



GENERAL OBLIGATION BOND FOR MELBOURNE BEACH

\$5.0 Million Stormwater and Road Infrastructure Improvements

Town of Melbourne Beach, Florida • Voter referendum November 3, 2026 ballot

WHY THIS MATTERS NOW

Melbourne Beach's stormwater system and roadways were built for a much less developed, quaint little beach town. Today several needs can no longer be deferred, and they are too costly to fund through the annual budget process in a timely manner.

- Many stormwater lines date back decades, are undersized for today's loads, corroding or sealed off entirely, leaving rainwater to run into streets, yards and the Indian River Lagoon.
- Town-wide pavement assessments found streets with advanced cracking, rutting and raveling. The longer repairs wait, the worse the damage and higher costs.

WHAT IS BEING PROPOSED

Funding for projects to address time-sensitive problems while preparing for growing demand on the system as the region's population increases. The outcome: less stormwater ponding on roads and properties, and streets repaired/repaved to reduce wear and tear on vehicles.

WHY A VOTER-APPROVED GO BOND

GO bonds are:

- Transparent — they require voter approval
- Let the Town act now rather than wait as costs rise
- Historically one of the most cost-effective financings available for long-term capital projects

Borrowing also keeps the Town's reserves intact as security against unforeseen needs such as hurricane recovery. Since the life of these projects lasts 15 to 25 years, a bond spreads the cost across everyone who will use them. It is much like a homeowner financing a house with a mortgage instead of paying cash.

AT A GLANCE

\$5.0 million

Proposed bond amount

20 years

Repayment term

Stormwater + roads

Capital projects only — never salaries

June 2026

Commission placed it on the ballot

None

Other GO bonds outstanding today

The Town's previous stormwater GO bond was paid off in July 2026, so the impact of a new bond should be offset to some degree.

ESTIMATED TAX IMPACT

0.53 – 0.70 MILLS

Total for a 20-year bond

On a property with \$250,000 in taxable assessed value:

\$10.92 – \$14.58 per month

\$131 – \$175 a year

(1) Based on current market conditions.

FREQUENTLY ASKED QUESTIONS

\$5.0 Million General Obligation Bond • Stormwater and Road Improvements

What is a General Obligation (GO) bond?

A loan the Town repays over time, backed by its full faith and credit. It pledges its (property tax) taxing power to repay bondholders. Issuing one requires voter approval.

Why borrow instead of paying cash?

Projects this large are hard to fund from a single year's operating budget. A bond spreads the cost over the useful life of the improvements, mitigates rising construction costs, and asks those who benefit over time to help pay. GO bonds carry the lowest interest rates of any bond type.

What can the bond proceeds pay for?

Only the stormwater/roads capital projects. It cannot be used for day-to-day operating costs such as salaries.

Why do voters have to approve this bond?

GO bonds pledge the Town's taxing authority and full faith and credit, so Florida law requires a public referendum before one can be issued.

How much would this cost me?

On a home with \$250,000 in taxable value, an estimated \$10.92 to \$14.58 a month, or \$131 to \$175 a year.

When would the Town receive the funds?

If voters approve the referendum, the Town works with its bond counsel and financial advisor on issuance, timed to the start of individual projects.

What happens if the referendum does not pass?

The Town Commission would decide how to proceed: revisit the project list, pursue other financing, or fund projects incrementally through the annual budget.

HAVE QUESTIONS BEFORE NOVEMBER?

Town staff can walk through the bond by calling the town office. Community groups and civic associations are welcome to ask for a short presentation.

Melbourne Beach Town Hall

507 Ocean Avenue, Melbourne Beach, FL 32951
(321) 724-5860 • melbournebeachfl.org