

# Memorandum



CITY OF DALLAS

DATE January 12, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT **Bond Sale Results - Combination Tax and Revenue Certificates of Obligation, Series 2024A**

On January 11, 2024, the City received bids in a competitive sale of its Combination Tax and Revenue Certificates of Obligation, Series 2024A (the "Certificates of Obligation"). The City received nine bids for a par amount of \$217.0 million with true interest costs ("TIC") ranging from a low of 2.56 percent to high of 2.97 percent. The winning bid submitted was from Wells Fargo Bank, National Association for 2.56 percent. Final pricing for the Certificates of Obligation resulted in an adjusted par amount of \$213.7 million and bond premium of \$24.3 million.

On October 25, 2023, the City Council approved a resolution authorizing the preparation of plans and the payment of potential future costs for the issuance of the Certificates of Obligation in an amount not to exceed \$239,500,000, to finance capital improvements relating to streets and sidewalks, Fair Park, and stormwater drainage. Subsequently, an ordinance authorizing the issuance of the Certificates of Obligation was approved by the City Council on December 13, 2023. Prior to the issuance of the bonds, S&P Global Ratings assigned its 'AA-' rating, and Fitch Ratings assigned its 'AA' rating to the Certificates of Obligation.

In spite of a recently volatile market, the outcome of the City's bond sale benefited from sustained credit ratings and an agreeable shift in market rates that lowered the overall borrowing cost and made for a smooth transaction. The Certificates of Obligation are scheduled to close on January 31, 2024. Thank you for your continued support during a very active bond season.

Please let me know if you need additional information.

A handwritten signature in blue ink, appearing to read 'Jack Ireland'.

Jack Ireland  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Tammy Palomino, City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors