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## **El Paso County Agenda Item Details**

<b>Item Title:</b>	Emergency Services District #2 Financing Plan
<b>Submitted By:</b>	Melissa Carrillo, Deputy County Administrator
<b>Department:</b>	County Operations
<b>Department Phone Number:</b>	915-273-3582
<b>Subject:</b>	Receive a presentation and take appropriate action on the Emergency Services District #2's financing plan in the amount of \$7,580,000.00 to fund the construction of a fire station in Socorro, Texas and purchase two fire trucks.
<b>Background:</b>	Pursuant to the Texas Health & Safety Code Sec. 775.076. BONDS AND NOTES AUTHORIZED, (a) The board may issue bonds and notes as prescribed by this chapter to perform any of its powers. (a-1) Before the board may issue bonds or notes authorized by this section, the commissioners court of each county in which the district is located must approve the issuance of the bonds or notes by a majority vote. This subsection does not apply to a district located wholly in a county with a population of more than three million. (b) The board may issue bonds and notes in one or more issues or series that are payable from and secured by liens on and pledges of: (1) ad valorem taxes; (2) all or part of the district's revenues, income, or receipts; or (3) a combination of those taxes, revenues, income, and receipts.
<b>Estimated Time Needed For This Item:</b>	



## El Paso County ESD #2

Plan of Finance

*Loan Agreement, Series 2025*

March 18, 2025

# EL PASO COUNTY EMERGENCY SERVICES DISTRICT #2

## Tax Rate Impact

		=SUM([C]:[D])		=SUM([E]:[G])							
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	
FYE 9/30	Net Assessed Valuation <sup>(1)</sup>	NAV Growth	Existing Debt Service	Series 2025 [Preliminary] <sup>(2)</sup>	Total Debt Service	Plus: Cash Defeasance	Less: Self Supporting Debt Service	Net Debt Service Requirements	Estimated I&S Tax Rate <sup>(1)</sup>	Estimated I&S Tax Rate Increase	FYE 9/30
2025	6,904,578,849		1,795,208	-	1,795,208			1,795,208	0.024744		2024
2026	6,904,578,849	0.00%	1,638,333	801,308	2,439,641			2,439,641	0.035334	0.0106	2025
2027	6,904,578,849	0.00%	1,634,151	801,875	2,436,026			2,436,026	0.035281	(0.0001)	2026
2028	6,904,578,849	0.00%	930,348	808,500	1,738,848			1,738,848	0.025184		2027
2029	6,904,578,849	0.00%	570,784	803,750	1,374,534			1,374,534	0.019908		2028
2030	6,904,578,849	0.00%	433,840	807,625	1,241,465			1,241,465	0.017980		2029
2031	6,904,578,849	0.00%	431,626	809,850	1,241,476			1,241,476	0.017980		2030
2032	6,904,578,849	0.00%	433,614	805,563	1,239,177			1,239,177	0.017947		2031
2033	6,904,578,849	0.00%	434,690	804,763	1,239,453			1,239,453	0.017951		2032
2034	6,904,578,849	0.00%	-	807,175	807,175			807,175	0.011690		2033
2035	6,904,578,849	0.00%	-	802,800	802,800			802,800	0.011627		2034
2036	6,904,578,849	0.00%	-	602,275	602,275			602,275	0.008723		2035
2037	6,904,578,849	0.00%	-	605,600	605,600			605,600	0.008771		2036
2038	6,904,578,849	0.00%	-	602,413	602,413			602,413	0.008725		2037
2039	6,904,578,849	0.00%	-	602,713	602,713			602,713	0.008729		2038
2040	6,904,578,849	0.00%	-	606,225	606,225			606,225	0.008780		2039
2041	6,904,578,849	0.00%	-	-	-			-	-		2040
2042	6,904,578,849	0.00%	-	-	-			-	-		2041
2043	6,904,578,849	0.00%	-	-	-			-	-		2042
2044	6,904,578,849	0.00%	-	-	-			-	-		2043
2045	6,904,578,849	0.00%	-	-	-			-	-		2044
Total			\$ 8,302,594	\$ 11,072,433	\$ 19,375,027	\$ -	\$ -	\$ 19,375,027			Total

TIC: 5.50%  
 Delivery Date: 4/29/2025  
 Par Amount: \$ 7,580,000  
 Project Fund Deposit: \$ 7,500,000  
 Collections Rate: 100%

Max Tax Rate: 0.035334

<sup>(1)</sup> FYE NAV and tax rate sourced from City of El Paso Consolidated Tax Office and El Paso County Appraisal District reports.

<sup>(2)</sup> Preliminary. Assumes 5.50% interest rate for purposes of illustration.

# Timetable

## Loan Agreement, Series 2025



Date							Action																																																		
<div>March</div> <table><tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr><tr><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>1</td></tr><tr><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td></tr><tr><td>9</td><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td></tr><tr><td>16</td><td>17</td><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td></tr><tr><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td></tr><tr><td>30</td><td>31</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>							S	M	T	W	T	F	S	23	24	25	26	27	28	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	1	2	3	4	5	Monday, March 10, 2025	Private Placement Agent sends draft Private Placement Memorandum to Working Group for comments.
S	M	T	W	T	F	S																																																			
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23	24	25	26	27	28	29																																																			
30	31	1	2	3	4	5																																																			
							Tuesday, March 18, 2025	Plan of Finance Presentation to ESD #2 Board.																																																	
							Thursday, March 20, 2025	Return comments on Private Placement Memorandum.																																																	
							Friday, March 21, 2025	Private Placement Agent sends final draft of Private Placement Memorandum to prospective banks.																																																	
<div>April</div> <table><tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr><tr><td>30</td><td>31</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr><tr><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td><td>11</td><td>12</td></tr><tr><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td><td>18</td><td>19</td></tr><tr><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td><td>25</td><td>26</td></tr><tr><td>27</td><td>28</td><td>29</td><td>30</td><td>1</td><td>2</td><td>3</td></tr><tr><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td></tr></table>							S	M	T	W	T	F	S	30	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	1	2	3	4	5	6	7	8	9	10	Monday, March 24, 2025	Plan of Finance Presentation to County Commissioners.
S	M	T	W	T	F	S																																																			
30	31	1	2	3	4	5																																																			
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27	28	29	30	1	2	3																																																			
4	5	6	7	8	9	10																																																			
							Friday, March 28, 2025	Private Placement Agent contacts prospective banks to confirm receipt and answer outstanding questions and gauges interest for the Obligations.																																																	
							Tuesday, April 15, 2025	District, Financial Advisor, and Bond Counsel receive interest rate bids from banks. Financial Advisor tabulates results. District provides verbal award pending formal approval by the Board.																																																	
							Tuesday, April 15, 2025	Presentation of Bid Results. Board meeting to formally approve issuance of the Obligations.																																																	
							Tuesday, April 29, 2025	Closing.																																																	

Important Working Group Dates

Federal Holiday

FOMC Meetings

 Important Working Group Dates

 Federal Holiday

 FOMC Meetings

**EL PASO CO. ESD #2****Loan Agreement, Series 2025****Costs of Issuance - Preliminary**

	Par Amount:	\$	7,575,000
	Premium:		-
	Total Proceeds:	\$	7,575,000
	Amount:	Notes:	
<u>Bond Counsel:</u>			
Bond Counsel Fee	25,000.00	H. Vu 2/10/25	
Bond Counsel Expenses	-	H. Vu 2/10/25	
Bond Election Expenses	-	N/A	
Texas AG Fee	-	N/A	
<u>Financial Advisor:</u>			
FA Fee	37,725.00	Formula (below)	
FA Computer Fee	-	N/A	
Escrow/Competitive Structuring Fee	-	N/A	
POS/OS Preparation	-	N/A	
Continuing Disclosure Fee	-	N/A	
Travel Expenses	-	Estimate	
<u>Rating Agencies:</u>			
Moody's	-	N/A	
S&P	-	N/A	
Fitch	-	N/A	
Kroll	-	N/A	
<u>Paying/Escrow Agent:</u>			
Acceptance Fee	-	N/A	
Paying Agent/Registrar	-	Depends on bidder	
Escrow Fee	-	N/A	
Redemption Fee	-	N/A	
<u>Other:</u>			
Placement Agent	5,000.00	Actual	
MAC Fee	-	N/A	
Bank Counsel Fee	-	Depends on bidder	
Auditor Fee (ABT)	-	N/A	
POS/OS Post + Print	-	N/A	
Contingency + Rounding	7,275.00	Estimate	
<b>Total Costs of Issuance:</b>		<b>\$</b>	<b>75,000.00</b>

# Working Group

## Loan Agreement, Series 2025



Issuer	<b>El Paso ESD #2</b>
Financial Advisor	Tijerina Financial Consulting LLC
Bond Counsel	Jackson Walker, LLP
Bidding Agent	FHN Financial
Purchaser	TBD
Purchaser's Counsel	TBD

# Our Team

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Sec. 775.076. BONDS AND NOTES AUTHORIZED. (a) The board may issue bonds and notes as prescribed by this chapter to perform any of its powers.

(a-1) Before the board may issue bonds or notes authorized by this section, the commissioners court of each county in which the district is located must approve the issuance of the bonds or notes by a majority vote. This subsection does not apply to a district located wholly in a county with a population of more than three million.

(b) The board may issue bonds and notes in one or more issues or series that are payable from and secured by liens on and pledges of:

- (1) ad valorem taxes;
- (2) all or part of the district's revenues, income, or receipts; or
- (3) a combination of those taxes, revenues, income, and receipts.

(c) The bonds and notes may be issued to mature in not more than 40 years from the date of their issuance.

(d) Provision may be made for the subsequent issuance of additional parity bonds or notes or subordinate lien bonds or notes under terms and conditions stated in the resolution authorizing the issuance of the bonds or notes.

(e) to (g) Repealed by Acts 2001, 77th Leg., ch. 1140, Sec. 23(2), eff. Sept. 1, 2001.

(h) If provided by the resolution, the proceeds from the sale of the bonds or notes may be used for:

- (1) paying interest on the bonds or notes during the period of the acquisition or construction of a facility to be provided through the issuance of the bonds or notes;
- (2) paying expenses of operation and maintenance of the facility;
- (3) creating a reserve fund to pay the principal of and interest on the bonds or notes; and
- (4) creating other funds.

(i) As provided in the resolution, proceeds from the sale of the bonds and notes may be placed on time deposit or invested until needed.

(j) If the bonds or notes are issued payable by a pledge of revenues, income, or receipts, the district may pledge all or any part of its revenues, income, or receipts from fees, rentals, rates, charges, and proceeds and payments from contracts to the payment of the bonds or notes, including the payment of principal, interest, and any other amounts required or permitted in connection with the bonds or notes. The pledged fees, rentals, rates, charges, proceeds, and payments must be established and collected in amounts that will be at least sufficient, together with any other pledged resources, to provide for:

(1) all payments of principal, interest, and any other amounts required in connection with the bonds or notes; and

(2) the payment of expenses in connection with the bonds or notes and the operation, maintenance, and other expenses in connection with the facilities to the extent required by the resolution authorizing, or the trust indenture securing, the issuance of the bonds or notes.

(k) The district shall impose a tax as prescribed by Section 775.074 if the bonds or notes are payable wholly or partly from ad valorem taxes.

**Sec. 775.074. AD VALOREM TAX.** (a) The board shall annually impose an ad valorem tax on all real and personal property located in the district and subject to district taxation for the district's support and the purposes authorized by this chapter.

(b) If a district issues bonds or notes that are payable wholly from ad valorem taxes, the board shall, when bonds or notes are authorized, set a tax rate that is sufficient to pay the principal of and interest on the bonds or notes as the

interest and principal come due and to provide reserve funds if prescribed in the resolution authorizing, or the trust indenture securing, the bonds or notes.

(c) If a district issues bonds or notes that are payable from ad valorem taxes and from revenues, income, or receipts of the district, the board shall, when the bonds or notes are authorized, set a tax rate that is sufficient to pay the principal of and interest on the bonds and notes and to create and maintain any reserve funds.

(d) In establishing the rate of the ad valorem tax to be collected for a year, the board shall consider the money that will be available to pay the principal of and interest on any bonds or notes issued and to create any reserve funds to the extent and in the manner permitted by the resolution authorizing, or the trust indenture securing, the bonds or notes.

(d-1) The board may not set the tax rate for a fiscal year before the date the board adopts a budget for that fiscal year.

(e) The board shall certify the ad valorem tax rate to the county tax assessor-collector, who is the assessor-collector for the district.

(f) Repealed by Acts 1999, 76th Leg. ch. 496, Sec. 14, eff. September 1, 1999.