



City of El Paso

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Debt Management Policy  
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Fiscal Operations Division

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**The mission of the Office of the Comptroller is to provide fiscal management and financial reporting, administer treasury services and provide grant accounting information to City Management and elected officials so that they can make informed decisions regarding the provisions of City services.**

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# The City of El Paso

## Debt Management Policy

### 1.0 POLICY

It is the policy of the City of El Paso (“City”) to develop and maintain a sound debt management program. This policy sets forth the parameters for issuing new debt as well as managing the outstanding debt portfolio, identifying the types and amounts of permissible debt, maintaining the current bond rating in order to minimize borrowing costs and preserving access to credit. It is the intent of the City to establish this policy to provide guidance to staff to:

- Ensure high quality debt management decisions;
- Ensure that debt management decisions are viewed positively by rating agencies, the investment community and the citizenry-at-large;
- Ensure support for debt issuances both internally and externally;
- Demonstrate a commitment to long-term financial planning.

### 2.0 SCOPE

The City of El Paso Debt Management Policy (this “Policy”) applies to all debt instruments issued by the City regardless of the funding source. Funding sources can be derived from ad valorem taxes, general City revenues, enterprise fund revenues or any other identifiable source of revenue that may be identified for appropriate pledging for bonded indebtedness.

### 3.0 OBJECTIVES

The primary objective of this Policy is to ensure that the City establishes and maintains a solid position with respect to its debt service fund. It is intended to demonstrate that proceeds from long-term debt will not be used for current operations but rather for capital improvements and other long-term assets.

The City prepares Capital Improvement Plan (CIP) budgets which are presented to City Council for approval. Since the aggregate cost of desired capital projects generally exceeds available funds, the capital planning process prioritizes projects and identifies the funding needs. Debt is issued for CIP in accordance with this policy. Other objectives include: bonds will be paid back within a period not to exceed, and preferably sooner than, the expected useful life of the capital project; decisions will be made based on a number of factors and will be evaluated against long-term goals rather than a short-term fix; and the debt service funds will be managed and invested in accordance with all federal, state and local laws.

### 4.0 STRUCTURE OF DEBT

Debt service will be structured, to the greatest extent possible, to match projected cash flows, minimize the impact of future property tax levies, and maintain a relatively rapid payment of principal. The term of the debt issuance should equal the lesser of the useful life of the asset being financed or the maximum maturity permitted by State law for the obligations issued to finance the acquisition and/or construction of the asset.

#### **4.1 Fixed Interest versus Variable Interest**

The City primarily issues fixed rate bonds to protect the City against interest rate risk. The City has the option to issue variable rate bonds and may, if market conditions warrant, consider such a structure. Commercial paper notes, due to their short-term maturities (365 days or less), are treated as variable rate obligations.

#### **4.2 Other Considerations**

Bonds are generally issued with an average life of 26 years or less for general obligation bonds, certificates of obligation and revenue bonds but may be greater for some projects such as landfills and major utility facilities whose lives are greater than 20 years. Typically, interest is paid in the first fiscal year after a bond sale, and generally principal is paid no later than two years after the debt is issued. Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the City. The targeted maximum length to call is 10 years. However, the City may opt for a call date longer than 10 years in order to achieve the necessary goals of the particular issue.

### **5.0 FINANCING ALTERNATIVES**

It is the City's intent to develop a level of cash and debt funded capital improvement projects that provide the citizens with the desired amount of City services at the lowest cost. The City may use both, general obligation bonds or certificates of obligations, as deemed appropriate by City staff and approved by Council. Generally, proceeds from bonded indebtedness are to be used only for capital expenditures related to the acquisition, construction, improvement or renovation of a City facility or public access roads as well as any permanent public improvement or asset purchase or such other purposes permitted by the City Charter and applicable law.

#### **5.1 General obligations bonds will be used if the following criteria are met:**

- The size of the issuances is based on the capital funding needs of the City at a particular time and the recommendation of the Chief Financial Officer (CFO) in conjunction with the City's bond counsel and financial advisor
- Funds will be used for new and expanded facilities, major repair/ renovations to existing facilities, quality-of-life projects, public safety projects and debt refunding
- Useful lives of assets acquired will be fifteen (15) years or more; or will extend the useful life of an asset for more than fifteen (15) years
- Voter authorized debt except for bond refundings as per section 7.4

**5.1.1** The total dollar amount of bond election propositions recommended to the voters shall not exceed the City's estimated ability to issue said bonds within a normal 10-year period.

