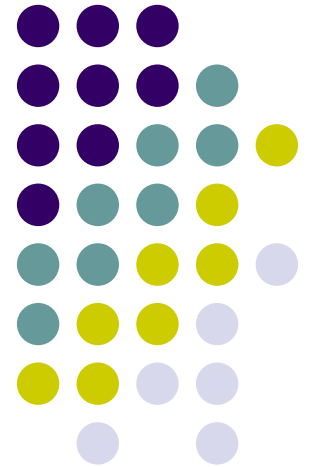
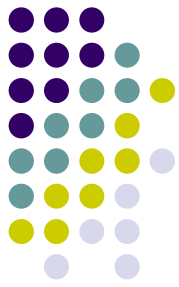


General Obligation Bond Sale May 2007

Finance, Audit & Accountability
April 9, 2007



Purpose

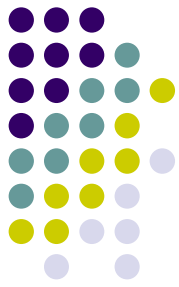


- The purpose of this briefing is to provide information regarding the sale of \$135.35m of general obligation bonds
- Seek approval of the April 25, 2007 resolution authorizing staff to proceed with the preparations for the bond sale and establishing appropriations for the bond funds

Background



- First sale of 2006 Bond Program
 - Bond Issue - \$135.4m
 - 10% of 2006 Bond Program
 - Final allocation by proposition pending Council amendments due April 11
- No GO refunding opportunities exist at this time
 - A review by the City's financial advisors reveals only a 3% net present value savings which is less than the 4% in the FMPC



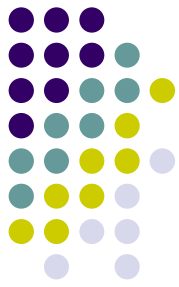
Bond Sale Overview

- Sale will be competitive with bids taken on May 23rd
- Issuance costs of \$341,406 will be paid from interest earnings on proceeds (schedule attached)
- Twenty year bonds will be callable on February 15, 2017

Schedule of Events



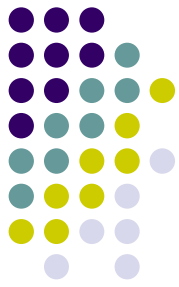
April 9	Finance, Audit & Accountability briefing
April 25	Council authorization to prepare for bond sale
May 11	Receive bond ratings
May 16	Distribute Official Statement and Notice of Sale to Bidders
May 18	Distribute Preliminary Official Statement and Representation Letters to Council
May 23	Receive and accept bids for bond sale
June 26	Deliver bonds and receive proceeds



Recommendation

- Recommend approval of the April 25 Council resolution authorizing staff to proceed with the preparations for the bond sale
 - The April 25 resolution will also establish appropriations related to this first sale from the 2006 Bond Program

Appendix



Bond Authorization Summary – Page 8

Sources and Uses – Page 9

Debt Service Schedule – Page 10

Estimated Issuance Costs – Page 11

Bond Authorization Summary



2006 Bond Program Propositions		Authorized Amount	May 2007 Sale*
1	Street and Transportation Improvements	\$390,420,000	\$39,376,338
2	Flood Protection and Storm Drainage Facilities	334,315,000	43,891,392
3	Park and Recreation Facilities	343,230,000	32,183,976
4	Library Facilities	46,200,000	3,314,579
5	Cultural Arts Facilities	60,855,000	10,332,459
6	City Hall, City Service and City Maintenance Facilities	34,750,000	825,000
7	Land Acquisition for the Development of Low and Moderate Income, Single Family Homes	1,500,000	0
8	Economic Development in the Southern Area of the City and in other areas of the City in connection with transit-oriented development	41,495,000	0
9	Farmers Market Improvements	6,635,000	0
10	Land Acquisition in the Cadillac Heights area for future location of city facilities	22,550,000	0
11	Court Facilities	7,945,000	0
12	Public Safety Facilities	63,625,000	5,426,256
Total		\$1,353,520,000	\$135,350,000

*Subject to change based on amendments to be submitted by Council on Wednesday April 11

Preliminary

City of Dallas, Texas

\$131,795,000 General Obligation Bonds, Series 2007

\$135,350,000 New Money Authorization

"Aa2/AA" Uninsured Rates as of April 2, 2007

Sources & Uses

Dated 06/01/2007 | Delivered 06/01/2007

Sources Of Funds

Par Amount of Bonds	\$131,795,000.00
Net Reoffering Premium	3,555,000.00

Total Sources **\$135,350,000.00**

Uses Of Funds

Deposit to Project Fund	135,350,000.00
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Total Uses **\$135,350,000.00**

Preliminary

City of Dallas, Texas

\$131,795,000 General Obligation Bonds, Series 2007

\$135,350,000 New Money Authorization

"Aa2/AA" Uninsured Rates as of April 2, 2007

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/01/2007	-	-	-	-	-
02/15/2008	6,590,000.00	4.000%	4,347,227.64	10,937,227.64	-
08/15/2008	-	-	2,948,912.50	2,948,912.50	-
09/30/2008	-	-	-	-	13,886,140.14
02/15/2009	6,590,000.00	4.000%	2,948,912.50	9,538,912.50	-
08/15/2009	-	-	2,817,112.50	2,817,112.50	-
09/30/2009	-	-	-	-	12,356,025.00
02/15/2010	6,590,000.00	5.000%	2,817,112.50	9,407,112.50	-
08/15/2010	-	-	2,652,362.50	2,652,362.50	-
09/30/2010	-	-	-	-	12,059,475.00
02/15/2011	6,590,000.00	5.000%	2,652,362.50	9,242,362.50	-
08/15/2011	-	-	2,487,612.50	2,487,612.50	-
09/30/2011	-	-	-	-	11,729,975.00
02/15/2012	6,590,000.00	5.000%	2,487,612.50	9,077,612.50	-
08/15/2012	-	-	2,322,862.50	2,322,862.50	-
09/30/2012	-	-	-	-	11,400,475.00
02/15/2013	6,590,000.00	5.000%	2,322,862.50	8,912,862.50	-
08/15/2013	-	-	2,158,112.50	2,158,112.50	-
09/30/2013	-	-	-	-	11,070,975.00
02/15/2014	6,590,000.00	5.000%	2,158,112.50	8,748,112.50	-
08/15/2014	-	-	1,993,362.50	1,993,362.50	-
09/30/2014	-	-	-	-	10,741,475.00
02/15/2015	6,590,000.00	5.000%	1,993,362.50	8,583,362.50	-
08/15/2015	-	-	1,828,612.50	1,828,612.50	-
09/30/2015	-	-	-	-	10,411,975.00
02/15/2016	6,590,000.00	5.000%	1,828,612.50	8,418,612.50	-
08/15/2016	-	-	1,663,862.50	1,663,862.50	-
09/30/2016	-	-	-	-	10,082,475.00
02/15/2017	6,590,000.00	5.000%	1,663,862.50	8,253,862.50	-
08/15/2017	-	-	1,499,112.50	1,499,112.50	-
09/30/2017	-	-	-	-	9,752,975.00
02/15/2018	6,590,000.00	5.000%	1,499,112.50	8,089,112.50	-
08/15/2018	-	-	1,334,362.50	1,334,362.50	-
09/30/2018	-	-	-	-	9,423,475.00
02/15/2019	6,590,000.00	4.500%	1,334,362.50	7,924,362.50	-
08/15/2019	-	-	1,186,087.50	1,186,087.50	-
09/30/2019	-	-	-	-	9,110,450.00
02/15/2020	6,590,000.00	4.500%	1,186,087.50	7,776,087.50	-
08/15/2020	-	-	1,037,812.50	1,037,812.50	-
09/30/2020	-	-	-	-	8,813,900.00
02/15/2021	6,590,000.00	4.500%	1,037,812.50	7,627,812.50	-
08/15/2021	-	-	889,537.50	889,537.50	-
09/30/2021	-	-	-	-	8,517,350.00
02/15/2022	6,590,000.00	4.500%	889,537.50	7,479,537.50	-
08/15/2022	-	-	741,262.50	741,262.50	-
09/30/2022	-	-	-	-	8,220,800.00
02/15/2023	6,590,000.00	4.500%	741,262.50	7,331,262.50	-
08/15/2023	-	-	592,987.50	592,987.50	-
09/30/2023	-	-	-	-	7,924,250.00
02/15/2024	6,590,000.00	4.500%	592,987.50	7,182,987.50	-
08/15/2024	-	-	444,712.50	444,712.50	-
09/30/2024	-	-	-	-	7,627,700.00
02/15/2025	6,590,000.00	4.500%	444,712.50	7,034,712.50	-
08/15/2025	-	-	296,437.50	296,437.50	-
09/30/2025	-	-	-	-	7,331,150.00
02/15/2026	6,590,000.00	4.500%	296,437.50	6,886,437.50	-
08/15/2026	-	-	148,162.50	148,162.50	-
09/30/2026	-	-	-	-	7,034,600.00
02/15/2027	6,585,000.00	4.500%	148,162.50	6,733,162.50	-
09/30/2027	-	-	-	-	6,733,162.50
Total	\$131,795,000.00	-	\$62,433,802.64	\$194,228,802.64	-

Yield Statistics

Bond Year Dollars	\$1,344,993.69
Average Life	10.205 Years
Average Coupon	4.6419402%
Net Interest Cost (NIC)	4.3776267%
True Interest Cost (TIC)	4.3066430%
Bond Yield for Arbitrage Purposes	4.2315467%
All Inclusive Cost (AIC)	4.3066430%

IRS Form 8038

Net Interest Cost	4.2197766%
Weighted Average Maturity	10.127 Years

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**General Obligation Bonds,
\$135,350,000**

Estimate of Total Bond Issuance Costs and M/WBE Participation

Co-Bond Counsel	Cost	Percent
Vinson & Elkins	\$ 101,500	29.7%
West & Associates	45,303	13.3%
 Co-Financial Advisors		
First Southwest Company	61,926	18.1%
Estrada Hinojosa	41,284	12.1%
 Out-of-Pocket Expenses		
First Southwest Company	10,000	2.9%
 Official Statement Typing		
First Southwest Company	1,500	0.4%
 Official Statement Printing		
Munoz Printing Co.	8,000	2.3%
 Rating Agencies		
Moody's Investors Service	26,393	7.7%
Standard & Poor's	28,000	8.2%
 Auditor		
KPMG L.L.P.	8,000	2.3%
 Filing Fee		
Attorney General	<u>9,500</u>	<u>2.8%</u>
 Total Issuance Costs	 <u><u>\$ 341,406</u></u>	 <u><u>100%</u></u>
 Total M/WBE Participation as % of Total Issuance Costs:	 27.7%	