



Office of the Comptroller

March 31, 2016

Mayor

Oscar Leeser

Zak Covar
Executive Director
Texas Commission on Environmental Quality
PO Box 13087
Austin, TX 78711-3087

City Council

District 1

Peter Svarzbein

District 2

Larry Romero

District 3

Emma Acosta

District 4

Carl L. Robinson

District 5

Dr. Michiel R. Noe

District 6

Claudia Ordaz

District 7

Lily Limón

District 8

Cortney C. Niland

City Manager

Tommy Gonzalez

I am the Chief Financial Officer of the City of El Paso, Texas with offices at 300 N. Campbell, El Paso, TX 79901. This letter is in support of the local government's use of the financial test to demonstrate financial assurance, as specified in 30 Texas Administrative Code (TAC) Chapter 37 (relating to Financial Assurance).

1. This local government is the owner or operator of the following facilities for which financial assurance for closure, post closure, or corrective action is demonstrated through the financial test specified in 30 TAC section 37.271 (relating to Local Government Financial Test). The current cost estimates covered by the test are shown for each facility:

Permit Number	Closure	Post-Closure	Total
MSW 1482	\$ 8,606,351	\$ 3,220,754	\$ 11,827,105
MSW 729A	\$ 38,047,965	\$ 4,905,101	\$ 42,953,066
MSW 728	\$ 122,045	\$ -	\$ 122,045
MSW 2284	\$ 25,722,291	\$ 3,523,899	\$ 29,246,190

2. This local government guarantees, through the guarantee specified in 30 TAC section 37.281 (relating to Local Government Guarantee), the following closures, post closure, or corrective action cost estimates of the following facilities owned or operated by the City of El Paso. The current cost estimates so guaranteed are shown for each facility: NONE

The fiscal year of this local government ends on August 31. The figures for the following items marked with an asterisk are derived from this local government's independently audited, year-end financial statements for the latest completed fiscal year, August 31, 2015.

Pat Degman CGFM - Comptroller
City 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-1170

"Delivering Outstanding Services"



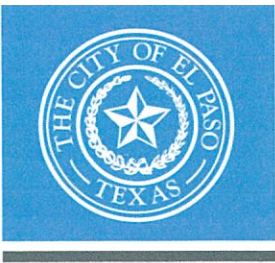
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RATIO INDICATORS OF FINANCIAL STRENGTH

1.	Sum of current cost estimates	\$ 85,148,406
*2.	Sum of cash and marketable securities	\$ 185,119,922
*3.	Total expenditures	\$ 642,317,656
*4.	Annual debt Service	\$ 109,731,266
5.	Environmental obligations assured by a financial test to demonstrate financial assurance in the following amounts under commission regulations and the Code of Federal Regulations (CFR) or state equivalent rules:	
(a)	Municipal Solid Waste under 30 TAC Chapter 330 and 40 CFR Part 258	\$ 84,148,406
(b)	Hazardous waste treatment, storage and disposal facilities under 30 TAC Chapter 335 and 40 CFR Parts 264 and 265	NONE
(c)	Petroleum underground storage tanks under 30 TAC Chapter 334 and 40 CFR Part 280	1,000,000
(d)	Underground Injection Control System facilities under 30 TAC Chapter 331 and 40 CFR Part 144	NONE
(e)	PCB commercial storage facilities under 40 CFR Part 761	NONE
(f)	Additional environmental obligations not shown above	NONE
	Total (a)-(f)	\$ 85,148,406
*6.	Total Annual Revenue	\$ 690,922,158

Indicate either "yes" or "no" to the following questions.

7.	Is line 2 divided by line 3 greater than or equal to 0.05?	yes	<u>0.29</u> Liquidity - Cash / Expenditures
8.	Is line 4 divided by line 3 less than or equal to 0.20?	yes	<u>0.17</u> Debt Service / Expenditures
9.	Is line 5 divided by line 6 less than or equal to 0.43?	yes	<u>0.12</u> Revenue / Estimated Obligation



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BOND RATING INDICATOR OF FINANCIAL STRENGTH

1.	Sum of current cost estimates (total of all cost estimates shown in the paragraphs above)	\$ 85,148,406
2.	List the following information on all the outstanding, rated, unsecured general obligation bonds issued to the local government:	
	Current bond rating of most recent issuance and name of rating service	Fitch AA S&P AA
	Date of issuance of bond	10/1/2012
	Date of maturity of bond	8/15/2038
3.	Environmental obligations assured by a financial test to demonstrate financial assurance in the following amounts under commission regulations and the Code of Federal Regulations (CFR) or state equivalent rules:	
	(a) Municipal Solid Waste under 30 TAC Chapter 330 and 40 CFR Part 258	\$ 84,148,406
	(b) Hazardous waste treatment, storage and disposal facilities under 30 TAC Chapter 335 and 40 CFR Parts 264 and 265	NONE
	(c) Petroleum underground storage tanks under 30 TAC Chapter 334 and 40 CFR Part 280	1,000,000
	(d) Underground Injection Control System facilities under 30 TAC Chapter 331 and 40 CFR Part 144	NONE
	(e) PCB commercial storage facilities under 40 CFR Part 761	NONE
	(f) Additional environmental obligations not shown above	NONE
	Total (a)-(f)	\$ 85,148,406
*4.	Total Annual Revenue	\$ 690,922,158
	Indicate either "yes" or "no" to the following question.	
5.	Is line 3 divided by line 4 less than or equal to 0.43?	yes <u>0.12</u>



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I hereby certify that the wording of this letter is identical to the wording specified in 30 TAC section 37.371 as such regulations were constituted on the date shown immediately below. I further certify the following: that the local government's financial statements are prepared in conformity with Generally Accepted Accounting Principles for governments, including conformance with General Accounting Standards Board Statement 18, and its financial statements have been audited by an independent Certified Public Accountant (CPA); that the local government has not operated at a deficit equal to 5.0% or more of total annual revenue in each of the past two fiscal years; that the local government is not in default on any outstanding general obligation bonds; that the local government does not have outstanding general obligations rated lower than Baa as issued by Moody's or BBB as issued by Standard and Poor's; and that the local government has not received an adverse opinion, disclaimer of opinion, or other qualified opinion from the independent CPA.

A handwritten signature in blue ink, appearing to read "Mark Sutter", is written over a horizontal line.

Mark Sutter, Ph.D.
Chief Financial Officer, City of El Paso

March 31, 2016