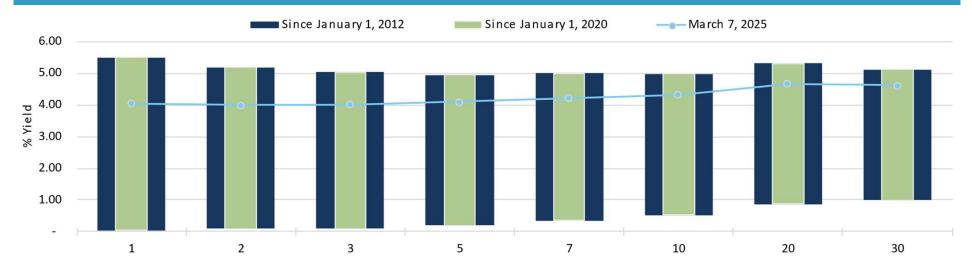
Source: Refinitiv Municipal Market Data



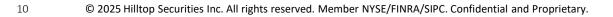
TAXABLE MARKET OVERVIEW | U.S. TREASURIES



Current, Maximum and Minimum UST Yields



Source: U.S .Treasury Department





OUTSTANDING DEBT SUMMARY

TAB 2



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AS OF FEBRUARY 28, 2025

Governmental Outstanding Debt (\$ in millions)										
Debt Issue	Amount Outstanding	Interest Rates	Maturity	Prepay/ Call	Underlying Rating(s)					
Commercial paper loan program	\$11.86	Variable	Varies	Currently @ 100% ⁽¹⁾						
Capital improvement ref revenue bonds, series 2015	\$9.45	3.0 - 5.0%	10/1/2036	10/1/2025 @ 100%	A1					
Transportation revenue note, series 2019	\$6.42	2.27%	10/1/2034	10/1/2026 @ 100% ⁽²⁾						
Capital improvement revenue note, series 2020	\$6.15	1.87%	8/1/2026	Currently @ 100%						
Promissory note (Murdock Village), series 2020 (taxable)	\$10.86	1.77%	7/1/2027	Make-whole						
Limited general obligation bond, series 2020	\$7.69 ⁽³⁾	1.14%	12/30/2026	Make-whole						
Public improvement revenue note, series 2020	\$6.96	1.69%	10/1/2035	10/1/2027 @ 100% ⁽²⁾						
Public improvement revenue note, series 2021	\$3.20	1.46%	7/1/2031	Currently @ 100%						
Grant Total	\$62.58									

Utility System Outstanding Debt (\$ in millions)

Debt Issue	Amount Outstanding	Interest Rates	Maturity	Prepay/ Call	Underlying Rating(s)
State revolving fund (SRF) loans ⁽⁴⁾	\$69.87	0.0 - 3.12%	Varies	Currently @ 100%	
Grant Total	\$69.87				

(1) Subject to sufficient commercial paper notes coming due at such time of prepayment.

(2) In addition, provides for make-whole prior to par call.

(3) Outstanding amount excludes principal payment on March 1, 2025

(4) Outstanding amount does not include full loan award amounts.



ROAD CAPITAL PROJECTS

TAB 3



- The County projects approximately \$250 million in expenditures for both the Edgewater and Harborview road projects over the next few years
- In addition to available funds and FDOT contribution, the County expects to fund the project costs primarily from impact fees and debt

Mid/West County Projects											
Projected Expenditures	2025	2026	2027	2028	2029	2030	2031	Total			
Edgewater Road Project Harborview Road Project		45,993	82,400	31,416 89,889	-	-	-	113,816 135,882			
Total Projected Expenditures								249,698			
Projected Revenues											
Edgewater Road Project	48,500							48,500			
Harborview Road Project	16,924	22,000						38,924			
Impact Fees available	5,300	9,994	11,194	11,194	11,194	11,194	11,194	71,264			
Total Funding Available:								158,688			
Projected Shortfall:								(91,010)			

- Timing of project expenditures
- Confidence in amount of financing needed for the projects
- Impact Fees
 - While impact fees can be used to repay eligible debt obligations, they are generally a weaker pledge and often not used as a sole security due to their inherent volatility
 - Other potential financing pledges include, but are not limited to:
 - General Obligation
 - Full faith and credit and taxing power (ad valorem taxes)
 - Subject to voter referendum
 - Revenue and CB&A Obligations
 - Specific non-ad valorem revenues could be used to secure debt (e.g. sales tax)
 - A covenant to budget and appropriate from legally available non-ad valorem revenues (known as a "CB&A") is often used to secure municipal debt in Florida
- Useful life of the capital improvements financed
- Compliance with existing debt covenants
- Reimbursement resolution may be needed for tax-exempt debt

- Interim versus long-term debt
- Short-term / Interim Debt
 - Bank Line of Credit: a) typically, variable rate without prepayment penalties and flexible on draws, b) can be revolving or non-revolving, c) may have unused or utilized fees, and d) very large sizes may limit the universe of banks
 - Commercial Paper Loan: a) the County participates in the Florida Local Government Financing Commission's commercial paper loan program, b) floating rate with some ability to prepay without penalty, c) individual loans may not be as flexible on draw timing and amount, d) ongoing fees
 - Fixed Rate Notes: a) bond anticipation notes can be issued with shorter term maturities, and b) can be done through a bank or through a public offering with disclosure documents
- Long-term Debt
 - Fixed Rate Bank Loan: a) limited documentation compared to a public bond issue and typically lower closing costs, b) terms generally limited to 15-20 years, c) may provide additional prepayment flexibility, d) relatively quick to execute, and e) very large sizes may limit the universe of banks
 - Fixed Rate Bond Issue: a) requires additional documentation and disclosure, b) credit ratings often used, c) typically higher upfront costs but may be offset by lower interest rates, d) terms of 30+ years, and e) longer process to execute
 - Multiple versus a single issuance



Fiscal Year (\$ amounts in Thousands)	2025	2026	2027	2028
Edgewater Road Project				
Project Expenditures	-	-	(82,400)	(31,416)
Sales Tax 2014	10,000	-	-	-
Salex Tax 2020 (Tier 1)	28,500	-	-	-
Salex Tax 2020 (Tier 2)	10,000	-	-	-
Cumulative Surplus / (Shortfall)	48,500	48,500	(33,900)	(65,316)
Harborview Road Project				
Project Expenditures	-	(45,993)	-	(89,889)
Salex Tax 2020 (Tier 1)	8,250	-	-	-
FDOT Funding	8,674	22,000	-	-
Cumulative Surplus / (Shortfall)	16,924	(7,069)	(7,069)	(96,958)
Projected Impact Fees	5,300	9,994	11,194	11,194
Cumulative Projected Impact Fees	5,300	15,294	26,488	37,682
Combined Cumulative Surplus / (Shortfall)	70,724	56,725	(14,481)	(124,592)

Mid/West County Road Projects Revenues & Expenditures

Source: Charlotte County for projected expenditures and revenues.

- Total financing projected to be required for the projects is estimated to be between \$124.6M and \$162.3M in FY 2028 depending on the level of impact fees both collected and used toward the projects through FY 2028 (note: debt service costs can impact this)
- Excluding impact fees, the projected initial financing needs for Harborview are \$7.1M in FY 2026 and for Edgewater \$33.9M in FY 2027
- Including the County's projected impact fees the cumulative financing needs are just under \$15M in FY 2027 (note: debt service costs can impact this)
- Please note, these observations assume the County's projections materialize as illustrated



- If the County cannot internally finance the projected shortfalls through FY 2027 or external funding is desired or necessary for projects prior to FY 2028, the County could utilize a short-term line of credit during this period
- Future Long-term financing will also need to be considered in relation to the County's anticipation of funding debt service cost from impact fee revenue
 - For illustrative purposes, assuming current market bond rates⁽¹⁾ as of 3/12/2025 the annual debt service for a project financing of \$135.8M (cumulative projected financing needs of \$124.6M plus \$11.2M of impact fees in FY 2028) is estimated to be approximately \$10.07M per year over a 20-year maturity
 - A longer maturity would result in a lower annual payment but higher total debt service, and would be dependent on the useful lives of the projects financed
 - If the financing needs are higher due to increased project costs, lower impact fee collections during the construction period (that are used toward the project), or interest rates are higher at the time of financing the annual repayment on the debt would also increase
 - Given the potential for volatility in impact fees, and assuming a broader security pledge, the County may be required to pay debt service on the long-term borrowing from other available funds if impact fees are insufficient in any year

⁽¹⁾ Assuming CB&A secured tax-exempt bonds with a rating of Aa2. The rates contained herein are for illustrative purposes and are indicative of market conditions as of March 12, 2025. The use of indicative rates herein is not a commitment to purchase securities or a loan, which can only be done thru a bond purchase or loan purchase agreement as the case my be after approval of Hilltop's commitment process. Rates are as of a point in time and will change and such change in rates maybe material. Please contact your Hilltop representative for an update on rates that you may require.



REGULATORY DISCLOSURES

APPENDIX A



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