



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Christine Taylor

DATE: October 21, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton to declare the intent to reimburse capital program expenditures of General Government (\$109,770,635), the Solid Waste Utility (\$18,249,000), the Water Utility (\$55,651,541), the Wastewater Utility (\$141,892,454), and the Electric Utility (\$58,434,588) with Tax-Preferred Obligations (Certificates of Obligation and General Obligation Bonds) with an aggregate maximum principal amount not to exceed \$383,998,218; and providing an effective date. The Public Utilities Board recommends approval (6-0).

BACKGROUND

The purpose of this item is to allow staff to begin these projects prior to the bond sale. This is an annual request of Council as the IRS requires that Council take action to officially state its intent to reimburse the City from future tax-exempt debt. Initially, funding for the expenditures will be provided with unreserved fund balances. These expenditures will be reimbursed from the proceeds received from bonds sold in the summer of 2026. The reimbursement process is allowed by the City's Debt Policy.

The complete Capital Improvement Program (CIP) project list is included as Exhibit A of the ordinance. The adopted FY 2025-26 Capital Improvement Program budget includes:

- \$109,770,635 General Obligation Bonds (GO) and Certificates of Obligation (CO) for new General Government funding for capital projects.
- \$274,227,583 Certificates of Obligation (CO) for Utilities funding for capital projects.

The FY 2025-26 CIP program was a part of the budget process and included in the FY 2025-26 budget adopted by the City Council on September 16, 2025.

RECOMMENDATION

Staff recommends adoption of the ordinance.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Ordinance

Exhibit 3 – Presentation

Respectfully submitted:
Matt Hamilton
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Prepared by
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