



# Debt Sale Report and Presentation

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*PRESENTED TO THE CITY COUNCIL ON AUGUST 18, 2025*

# Summary

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- Certificate of Obligation bonds not to exceed \$45,260,000
  - \$ 21,516,341 General Government COs
  - \$ 9,927,930 Water and Sewer COs
  - \$ 5,401,277 4A Economic Development Corporation COs
  - \$ 7,903,232 4B Community Service Corporation COs
  - \$ 506,578 TIF #2 COs
- General Obligation Bonds for \$8,396,260 and not to exceed \$8,500,000
- The General Obligation Bond program was approved by voters on May 7, 2022
- The proposed amounts for debt issuance will be rounded to the nearest \$5,000

# Credit Rating Information

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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.
<b>Aa2</b>	<b>AA</b>	
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
2025	AA	Aa2
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

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

# Bond Sale - Market

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- The morning of August 12, 2025, Hilltop Securities Inc. began taking bids:
  - Until 10:00am CDT for the City's General Obligation Bonds, Series 2025
  - Until 10:30am CDT for the City's Combination Tax and Revenue Certificates of Obligation, Series 2025
- Hilltop Securities Inc. submitted results and recommendations to the City of Burleson
- Hilltop Securities, Inc. will present the Council with bid information at the August 18, 2025, Council meeting

# 2025 Certificate of Obligations (FINAL)

Sources:		25 General Government (Tax Supported)	25 Water	25 Sewer	25 TIF 2 Projects	25 4A	25 4B	Total
Bond Proceeds:								
	Par Amount	20,650,000.00	5,075,000.00	4,360,000.00	485,000.00	5,130,000.00	7,510,000.00	43,210,000.00
	Premium	989,054.90	297,864.85	255,886.20	28,757.50	300,878.05	440,030.10	2,312,471.60
		21,639,054.90	5,372,864.85	4,615,886.20	513,757.50	5,430,878.05	7,950,030.10	45,522,471.60

Uses:		25 General Government (Tax Supported)	25 Water	25 Sewer	25 TIF 2 Projects	25 4A	25 4B	Total
Project Fund Deposits:								
	Project Fund	21,516,341.00	5,339,946.00	4,587,984.00	506,578.00	5,401,277.00	7,903,232.00	45,255,358.00
Delivery Date Expenses:								
	Cost of Issuance	106,247.38	28,871.99	24,425.49	6,792.76	25,510.34	40,809.55	232,657.51
	Underwriter's Discount	16,466.52	4,046.86	3,476.71	386.74	4,090.71	5,988.55	34,456.09
		122,713.90	32,918.85	27,902.20	7,179.50	29,601.05	46,798.10	267,113.60
		21,639,054.90	5,372,864.85	4,615,886.20	513,757.50	5,430,878.05	7,950,030.10	45,522,471.60

# 2025 General Obligation Bonds (FINAL)

## Sources:

### Bond Proceeds:

Par Amount	8,055,000.00
Premium	487,567.55
	8,542,567.55

## Uses:

### Project Fund Deposits:

Project Fund	8,396,260.00
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### Delivery Date Expenses:

Cost of Issuance	91,533.55
Underwriter's Discount	54,774.00
	146,307.55
	8,542,567.55

# Specific Parameters for GOs and COs

- . The aggregate principal amount of the COs shall not exceed \$45,260,000;
- . The aggregate principal amount of the GOs shall not exceed \$8,500,000;
- . The true interest cost of the Certificates shall not exceed 5%;
- . The final maturity of the Certificates shall not be later than March 1, 2045; and
- . The delegation made hereby shall expire if not exercised by the Pricing Officer within ninety (90) days from the date of adoption hereof.



# Actual Sale Results for GOs and COs

- . The aggregate principal amount of the COs is \$43,210,000
- . The aggregate principal amount of the GOs is \$8,055,000
- . The final true interest cost (TIC) of the Certificates is 4.32%
- . The final true interest cost (TIC) of the GO Bonds is 4.37%
- . The final maturity of the Certificates & Bonds is March 1, 2045
- . The Pricing Officer exercised the delegation within eight (8) days from the date of adoption of the parameters ordinance.

# QUESTIONS/COMMENTS