

FY 2024-25 Debt Issuance Overview

**Government Performance &
Financial Management Committee
October 22, 2024**

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City Controller's Office

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City of Dallas

Presentation Overview



- Background
- Provide overview of proposed FY25 debt issuances
 - General-Purpose
 - Dallas Water Utilities
 - Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan and Fair Park Improvements
 - Love Field Airport Modernization Corporation
- Recommendations and next steps
- Appendices



Background



- FY25 budget includes operating funds, capital improvement program, and debt service
 - Debt service budget provides funding to pay principal and interest on both existing debt and debt issuance planned for the current fiscal year
- City Controller's Office Treasury staff coordinates the issuance of bonds, working with departments in conjunction with the City's co-financial advisors, bond counsels, and stakeholders
- Bond issuances are planned with consideration of timing to finance departmental capital needs, current market conditions, potential supply chain and legislative impacts, opportunities for savings in accordance with the FMPC, and other circumstantial factors



General Purpose Debt



General Obligation Bonds (December 2024)

- \$353.0 million General Obligation Refunding and Improvement Bonds, Series 2024C to fund first \$250.0 million issuance of 2024 Bond Program projects and refund up to \$100.0 million of eligible outstanding 2015 General Obligation bonds for savings (current estimated savings of approximately \$9.3 million or 9.5%)
 - Preparation of the sale was approved by the City Council on October 8, with recommendation to City Council for bond ordinance approval scheduled on November 13
 - Pending ordinance approval, the bonds will be issued via a competitive sale

2024 Bond Propositions	Authorized Amount	Previously Issued	FY25 Issue
Streets & Transportation	\$521,200,000	\$0	\$93,875,000
Park and Recreation Facilities	345,270,000	0	69,415,000
Flood Protection & Storm Drainage	52,100,000	0	1,800,000
Library Facilities	43,530,000	0	3,030,000
Cultural & Performing Arts Facilities	75,200,000	0	7,810,000
Public Safety Facilities	90,000,000	0	50,200,000
Economic Development	72,300,000	0	9,790,000
Housing and Neighborhood Infrastructure	26,400,000	0	5,280,000
Homeless Assistance Facilities	19,000,000	0	3,800,000
Information Technology Facilities	5,000,000	0	5,000,000
Total	\$1,250,000,000	\$0	\$250,000,000



General Purpose Debt



Equipment Notes (December 2024)

- \$35.0 million to fund budgeted appropriations for vehicles and equipment
 - Funds purchases for various City departments including Fire-Rescue, Equipment and Fleet Management, Sanitation (SAN), and Storm Drainage Management (SDM) (paid by SAN and SDM revenues as appropriate)
 - Preparation of the sale was approved by the City Council on October 8, with recommendation to City Council for bond ordinance approval scheduled on November 13
 - Pending ordinance approval, the bonds will be issued via a competitive sale

Certificates of Obligation (January 2025)

- \$40.0 million issuance of Certificates of Obligation to fund priority storm water capital improvement projects planned in FY25 (paid by SDM revenues)
 - Preparation of the sale and required Notice of Intent to Issue Certificates of Obligation were approved by the City Council on October 8, with recommendation to City Council for bond ordinance approval on December 11 to accommodate 45-day posting requirement
 - Pending ordinance approval, the Certificates of Obligation will be issued via a competitive sale



General Purpose Debt



Master Lease (Winter 2024-Fall 2025)

- \$48.0 million Master Lease will fund public safety equipment, IT infrastructure, and general City fleet and equipment planned for FY25

Commercial Paper Program (Summer 2025)

- Preparation to establish a replacement general obligation commercial paper program in anticipation of the current program expiring on November 28, 2025
 - Commercial paper provides interim financing for the City's capital improvement projects, allowing the award of contracts and payment of projects costs, typically at lower rates, until long-term bonds are issued
 - The current program is supported by a \$350 million credit agreement from JPMorgan Chase Bank, N.A.
 - Before seeking City Council approval, the general obligation commercial paper program will be reevaluated to assess the most advantageous structure and any beneficial changes to the program





DWU Revenue Bonds (December 2024)

- Issuance of Waterworks and Sewer System Revenue Bonds, Series 2024C in the amount of \$34.0 million to the Texas Water Development Board (TWDB)
 - Required issuance utilizing State Water Implementation Revenue Fund for Texas (SWIRFT), per TWDB agreement
 - Third issuance of a of five-year funding commitment
 - Will seek City Council approval of ordinance authorizing the sale of the bonds on October 23

DWU Revenue Refunding Bonds (December 2024)

- Issuance of Waterworks and Sewer System Revenue Refunding Bonds, Series 2024 in an amount up to \$295.0 million to refund commercial paper outstanding and up to \$32.7 million of eligible 2012A and 2013A bonds outstanding for savings (current estimated savings of approximately \$1.0 million or 3.0%)
 - Produce proceeds sufficient to retire commercial paper outstanding at the time of the sale
 - Pay estimated issuance costs from Dallas Water Utilities (DWU) operating funds
 - Sell 30-year bonds with a 10-year call
 - Preparation of the sale was approved by the City Council on October 8, with recommendation to City Council for bond ordinance approval on November 13
 - Pending ordinance approval, the bonds will be issued via a competitive sale





Commercial Paper Program (February 2025)

- Preparation to establish a replacement Series G commercial paper program in anticipation of the current program expiring on January 2, 2025
 - Commercial paper provides interim financing for DWU's capital improvement projects, allowing the award of contracts and payment of projects costs, typically at lower rates, until long-term bonds are issued
 - The current program is supported by a \$300 million credit agreement from State Street Bank and Trust Company

DWU Revenue Refunding Bonds (Summer 2025)

- Potential issuance of Waterworks and Sewer System Revenue Refunding Bonds to refund outstanding eligible bonds for savings
 - Current estimates indicate a refunding of approximately \$285.0 million of eligible outstanding 2015 and 2020 taxable bonds for savings (current estimated savings of approximately \$24.9 million or 7.7%, subject to change)
 - Pay estimated issuance costs from Dallas Water Utilities (DWU) operating funds
 - Co-Financial Advisors will recommend sell strategy based on forecasted market conditions





Special Tax Revenue Refunding Obligations (2025)

- Issuance of bonds to finance project costs and refund short-term bonds for KBHCCD Master Plan and Fair Park Improvements
 - Bonding capacity for bond issuance and refunding is driven by rating agency criteria primarily centered on a market study, which includes assessments of Hotel Occupancy Tax, Chapter 334 (Brimer Bill), Project Financing Zone, and convention center revenues
 - Planned issuance of KBHCCD Venue Project, Series 2025 Senior Lien bonds and Subordinate Lien bonds in an estimated principal amount in excess of \$1.4 billion; subject to change pending final project cost estimates
 - Planned issuance of Fair Park Venue Project, Series 2025 Senior Lien bonds and Subordinate Lien bonds in an estimated principal amount of \$79.3 million; subject to change
 - Bonds will be issued in a negotiated sale utilizing an underwriting syndicate, approved by the City Council on June 26, 2024
 - Plans for debt issuance structuring are currently being discussed with staff and stakeholders and will be presented at a future date for City Council approval



Love Field Airport Modernization Corporation



General Airport Revenue Refunding Bonds (Fall 2025)

- Issuance of General Airport Revenue Refunding Bonds to finance capital improvements and refund commercial paper outstanding
 - Love Field Master Plan and capital project needs are currently being discussed with Transportation and Infrastructure Committee and stakeholders, City Council briefing planned in December 2024/January 2025
 - Pay estimated issuance costs from bond proceeds
 - Co-Financial Advisors will recommend sell strategy based on forecasted market conditions



Staff Recommendations and Next Steps



- Staff recommends approval of ordinance authorizing the sale of up to \$34.0 million of Waterworks and Sewer System Revenue Bonds, Series 2024C (SWIRFT) on October 23
- Staff recommends approval of ordinance authorizing the sale of up to \$295.0 million of Waterworks and Sewer System Revenue Refunding Bonds, Series 2024 on November 13
- Staff recommends approval of ordinances authorizing the sale of up to \$353.0 million of General Obligation Refunding and Improvement Bonds, Series 2024C; and the sale of up to \$35.0 million of Equipment Acquisition Contractual Obligations, Series 2024 on November 13
- Staff recommends approval of ordinance authorizing the sale of up to \$40.0 million of Combination Tax and Revenue Certificates of Obligation, Series 2025 on December 11



Staff Recommendations and Next Steps



- Continue to update GPFM Committee on upcoming debt transactions and items for review and approval
 - DWU Commercial Paper Program in February 2025
 - General Obligation Bonds Commercial Paper Program in Summer 2025
 - KBHCCD Master Plan and Fair Park Improvement Bonds in Spring 2025
 - Love Field Master Plan bonds and Commercial Paper Program in 2025
- Update City Council following issuance of bonds via memorandum



Appendices



General Obligation Refunding and Improvement Bonds, Series 2024C; and Equipment Acquisition Contractual Obligations, Series 2024

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Waterworks and Sewer System Revenue Refunding Bonds, Series 2024

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Certificate of Obligations, Series 2025

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City of Dallas

General Obligation Refunding and Improvement Bonds, Series 2024C; and Equipment Acquisition Contractual Obligations, Series 2024 - Timeline



October 8, 2024	City Council approval of resolution to proceed with bond sale and payment of issuance costs
October 22, 2024	Government Performance and Financial Committee Debt Overview briefing
November 13, 2024	City Council approval of ordinance authorizing General Obligation Bonds and Equipment Notes issue and terms
December 19, 2024	Deliver bonds and receive proceeds



Estimate of Total Issuance Costs and M/WBE Participation

General Obligation Refunding and Improvement Bonds, Series 2024C
Equipment Acquisition Contractual Obligations, Series 2024

	\$353,000,000 GO Ref. & Improvement Series 2024A	\$35,000,000 Equipment Notes Series 2024	Total	Percent of Total
Co-Bond Counsel				
Bracewell (Vendor VS56820)	\$199,000	\$75,000	\$274,000	21.6%
West & Associates (Vendor 330805)	110,000	40,000	150,000	11.8%
Disclosure Counsel				
Norton Rose Fulbright US LLP (Vendor VC6239)	113,920	12,350	126,270	10.0%
Hardwick Law Firm, LLC (Vendor VC29078)	53,000	5,700	58,700	4.6%
Co-Financial Advisors				
Hilltop Securities (Vendor VS52889)	216,150	33,450	249,600	19.7%
Estrada Hinojosa (Vendor 259910)	127,850	20,550	148,400	11.7%
Out of Pocket Expenses				
TBD	14,157	1,473	15,630	1.2%
Official Statement Printing				
TBD	3,611	389	4,000	0.3%
Rating Agencies				
FitchRatings (Vendor VC14720)	99,306	10,694	110,000	8.7%
Standard & Poor's (Vendor 954974)	99,306	10,694	110,000	8.7%
Paying Agent Fees				
UMB Bank, N.A. (Vendor VS92247)	200	200	400	0.0%
Escrow Fees				
UMB Bank, N.A. (Vendor VS92247)	500	-	500	0.0%
Verification Agent				
TBD	2,500	-	2,500	0.2%
Filing Fee				
Attorney General (Vendor 344989)	9,500	9,500	19,000	1.5%
Total Issuance Costs	\$1,049,000	\$220,000	\$1,269,000	100%
Total M/WBE Participation as % of Total Issuance Costs:	\$290,850	\$66,250	\$357,100	28.1%

SOURCES AND USES OF FUNDS

City of Dallas, Texas
General Obligation and Refunding Bonds, Series 2024C
Equipment Acquisition Notes, Series 2024
Assumes AA-/AA Uninsured Rates as of 9/12/24
***** Preliminary - For Discussion Purposes Only *****

Dated Date 12/19/2024
Delivery Date 12/19/2024

Sources:	General Obligation Bonds	Equipment Notes	Total
Bond Proceeds:			
Par Amount	314,465,000.00	32,880,000.00	347,345,000.00
Premium	35,933,285.95	2,040,424.50	37,973,710.45
	<u>350,398,285.95</u>	<u>34,920,424.50</u>	<u>385,318,710.45</u>
Other Sources of Funds:			
DSF Contribution	1,679,425.00		1,679,425.00
	<u>352,077,710.95</u>	<u>34,920,424.50</u>	<u>386,998,135.45</u>
Uses:			
Project Fund Deposits:			
Project Fund	250,000,000.00	34,500,000.00	284,500,000.00
Refunding Escrow Deposits:			
SLGS Purchases	99,139,548.00		99,139,548.00
Delivery Date Expenses:			
Cost of Issuance	1,048,384.00	219,986.00	1,268,370.00
Underwriter's Discount	1,886,790.00	197,280.00	2,084,070.00
	<u>2,935,174.00</u>	<u>417,266.00</u>	<u>3,352,440.00</u>
Other Uses of Funds:			
Additional Proceeds	2,988.95	3,158.50	6,147.45
	<u>352,077,710.95</u>	<u>34,920,424.50</u>	<u>386,998,135.45</u>

BOND SUMMARY STATISTICS

City of Dallas, Texas
General Obligation and Refunding Bonds, Series 2024C
Equipment Acquisition Notes, Series 2024
Assumes AA-/AA Uninsured Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only ***

	General Obligation Bonds	Equipment Notes	Aggregate
Dated Date	12/19/2024	12/19/2024	12/19/2024
Delivery Date	12/19/2024	12/19/2024	12/19/2024
First Coupon	02/15/2025	02/15/2025	02/15/2025
Last Maturity	02/15/2044	08/15/2029	02/15/2044
Arbitrage Yield	3.039225%	3.039225%	3.039225%
True Interest Cost (TIC)	3.479838%	2.845221%	3.457663%
Net Interest Cost (NIC)	3.759847%	2.959310%	3.734349%
All-In TIC	3.523166%	3.093722%	3.508168%
Average Coupon	5.000000%	5.000000%	5.000000%
Average Life (years)	8.730	2.747	8.164
Weighted Average Maturity (years)	8.831	2.788	8.283
Duration of Issue (years)	7.080	2.598	6.684
Par Amount	314,465,000.00	32,880,000.00	347,345,000.00
Bond Proceeds	350,398,285.95	34,920,424.50	385,318,710.45
Total Interest	137,267,338.89	4,515,983.33	141,783,322.22
Net Interest	103,220,842.94	2,672,838.83	105,893,681.77
Bond Years from Dated Date	2,745,346,777.78	90,319,666.67	2,835,666,444.44
Bond Years from Delivery Date	2,745,346,777.78	90,319,666.67	2,835,666,444.44
Total Debt Service	451,732,338.89	37,395,983.33	489,128,322.22
Maximum Annual Debt Service	37,109,875.00	8,255,500.00	45,365,375.00
Average Annual Debt Service	23,582,314.68	8,032,550.12	25,534,541.18
Underwriter's Fees (per \$1000)			
Average Takedown			
Other Fee	6.000000	6.000000	6.000000
Total Underwriter's Discount	6.000000	6.000000	6.000000
Bid Price	110.826800	105.605671	110.332563

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Serial Bonds	347,345,000.00	110.933	5.000%	8.164	02/16/2033	207,092.65
	347,345,000.00			8.164		207,092.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	347,345,000.00	347,345,000.00	347,345,000.00
+ Accrued Interest			
+ Premium (Discount)	37,973,710.45	37,973,710.45	37,973,710.45
- Underwriter's Discount	-2,084,070.00	-2,084,070.00	
- Cost of Issuance Expense		-1,268,370.00	
- Other Amounts			
Target Value	383,234,640.45	381,966,270.45	385,318,710.45
Target Date	12/19/2024	12/19/2024	12/19/2024
Yield	3.457663%	3.508168%	3.039225%

BOND DEBT SERVICE

City of Dallas, Texas
General Obligation and Refunding Bonds, Series 2024C
Equipment Acquisition Notes, Series 2024
Assumes AA-/AA Uninsured Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only ***

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2025	5,370,000	5.000%	11,385,197.22	16,755,197.22
09/30/2026	28,815,000	5.000%	16,550,375.00	45,365,375.00
09/30/2027	28,780,000	5.000%	15,110,500.00	43,890,500.00
09/30/2028	28,730,000	5.000%	13,672,625.00	42,402,625.00
09/30/2029	28,690,000	5.000%	12,237,125.00	40,927,125.00
09/30/2030	21,765,000	5.000%	10,803,875.00	32,568,875.00
09/30/2031	21,720,000	5.000%	9,716,750.00	31,436,750.00
09/30/2032	21,670,000	5.000%	8,632,000.00	30,302,000.00
09/30/2033	21,615,000	5.000%	7,549,875.00	29,164,875.00
09/30/2034	21,560,000	5.000%	6,470,500.00	28,030,500.00
09/30/2035	11,865,000	5.000%	5,634,875.00	17,499,875.00
09/30/2036	11,865,000	5.000%	5,041,625.00	16,906,625.00
09/30/2037	11,865,000	5.000%	4,448,375.00	16,313,375.00
09/30/2038	11,865,000	5.000%	3,855,125.00	15,720,125.00
09/30/2039	11,865,000	5.000%	3,261,875.00	15,126,875.00
09/30/2040	11,865,000	5.000%	2,668,625.00	14,533,625.00
09/30/2041	11,860,000	5.000%	2,075,500.00	13,935,500.00
09/30/2042	11,860,000	5.000%	1,482,500.00	13,342,500.00
09/30/2043	11,860,000	5.000%	889,500.00	12,749,500.00
09/30/2044	11,860,000	5.000%	296,500.00	12,156,500.00
	347,345,000		141,783,322.22	489,128,322.22

Waterworks and Sewer System Revenue Refunding Bonds, Series 2024 - Timeline



- | | |
|-------------------|---|
| October 8, 2024 | City Council approval of resolution to proceed with bond sale and payment of issuance costs |
| October 22, 2024 | Government Performance and Financial Committee Debt Overview briefing |
| November 13, 2024 | City Council approval of ordinance authorizing General Obligation Bonds and Equipment Notes issue and terms |
| December 19, 2024 | Deliver bonds and receive proceeds |



Estimate of Total Bond Issuance Costs and M/WBE Participation

Waterworks and Sewer System Revenue Refunding Bonds, Series 2024

	\$295,000,000 Series 2024 Total	Percent of Total
Co-Bond Counsel		
McCall, Parkhurst & Horton L.L.P. (Vendor 193173)	\$115,000	13.4%
Escamilla & Poneck (Vendor 518903)	84,000	9.8%
Co-Disclosure Counsel		
Norton Rose Fulbright US LLP (Vendor VC0000006239)	101,995	11.9%
Hardwick Law Firm, LLC (Vendor VC0000006239)	48,000	5.6%
Co-Financial Advisors		
Hilltop Securities (Vendor VS0000052889)	196,620	23.0%
Estrada Hinojosa (Vendor 259910)	116,380	13.6%
Out of Pocket Expenses		
TBD	9,905	1.2%
Official Statement Printing		
TBD	4,000	0.5%
Rating Agencies		
FitchRatings (Vendor VC14720)	80,000	9.3%
Standard & Poor's (Vendor 954974)	81,900	9.6%
Escrow and Paying Agent		
UMB Bank, N.A. (Vendor VS92247)	1,200	0.1%
Verification Agent		
TBD	2,500	0.3%
Auditor		
Weaver and Tidwell, LLP (Vendor VS96896)	5,000	0.6%
Filing Fee		
Attorney General (Vendor 344989)	9,500	1.1%
Total Issuance Costs	\$856,000	100%
Total M/WBE Participation as % of Total Issuance Costs:	\$248,380	29.0%

SOURCES AND USES OF FUNDS

City of Dallas, Texas
Waterworks and Sewer System Revenue Refunding Bonds, Series 2024
AAA/AA Assumed Ratings / TE Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only ***

	Dated Date	12/19/2024		
	Delivery Date	12/19/2024		
Sources:	Commercial Paper Refunding	Current Refunding		Total
Bond Proceeds:				
Par Amount	248,490,000.00	30,785,000.00		279,275,000.00
Net Premium/OID	13,408,138.25	1,941,987.35		15,350,125.60
	<u>261,898,138.25</u>	<u>32,726,987.35</u>		<u>294,625,125.60</u>
Other Sources of Funds:				
Debt Service Fund Contribution		300,924.27		300,924.27
	<u>261,898,138.25</u>	<u>33,027,911.62</u>		<u>294,926,049.87</u>
Uses:	Commercial Paper Refunding	Current Refunding		Total
Project Fund Deposits:				
Refunding of Commercial Paper - Series F	123,200,000.00			123,200,000.00
Refunding of Commercial Paper - Series G	137,700,000.00			137,700,000.00
	<u>260,900,000.00</u>			<u>260,900,000.00</u>
Refunding Escrow Deposits:				
Cash Deposit		1.65		1.65
SLGS Purchases		32,904,637.00		32,904,637.00
		<u>32,904,638.65</u>		<u>32,904,638.65</u>
Delivery Date Expenses:				
Underwriter's Discount	993,960.00	123,140.00		1,117,100.00
Other Uses of Funds:				
Additional Proceeds	4,178.25	132.97		4,311.22
	<u>261,898,138.25</u>	<u>33,027,911.62</u>		<u>294,926,049.87</u>

BOND SUMMARY STATISTICS

City of Dallas, Texas
Waterworks and Sewer System Revenue Refunding Bonds, Series 2024
AAA/AA Assumed Ratings / TE Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only ***

Dated Date	12/19/2024
Delivery Date	12/19/2024
First Coupon	04/01/2025
Last Maturity	10/01/2054
Arbitrage Yield	3.801923%
True Interest Cost (TIC)	3.936274%
Net Interest Cost (NIC)	4.035248%
All-In TIC	3.936274%
Average Coupon	4.336286%
Average Life (years)	16.929
Weighted Average Maturity (years)	16.485
Duration of Issue (years)	11.367
Par Amount	279,275,000.00
Bond Proceeds	294,625,125.60
Total Interest	205,018,980.83
Net Interest	190,785,955.23
Bond Years from Dated Date	4,727,985,416.67
Bond Years from Delivery Date	4,727,985,416.67
Total Debt Service	484,293,980.83
Maximum Annual Debt Service	24,229,675.00
Average Annual Debt Service	16,260,570.15
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.000000
Total Underwriter's Discount	4.000000
Bid Price	105.096420

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Serial Bonds	156,755,000.00	112.062	5.000%	10.143	02/09/2035	105,730.00
Term Bond	55,155,000.00	97.686	4.000%	22.863	10/30/2047	83,284.05
Term Bond	67,365,000.00	96.613	4.000%	27.863	10/30/2052	110,478.60
	279,275,000.00			16.929		299,492.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	279,275,000.00	279,275,000.00	279,275,000.00
+ Accrued Interest			
+ Premium (Discount)	15,350,125.60	15,350,125.60	15,350,125.60
- Underwriter's Discount	-1,117,100.00	-1,117,100.00	
- Cost of Issuance Expense			
- Other Amounts			
Target Value	293,508,025.60	293,508,025.60	294,625,125.60
Target Date	12/19/2024	12/19/2024	12/19/2024
Yield	3.936274%	3.936274%	3.801923%

BOND DEBT SERVICE

City of Dallas, Texas
Waterworks and Sewer System Revenue Refunding Bonds, Series 2024
AAA/AA Assumed Ratings / TE Rates as of 9/12/24
***** Preliminary - For Discussion Purposes Only *****

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2025			3,609,255.83	3,609,255.83
09/30/2026	11,780,000	5.000%	12,444,050.00	24,224,050.00
09/30/2027	12,385,000	5.000%	11,839,925.00	24,224,925.00
09/30/2028	13,025,000	5.000%	11,204,675.00	24,229,675.00
09/30/2029	4,365,000	5.000%	10,769,925.00	15,134,925.00
09/30/2030	4,590,000	5.000%	10,546,050.00	15,136,050.00
09/30/2031	4,825,000	5.000%	10,310,675.00	15,135,675.00
09/30/2032	5,075,000	5.000%	10,063,175.00	15,138,175.00
09/30/2033	10,795,000	5.000%	9,666,425.00	20,461,425.00
09/30/2034	5,605,000	5.000%	9,256,425.00	14,861,425.00
09/30/2035	5,895,000	5.000%	8,968,925.00	14,863,925.00
09/30/2036	6,195,000	5.000%	8,666,675.00	14,861,675.00
09/30/2037	6,515,000	5.000%	8,348,925.00	14,863,925.00
09/30/2038	6,850,000	5.000%	8,014,800.00	14,864,800.00
09/30/2039	7,200,000	5.000%	7,663,550.00	14,863,550.00
09/30/2040	7,570,000	5.000%	7,294,300.00	14,864,300.00
09/30/2041	7,960,000	5.000%	6,906,050.00	14,866,050.00
09/30/2042	8,365,000	5.000%	6,497,925.00	14,862,925.00
09/30/2043	8,795,000	5.000%	6,068,925.00	14,863,925.00
09/30/2044	9,245,000	5.000%	5,617,925.00	14,862,925.00
09/30/2045	9,720,000	5.000%	5,143,800.00	14,863,800.00
09/30/2046	10,165,000	4.000%	4,697,500.00	14,862,500.00
09/30/2047	10,580,000	4.000%	4,282,600.00	14,862,600.00
09/30/2048	11,015,000	4.000%	3,850,700.00	14,865,700.00
09/30/2049	11,465,000	4.000%	3,401,100.00	14,866,100.00
09/30/2050	11,930,000	4.000%	2,933,200.00	14,863,200.00
09/30/2051	12,420,000	4.000%	2,446,200.00	14,866,200.00
09/30/2052	12,925,000	4.000%	1,939,300.00	14,864,300.00
09/30/2053	13,450,000	4.000%	1,411,800.00	14,861,800.00
09/30/2054	14,000,000	4.000%	862,800.00	14,862,800.00
09/30/2055	14,570,000	4.000%	291,400.00	14,861,400.00
	279,275,000		205,018,980.83	484,293,980.83

Certificates of Obligations, Series 2025 - Timeline



October 8, 2024	City Council approval of resolution to proceed with bond sale and payment of issuance costs
October 22, 2024	Government Performance and Financial Committee Debt Overview briefing
December 11, 2024	City Council approval of authorizing bond issue
January 30, 2025	Deliver bonds and receive proceeds



Estimate of Total Issuance Costs and M/WBE Participation

Combination Tax and Revenue Certificates of Obligation, Series 2025

	<u>\$40,000,000 Certificates of Obligation Series 2025</u>	<u>Percent of Total</u>
Co-Bond Counsel		
Bracewell (Vendor VS56820)	\$80,000	27.8%
West & Associates (Vendor 330805)	45,000	15.6%
Disclosure Counsel		
Norton Rose Fulbright US LLP (Vendor VC6239)	33,190	11.5%
Hardwick Law Firm, LLC (Vendor VC29078)	13,100	4.5%
Co-Financial Advisors		
Hilltop Securities (Vendor VS52889)	35,970	12.5%
Estrada Hinojosa (Vendor 259910)	22,030	7.6%
Out of Pocket Expenses		
TBD	14,910	5.2%
Official Statement Printing		
TBD	4,000	1.4%
Rating Agencies		
FitchRatings (Vendor VC14720)	15,100	5.2%
Standard & Poor's (Vendor 954974)	15,000	5.2%
Paying Agent Fees		
UMB Bank, N.A. (Vendor VS92247)	200	0.1%
Escrow Fees		
UMB Bank, N.A. (Vendor VS92247)	-	0.0%
Verification Agent		
TBD	-	0.0%
Filing Fee		
Attorney General (Vendor 344989)	<u>9,500</u>	<u>3.3%</u>
Total Issuance Costs	\$288,000	100%
Total M/WBE Participation as % of Total Issuance Costs:	\$80,130	27.8%

SOURCES AND USES OF FUNDS

**City of Dallas, Texas
Combination Tax & Revenue Certificates of Obligation, Series 2025
Assumes AA-/AA Uninsured Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only *****

Dated Date 01/30/2025
Delivery Date 01/30/2025

Sources:

Bond Proceeds:	
Par Amount	35,845,000.00
Premium	3,659,371.85
	39,504,371.85

Uses:

