



To the Mayor and Members of the City Council

September 23, 2025

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**SUBJECT: 2025 DEBT PLAN – RATING OUTCOMES AND BOND PRICING RESULTS****Executive Summary**

This informal report is intended to provide the Mayor and City Council with a summary of the final pricing results and rating outcomes on bonds issued in connection with the City's 2025 Debt Plan including: General Purpose Bonds, Series 2025; Tax Notes, Series 2025, collectively General Obligations or "GO Debt", Water and Sewer System Revenue Bonds, Series 2025 ("W&S Revenue Bonds"), Special Tax Revenue and Refunding Bonds (MAVP), Series 2025 and Special Tax Revenue Bonds (CCVP), Series 2025.

**Overview of Credit Rating Outcomes**

On April 24, 2025, City Staff and the City's Financial Advisors met with credit rating agencies Moody's Investors Service, Inc. (Moody's), Fitch Ratings Inc. (Fitch) and Kroll Bond Rating Agency, Inc. (KBRA) to obtain credit ratings on the City's planned bond issuances.

We are proud to report the City's property tax secured GO Debt and W&S Revenue Bonds ratings were affirmed at current levels, while the City's existing Special Tax Bonds received an upgrade from Moody's for the Multipurpose Arena Venue Project.

The City's current bond credit ratings for each credit are outlined below:

The credit rating agencies' affirmations of the City's existing **GO Debt** ratings are as follows:

- KBRA – AA+/Stable;
- Fitch – AA/Stable; and
- Moody's – Aa3/Stable.

The rating agencies' affirmations of the City's existing **W&S Revenue Bonds** ratings are as follows:

- Fitch – AA/Stable; and
- Moody's – Aa1/Stable

The rating agency Moody's issued an 'upgrade' while Fitch affirmed of the City's existing Special Tax Bonds related to the **Multipurpose Arena Venue Project (MAVP)**, also known as Dickie's, ratings are as follows:

- Fitch – AA/Stable; and
- Moody's – Aa3/Stable.

The rating agencies issued an inaugural rating of the City's Special Tax Bonds related to the **Convention Center Venue Project (CCVP)** as follows:

- Fitch – AA-/Stable; and
- Moody's – A2/Stable.

Consensus credit strengths of the City's property tax secured GO Debt include a diverse and growing economic base, strong financial reserves and liquidity, and strong financial management. Similarly, credit strengths of the City's W&S Revenue Bonds include strong management, a strong operating performance, and strong liquidity.



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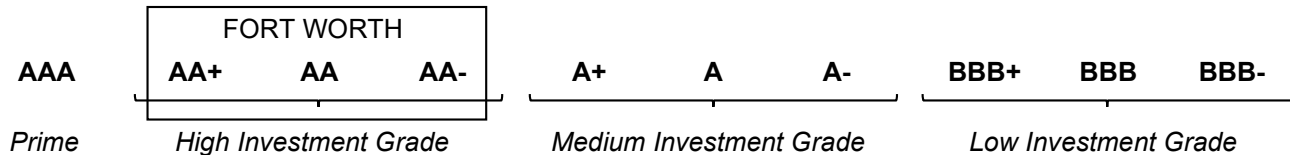
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Credit challenges for the GO debt rating include a weak debt and contingent liability profile, primarily attributable to the City's large pension and other postemployment benefit (OPEB) obligations, and State-imposed tax rate limits, revenue caps, and the "recently passed TAD reappraisal plan could slow growth in residential property assessed values, impacting growth in the General Fund property tax revenues". Significant growth-related capital needs over the next 5-year period constrain the W&S rating.

The rating reports and ratings presentation are accessible online at: <https://www.fortworthtexasbonds.com>

For context, below is the investment grade rating scale:



**Overview of Final Pricing Results**

With the assistance of the City's co-financial advisors, the City received bids for the competitive and negotiated sales below. As the following results will demonstrate, the sales were a significant success as evidenced by the number of bids received and the final borrowing costs (as measured by the True Interest Cost). Below is a summary of the bid results:

<u>Bond Issue</u>	<u>Sale Date</u>	<u>Amount Sold</u>	<u>True Interest Cost (TIC)</u>	<u>Number of Bids Received</u>	<u>Winning Bidder / Underwriter</u>
W&S Revenue Bonds	6/4	\$179,435,000	4.70%	8	Jefferies
Special Tax MAVP Bonds*	6/10	\$83,055,000	4.47%	N/A	Wells Fargo
Special Tax CCVP Bonds*	6/25	\$64,120,000	5.05%	N/A	Wells Fargo
General Purpose Bonds	8/5	\$106,160,000	4.02%	13	Bank of America
Tax Notes	8/5	\$60,070,000	2.63%	14	JP Morgan

*\*Bond transaction sold on negotiated basis*

If you have any questions, please contact Reginald Zeno, Chief Financial Officer, at 817-392-8500 or Alex Laufer, Assistant Finance Director, at 817-392-2268.

**Jesus "Jay" Chapa**  
City Manager