



CITY OF EL PASO

2026 Debt Issuance, Refunding, and Redemption / Defeasance

Agenda

- Debt Outstanding/Limits
- Bond/Project Expenditure Status
- New Bond Issuance
- Bond Refunding
- Bond Redemption/Defeasance
- Debt Service Tax Rate Impact
- Schedule of Events



Financing Team

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- **City of El Paso**
 - *Dionne Mack – City Manager*
 - *Robert Cortinas – Chief Financial Officer/Deputy City Manager*
 - *Margarita Munoz– Deputy CFO/Comptroller*
 - *Karla Nieman – City Attorney*
- **Municipal Advisor - Hilltop Securities, Inc.**
 - *Maria Fernanda Urbina – Managing Director*
- **Bond Counsel – Norton Rose Fulbright**
 - *Paul Braden - Head of Public Finance, United States*
- **Underwriter Syndicate**
 - *Jeffries (Lead), Piper Sandler & Co., Morgan Stanley, Cabrera Capital Markets, LLC., Ramirez & Co., Inc.*

Debt Management

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Provides ability to invest in essential infrastructure
- Ensures the City can meet obligations without financial strain
- Sustains and improves the credit rating, which is vital for lower borrowing costs

Strong Financial Governance

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

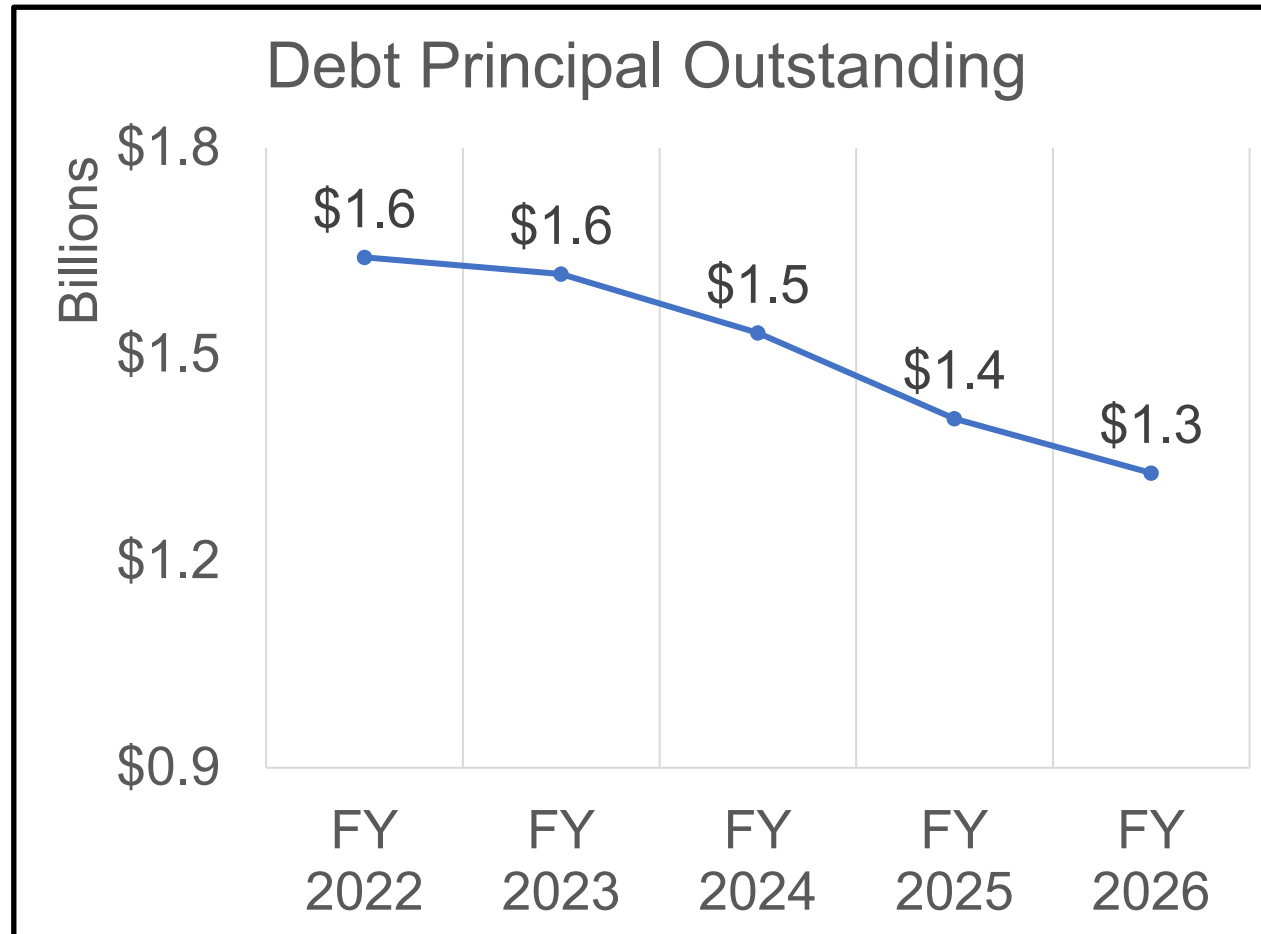
REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Strong financial governance supports future investment capacity
- Strong audit results support market confidence and credit strength
- Credibility can help preserve borrowing capacity for capital projects
- Audit outcome reinforces trust with residents, investors, and stakeholders

