



Legislation Text

File #: 20-602, Version: 2

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: April 8, 2020

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Elizabeth Reich

SUBJECT

An ordinance authorizing **(1)** the issuance of Combination Tax and Revenue Certificates of Obligations, Series 2020 in the aggregate principal amount not to exceed \$16,000,000; **(2)** levying a tax in payment thereof; **(3)** prescribing the form of said certificates; **(4)** approving and awarding the sale of the certificates and approving execution of a purchase agreement; **(5)** approving the official statement; **(5)** and enacting other provisions relating to the subject - Not to exceed \$110,000 - Financing: 2020 Certificates of Obligation Funds

BACKGROUND

On February 12, 2020, City Council authorized the preparations of plans and the payment of potential future costs and expenses for the issuances of Certificates of Obligation, Series 2020 in an amount not to exceed \$16,000,000 to finance restoration of City facilities damaged by severe storms; and publication of Notice of Intention to Issue Certificates of Obligation, pursuant to the provisions of the Texas Local Government Code, Section 271.049, as amended. Federal tax regulations allow for the reimbursement of capital expenditures from bond or short-term debt proceeds. These regulations can be used to begin implementation prior to issuance of bonds or commercial paper.

As such, the City's financial advisors, PFM Financial Advisors LLC, recommend the issuance of certificates of obligation in an amount not to exceed \$16,000,000, to finance restoration of City facilities damaged by severe storms. This ordinance authorizes City staff and financial advisors, subject to parameters, to issue City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2020.

ESTIMATED SCHEDULE OF PROJECT

Authorized Preparation for Issuance of Bonds	December 2019
Approval of Parameters Ordinance	April 2020
Pricing	April 2020
Delivery of Proceeds	May 2020

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided to City Council by memorandum on February 7, 2020.

On February 12, 2020, City Council authorized the preparation of plans and the payment of potential future costs and expenses for the issuances of General Obligation Refunding and Improvement Bonds, Series 2020, Certificates of Obligation, Series 2020, and Equipment Notes, Series 2020 by Resolution No. 20-0257.

On February 12, 2020, City Council authorized the publication of Notice of Intention to Issue Certificates of Obligation; approving the preparation of a preliminary official statement and a Notice of Sale; and providing for the effective date thereof by Resolution No. 20-0258.

FISCAL INFORMATION

The anticipated cost of issuance is \$110,000 from 2020 Certificates of Obligation Funds.

Attachment I provides an estimate of bond issuance costs for the proposed certificates of obligation and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the Combination Tax and Revenue Certificates of Obligation, Series 2020.

M/WBE INFORMATION

See Attachment I for M/WBE participation.