

# Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Item #24- 23-2031 – Financial Advisory Services**

Your September 13, 2023 City Council agenda includes an item authorizing a five-year service contract, with two one-year renewal options, for financial advisory services with Hilltop Securities, Inc. and Estrada Hinojosa & Company, Inc. Financial advisory fees are paid from bond proceeds and Dallas Water Utilities Fund. Most fees are contingent upon completion of each bond sale, as approved by City Council, while fees for advisory services not related to bond issuance are to be paid according to the approved scope of work and funding.

Financial advisors are needed to lend expertise in areas relating to public finance such as the structure and timing of bond sales, preparation of bond documents and rating agency presentations, assist in evaluating and selecting the best offers, and to close the transactions. In addition, the financial advisors are needed to ensure the City's goals and interests are represented and protected in the structuring of the transactions and during the establishment of the borrowing rates and yields.

This service contract will provide financial advisory services to:

- Assist with the preparations for and sale of bonds
- Assist with preparations for and presentations to bond rating agencies
- Assist with certain aspects of capital budgeting and planning
- Provide other financial assistance and advice as needed

As a joint team, Hilltop Securities, Inc. and Estrada Hinojosa & Company, Inc. will serve as co-financial advisors and will be responsible for the entire credit profile of the City, including obligations secured by governmental fund revenues and designated enterprise revenues, such as: General Obligation Bonds and Commercial Paper Notes, Certificates of Obligation, Contractual Obligations including Equipment Acquisition Notes, Pension Obligation Bonds, Waterworks and Sewer System Revenue Bonds and Commercial Paper Notes, General Aviation Revenue Bonds and Aviation Commercial Paper Notes, Convention Center Revenue Bonds, Tax Increment Bonds, issuances of Local Government Corporations acting on behalf of the City, and other financings secured by designated governmental fund or enterprise revenues as approved by the City Council.

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If you have questions or need additional information, please contact me or Sheri Kowalski, City Controller.



Jack Ireland  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Chris Caso, 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