



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER 144923
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DATE: 4/2/2025

**SUBJECT: CONSIDERATION OF INTEREST PAYMENT CONCERNING THE
CONVERSION OF TARRANT COUNTY LIMITED TAX REFUNDING
BONDS, SERIES 2022B, FROM TAXABLE BONDS TO TAX-EXEMPT
STATUS**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court consider an interest payment of approximately \$363,909.45 to Trust Bank concerning the conversion of Tarrant County’s Limited Tax Refunding Bonds, Series 2022B, from taxable to tax-exempt status.

BACKGROUND

On April 12, 2022, through Court Order #137876, the Commissioners Court authorized the issuance of “Tarrant County, Texas, Limited Tax Refunding Bonds, Taxable Series 2022B” in the amount of \$46,490,000. The current outstanding bond balance is \$45,495,000. As part of that Order, these bonds were structured to be converted from taxable bonds to tax-exempt bonds after a certain time period passed consistent with federal tax law applicable to tax-exempt refundings.

For the conversion to occur, the accrued interest due on the taxable bonds of \$363,909.45 is to be paid to Truist Bank (Bond Holder) by April 17, 2025. This interest payment is a planned payment and included in the FY2025 budget. The County Auditor will wire-transfer this amount on April 17, 2025, to the appropriate party for the benefit of the Bond Holder. After that time, the Series 2022B Bonds will be converted from taxable bonds to tax-exempt bonds. This action will decrease the interest rate that the County pays for this debt helping the County realize the anticipated savings of \$4.15 million (\$3.47M present value). The County made a similar payment in April 2023 associated with the County’s Limited Tax Refunding Bonds, Taxable Series 2022A.

The Criminal District Attorney’s Office, Auditor’s Office and Budget and Risk Management have reviewed this request.

FISCAL IMPACT

Funds in the amount of \$363,909.45 are available in the County’s debt service fund.

SUBMITTED BY	Administrator	PREPARED BY:	Maegan South
		APPROVED BY:	Maegan South