

**Special Citizens Bond Advisory Committee
Task Force Meeting
July 11, 2019, 4:00 p.m.
Meeting Minutes**

The Special Citizens Bond Advisory Committee's Task Force of the City of Denton, Texas, convened in a meeting on Thursday, July 11, 2019, at 4:00 p.m., in the City Council Work Session Room, Main City Hall, 215 E. McKinney Street, Denton, Texas.

PRESENT: Committee members: Tim Crouch, Cody Lewis, Susan Parker, Eric Pruett, Randy Robinson, Janet Shelton, and Patrick Smith.

STAFF PRESENT: Todd Hileman, City Manager, David Gaines, Director of Finance, Sara Hensley, Assistant City Manager, Antonio Puente, Jr., Chief Financial Officer, Nancy Towle, Treasury Manager, Randee Klingele, Senior Treasury Analyst, Hailey Payne, Treasury Analyst, and Theresa Jaworski, Executive Assistant and Recording Secretary.

OTHERS PRESENT: Laura Alexander with Hilltop Securities and Greg Schaecher with McCall, Parkhurst, and Horton.

Committee Chair Patrick Smith brought the meeting to order at 4:05 p.m.

ITEMS FOR CONSIDERATION

A. CBAC ID 19-1629 – Receive a report and hold a discussion regarding financial considerations of the proposed 2019 bond program.

David Gaines, Director of Finance, shared some updates on the project costs. The City engage an estimating firm to true up the numbers and ensure that all the projection estimates were accurate. The Police Department renovation and Police Substation estimates came back with an increase of \$21.4 million that included construction increases, contingency and inflation, IT, security, AV systems, design/engineering, professional services, material testing, commissioning, furniture and fixtures.

The Task Force discussed the intent of staff to ensure that the numbers were in agreement with the architect's construction cost and avoid falling short in funds, the three year timeline, if it changed, the plan going forward for the Police Department renovation and the new substation, and how the additional cost for the Public Safety projects could be added as part of the recommendation from the Committee.

Gaines continued with the objectives of the information that will be presented with data the Committee requested and will include: Financial Assumptions, Assessed Value History, the Forecast Scenarios with a six year implementation the Committee requested, the four, five, and six percent AV Growth \$210 million, Bond Program Language under the new legislation, Voter Information Document at four, five and six percent AV Growth, Debt Service Payments, and went over the Potential Bond Sale Schedule.

The Task Force discussed the breakdown in assessed value, the effects of frozen and non-frozen values, the average value of a home in Denton, information included in the election order that will be posted and available to voters, the recommendation that should be brought to the full Committee, keeping the amount at the \$210 million and cut from the bottom or increasing to \$230 million or more, the corresponding tax rates, bringing possible scenarios to offer the full Committee to begin the conversation with options, the option to send the proposed bond program amounts from \$100 million to \$210 million that could be updated for scenarios for the full Committee, the voter's approval of a principal amount of bonds, as bonds are issued a pledge of taxes is made to levy taxes sufficient to pay debt service on that bond, the presentation of additional costs for Public Safety and reprioritization of projects to the full Committee.

The Task Force agree on bringing three scenarios to the full Committee and the conversations that follow determining whether the Task Force will meet next week.

Susan Parker made a motion to adjourn and Janet Shelton seconded the motion.

Meeting adjourned at 5:18 p.m.

The Special Citizens Bond Advisory Committee Task Force July 11, 2019, Meeting Minutes were approved on July 25, 2019.



PATRICK SMITH
COMMITTEE CHAIR
CITY OF DENTON, TEXAS



THERESA JAWORSKI
RECORDING SECRETARY
CITY OF DENTON, TEXAS