

# Memorandum



CITY OF DALLAS

DATE December 9, 2022

TO Honorable Mayor and Members of the City Council

SUBJECT **December 14, 2022, Council Agenda Item 22-2696: Master Lease Program Update**

The Master Lease Program (MLPP) is a lease finance program used by the City to finance capital equipment and technology items. The City has used this program since FY 2011-12. Master Lease drawdowns are used to pay invoices or provide up-front funding for projects. The City is required to make lease payments to repay the principal and interest on the lease. When the lease is fully paid, possession of the equipment or other financed project is transferred to the city.

The MLPP provides tax-exempt financing pursuant to the Public Property Finance Act, Texas Local Government Code §271.001. Due to the tax-exempt financing of the program, specific language is required in the resolution for each item financed by the MLPP presented to City Council for approval. The resolution should list the expenditures that will be reimbursed, the authorization to execute the master lease agreement, and estimated useful life. While reviewing master lease documents, we discovered five resolutions that did not include the reimbursement language. On December 14, City Council will consider agenda item 22-2696 that will provide corrections to the following resolutions.

City Council Date	Resolution Number	Action
08/28/2019	19-1274	Purchase of fleet vehicles and equipment
09/11/2019	19-1407	Purchase of surveillance equipment
12/11/2019	19-1919	Purchase of hand and power tools
04/22/2020	20-0625	Purchase of public safety hardware and software camera systems
11/11/2020	20-1808	Purchase of voice and data network services, monitoring, and maintenance

If you have any questions or need additional information, please contact Janette Weedon, Director of Budget & Management Services.

Jack Ireland  
Chief Financial Officer

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C: Honorable Mayor and Members of the City Council  
T.C. Broadnax, City Manager  
Chris Caso, City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager

Jon Fortune, Deputy City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors