



Legislation Text

File #: 21-1957, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: October 27, 2021

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Elizabeth Reich

SUBJECT

An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2021, in an aggregate principal amount not to exceed \$30,500,000; **(2)** levying a tax for payment thereof; **(3)** approving the sale thereof; **(4)** approving an official statement and approving execution of a Purchase Agreement; and **(5)** and enacting other provisions relating to the subject - Not to exceed \$189,562 - Financing: 2021 Equipment Acquisition Notes Fund

BACKGROUND

On August 25, 2021, City Council authorized the preparations of plans and the payment of potential future costs and expenses for the issuances of Equipment Acquisition Contractual Obligation Notes, Series 2021 in an amount not to exceed \$30,500,000 to finance the purchase of City equipment. 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 Equipment Acquisition Contractual Obligations, Series 2021 in an amount not to exceed \$30,500,000, to finance the purchase of City equipment. This ordinance authorizes City staff and financial advisors, subject to parameters, to issue City of Dallas, Equipment Acquisition Contractual Obligations, Series 2021 in a competitive sale scheduled for November 4, 2021.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation for Issuance of Bonds	August 2021
Approval of Parameters Ordinances	October 2021
Pricing	November 2021
Delivery of Proceeds	November 2021

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on August 23, 2021. <https://dallascityhall.com/government/Council%20Meeting%20Documents/bond-sale_memo_082321.pdf>](https://dallascityhall.com/government/Council%20Meeting%20Documents/bond-sale_memo_082321.pdf)

On August 25, 2021, 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 2021, Certificates of Obligation, Series 2021, and Equipment Acquisition Contractual Obligation Notes, Series 2021, by Resolution No. 21-1358.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
2021 Equipment Acquisition Notes Fund	\$189,562.00	\$0.00	\$0.00

Attachment I provides an estimate of bond issuance costs for the proposed equipment notes and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the Equipment Acquisition Contractual Obligations, Series 2021.