



# City of Denton

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

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Finance  
**ACM:** Christine Taylor  
**DATE:** October 13, 2025

### **SUBJECT**

Consider recommending 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.

### **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 the Council as the IRS requires that the 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 CIP project list is included as Exhibit A of the ordinance. The adopted FY 2025-26 Capital Improvement Program (CIP) 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 Capital Improvement Program was reviewed and recommended by the PUB on July 28, 2025, as part of the FY 2025-26 budget process. The City Council adopted the FY 2025-26 budget on September 16, 2025.

### **RECOMMENDATION**

Staff recommends moving forward with the reimbursement ordinance approval by the City Council, including \$383,998,218 in capital projects.

### **EXHIBITS**

Exhibit 1 – Agenda Information Sheet  
Exhibit 2 – Ordinance  
Exhibit 3 – Presentation

Respectfully submitted:  
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Prepared by  
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