



Legislation Text

File #: 23-242, **Version:** 1

STRATEGIC PRIORITY: Government Performance & Financial Management
AGENDA DATE: February 8, 2023
COUNCIL DISTRICT(S): All
DEPARTMENT: City Controller's Office
EXECUTIVE: Jack Ireland

SUBJECT

A resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuances of **(1)** General Obligation Refunding and Improvement Bonds, Series 2023A in an amount not to exceed \$455,880,000; and **(2)** Combination Tax and Revenue Certificates of Obligation, Series 2023 in an amount not to exceed \$61,500,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future costs)

BACKGROUND

Pursuant to elections held in November 2017, the residents of Dallas voted and authorized the City to issue general obligation bonds for the purpose of providing funds for permanent public improvements. The adopted FY 2022-23 capital budget assumed the issuance of approximately \$372.7 million in General Obligation bonds and \$116.0 million in Certificates of Obligation in FY 2022-23. The City's financial advisors, PFM Financial Advisors LLC, recommend: (1) the issuance of General Obligation Refunding and Improvement Bonds, Series 2023A to refund outstanding commercial paper and up to \$81,880,000 of eligible Series 2013A obligations, and to finance capital improvement projects at the City, in an amount not to exceed \$374,000,000; and (2) issuance of Combination Tax and Revenue Certificates of Obligation, Series 2023 to finance street improvements, in an amount not to exceed \$61,500,000.

The City's financial advisors recommend collectively issuing up to \$517,380,000 in bonds and certificates of obligation for the purpose of funding capital improvements, refunding outstanding obligations for savings, and repairing structural damage to the City. The issuance and sale of the bonds and certificates of obligation is contingent upon City Council approval to begin preparations of the issuances, approval of a Notice of Intent to issue Certificates of Obligation concurrently with this item, and parameters Ordinances currently scheduled for consideration and approval by City Council in April 2023.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation for Issuance of Bonds	February 2023
Authorize Notice of Intent	February 2023
Approval of Parameters Ordinances	April 2023
Pricing	April 2023
Delivery of Proceeds	May 2023

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee was briefed on “FY 2022-23 Debt Issuance Overview,” on November 15, 2022.

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on January 23, 2023. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=11593504&GUID=DA8A6E64-A6A0-459E-80D7-B05ECDEAAD81>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=11593504&GUID=DA8A6E64-A6A0-459E-80D7-B05ECDEAAD81)

FISCAL INFORMATION

This action has no cost consideration to the City. The anticipated cost of issuance is approximately \$1,275,000 from Series 2023A General Obligation Refunding and Improvement Bond Funds and 2023 Certificates of Obligation Funds. See Attachment I.

Attachment I provides an estimate of bond issuance costs for the proposed bonds, certificates of obligation, 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 2023A and Combination Tax and Revenue Certificates of Obligation, Series 2023.