Long-Term Debt Outstanding

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.



- Repayment, refundings, and defeasances has led to:
 - \$300 million, or 19%, reduction in debt principal since 2022
 - Almost \$200 million reduction in interest

Debt Limits

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

Measure	Maximum	Actual
Total principal amount of tax-supported indebtedness to total taxable assessed valuation	10%	2.3%
Net direct debt service as a percent of Net Operating Revenues	20%	8.9%
Council shall annually adopt the necessary debt service tax rate in order to meet debt service requirement (set by Policy)	40 ¢	21 ¢

Current Bond Ratings

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

	Rating	Description
Investment-grade	AAA	Lowest level of credit risk
	AA+, AA, AA-	Very low credit risk
	A+, A, A-	Low credit risk
	BBB+, BBB, BBB-	Moderate credit risk
	BB+, BB, BB-	Substantial credit risk
Non-investment-grade	B+, B, B-	High credit risk
	CCC+, CCC, CCC-	Very high credit risk
	CC	Highly speculative
	C	Highest level of credit risk
	D	Currently in default

City’s Ratings are investment grade with very low credit risk:

- S&P = AA
- Fitch = AA
- Kroll = AA+

Bond Status

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

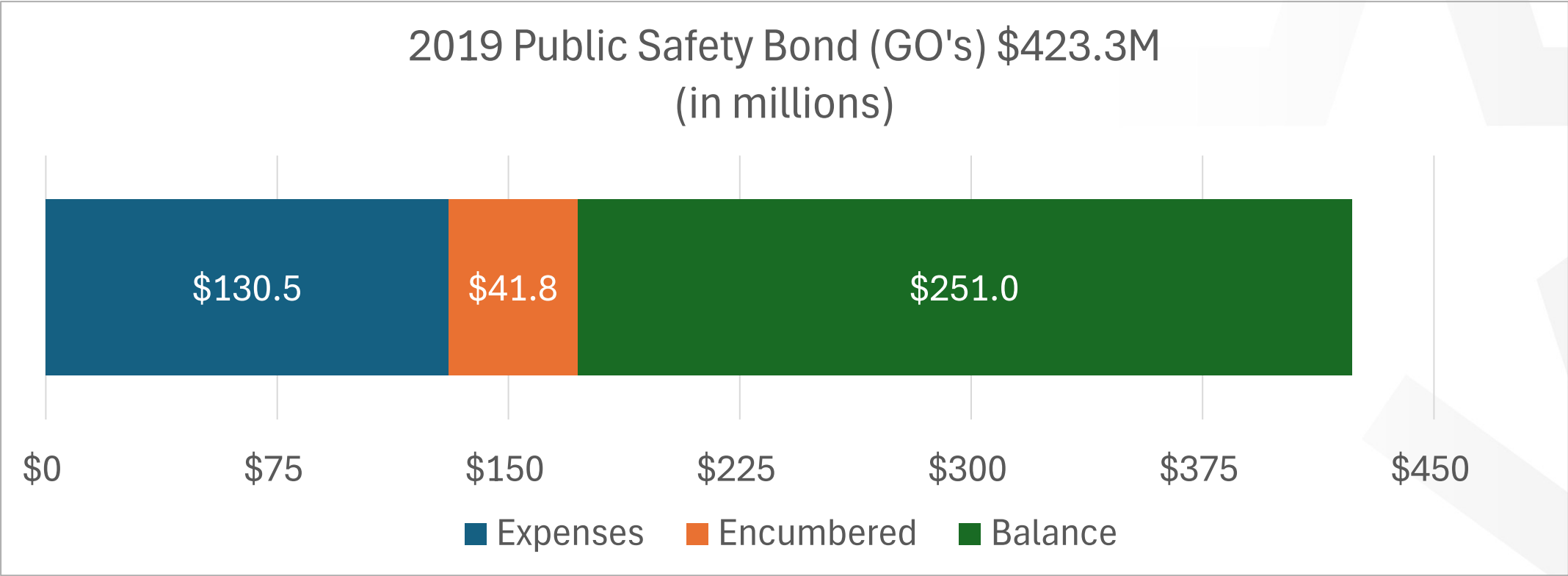
	Public Safety Bond	Community Progress Bond	SIB Loan	Total
Total Approved Amount	413,122,650	272,480,000	29,087,859	714,690,509
Debt Issued	167,297,200	46,100,000	7,364,726	220,761,926
Remaining to Issue	\$245,825,450	\$226,380,000	\$21,723,133	\$493,928,583

