

Memorandum



CITY OF DALLAS

DATE August 9, 2024

TO Honorable Members of the Government Performance and Financial Management Committee: Chad West (Chair), Paula Blackmon (Vice Chair), Cara Mendelsohn, Jesse Moreno, Jaime Resendez

SUBJECT **August 14, 2024, Upcoming Agenda Items – 24-2309 – Resolution to Authorize Amendments to Ordinance No. 31668 Authorizing the City of Dallas General Obligation Commercial Paper Program**

The August 14, 2024, City Council Agenda includes a resolution to authorize amendments to Ordinance No. 31668 authorizing the City of Dallas General Obligation Commercial Paper Program.

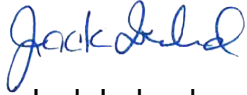
In 2017 and again in 2020, the City Council approved an ordinance establishing a \$350 million General Obligation Commercial Paper Program as interim financing for the City's capital improvements. The use of commercial paper permits more cost-efficient use of funds as short-term debt minimizes borrowing costs and allows for greater flexibility to manage the award of capital project contracts and ongoing cash needs. Notes are typically sold at lower interest rates than longer-term bonds and are periodically refinanced with longer-term bonds. Commercial paper issuance is supported by lines of credit from highly rated banks. The current program is supported by a \$350 million credit agreement from JPMorgan Chase Bank, N.A. ("JPMorgan").

The current commercial paper agreement with JPMorgan expires on November 28, 2025, however, the ordinance and corresponding authorizing documents must be amended to include the current 2024 Bond Program voted authority and bond propositions, as required by the Office of the Attorney General. The terms and conditions of the current commercial paper agreement will remain unchanged.

Please let me know if you need any additional information.

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Jack Ireland
Chief Financial Officer

c: Kimberly Bizer Tolbert, City Manager (I)
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety (I)
Dev Rastogi, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager (I)
Robin Bentley, Assistant City Manager (I)
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Directors and Assistant Directors