Project Fund Deposits:	
Project Fund	39,000,000.00
Delivery Date Expenses:	
Cost of Issuance	288,090.00
Underwriter's Discount	215,070.00
	503,160.00
Other Uses of Funds:	
Additional Proceeds	1,211.85
	39,504,371.85

BOND SUMMARY STATISTICS

City of Dallas, Texas
Combination Tax & Revenue Certificates of Obligation, Series 2025
Assumes AA-/AA Uninsured Rates as of 9/12/24
***** Preliminary - For Discussion Purposes Only *****

Dated Date	01/30/2025
Delivery Date	01/30/2025
First Coupon	08/15/2025
Last Maturity	02/15/2034
Arbitrage Yield	2.777312%
True Interest Cost (TIC)	2.899588%
Net Interest Cost (NIC)	3.093580%
All-In TIC	3.064892%
Average Coupon	5.000000%
Average Life (years)	5.040
Weighted Average Maturity (years)	5.146
Duration of Issue (years)	4.524
Par Amount	35,845,000.00
Bond Proceeds	39,504,371.85
Total Interest	9,033,427.08
Net Interest	5,589,125.23
Bond Years from Dated Date	180,668,541.67
Bond Years from Delivery Date	180,668,541.67
Total Debt Service	44,878,427.08
Maximum Annual Debt Service	5,677,625.00
Average Annual Debt Service	4,963,512.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.000000
Total Underwriter's Discount	6.000000
Bid Price	109.608877

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Serial Bonds	35,845,000.00	110.209	5.000%	5.040	02/13/2030	17,639.00
	35,845,000.00			5.040		17,639.00

	TIC	All-In TIC	Arbitrage Yield
Par Value	35,845,000.00	35,845,000.00	35,845,000.00
+ Accrued Interest			
+ Premium (Discount)	3,659,371.85	3,659,371.85	3,659,371.85
- Underwriter's Discount	-215,070.00	-215,070.00	
- Cost of Issuance Expense		-288,090.00	
- Other Amounts			
Target Value	39,289,301.85	39,001,211.85	39,504,371.85
Target Date	01/30/2025	01/30/2025	01/30/2025
Yield	2.899588%	3.064892%	2.777312%

BOND DEBT SERVICE

City of Dallas, Texas
Combination Tax & Revenue Certificates of Obligation, Series 2025
Assumes AA-/AA Uninsured Rates as of 9/12/24
*** Preliminary - For Discussion Purposes Only ***

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/15/2025			970,802.08	970,802.08	
09/30/2025					970,802.08
02/15/2026	3,985,000	5.000%	896,125.00	4,881,125.00	
08/15/2026			796,500.00	796,500.00	
09/30/2026					5,677,625.00
02/15/2027	3,985,000	5.000%	796,500.00	4,781,500.00	
08/15/2027			696,875.00	696,875.00	
09/30/2027					5,478,375.00
02/15/2028	3,985,000	5.000%	696,875.00	4,681,875.00	
08/15/2028			597,250.00	597,250.00	
09/30/2028					5,279,125.00
02/15/2029	3,985,000	5.000%	597,250.00	4,582,250.00	
08/15/2029			497,625.00	497,625.00	
09/30/2029					5,079,875.00
02/15/2030	3,985,000	5.000%	497,625.00	4,482,625.00	
08/15/2030			398,000.00	398,000.00	
09/30/2030					4,880,625.00
02/15/2031	3,980,000	5.000%	398,000.00	4,378,000.00	
08/15/2031			298,500.00	298,500.00	
09/30/2031					4,676,500.00
02/15/2032	3,980,000	5.000%	298,500.00	4,278,500.00	
08/15/2032			199,000.00	199,000.00	
09/30/2032					4,477,500.00
02/15/2033	3,980,000	5.000%	199,000.00	4,179,000.00	
08/15/2033			99,500.00	99,500.00	
09/30/2033					4,278,500.00
02/15/2034	3,980,000	5.000%	99,500.00	4,079,500.00	
09/30/2034					4,079,500.00
	35,845,000		9,033,427.08	44,878,427.08	44,878,427.08