



Legislation Text

File #: 21-1954, 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, General Obligation Refunding and Improvement Bonds, Series 2021 in an aggregate principal amount not to exceed \$275,125,000; **(2)** levying a tax in payment thereof; **(3)** awarding the sale thereof and approving execution of a Purchase Agreement, a Deposit Agreement and an Escrow Agreement; **(4)** approving the official statement; **(5)** enacting other provisions relating to the subject; and **(6)** declaring an effective date - Not to exceed \$829,689 - Financing: 2021 General Obligation Refunding and Improvement Bond 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 General Obligation Refunding and Improvement Bonds, Series 2021, in an amount not to exceed \$275,125,000 to refund eligible General Obligation Bonds, Series 2012 for savings and outstanding commercial paper used to finance voter-approved capital improvement projects. 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 General Obligation Refunding and Improvement Bonds, Series 2021 in an amount not to exceed \$275,125,000, to refund eligible outstanding General Obligation debt and commercial paper. This ordinance authorizes City staff and financial advisors, subject to parameters, to issue City of Dallas, General Obligation Refunding and Improvement Bonds, 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 General Obligation Refunding and Improvement Bond Fund	\$829,689.00	\$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 General Obligation Refunding and Improvement Bonds, Series 2021.