



Bond Sale

PRESENTED TO THE CITY COUNCIL ON AUGUST 19, 2024

*NOTE: THE INTEREST RATE AND OTHER NUMBERS IN THE
PRESENTATION WILL BE UPDATED ON AUGUST 19, 2024, AFTER THE
BONDS ARE SOLD.*

Bond Sale

- Bond Sale to issue General Obligation Bonds, Series 2024 not to exceed \$19,610,000
 - Bond program approved by voters on May 7, 2022
 - The amount of bonds include the refinancing of 2014 GO and CO debt
- Issue Certificate of Obligation Bonds, Series 2024 not to exceed \$39,000,000
 - Issue covers tax-supported, 4A, 4B, and TIF2
 - \$ 9,482,942 – Tax-supported debt
 - \$11,603,019 – 4A Economic Development Corporation
 - \$ 17,077,172 – 4B Community Service Development Corporation
 - \$ 500,000 – TIF 2 Fund
- Bond issues aligned with the Capital Improvement Plan
- We anticipate a refinancing that would produce an estimated total savings of \$697,573, translating to an average annual savings of about \$70K or 4.39% PV savings.
- The ordinances authorize the issuance of General Obligation Bonds and Certificate of Obligation Bonds.
 - Reimbursement resolution approved by Council on October 2, 2023, November 13, 2023, and April 15, 2024
 - Resolution of notice of intentions to issue Certificates of Obligation approved on June 17, 2024

Credit Rating Information

Bond credit rating represents the credit worthiness of the bonds issued- (FICO score)

Moody's	S&P	Credit worthiness
Aaa	AAA	An obligor has extreme strong capacity to meet its financial commitments.
Aa1	AA+	An obligor has very strong capacity to meet its financial commitments. It differs from the highest rated obligors only to a small degree.
Aa2	AA	
Aa3	AA-	

These are the top for ratings given by Rating Agency.

Other ratings below these four range from single A down to D.

*Note: Information provided by the City's financial advisors, Hilltop Securities Inc. - **Moody's rates 22,789 cities throughout the country, and only 1,090 are at or above Aa2 rating. That puts the City of Burleson in the top 5% in the country. In Texas, Moody's rates 1,134 cities and only 73 are at or above Aa2. That puts the City in the top 6%.***

City's GO Credit Rating

Fiscal Year	S&P	Moody's
2024	AA	Aa2
2023	AA	Aa2
2022	AA	Aa2
2021	AA	Aa3
2020	AA	Aa3
2019	AA	Aa3
2018	AA	Aa3
2017	AA	Aa3
2016	AA	Aa3
2015	AA	Aa3
2014	AA	Aa3

- Growing tax base
- Good financial management policies
- Stable financial performance
- Healthy financial position
- Planning for future growth
- City Pension liability is manageable

General Government CIP Plan FY 2024 Only

GO Bond Projects		2024
Neighborhood Street Rebuilds		\$750,000
Alsbury Ph. 2 -Hulen to CR1020 (Bridge)		\$788,236
Sidewalk Program		\$770,000
Police Expansion		\$2,800,000
Elk, Hillside, & FM731- Ped. & Int. Improvements		\$427,804
Wilshire Blvd. (SH174) Construction Documents (Hulen to City Limits)		\$500,000
Additional Projects		
Fire Station #1		\$3,533,235
Police Expansion		\$1,200,000
Traffic Signal Improvements (ITS) SH174		\$1,500,000
Alsbury Ph. 1B -Candler to Hulen Outside Lanes		\$1,165,055
Traffic Signal - Hidden Creek & Gardens		\$550,000
Public Safety Radios		\$1,534,652
	GO BOND TOTAL	\$6,036,040
	CO BOND TOTAL	\$9,482,942
TOTAL		\$ 15,518,982

4A Capital Projects Plan – FY 2023-2024 Only

Project #	Project Name	2023	2024
DV2301	LAKEWOOD DRIVE CONSTRUCTION	\$45,000	
DV2302	LAKEWOOD DRIVE EXTENSION - DESIGN		\$100,000
DV2304	LAKEWOOD DRIVE - LANDSCAPING	\$1,958,019	
DV2201	HOOPER BUSINESS PARK RETENTION POND		\$6,500,000
DV2401	HOOPER BUSINESS PARK SEWER		\$3,000,000
FUNDING NEEDED		\$2,003,019	\$9,600,000
DEBT ISSUANCE AUGUST 2024		\$11,603,019	

4B Capital Projects Plan - FY 2023-2024 Only

Project #	Project Name	2023	2024
PK0711	Village Creek Trail	\$712,180	
PK2010	ELK RIDGE	\$212,578	
PK2015	Chisenhall and Bailey Lake Parking	\$456,351	
PK2103	Shannon Creek Park	\$574,055	
PK2205	City Wide Monument Signs	\$19,654	
PK2207	BARTLETT FIELD REGRADING	\$1,105,626	
PK2301/PK2402	Park Monument Signs	\$62,075	
PK2302/PK2410	CHISENHALL FIELD TURF	\$512,885	\$2,125,000
PK2303	Upgrade A/C Control system and ventilation	\$175,000	
PK2304	Remodel of entryway (Admin, Kiosk, Rockwall and lighting)		\$511,350
PK2304	Replacement of indoor pool sandfilter		\$162,750
PK2304	Replaster Indoor Pool		\$315,000
PK2304	Desert Aire		\$1,575,000

4B Capital Projects Plan - FY 2023-2024 Only

Project #	Project Name	2023	2024
PK2304	HVAC Unit		\$2,887,500
PK2305	WAKEFIELD	\$195,641	
PK2307	Oak Valley South Connector Trail		\$150,000
PK2311	Community Park	\$3,217,689	
PK2403	West End Master Plan		\$250,000
PK2405	BAILEY LAKE		\$100,000
PK2406	CEDAR RIDGE		\$280,000
PK2407	MEADOWCREST		\$400,000
PK2408	OAK VALLEY	\$499,438	\$150,000
PK2409	Oak Valley Trail-Scott Street Trailhead		\$427,400
FUNDING NEEDED DEBT ISSUANCE AUGUST 2024		\$7,743,172	\$9,334,000
		\$17,077,172	

TIF 2 Capital Projects Plan - FY 2024 Only

TIF 2 Projects		2024
Old Town- 116 S. Warren Parking Lot		\$500,000
TIF 2 Total		\$500,000

Bond Sale - Market

- The morning of August 19, 2024, Hilltop Financials will begin taking bids:
 - Until 10:00am CDT for the City's General Obligation Bonds, Series 2024
 - Until 10:30am CDT for the City's Combination Tax and Revenue Certificates of Obligation, Series 2024
- Hilltop will submit results and recommendations to the City of Burleson, no later than 11:30 am CDT
- Hilltop Financials will provide the Council with updated bid information at the August 19, 2024 Council meeting.

General Obligation Refunding & Improvement Bonds, Series 2024- (Preliminary; For Illustration Purposes)

Sources:	General Obligation Bonds, Series 2024	Refunding 14 GO	Refunding 14 CO	Total
Bond Proceeds:				
Par Amount	5,540,000.00	6,700,000.00	5,720,000.00	17,960,000.00
Premium	574,966.25	552,584.15	520,872.90	1,648,423.30
	6,114,966.25	7,252,584.15	6,240,872.90	19,608,423.30
Uses:				
Project Fund Deposits:				
Project Fund	6,036,040.00			6,036,040.00

2024 Certificate of Obligations (Preliminary)

Sources:	General Government (Tax Supported)	4A EDC	4B CDC	TIF #2	Total
Bond Proceeds:					
Par Amount	9,035,000.00	10,635,000.00	15,650,000.00	460,000.00	35,780,000.00
Premium	563,727.95	1,104,306.90	1,625,592.85	47,796.40	3,341,424.10
	9,598,727.95	11,739,306.90	17,275,592.85	507,796.40	39,121,424.10

Uses:	General Government (Tax Supported)	4A EDC	4B CDC	TIF #2	Total
Project Fund Deposits:					
Project Fund	9,482,942.00	11,603,019.00	17,077,172.00	500,000.00	38,663,133.00
Delivery Date Expenses:					
Cost of Issuance	52,540.95	61,842.90	88,870.85	4,576.40	207,831.10
Underwriter's Discount	63,245.00	74,445.00	109,550.00	3,220.00	250,460.00
	115,785.95	136,287.90	198,420.85	7,796.40	458,291.10
	9,598,727.95	11,739,306.90	17,275,592.85	507,796.40	39,121,424.10

Action Requested

There are two items on today's agenda related to the issuance of debt obligations that require City Council action:

- 1. Move approval of the ordinance authorizing the issuance and sale of City of Burleson, Texas General Obligation Refunding and Improvement Bonds, Series 2024; levying an annual ad valorem tax and providing for the security for and payment of said bonds; approving the official statement; providing an effective date; and enacting other provisions relating to the subject.**
Staff recommends approval
- 2. Move approval of the ordinance authorizing the issuance and sale of City of Burleson, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2024; levying an annual ad valorem tax and providing for the security for and payment of said certificates; approving the official statement; providing an effective date; and enacting other provisions relating to the subject.**
Staff recommends approval

QUESTIONS/COMMENTS