Department Memo

City Council Regular Meeting

DEPARTMENT: **Finance**

FROM: **Harlan Jefferson, Deputy City Manager**

MEETING: **August 17, 2026**

SUBJECT:

Consider and take possible action on an ordinance authorizing the issuance of City of Burleson, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2026; establishing procedures and delegating authority for the sale and delivery of the Certificates; providing an effective date; and enacting other provisions relating to the subject. (First and Final Reading) *(Staff Contact: Harlan Jefferson, Deputy City Manager)*

STRATEGIC PRIORITY AND GOAL(S):

Strategic Priority	Strategic Goal
High Performing City Organization Providing Exceptional, People Focused Services	1.4 Be a responsible steward of the city's financial resources by providing rates and fees that represent a strong value to our citizens; providing timely, accurate and transparent financial reporting; and utilizing long-range planning.

SUMMARY:

As part of the FY 2025-2026 Capital Improvement Program (CIP), projects approved by the City Council during the budget process and presented in reimbursement resolutions also approved by the City Council on September 8, 2025 and October 10, 2025, are being proposed by staff for the issuance of Certificates of Obligation (COs). We have identified capital projects in the amount of $34,400,742 to be included in the proposed FY 2025-2026 Certificates of Obligation sale. The debt issuance by each Fund is as follows:

- $ 5,076,529 General Government (General Fund)
- $ 23,333,837 Water and Sewer (Self-Supported)
- $ 5,000,000 4A Economic Development Corporation (Self-Supported)
- $ 990,376 4B Community Service Corporation (Self-Supported)
- $ 0 TIF #2 (Self-Supported)

$ 34,400,742 Total

The proposed amounts for debt issuance will be rounded to the nearest $5,000. In addition, we are requesting authorization to issue certificates in an amount not to exceed $34,400,742, in case market conditions change at the time of the sale of the Certificates of Obligation, to cover debt issuance costs.

We began the bond issuance and notification process when the City Council approved a resolution of the Notice of Intent to issue Certificates of Obligation on June 15, 2026. The City Council also directed staff to bring forward a parameters ordinance for consideration this year due to uncertainty in the marketplace. The parameters under which the certificates can be sold are as follows:

- The aggregate principal amount of the Certificates shall not exceed $34,400,742;
- The true interest cost of the Certificates shall not exceed 5%;
- The final maturity of the Certificates shall not be later than March 1, 2046; and
- The delegation made hereby shall expire if not exercised by the Pricing Officer within ninety (90) days from the date of adoption hereof.

RECOMMENDATION:

Move approval of the ordinance authorizing the issuance of City of Burleson, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2026; establishing procedures and delegating authority for the sale and delivery of the Certificates; providing an effective date; and enacting other provisions relating to the subject.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

On September 8, 2025, the Council approved the final reading of the City's FY 2025-2026 annual budget with the five-year Capital Improvement Plan (CIP) (CSO#5910-09-2025).

On September 8, 2025, the Council approved a reimbursement resolution not to exceed $82,500,000 for certain capital expenditures with proceeds from debt.

On October 10, 2025, the Council approved a reimbursement resolution not to exceed $6,750,000 for certain capital expenditures with proceeds from debt.

On October 20, 2025, the Council adopted an ordinance to amend the City's FY 2026-2030 five-year Capital Improvement Plan (CIP) (CSO#5973-10-2025).

On December 15, 2025, the Council adopted a resolution to amend the City's FY 2026-2030 five-year Capital Improvement Plan (CIP) (CSO#6011-12-2025).

On March 23, 2026, the Council adopted an ordinance to amend the City's FY 2026-2030 five-year Capital Improvement Plan (CIP) (CSO#6109-04-2026).

On April 20, 2026, the Council adopted an ordinance to amend the City's FY 2026-2030 five-year Capital Improvement Plan (CIP) (CSO#6114-04-2026).

On May 4, 2026, the Council adopted an ordinance to amend the City's FY 2026-2030 five-year Capital Improvement Plan (CIP) (CSO#6126-05-2026).

On May 18, 2026, the Council approved a reimbursement resolution not to exceed $2,652,000 for certain capital expenditures with proceeds from debt.

On May 27, 2026, staff discussed with the Finance Committee refunding opportunities and the recommendation to refund the 2012 W&S Series. The committee gave staff feedback and directions to move forward with the refund.

On June 15, 2026, the Council approved a notice of intent resolution to issue combination tax and revenue certificates of obligation.

REFERENCE:

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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