Public Safety Bond Project Expenditure Status

(as of Feb. 28, 2026)

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

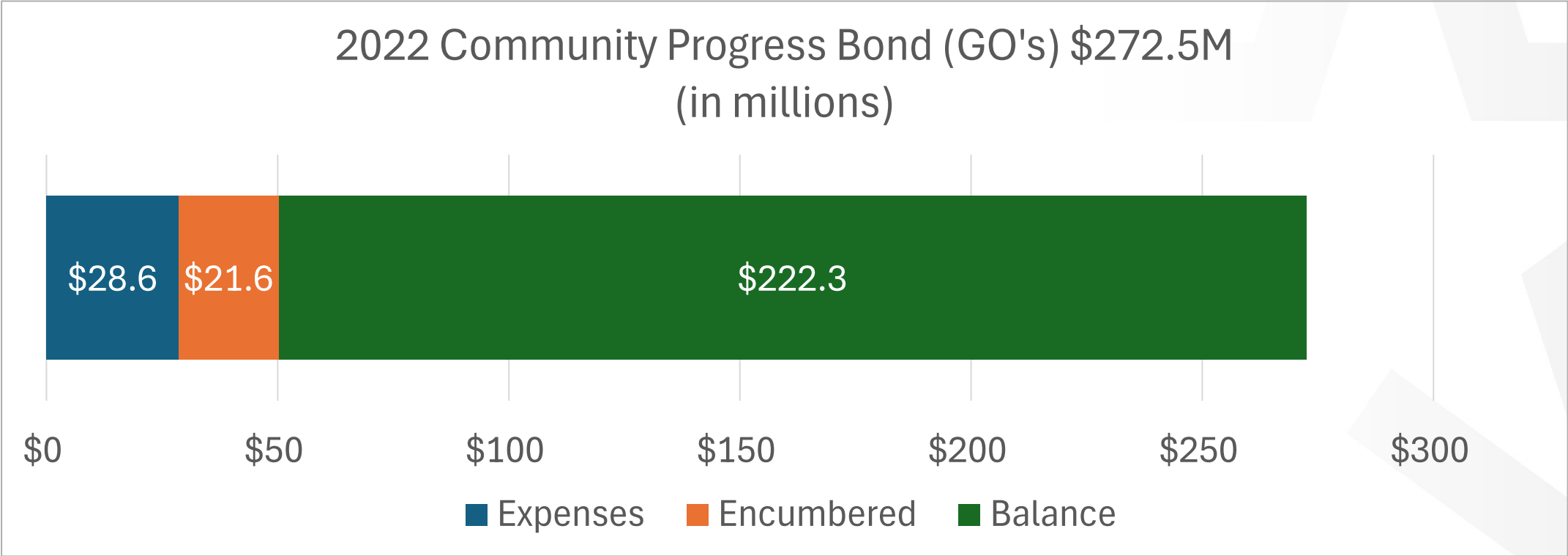
REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.



Community Progress Bond Project Expenditure Status (as of Feb. 28, 2026)

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.



Item #25 GO Bond Ordinance

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- New money issuance for the Community Progress Bond projects, approved by the voters on November 8, 2022
- Notice of Introduction and Public Hearing:
 - Published in the El Paso Times on April 3, 2026
 - Posted on the City's website - <https://www.elpasotexas.gov/city-clerk/notices>

Community Progress Bond GO's

Approved Nov. 8, 2022 Bond Election

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

	Previously Issued	GO Series 2026	Remaining Issuance
Prop A	37,200,000	52,900,000	156,380,000
Prop B	6,800,000	14,000,000	
Prop C	2,100,000	3,100,000	
Total	\$46,100,000	\$70,000,000	\$156,380,000

Item #25 GO Bond Ordinance

Delegation of Authority to Pricing Officer (Parameters)

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Pricing Officers - City Manager and Chief Financial Officer
- Aggregate original principal amount of the Bonds shall not exceed \$71,140,000
- Aggregate true interest cost rate for the Bonds shall not exceed 5.25%;
- Maximum maturity date for any series of Bonds issued hereunder shall not exceed December 31, 2051
- Delegation made hereby shall expire if not exercised by the Pricing Officer within 365 days of the date of adoption of this Ordinance

Item #26 Refunding Ordinance

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Bonds are typically issued with a call date (i.e., prepayment date without penalty) approximately 10-years from the date of issuance
- Allows the City to refinance the outstanding bonds with refunding bonds to achieve debt service savings when interest rates are favorable
- Debt Management Policy requires a minimum net present value savings threshold to be met before any refunding transaction is considered

Item #26 Refunding Ordinance

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Refunded obligations and debt service savings will be determined closer to pricing date
- Recent market volatility has impacted refunded obligations that could generate debt service savings
- Based on current market conditions, we estimate:
 - Bond par amount of \$227,815,000
 - All-In True Interest Cost of 3.64%
 - Net Present Value Savings of \$12,989,827
 - Percentage of Savings of Refunded Bonds of 5.38%

Item #26 Refunding Ordinance

Delegation of Authority to Pricing Officer (Parameters)

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Pricing Officers - City Manager and Chief Financial Officer
- Aggregate original principal amount of the Bonds shall not exceed \$435,355,000
- Refunding of the Refunded Obligations must produce present value debt service savings of at least three percent (3.00%)
- Aggregate true interest cost rate for the Bonds shall not exceed 5.00%;
- Maximum maturity date for any series of Bonds issued hereunder shall not exceed December 31, 2042 (no change to current maturity date)
- Delegation made hereby shall expire if not exercised by the Pricing Officer within 365 days of the date of adoption of this Ordinance

Item #27 Redemption of Outstanding Bonds

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- This redemption is essentially an **early payoff** of General Obligation Refunding and Improvement Bonds, Series 2014 debt obligations
- The City will use existing debt service reserves necessary to redeem the bonds through redemption date
- The redemption reduce the City's aggregate debt service requirements for these bonds

Item #27 Redemption of Outstanding Bonds

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

Current Amount Owed on Bonds	\$1,855,684.39
Cash Deposit	1,393,366.67
Cost of Issuance	35,000.00
Amount Necessary for Redemption	\$1,428,366.67
Net Present Value Savings	\$427,317.72

Item #27 Redemption of Outstanding Bonds

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- General Obligation Refunding and Improvement Bonds, Series 2014 Bonds – remaining aggregate principal amount of \$1,375,000
- Authorization to transfer funds of the City to Computershare Trust Company, N.A.(paying agent/registrar) an amount sufficient to pay all interest, principal and associated costs and expenses of redemption
- Upon the making of such deposit, the refunded Bonds will be defeased and, as a result, discharged and no longer considered outstanding obligations of the City

Planned Future Issuances

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

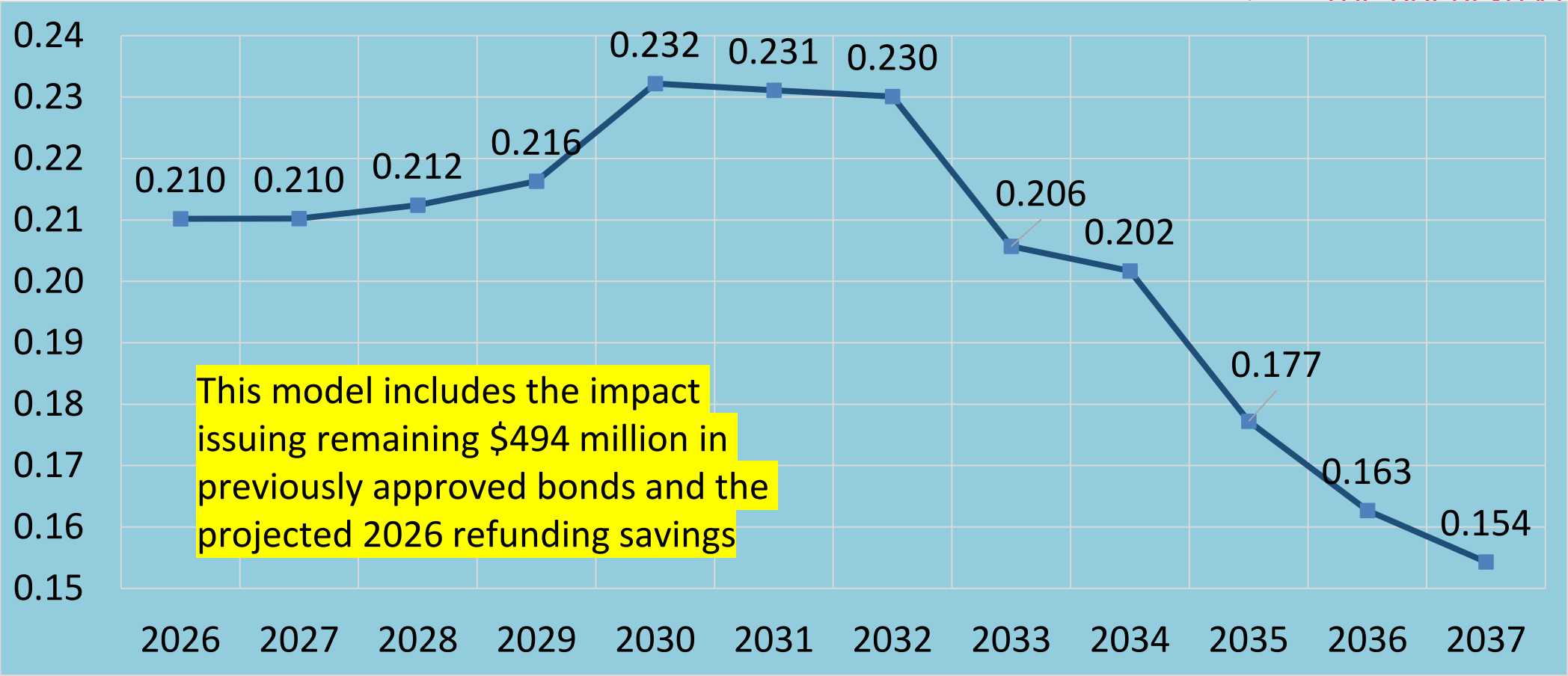
REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

Fiscal Year	Public Safety Bond	Community Progress Bond	SIB Loan	Total
FY 2026	-	70,000,000	15,000,000	85,000,000
FY 2027	90,000,000	40,000,000	6,723,133	136,723,133
FY 2028	90,000,000	40,000,000		130,000,000
FY 2029-2033	65,825,450	76,380,000		142,205,450
Total	\$245,825,450	\$226,380,000	\$21,723,133	\$493,928,583

Projected Debt Service Tax Rate (cents per \$100 valuation)

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS



Schedule of Events

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- April 14 – Council approvals
- April 23 – Bond Rating Agency Meetings
- May 19 – Pricing of Bonds (tentative)
- June 23 – Closing. Proceeds received by the City

Requested Action

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Approve the following
 - Ordinance - General Obligation Refunding Bonds, Series 2026
 - Resolution – Bond Resolution
 - Ordinance - General Obligation Bonds – Community Progress Bond

MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople