

# Financial Advisor Services

December 8, 2015

## SUMMARY:

This item requests the extension of a proposal for financial advisory services.

## BOARD GOAL:

VI. Growth, Change & Fiscal Responsibility...

- Review and adjust policies and procedures as appropriate to address the challenges of rapid growth and changing demographic characteristics while maintaining and enhancing our strong sense of community.

## PREVIOUS BOARD ACTION:

An agreement with BOSC, Inc. was signed on October 26, 2010, for a term of five years.

## BACKGROUND INFORMATION:

Proposals were received from BOSC, Inc., First Southwest Company, PFM Group, RBC Capital Markets and Southwest Securities in 2009. The RFQ submitted by BOSC, Inc. was accepted for a term of five years beginning July 1, 2009 with the option to extend the contract, upon governing body approval, for up to three additional terms of two years each.

## SIGNIFICANT ISSUES:

Mr. Bill Gumbert and Mr. Josh McLaughlin have served as the financial advisors for the district for approximately 15 years. They have been very active in looking for and recommending all financing options that might benefit Denton ISD. They have offered assistance in promoting legislative initiatives that would benefit not only Denton ISD but other fast growth districts as well. During their tenure the District has implemented the following debt management strategies to reduce the cost of voter approved bonds.

- Bond Refunding \$60.35M
- Synthetic Debt Structures \$ 7.45M
- Variable Rate Debt \$15.63M

## FISCAL IMPLICATIONS:

The financial advisory services will be based on the total amount of the bonds being sold. If a bond referendum is not approved and bonds are not sold, no fees are due to BOSC, Inc.

## BENEFIT OF ACTION:

Approval of the Financial Advisor for the District will allow for continued assistance regarding the current and future bond programs.

## SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the agreement with BOSC, Inc., be (approved) for a term of five years beginning December 8, 2015 and will automatically renew on each anniversary date for successive one (1) year periods, unless either party provides a thirty (30) day written notice prior to the anniversary date. The financial advisory team will consist of Mr. Bill Gumbert and Mr. Josh McLaughlin.

## STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Assistant Superintendent of Administrative Services  
Kathy Arrington, Purchasing Agent

## ATTACHMENT:

## APPROVAL:

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Assistant Superintendent: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_