



Office of the Comptroller

March 30, 2017

Mayor

Oscar Leeser

City Council

District 1

Peter Svarzbein

District 2

Jim Tolbert

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

BKD, LLP

Certified Public Accountants

14241 Dallas Parkway, Suite 1100

Dallas, Texas 75254

We are providing this letter in connection with your performance of agreed-upon procedures applied to the assertions regarding the City of El Paso, Texas's compliance with the financial assurances of the Local Government Financial Test as required by Texas Administrative Code Title 30, Part 1, Chapter 37, Rule 37.271 during the year ended August 31, 2016. We are responsible for the aforementioned subject matter.

We confirm, to the best of our knowledge and belief, the following:

1. We are responsible for selecting the criteria applied to the subject matter and for determining that such criteria are appropriate for our purposes.
2. We have made available to you:
 - (a) All records and data relevant to the subject matter and the agreed-upon procedures.
 - (b) All significant contracts.
 - (c) All examination reports, agreements, correspondence and other communications from regulatory agencies affecting the subject matter.
3. We have disclosed to you all known matters affecting the subject matter.
4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
5. We have no knowledge of any known or suspected:
 - (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.
 - (b) Fraudulent financial reporting or misappropriation of assets involving other employees that could affect the subject matter.
 - (c) Violations of law, regulations or requirements of regulatory agencies that could

Pat Degman, CGFM – Comptroller

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affect the subject matter.

6. We have no knowledge of any allegations of fraud or suspected fraud affecting the subject matter received in communications from employees, customers, regulators, suppliers or others.
7. There are no plans or intentions that may affect the subject matter.
8. The procedures described in your report are the procedures finally agreed upon by us. All differences between the procedures described in the report and those described in the engagement letter are approved by us.
9. We acknowledge and agree that we are responsible for the sufficiency of the agreed-upon procedures, including the nature, timing and extent thereof, for our purposes
10. We have responded fully and truthfully to all your inquiries.

A handwritten signature in blue ink that reads "Pat Degman".

Pat Degman, CGFM
Comptroller

A handwritten signature in blue ink that reads "Charles Lino".

Charles Lino, CPA
Assistant Comptroller