

Memorandum



CITY OF DALLAS

DATE April 5, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT **Bond Sale Results - General Obligation Refunding and Improvement Bonds, Series 2024B; and Combination Tax and Revenue Certificates of Obligation, Series 2024B**

On April 4, 2024, the City received bids in a competitive sale of its General Obligation Refunding and Improvement Bonds, Series 2024B (the “2024B Bonds”) and Combination Tax and Revenue Certificates of Obligation, Series 2024B (the “2024B Certificates”), (collectively, the “Bonds”). Prior to the issuance of the bonds, S&P Global Ratings assigned its ‘AA-’ rating, and Fitch Ratings assigned its ‘AA’ rating to the Bonds. Despite a volatile start to the week, the City received an exceptional response to the Bonds in the muni market, with BofA Securities submitting the winning bid for each transaction.

The 2024B Bonds received 7 bids for a par amount of \$370.4 million with true interest costs (TIC) ranging from a low of 3.23 percent to a high of 3.37 percent. Final pricing for the 2024B Bonds resulted in an adjusted par amount of \$371.9 million and a bond premium of \$28.5 million, with a net present value savings of approximately \$15.2 million, or 5.6 percent, on the refunded Series 2013A and Series 2014 bonds.

The 2024B Certificates received 9 bids for a par amount of \$197.2 million with true interest costs (TIC) ranging from a low of 2.93 percent to a high of 3.08 percent. Final pricing for the 2024B Certificates resulted in an adjusted par amount of \$197.9 million and a bond premium of \$18.1 million.

The outcome of the sales reflects the changing dynamic of the market, as well as the City’s continued credit stability and competitiveness to investors. I am pleased once again to report excellent results from a City of Dallas bond sale and look forward to continuing successful transactions this year. The Bonds are scheduled to close on April 30, 2024.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland
Chief Financial Officer

c: T.C. Broadnax, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera 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
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors