



# City of Denton

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

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Finance

**ACM:** Christine Taylor

**DATE:** July 15, 2025

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton considering all matters incident and related to the issuance, sale and delivery of up to \$142,565,000 in principal amount of "City of Denton General Obligation refunding and improvement bonds, Series 2025"; authorizing the issuance of the bonds; delegating the authority to certain city officials to execute certain documents relating to the sale of the bonds; approving and authorizing instruments and procedures relating to said bonds; enacting other provisions relating to the subject; and providing an effective date. The Public Utilities Board recommends approval (5-0).

### **BACKGROUND**

The General Obligation (GO) Bonds will be the sixth and final issuance of bonds for the 2019 Bond Election and second issuance for the 2023 Bond Election. In addition to these voters approved bond programs, the GO Bonds will include a refunding component. The City's Financial Advisors, Hilltop Securities, identified two potential refunding opportunities this year: Certificates of Obligation, Series 2014 and 2015 and General Obligation Refunding and Improvement Bonds, Series 2014 and 2015. Currently, refunding \$40.2 million in Series 2015 produces savings, but the savings in refunding \$58.855 million in Series 2014 will be determined the day of the sale. Including refunding Series 2014 in this ordinance provides the flexibility to add the series to the sale if market conditions provide a savings. The total outstanding amount for both series is \$99,055,000 and the refunding of Series 2015 includes General Fund, Solid Waste, Water, Wastewater and Electric debt. The projected 2015 savings is approximately \$1.39 million based on current market conditions.

GO and CO bond sale costs are a shared expense. CO's require Notice of Intentions (NOI) to be issued early in the bond sale process calculating costs based on current market conditions and CO Utility project totals. The estimated cost used in the NOI process will be used to cover the GO bond sale costs.

The below table summarizes the 2025 GO issuance.

General Fund	\$ 43,510,000
Refunding (Utilities)	99,055,000
Issuance Cost*	-
<b>GO Bond Sale Total</b>	<b>\$ 142,565,000</b>

\* Covered by CO

Since bond market conditions can change rapidly, staff is recommending the City Council approve a delegated parameters sale for the GOs. The parameters ordinance sets the following requirements in order to complete the sale of the GOs. By doing so, City staff will be authorized to execute the sale without additional approval.

- Maximum amount of sale is \$ 142,565,000
- Final stated maturity of February 15, 2045
- Maximum net effective interest rate of 5.00%
- Delegation authority ends January 15, 2026

Below is a listing of the GO funded projects:

	<b>BOND SALE</b>
Street Reconstruction	\$13,400,000
Street Lighting	3,500,000
Sidewalks	2,000,000
<b>2019 Bond Program Total</b>	<b>\$18,900,000</b>
Ruddell, Mingo Roadway & Quiet Zones (Prop A)	\$ 2,000,000
Oakland Drainage & Upstream Detention Improv (Prop B)	3,000,000
PEC 3&4 Drainage Improvements (Prop B)	3,268,000
Aquatic Improvements (Prop C)	1,000,000
Fire Station # 5 (Prop D)	7,671,000
Fire Station # 6 (Prop D)	7,671,000
Public Art - Public Safety (Prop D)	-
Affordable Housing (Prop E)	-
<b>2023 Bond Program Total</b>	<b>\$24,610,000</b>
<b>Total GO Projects</b>	<b>\$43,510,000</b>

### **RECOMMENDATION**

Staff recommends adoption of the ordinance.

### **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On October 15, 2024, the City Council adopted reimbursement ordinance (Ord. 24-166) authorizing General Obligation Bonds and Certificates of Obligation funded projects in preparation of the 2025 Bond Sale.

On June 23, 2025, the Public Utilities Board recommended this item which includes Utilities refundings to the City Council for consideration.

### **EXHIBITS**

1. Agenda Information Sheet
2. Preliminary Official Statement
3. GO Ordinance
4. Presentation

Respectfully submitted:  
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Prepared by:  
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