**5.1.2** The use of reimbursement resolutions may be used as a cash management tool for general obligation debt funded projects.

**5.1.3** The City may choose to issue general obligation debt which will be issued for the following projects/acquisitions:

- Quality-of-Life (QOL) projects
- Construction of new facilities, park projects, zoo projects, and other projects as approved by the voters
- Capital asset acquisitions (heavy equipment, vehicles, IT equipment, etc.)

- Rehabilitation and/or extension of the useful life of existing facilities, including existing QOL facilities, by more than 15 years
- Street infrastructure projects
- Street resurfacing, street lights, ADA modifications, traffic calming devices, storm water/drainage work, and small equipment related to QOL projects
- Public safety projects
- Any other purpose permitted by City Charter and applicable laws

## **5.2 Quality of Life – General Obligation Bonds**

QOL projects are defined as capital improvement and/or facility projects including, but not limited to, the City's parks, museums, zoo, libraries, capital asset acquisitions, non-public safety facilities, and entertainment, sports and amusement-type facilities which will improve the quality of life for City residents.

The criteria for use of the QOL bond proceeds will be effective from the date of the bond issue until the projects are complete or the QOL bond proceeds are exhausted.

Capital assets financed with QOL general obligation debt shall have a value of at least \$5,000 and a useful life of at least three years. This is an exception to the general obligation bonds as per section 5.1 in order to fully equip and furnish QOL facilities to be ready for the public use. The project value will sometimes include individual items or a group of items within the same asset category that are combined to form one unit (group asset), which is needed to bring a project to completion and available for public use.

Additional approved uses may include street resurfacing, street lights, ADA modifications, traffic calming devices, storm water/drainage, library books and materials, works of art, and small equipment related to the QOL projects.

## **5.3 Certificates of Obligation – For Issuances less than \$100 million**

It is the City's priority to fund the majority of capital projects with voter-approved debt. However, on occasion, it becomes necessary to seek additional financing in order to make necessary infrastructure improvements, renovate existing facilities, and extend the useful life of an asset. Certificates of Obligation (CO) will be issued for the following projects/acquisitions:

- Capital asset acquisitions (heavy equipment, vehicles, IT equipment, etc.)
- Rehabilitation and/or extension of the useful life of existing facilities, including existing QOL facilities, by more than three years
- Street resurfacing
- Unpaved right-of-ways
- ADA retrofitting/rehabilitation projects
- Street lighting
- Infrastructure projects (street and draining work)
- Emergency city facilities rehabilitation
- Major core service facilities (police, fire, streets, etc.)
- Complete or enhance QOL projects previously approved by voters and subsequently approved additional funding by City Council

Notwithstanding the policy set forth herein and in section 5.1, CO's or other long-term debt may be considered if one or more of the following criteria are met:

- There is need to complete or enhance QOL projects previously approved by voters
- The need for the project is urgent and immediate
- The project(s) is necessary to prevent an economic loss to the City
- Source of revenue is specific and can be expected to cover the additional debt
- The expected debt is the most cost effective financing option available

In addition, the average maturity of non-voter approved debt shall not exceed the average life of the project financed. Capital items financed with long-term CO debt shall have a value of at least \$5,000 and a life of at least 3 years.

Reimbursement resolutions may be used for projects funded through CO's.

#### **5.4 Certificates of Obligations – Enterprise Fund**

CO's for an enterprise system will be limited to only those projects, which can demonstrate the capability to support the long-term debt either through its own revenues or another pledged source other than ad valorem taxes and meet the same criteria as outlined in 5.3 above.

#### **5.5 Revenue Bonds**

Revenue bonds will be issued for projects that generate revenues that are sufficient to repay the debt. Except where otherwise required by State Statutes, revenue bonds may be issued without voter approval and only in accordance with the laws of Texas.

#### **5.6 Conduit Debt**

The City may sponsor conduit financings for those activities that serve a public purpose, are in the best interest of the City, and adhere to Texas law. All conduit financings must insulate the City to the greatest extent possible from any credit risk or exposure and must be approved by the City Council.

