



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

DCM: Bryan Langley

DATE: November 7, 2017

SUBJECT

Consider approval of a resolution revising Administrative Policy No. 403.07 “Debt Service Management” and providing for an effective date. The Audit/Finance Committee recommends approval (3-0).

BACKGROUND

The City’s Debt Service Management Policy was originally developed in 1995 and adopted by the City Council on March 5, 1996. On April 20, 2010, the City Council adopted revisions to the policy, including the requirement that the policy be reviewed at least annually to ensure compliance with statutory and Securities and Exchange Commission (SEC) requirements. The Debt Service Management Policy provides general guidelines by which the City will issue debt and addresses the issues of process, use and limitations.

After reviewing the existing Debt Service Management Policy with the City’s Financial Advisor, Bond Counsel and internal Debt Management Committee, the following revisions are being proposed:

1. Section I, A – Update to members of the Debt Management Committee including the addition of the Assistant Director of Finance, Controller and Treasury Administrator. Additionally provides that the City Attorney will serve as a legal advisor when needed and adds the City’s Internal Auditor as a non-voting member. (Page 1)
2. Section X, F – Clarification that year-end accounting entries related to negative cash balances in the grant funds and City warehouse are not considered interfund loans. (Page 11)

The Audit/Finance Committee also reviewed the proposed changes and recommended that a resolution approving the changes be forwarded to the City Council for consideration and approval.

RECOMMENDATION

Staff recommends forwarding the revised Investment Policy to the City Council for review and approval.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On October 17, 2017, the City’s Audit/Finance Committee unanimously approved that the resolution and revised Investment Policy be forwarded to the City Council for consideration and approval.

STRATEGIC PLAN RELATIONSHIP

The City of Denton’s Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational

Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

1. Agenda Information Sheet
2. FY 2017-18 Red Lined Debt Policy
3. Resolution

Respectfully submitted:
Chuck Springer, 349-8260
Director of Finance

Prepared by:
Antonio Puente, Jr.
Assistant Director of Finance