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May 13, 2025

Dr. Susannah O'Bara
Superintendent of Schools
Denton Independent School District
1307 North Locust Street
Denton, Texas 76201

Dr. Jeremy Thompson
Deputy Superintendent
Denton Independent School District
1307 North Locust Street
Denton, Texas 76201

Re: Update Denton ISD's Current Pool of Bond Underwriters

Dear Dr. O'Bara and Dr. Thompson:

Introduction

Pursuant to a Request for Qualifications ("RFQ") for Bond Underwriting Services issued in April 2018 and approved by Denton Independent School District's ("DISD" or the "District") Board of Trustees ("Board") on June 12, 2018 and subsequently updated on May 16, 2013 with Board approval, the following summarizes the 14 financial institutions that currently comprise the District's Bond Underwriting Pool.

Denton ISD's Current Bond Underwriting Pool

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|--|---|
| ■ Cabrera Capital Markets (Minority Owned) | ■ Mesirow Financial Inc. |
| ■ Estrada Hinojosa & Company | ■ Piper Sandler & Co. |
| ■ FHN Financial Capital Markets | ■ Raymond James & Associates, Inc. |
| ■ Hilltop Securities Inc. | ■ RBC Capital Markets, LLC |
| ■ Huntington Capital Markets | ■ Siebert Williams Shank & Co. (Minority Owned) |
| ■ Jefferies LLC | ■ Stephens Inc. |
| ■ J.P. Morgan Securities LLC | ■ Wells Fargo Securities |

Since the bond underwriting pool was last updated, there have been numerous financial institutions entering into the Texas public school district bond underwriting arena, coupled with key changes in personnel among various firms already pursuing Texas school district bond underwriting business. Given these changes and in anticipation of the sale of DISD's remaining bond authorization from the successful 2023 Bond Program, BOK Financial Securities, Inc., as the District's financial advisor, would recommend Denton ISD to once again update its current bond underwriting pool.

Recommendation

Pursuant to the aforementioned RFQ, Denton ISD may add or remove firms from the underwriting pool at any time, at its own discretion. With this in mind, it would be our recommendation to increase the size of DISD's Bond Underwriting Pool from 14 firms to 17 firms, with the following additions.

- **Frost Bank** – During 2024, Frost Bank ranked as a Top 5 bond underwriter for Texas public school district negotiated bond sales, both in terms of dollar amount of bonds sold and number of issues. In addition, Frost Bank operates a financial center within DISD located at 1330 S. Loop 288, Denton, Texas 76205.

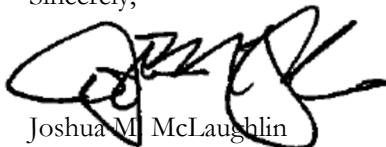
- **Robert W. Baird & Co.** – During year 2024, Baird ranked as a Top 10 underwriter for Texas public school district negotiated bond sales, both in terms of dollar amount of bonds sold and number of issues.
- **PNC Capital Markets LLC** – PNC Capital Markets LLC is an affiliate of PNC Bank, N.A., who currently serves as Denton ISD's depository bank and operates two banking branches within DISD (2310 W. University Drive, Denton, Texas 76201 and 729 Fort Worth Drive, Denton, Texas 76201).

Please note, pursuant to Denton ISD's historical practice, the District will select certain firms to serve as underwriters on future negotiated financings at the time of each bond sale. The number of firms used for a particular financing will depend on the size of the bond sale, prior underwriting performance, and ongoing support of Denton ISD's financing needs. It is important to note, the District is not required to utilize the services of any firm within its approved pool of bond underwriters and DISD retains the flexibility to add and/or delete firms to its underwriting pool at any point in time it is deemed in the best interest of the District.

Closing

We hope this information is helpful as you manage Denton ISD's current financial and debt position. Should any questions arise, additional information is preferred or if we may be of any assistance, please do not hesitate to contact us. Hope all is well!

Sincerely,



Joshua M. McLaughlin
Managing Director



Alison M. Long
Managing Director