#### **5.7 Special Assessment Bonds**

Special assessment bonds are a special type of municipal bond used to fund development projects that benefit a discrete group of tax payers within a special assessment district. Principal and interest owed on the bonds is paid from assessments on the property benefiting from the particular bond-funded project. The creation of an improvement district must be approved by the City Council and be created and managed pursuant to all applicable laws. The City traditionally has made limited use of special assessment debt.

#### **5.8 Commercial Paper**

Commercial paper can be used as a source of short-term financing for projects that have received voter authorization if City staff has determined that such financing is prudent. It is the policy of the City that the net amount (total commercial paper less the investment portfolio) of commercial paper outstanding not exceed 25% of the amount of fixed rate debt outstanding. Commercial paper will be converted to refunding bonds when dictated by economic and business conditions.

## 5.9 Other Debt Obligations

The use of other debt obligations, permitted by law, including but not limited to public property finance act contractual obligations, pension obligation bonds, tax notes, and lease purchase obligations, will be reviewed on a case-by-case basis. The criteria in 5.3 above will be considered for the use of these obligations.

## 6.0 METHODS OF SALE

The City may use competitive sales, negotiated sales, or private placements. When considering the method of sale, the City will take the following conditions into consideration:

- Financial conditions;
- Market conditions;
- Transaction-specific conditions;
- City-related conditions; and
- Risks associated with each method.

### 6.1 Additionally, the City considers the following criteria when determining the appropriate method of sale for any debt issuance:

**6.1.1** Complexity of the Issue – Municipal securities with complex security features require greater marketing and buyer education efforts on the part of the underwriter, to improve the investors' willingness to purchase.

**6.1.2** Volatility of Bond Yields – If municipal markets are subject to abrupt changes in interest rates, there may be a need to have some flexibility in the timing of the sale to take advantage of positive market changes or to delay a sale in the face of negative market changes.

**6.1.3** Familiarity of Underwriters with the City's Credit Quality – If underwriters are familiar with the City's credit quality, a lower True Interest Cost ("TIC") may be achieved. Awareness of the credit quality of the City has a direct impact on the TIC an underwriter will bid on an issue. Therefore, where additional information in the form of presale marketing benefits the interest rate, a negotiated sale may be recommended. The City strives to maintain an excellent bond rating. As a result, the Municipal Bond Market is generally familiar with the City's credit quality.

**6.1.4** Size of the Issue - The City may choose to offer sizable issues as negotiated so that pre-marketing and buyer education efforts may be done to more effectively promote the bond sale.

### 6.2 Definitions of the Methods of Sale

A **competitive sale** is when bonds are awarded in a sealed bid sale to an underwriter or syndicate of underwriters that provides the lowest TIC bid. TIC is defined as the rate, which will discount the aggregate amount of debt service payable over the life of the bond issue to its present value on the date of delivery. In today's market, bids primarily are submitted electronically through a secure website.



A **negotiated sale** is when the City chooses an underwriter or underwriting syndicate, generally from the pool selected through its Request for Qualification (“RFQ”) process that is interested in reoffering a particular series of bonds to investors. The terms of the sale including the size of the underwriter’s discount, date of sale, and other factors are negotiated between the two parties. Although the method of sale is termed negotiated, individual components of the sale may be competitively bid. The components are subject to a market analysis and reviewed prior to recommendation by staff. Negotiated sales are more advantageous when there needs to be some flexibility in the sale date or when less conventional bond structures are being sold. Negotiated sales are also often used when the issue is particularly large or if the sale of the debt issuance would be perceived to be more successful with pre-marketing efforts.

A **private placement** is a sale of debt securities to a limited number of sophisticated investors. The City may engage a placement agent to identify likely investors. A private placement is beneficial when the issue size is small or when the security of the bonds is weak since the private placement permits issuers to sell riskier securities at a higher yield to investors that are familiar with the credit risk.

## **7.0 REFUNDING OF DEBT**

- 7.1** Refunding bonds are issued to retire all or a portion of an outstanding debt issue. Most typically this is done to refinance at a lower interest rate to achieve debt service cost savings. From time to time, the City may also issue refunding debt for purposes of restructuring debt, changing covenants, and/or changing the repayment source of the bonds. Such purpose should be specifically recognized by City Council.
- 7.2** Advance refunding and forward delivery refunding transactions for savings should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 3% (three percent).
- 7.3** Current refunding transactions issued for savings should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 2% (two percent).
- 7.4** General obligation bonds will be issued for refunding debt upon City Council approval. This issuance does not require voter approval.
- 7.5** When an escrow account will be used, the City may seek to purchase State and Local Government Securities (SLGS) to fund its refunding escrow. However, at the discretion of the CFO, the City may choose to fund an escrow through the purchase of treasury or agency securities on the open market when market conditions make such an option financially preferred.

## **8.0 DEBT LIMITS**

- 8.1** The total principal amount of general obligation bonds together with the principal amount of all other outstanding tax-supported indebtedness of the City shall not exceed 10% (ten percent) of the total taxable assessed valuation of the City’s tax rolls. (International City/County Management Association (ICMA) indicator 21)

Formula:

$$\frac{\text{Net direct bonded long-term debt}}{\text{Total taxable assessed valuation}}$$

*Net direct bonded long-term debt* is defined as direct debt minus self-supporting debt.

*Direct debt* is defined as bonded debt for which the local government has pledged its full faith and credit.

*Self-supporting debt* is bonded debt that the local government has pledged to repay from a source separate from its general tax revenues.

- 8.2** Net direct debt service as a percent of Net Operating Revenues should not exceed 20% (twenty percent). (ICMA indicator 21)

Formula:

$$\frac{\text{Net direct debt service}}{\text{Net operating revenues}}$$

*Net direct debt service* is the principal covered by ad valorem taxes.

*Net operating revenues* are the total revenues to the general, special revenue and debt service funds before any inter-fund transfer and less those revenues legally restricted to capital improvements or other special purposes. (*Evaluating Financial Condition: A Handbook for Local Government, 2003, ICMA*)

## **9.0 MATURITY LEVELS**

- 9.1** The term of debt shall not exceed the expected useful life of the capital asset being financed and in no case shall it exceed 30 years. The average general obligation bond maturities shall be kept at or below 26 years.

## **10.0 MANAGEMENT OF DEBT SERVICE FUND**

- 10.1** Interest earnings from unspent proceeds related to general obligation bonds and certificates of obligation shall be used solely to fund direct or related capital expenditures or to service current and future debt payments as determined by City Council in accordance to the bond ordinance. Interest earnings will be allocated in accordance with the City's Investment Policy, adopted annually by Council, and/or the bond ordinance which authorized the specified debt obligation.
- 10.2** Debt service reserves for tax-supported debt shall not exceed a three-month reserve of the current year total debt service expenditure budget (i.e. Total Annual Debt Service Budget/12-months x 3 months). If this reserve balance is exceeded after the last debt payment of the fiscal year, a plan should be adopted to reduce the size of the reserves as quickly as possible without causing large variances in the ad valorem property tax rate.
- 10.3** The minimum debt service fund balance should exceed the debt service portion of the largest taxpayer's tax levy for the ensuing fiscal year.
- 10.4** Debt service reserves for revenue bonds shall be maintained at levels required by controlling bond ordinances.
- 10.5** The City adopted GASB 89 in regard to Capitalized Interest Cost. In financial statements prepared using the economic resources measurement focus, interest

cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred. Such interest cost should not be capitalized as part of the historical cost of a capital asset. In financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. (Governmental Accounting Standards Board, Statement 89)

**10.6** The City does not use derivatives in any debt or investment activities.

## **11.0 ARBITRAGE**

In a municipal bond context, **arbitrage** refers to investment earnings which a local government makes on funds which are borrowed in the tax-exempt market and invested in the taxable market. Generally, federal tax law prohibits the investment of bond proceeds at a yield which is materially higher than the yield on the bonds (i.e., prohibits positive arbitrage). As a result of this general prohibition, the City's issuance of tax-exempt indebtedness is governed by federal yield restriction rules (rules which govern whether and the extent that bond proceeds may be invested at a yield higher than the yield on the bonds) and rebate rules (rules which govern when arbitrage earned must be "rebated" to the federal government).

The City finances certain capital projects and debt refinancing through the issuance of tax-advantaged debt and it is the City's policy to comply with all applicable laws, regulations and contracts applicable to the debt.

Tax-advantaged bonds (tax-exempt, tax credit and direct pay) are obligations that receive preferential tax treatment under the Internal Revenue Code (the "Code"). Tax-advantaged status remains throughout the life of the debt, but this status may be lost if certain federal laws do not remain satisfied. Failure by the City to comply with these laws at any time during the life of the debt may result in the retroactive and prospective loss of the tax-advantaged status of the debt or the imposition of additional taxes or assessments on the City. Therefore, the Financial and Audit Oversight Committee was created with the purpose of overseeing policies set forth.

The City shall comply with all arbitrage rebate requirements as established by the Internal Revenue Service and the CFO shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking project expenditures financed with bond proceeds, tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding tax-exempt debt issues. The City enters into an agreement with an arbitrage service provider to assist the City with complying with arbitrage regulations.

## **12.0 CONTINUING DISCLOSURE**

The City will comply when applicable with Rule 15(c)2-12 of the Securities and Exchange Commission by filing an annual report and annual financial information with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA). The City will also coordinate filing reportable events in EMMA with the Municipal Financial Advisor within 10 days of event taken place.

## **13.0 FINANCIAL OVERSIGHT AND AUDIT COMMITTEE**

The Financial Oversight and Audit Committee (FOAC), was created by the City Council by Resolution dated August 21, 2012 (the "Committee") and is responsible for reviewing and making recommendations to the entire City Council regarding the financial affairs and policies

of the City, including City compliance with post-issuance federal tax requirements for the City's tax-advantaged debt. The CFO has the primary operating responsibility for establishing and maintaining the policy and guidelines to support compliance and for monitoring compliance on an ongoing basis with post-issuance federal tax requirements for the tax-advantaged debt. The policy and guidelines shall describe the processes used to ensure compliance with applicable laws, regulations and contracts, and identify the positions and individuals responsible for these processes. The guidelines should be consistent with those items referenced in IRS Publication 5091 Voluntary Compliance for Tax-Exempt and Tax Credit Bonds. To aid in ensuring compliance, staff will utilize the Post-issuance Compliance Policy and checklist developed by the Office of the Comptroller with the assistance of the Arbitrage Consultant, Bond Council and Municipal Financial Advisor. The CFO shall also consider options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Tax Exempt Bonds Voluntary Closing Agreement Program (TEB VCAP)) and shall take corrective action when necessary as established by the City's Post-issuance Compliance Policy Section 10.

#### **14.0 DEBT SERVICE TAXRATE**

Council shall adopt the necessary debt service tax rate up to a maximum amount of forty cents (40 ¢) per \$100 valuation in order to meet debt service principal, interest and fee payments, net of transfers, for each particular fiscal/budget year, subject to any reserve availability as outlined in 10.2 above.

#### **15.0 RATINGS**

- 15.1** The City will strive to maintain good relationships with bond rating agencies as well as disclose financial reports and information to these agencies and to the public.
- 15.2** The City will obtain a rating from at least one nationally recognized bond-rating agency on all issues being sold on the public market.
- 15.3** Timely disclosure of annual financial information including other information will be provided to the rating agencies. The Annual Comprehensive Financial Report (ACFR) will be prepared by management and attested to by an outside nationally recognized audit firm.
- 15.4** Timely disclosure of any pertinent financial information that could potentially affect the City's credit rating will also be presented to the ratings agencies, required information repositories, bond insurance companies insuring City debt, and commercial banks providing liquidity support for commercial paper programs.

#### **16.0 SELECTION OF FINANCIAL ADVISORS**

- 16.1** In order to obtain the best price, achieve a high level of quality service, promote fairness and objectivity, and allow the City to compare Financial Advisors, the City will prepare a RFQ to select a Financial Advisor at least once every five years. City staff should review ongoing contracts periodically to ensure that the selected Financial Advisor is performing at a satisfactory level.
- 16.2** The Financial Advisor selected will provide financial advisory services related to the authorization and issuance of debt instruments or other securities as well as debt management planning services as requested by the City.
- 16.3** Any RFQ developed should provide, at a minimum, a clear and concise description of the scope of work, specify the length of the contract and indicate whether joint proposals

with other firms are acceptable; include objective selection criteria and explain how proposals will be evaluated; and require all fee structures to be presented in a standard and clear format. In addition, the RFQ should include questions that distinguish firms' qualifications and experience, including relevant experience of the firm and the particular individuals assigned to the issuer.

## **17.0 SELECTION OF UNDERWRITERS**

- 17.1** In order to obtain the best price, achieve a high level of quality service, promote fairness and objectivity, and allow the City to compare underwriters, the City will prepare a RFQ to select underwriters at least once every five years. Although the City anticipates using this RFQ as the basis for selecting Underwriters for all future debt issuances for general obligation, contractual obligations, revenue bonds and other such type debt, the City may solicit underwriters for certain future debt instruments that it determines require additional consideration or specialty such as pension obligation debt issuances.
- 17.2** A list of selected underwriters will be developed from responses to the RFQ process, which shall be provided to Council for its approval. This list will be used on a rotation basis from which to select underwriters for a particular transaction. City staff should review ongoing contracts periodically to ensure that the selected underwriter(s) are performing at a satisfactory level.
- 17.3** Any RFQ developed should provide, at a minimum, a clear and concise description of the scope of work, specify the length of the contract and indicate whether joint proposals with other firms are acceptable; include objective selection criteria and explain how proposals will be evaluated; and require all fee structures to be presented in a standard and clear format. In addition, the RFQ should include questions related distinguish firms' qualifications and experience, including relevant experience of the firm and the particular individuals assigned to the issuer.

## **18.0 SELECTION OF BOND COUNSEL**

- 18.1** The CFO shall coordinate with the City Attorney on the recommendation of bond counsel for debt issues. The recommendation will be submitted to the City Manager and upon approval by the City Manager, will then be forwarded to the City Council for final authorization and approval. Bond counsel will have comprehensive municipal debt knowledge and experience. When the bond counsel has been selected, they are responsible for providing an opinion to investors in two specific areas. The bond counsel must opine to investors that the securities are valid and legally binding obligations of the issuer. Then, the bond counsel will opine on whether the interest on the bonds is exempt from federal taxation.
- 18.2** The bond counsel also prepares all bond documents necessary to execute the bond issuance. The bond counsel is responsible for coordinating with the City Attorney's office, City Clerk's office, and the Chief Financial Officer's Portfolio, as well as the City's financial advisor, to ensure that all tasks associated with the bond issuance are completed within prescribed timeframes. To the extent required by State law, bond counsel is responsible for coordinating with the Office of the Attorney General and the Office of the Comptroller of Public Accounts of the State of Texas matters relating to the approval of City obligations. The City values continuity in maintaining a relationship with bond counsel due to the complexity of issues and laws related in issuing municipal bonds. However, the City reserves the right to conduct a formal request for qualifications process.

## **19.0 SELECTION OF ARBITRAGE REBATE COMPLIANCE SERVICES**

- 19.1** In order to obtain the best price, achieve a high level of quality service, promote fairness and objectivity, and allow the City to compare companies offering arbitrage rebate compliance services, the City will prepare a RFQ to select a company at least once every five years. City staff should review ongoing contracts periodically to ensure that the selected company is performing at a satisfactory level.
- 19.2** The company selected will provide arbitrage rebate compliance services related to the long-term tax exempt bonds and other tax exempt financing arrangements that are subject to the arbitrage rebate requirements in accordance with the applicable provisions of the Internal Revenue Code of 1986, as amended and the Treasury Regulations applicable to the long-term obligations.
- 19.3** Any RFQ developed should provide, at a minimum, a clear and concise description of the scope of work, specify the length of the contract and indicate whether joint proposals with other firms are acceptable; include objective selection criteria and explain how proposals will be evaluated; and require all fee structures to be presented in a standard and clear format. In addition, the RFQ should include questions that distinguish firms' qualifications and experience, including relevant experience of the firm and the particular individuals assigned to the issuer.

## **20.0 DEBT MANAGEMENT POLICY REVIEW**

This Debt Management Policy shall be reviewed at least biennially by the City Council and any modifications must be adopted by Council.