

Memorandum



CITY OF DALLAS

DATE May 12, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Bond Sale Results - General Obligation Refunding and Improvement Bonds, Series 2023A; and Combination Tax and Revenue Certificates of Obligation, Series 2023**

Earlier this week, the City successfully held a negotiated sale of the City of Dallas, Texas General Obligation Refunding and Improvement Bonds, Series 2023A (the “2023A Bonds”); and Combination Tax and Revenue Certificates of Obligation, Series 2023 (the “Certificates of Obligations,”), (collectively, the “Bonds”). Prior to the issuance of the Bonds, the City received affirmed ratings of AA- (Stable) from S&P Global Ratings and AA (Stable) from Fitch Ratings. Response to the City’s Bonds was especially positive once again and the transaction received orders for close to three times the par amount of the sale for a total of over \$1 billion in priority orders.

Final pricing for the 2023A Bonds resulted in a par amount of \$381.1 million and bond premium of \$48.5 million; with a net present value savings of approximately \$6.6 million, or 10.8%, on the refunded Series 2013A bonds. Final pricing for the Certificates of Obligation resulted in a par amount of \$55.2 million and bond premium of \$6.1 million. The combined par amount is \$436.3 million and bond premium is \$54.6 million on the Bonds. The combined true interest cost (TIC) of the Bonds is 3.3%.

The outcome of the City’s bond sale was a significant success despite an uncertain and fluctuating market and reflects the continued investor demand for the City’s credit, bolstered by the City’s credit ratings, budgetary performance, and prudent leadership. The Bonds are scheduled to close on June 6, 2023.

Thank you for your continued support. Please let me know if you have any questions.

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

Jack Ireland
Chief Financial Officer

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

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