



Board Meeting

THURSDAY, APRIL 2, 2026

A decorative graphic at the bottom of the slide consists of several overlapping, curved bands of blue and white, creating a wave-like effect that spans the width of the page.



Confirmation of a Quorum



Public Comments




Open Meeting

Consideration and Possible Action on Approval of the March 2, 2026, Southmost Regional Water Authority (SRWA) Board Meeting Minutes.



General Manager's Report

- a. Operational, Chemical Optimization and Financial Report - Jacob Galvan, Jorge Santillan
 - b. Drought Update - Jaime Flores
 - c. SRWA Overview- Jose A. Garza
- 



Operational, Chemical Optimization and Financial Report

● ● ● SRWA BOARD MEETING | April 02, 2026

Jacob Galvan

W/WW Operator Chief

Water Plant I

Jorge Santillan

Finance Manager

Finance Division



**Production
&
Distribution
Report**

**For the Month Ended
February 28, 2026
Jacob C. Galvan**

SRWA 2025-2026 FY Water Distribution Summary and True-Up Estimate										
		SRWA Total Distribution			BPUB ¹	Valley MUD#2	Los Fresnos ²	BND ¹	Indian Lake ²	Total
Allocation	Percent (%)	Million Gals	Dist. Per sum of		92.91%	2.51%	2.28%	2.10%	0.20%	100.00%
			column f-j	Difference	Million Gals	Million Gals	Million Gals			
	Oct-25	215.868	215.868	0.000	203.694	5.503	1.706	4.533	0.432	215.868
	Nov-25	214.472	214.472	0.000	202.702	5.278	1.559	4.504	0.429	214.472
	Dec-25	207.468	207.468	0.000	195.585	5.453	1.658	4.357	0.415	207.468
	Jan-26	216.848	216.848	0.000	196.888	5.954	9.018	4.554	0.434	216.848
	Feb-26	195.724	195.724	0.000	181.446	5.388	4.389	4.110	0.391	195.724
	Mar-26		0.000	0.000						-
	Apr-26		0.000	0.000						-
	May-26		0.000	0.000						-
	Jun-26		0.000	0.000						-
	Jul-26		0.000	0.000						-
	Aug-26		0.000	0.000						-
	Sep-26		0.000	0.000						-
Actual Distribution	YTD MG	1,050.380	1,050.380	0.000	980.315	27.576	18.330	22.058	2.101	1,050.380
	Daily Average (MGD)	6.956			6.492	0.183	0.121	0.146	0.014	6.956

True up Estimate: This is not a bill.

Allocable Distribution Based on % Participation	975.908	26.365	23.949	22.058	2.101	1,050.380
Consolidation of Distribution per Agreements	997.966	26.365	26.049	-	-	1,050.380
Over (Under) Distributed	4.41	1.21	(5.62)	-	-	0.000
FY2026 Estimated O&M Cost Per Thousand Gallons	\$ 1.96	\$ 1.96	\$ 1.96			
Total Cost of Over (Under) Distributed	<u>\$ 8,637.65</u>	<u>\$ 2,374.47</u>	<u>\$ (11,012.12)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

¹ BPUB is providing credit to the BND for their SRWA share on their monthly BPUB water bill.

² As of Jan 1, 2009, City of Los Fresnos is purchasing Indian Lake's water allocation (as per Interlocal Agreement dated 10/14/2008)

\$ -

SOUTHMOST REGIONAL WATER AUTHORITY
PRODUCTION / DISTRIBUTION COSTS

MONTH: **February-26**

	R.O. Water Produced MGD	Blend Water Produced MGD	Total Water Produced	DISTRIBUTION (MGD)			TOTAL WATER DISTRIBUTED
				TO BROWNSVILLE	TO LOS FRESNOS	TO VMUD #2	
1	7.100	0.000	7.100	6.644	0.132	0.155	6.931
2	7.204	0.000	7.204	6.950	0.118	0.185	7.253
3	6.963	0.000	6.963	6.512	0.151	0.161	6.824
4	5.652	0.000	5.652	6.312	0.117	0.205	6.634
5	6.961	0.000	6.961	7.077	0.041	0.165	7.283
6	7.142	0.000	7.142	5.791	0.148	0.132	6.071
7	7.129	0.000	7.129	6.825	0.100	0.161	7.086
8	7.254	0.000	7.254	6.915	0.108	0.198	7.221
9	6.707	0.000	6.707	6.614	0.120	0.155	6.889
10	7.140	0.000	7.140	6.599	0.031	0.169	6.799
11	5.783	0.000	5.783	5.960	0.157	0.124	6.241
12	6.932	0.000	6.932	6.144	0.164	0.181	6.489
13	6.702	0.000	6.702	6.138	0.073	0.173	6.384
14	7.266	0.000	7.266	7.043	0.260	0.214	7.517
15	7.232	0.000	7.232	7.245	0.178	0.233	7.656
16	7.218	0.000	7.218	6.543	0.177	0.242	6.962
17	7.219	0.000	7.219	6.325	0.154	0.205	6.684
18	7.222	0.000	7.222	7.839	0.242	0.202	8.283
19	7.219	0.000	7.219	5.883	0.533	0.125	6.541
20	7.224	0.000	7.224	6.578	0.395	0.235	7.208
21	7.218	0.000	7.218	6.221	0.171	0.264	6.656
22	7.236	0.000	7.236	6.863	0.191	0.277	7.331
23	7.213	0.000	7.213	7.164	0.170	0.334	7.668
24	7.183	0.000	7.183	6.745	0.165	0.175	7.085
25	7.224	0.000	7.224	7.629	0.164	0.246	8.039
26	7.078	0.000	7.078	6.561	0.156	0.138	6.855
27	6.304	0.000	6.304	5.487	0.197	0.174	5.858
28	7.227	0.000	7.227	6.949	0.167	0.160	7.276
29							
30							
31							
TOTALS	195.951	0.000	195.951	185.556	4.780	5.388	195.724
AVERAGE	6.998	0.000	6.998	6.627	0.171	0.192	6.990

CHEMICAL CONSUMPTION

	TYPE	QUANTITY	COST/UNIT	TOTALS
Scale Inhibitor	275-Gal Tote	0.38	\$10,400.00	\$3,910.40
Calcium Chloride	lbs.	306,470.27	\$0.2200	\$67,423.46
Caustic Soda	lbs.	29,915.57	\$0.1980	\$5,923.28
Liquid Ammonium Sulfate	lbs.	19,662.07	\$0.1425	\$2,801.85
Chlorine	Ton Containers	5.58	\$2,397.00	\$13,375.26
Ferric Chloride	lbs.	5,293.52	\$0.2800	\$1,482.19
Sodium Bisulfite	lbs.	8,318.19	\$0.2125	\$1,767.61
High pH Membrane Cleaner (237)	55-Gal Drum	0.00	\$2,186.60	\$0.00
Low pH Membrane Cleaner (234)	55-Gal Drum	0.00	\$1,897.40	\$0.00
Citric Acid	330-Gal Totes	4.00	\$2,595.32	\$10,381.28
Sodium Chlorite	lbs.	3,919.11	\$0.727	\$2,849.19
<i>Chemical cost per thousand gals:</i>		<i>\$0.561</i>		\$109,914.52

ELECTRIC CONSUMPTION

	kwh	COST/kwh	TOTALS
Well Field	511,800	\$0.07623	\$39,014.51
MF Processing Plant	131,700	\$0.0871	\$11,464.49
RO Processing Plant	404,400	\$0.0817	\$33,052.02
High Service Pumps	138,400	\$0.0973	\$13,472.55
<i>Power costs per thousand gals:</i>	<i>\$0.495</i>		\$97,003.56

SOUTHMOST REGIONAL WATER AUTHORITY

MONTH: **February-26**

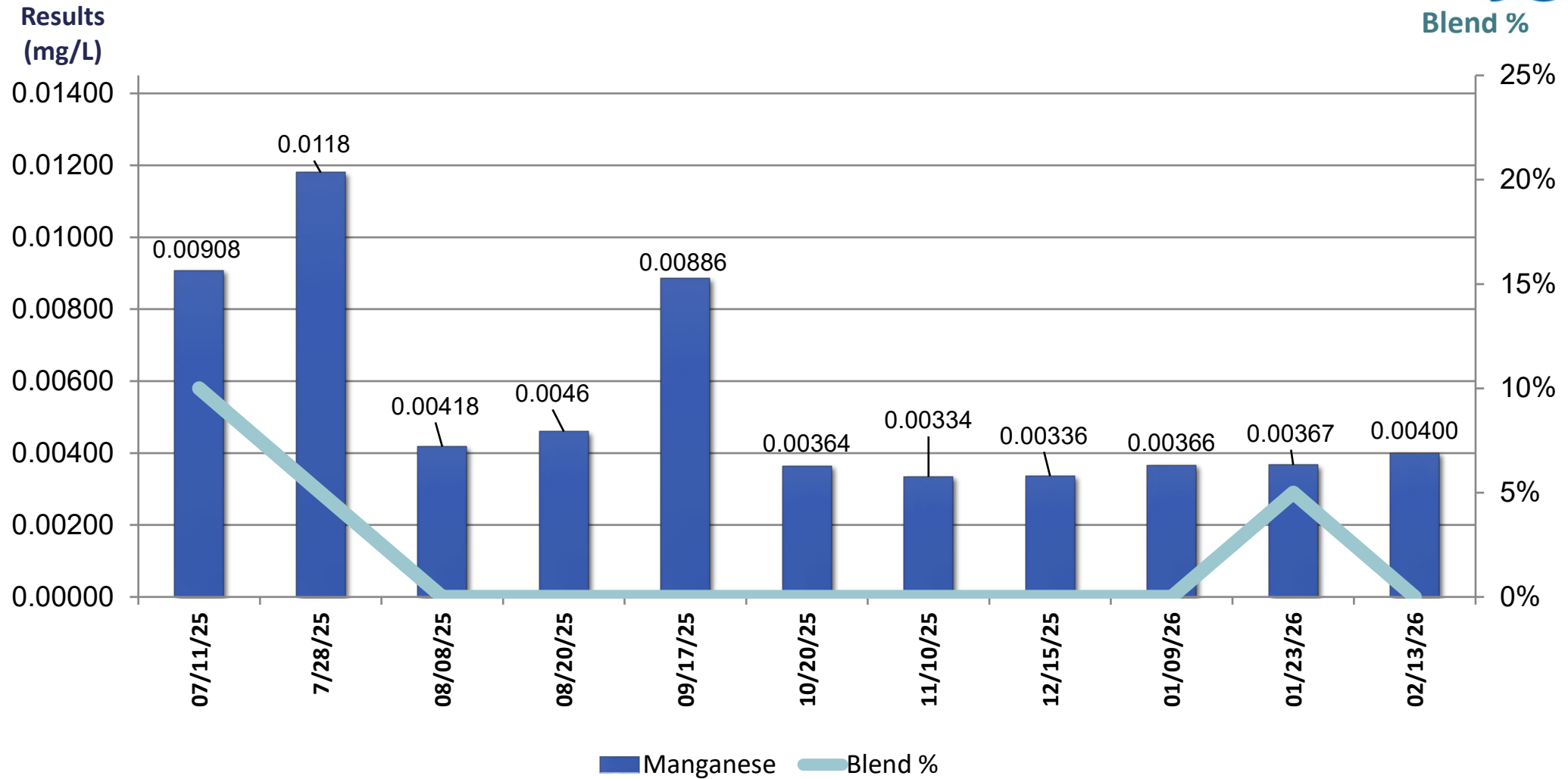
	TOTAL MGD PRODUCED	DESCRIPTION	DOWN TIME HOURS
1	7.100		
2	7.204		
3	6.963		
4	5.652	Water distribution line isolated, for a service connection tie in.	5
5	6.961		
6	7.142		
7	7.129		
8	7.254		
9	6.707		
10	7.140		
11	5.783	Power failure at SRWA. Overhead crew found an open circuit near by.	4
12	6.932		
13	6.702		
14	7.266		
15	7.232		
16	7.218		
17	7.219		
18	7.222		
19	7.219		
20	7.224		
21	7.218		
22	7.236		
23	7.213		
24	7.183		
25	7.224		
26	7.078		
27	6.304		
28	7.227		
29			
30			
31			
TOTALS	195.951		9
AVERAGE	6.998		

RO and WELL PUMP STATUS

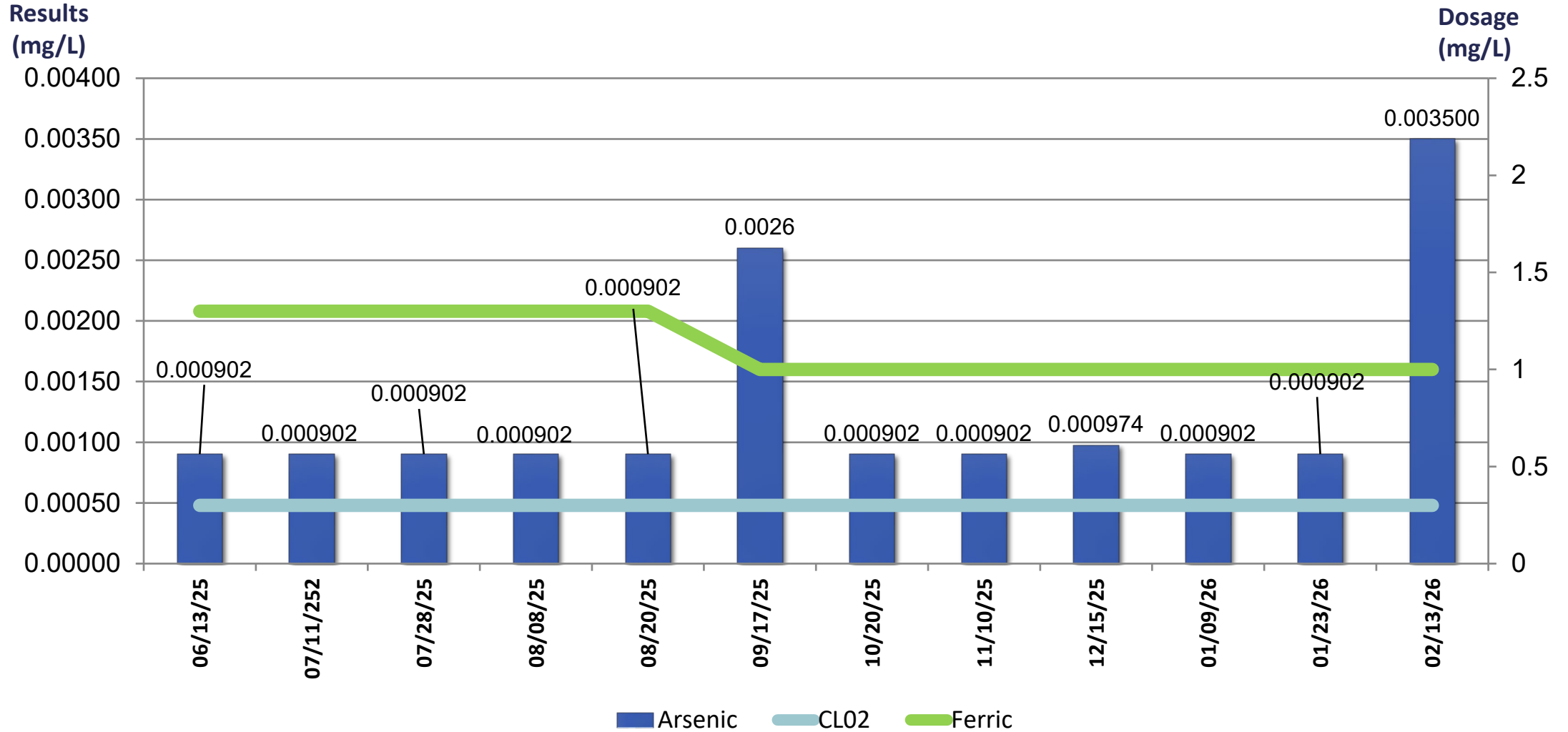
Well #	3/10/2025	4/2/2025	5/9/2025	5/19/2025	6/13/2025	7/11/2025	8/8/2025	8/20/2025	9/17/2025	10/20/2025	11/10/2025	12/15/2025	1/9/2026	1/23/2026	2/13/2026
1 (C-2)	ON	ON	ON	ON	OFF	ON	ON	ON	ON	ON	on	ON	ON	ON	ON
2 (S-5)	OFF	ON	ON	ON	ON	ON	ON	ON	OFF	ON	on	ON	OFF	OFF	ON
3 (M-2)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	ON	ON	ON	ON
4 (S-3C)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	OFF	ON	ON	ON
5 (G-4)	ON	ON	ON	ON	ON	OFF	ON	ON	ON	ON	on	ON	ON	OFF	ON
6 (M-4)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	ON	ON	ON	OFF
7 (C-3)	ON	ON	OFF	OFF	OFF	OFF	OFF	ON	ON	ON	on	ON	OFF	OFF	ON
8 (G-1)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	ON	ON	ON	ON
9 (D-4B)	ON	ON	ON	ON	OFF	OFF	ON	ON	ON	ON	off	ON	ON	ON	OFF
10 (R-3)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	ON	ON	ON	ON
11 (SWA-7)	ON	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	off	OFF	OFF	ON	ON
12 (S-3A)	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	on	OFF	OFF	ON	ON
13 (G-5)	ON	ON	ON	OFF	ON	ON	ON	ON	ON	ON	on	ON	ON	ON	OFF
14 (G-2)	OFF	OFF	OFF	OFF	OFF	ON	ON	ON	ON	ON	on	OFF	ON	OFF	ON
15 (M-3)	OFF	OFF	OFF	OFF	OFF	ON	OFF	OFF	ON	OFF	on	OFF	ON	OFF	ON
16 (D-7)	ON	ON	OFF	OFF	ON	ON	OFF	OFF	OFF	OFF	on	ON	ON	ON	ON
17 (S-3B)	ON	ON	ON	ON	ON	OFF	ON	ON	ON	ON	off	ON	ON	OFF	OFF
18 (G-3)	OFF	OFF	ON	OFF	OFF	ON	ON	ON	ON	OFF	on	ON	ON	OFF	ON
19 (M-1)	OFF	ON	ON	ON	ON	ON	ON	OFF	ON	ON	on	ON	ON	OFF	ON
20 (D-6)	OFF	OFF	ON	ON	ON	ON	ON	ON	ON	ON	on	ON	ON	OFF	ON
	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online	ROs Online
	A,B,C,D,G,H	A,B,C,E,G,H	A,C,E,F,G,H	A,B,C,E,G,H	A,C,E,F,G,H	B,C,E,F,G,H	A,B,C,D,F,G,H	A,B,D,E,F,G,H	B,C,D,E,F,G,H	A,B,C,D,F,G,H	A,B,C,D,F,G,H	A,B,C,D,F,G,H	A,B,D,E,F,G,H	A,B,E,G,H	A,B,C,D,F,G,H

Manganese

Blend %



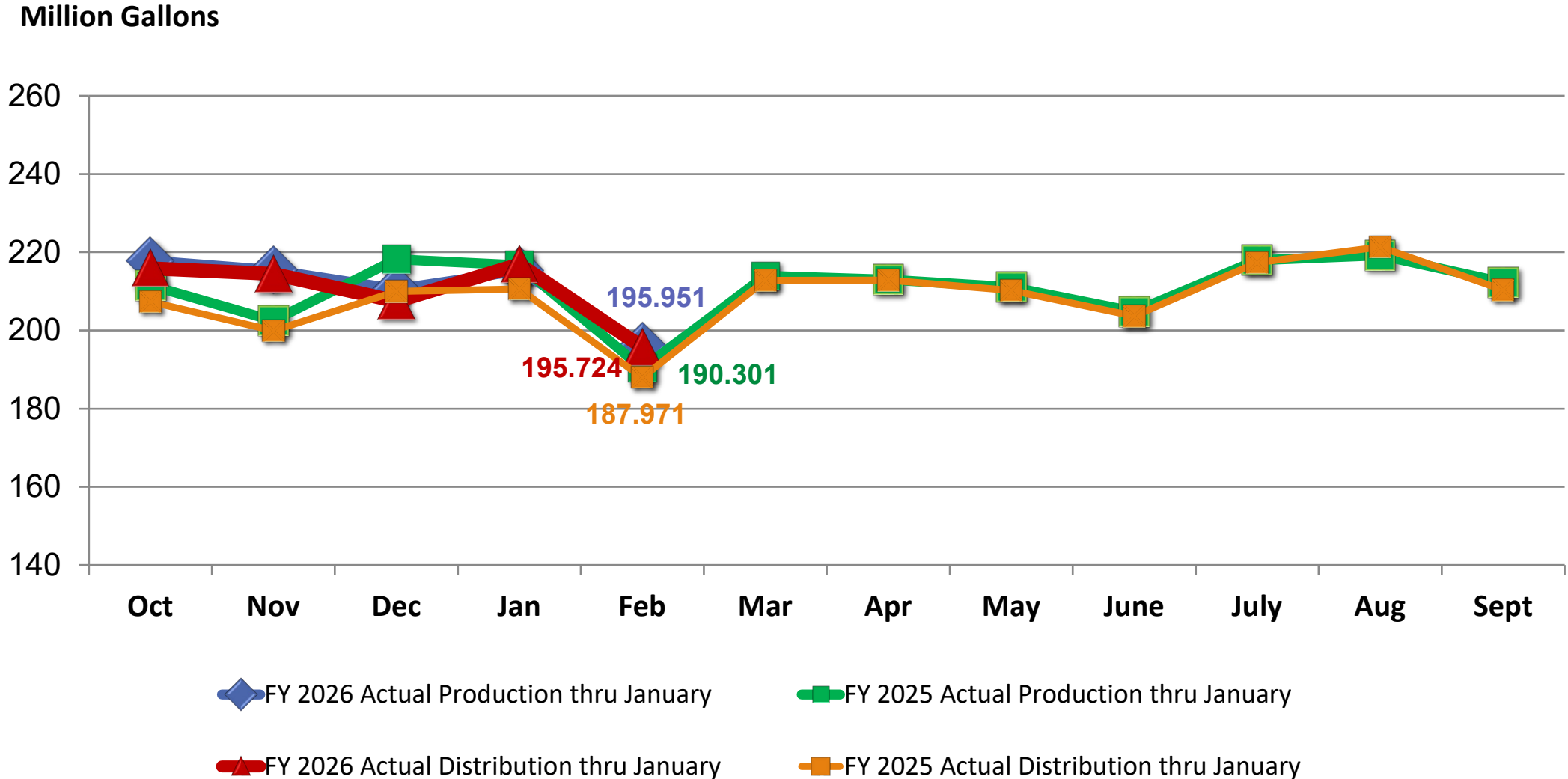
Arsenic



Fiscal Year 2026 Southmost Regional Water Authority Financial Performance as of February 28, 2026



Water Production & Distribution

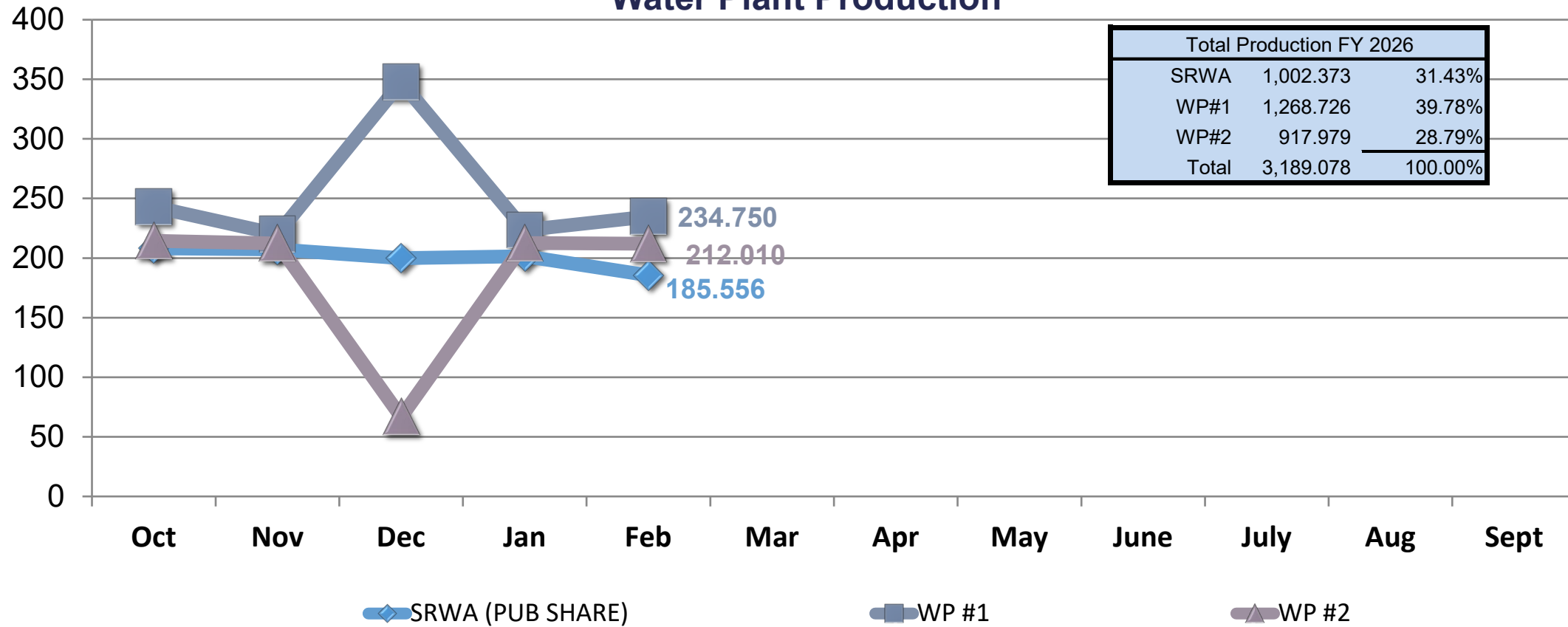


Fiscal Year 2026 Southmost Regional Water Authority Financial Performance as of February 28, 2026



Million Gallons

Water Plant Production



Financial Performance

**For the Month Ended
February 28, 2026**

Jorge Santillan

Operating Revenues / Expenses

		February 2026	FY 2026 YTD
1.	Operating Revenues:		
2.	Member assessments	\$ 649,281	\$ 3,246,402
3.	Total Operating Revenues	649,281	3,246,402
4.	Operating Expenses:		
5.	Personnel services	84,139	414,795
6.	Materials and supplies	137,226	922,787
7.	Repairs and maintenance	37,576	57,243
8.	Contractual and other services	187,188	652,579
9.	Depreciation expense	112,722	563,613
10.	Total Operating Expenses	558,851	2,611,017
11.	Operating Income (Loss)	90,430	635,385

Non-Operating Revenues / Expenses

	February 2026	FY 2026 YTD
12. Non-Operating Revenues (Expenses):		
13. Non-operating revenues (expenses)	(352)	(2,331)
14. Interest from investments	42,892	235,156
15. Amortized regulatory costs and bond premium	7,017	35,086
16. Interest expense	(39,797)	(198,985)
17. Gain (Loss) on Disposition of Property	-	-
18. Net Non-Operating Revenues (Expenses)	<u>9,760</u>	<u>68,926</u>
19. Income (Loss) before capital contributions	<u>100,190</u>	<u>704,311</u>
20. Capital contributions	<u>-</u>	<u>-</u>
21. Change in net position	<u>100,190</u>	<u>704,311</u>
22. Net Position, beginning of year	<u>27,492,856</u>	<u>26,888,735</u>
23. Net Position, end of period	<u><u>\$ 27,593,046</u></u>	<u><u>\$ 27,593,046</u></u>



Fiscal Year 2026
Summary by Account

RUN DATE: 10-MARCH-2026

ACCOUNT	[A] APPROVED BUDGET	[B] YTD BUDGET	[C] YTD ACTUALS	[D] DIFF	[E] FEBRUARY BUDGET	[F] FEBRUARY ACTUAL	[G] BUDGET BALANCE
Personnel Services							
6160 Overhead Labor	1,127,484	469,785	414,795	54,990	93,957	84,139	712,689
Total Personnel Services	1,127,484	469,785	414,795	54,990	93,957	84,139	712,689
Materials and supplies							
7203 Sand, Caliche, Gravel, Concrete etc	27,000	11,250	-	11,250	2,250	-	27,000
7225 Safety supplies	2,500	1,042	-	1,042	208	-	2,500
7278 Chemicals - sodium chlorite	120,000	50,000	38,256	11,744	10,000	-	81,744
7281 Chemicals - ammonia	45,000	18,750	12,132	6,618	3,750	-	32,868
7282 Chemicals - caustic soda	55,000	22,917	18,010	4,907	4,583	6,274	36,990
7283 Chemicals - chlorine	177,000	73,750	67,116	6,634	14,750	19,176	109,884
7288 Chemicals - ferric chloride	25,000	10,417	13,126	(2,709)	2,083	-	11,874
7291 Chemicals-Microfiltration Cleaners	60,000	25,000	25,953	(953)	5,000	12,977	34,047
7292 Chemicals - Sodium Bisulfite	28,000	11,667	20,239	(8,572)	2,333	10,009	7,761
7293 Chemicals - other	1,500	625	-	625	125	-	1,500
7294 Chemicals - calcium chloride	876,000	510,833	338,813	172,020	302,167	79,526	537,187
7295 Chemicals - membrane cleaner	66,000	27,500	20,800	6,700	5,500	-	45,200
7296 Chemicals - scale inhibitor	55,000	22,917	-	22,917	4,583	-	55,000
7297 Chemicals - cartridge filters	42,000	17,500	16,232	1,268	3,500	-	25,768
7298 membranes	382,800	13,667	321,177	(307,510)	(197,267)	-	61,623
7299 Other materials & supplies	168,000	70,000	30,933	39,067	14,000	9,264	137,067
Total Materials and supplies	2,130,800	887,835	922,787	(34,952)	177,565	137,226	1,208,013
Repairs and maintenance							
7520 Maint. of minor equipment	7,000	2,917	-	2,917	583	-	7,000
7581 Maintenance wells	225,880	94,117	57,243	28,054	20,083	37,576	168,637
Total Repairs and maintenance	232,880	97,034	57,243	30,971	20,666	37,576	175,637



	[A]	[B]	[C]	[D]	[E]	[F]	[G]
ACCOUNT	APPROVED BUDGET	YTD BUDGET	YTD ACTUALS	DIFF	FEBRUARY BUDGET	FEBRUARY ACTUAL	BUDGET BALANCE
Contractual and other services							
7102 Sponsorships	1,000	417	-	417	83	-	1,000
7105 Books & periodicals	150	63	-	63	13	-	150
7110 Dues & memberships	1,800	750	274	476	150	35	1,526
7120 Office supplies	1,200	500	698	(198)	100	187	502
7130 Postage/shipping charges	600	250	-	250	50	-	600
7135 Telephone expenses	19,000	7,917	6,818	1,099	1,583	1,364	12,182
7140 Training expenses	4,000	1,667	1,245	422	333	-	2,755
7145 Travel expenses	3,000	1,250	(441)	1,691	250	-	3,441
7180 Utilities - departmental	1,000,000	416,667	431,180	(14,513)	83,333	108,241	568,820
7310 Federal, state, & local fees	1,000	417	-	417	83	-	1,000
7315 Food, meals, ice, water	6,500	2,708	4,374	(1,666)	542	1,654	2,126
7325 Rental of equip/storage/land	151,000	62,917	44,322	18,595	12,583	8,734	106,678
7335 Wearing apparel & dry goods	2,500	1,042	-	1,042	208	-	2,500
7380 Insurance - general liability	1,950	813	742	71	163	148	1,208
7381 Insurance - boiler,mchnry,property	220,000	91,667	65,382	26,285	18,333	13,076	154,618
7384 Insurance - public officials liab	5,000	2,083	881	1,202	417	176	4,119
7385 Insurance - comprehensive auto liab	2,500	1,042	368	674	208	74	2,132
7415 Fuels & lubricants	4,000	1,667	1,256	411	333	245	2,744
7601 Legal Fees	6,000	2,500	1,305	1,195	500	-	4,695
7605 Engineering fees	60,000	25,000	-	25,000	5,000	-	60,000
7615 External auditor fees	10,000	4,167	-	4,167	833	-	10,000
7645 Maintenance services	25,120	10,467	7,510	11,777	833	60	17,610
7650 Security services	5,000	2,083	-	2,083	417	-	5,000
7660 Ground Keeping Maintenance	123,000	51,250	-	51,250	10,250	-	123,000
7699 Other services	250,000	104,167	83,732	20,435	20,833	53,194	166,268
7801 Communication equipment	1,000	417	-	417	83	-	1,000
7805 Computer equipment	2,500	1,042	-	1,042	208	-	2,500
7810 Laboratory equipment	5,000	2,083	-	2,083	417	-	5,000
7820 Office furniture & equipment	1,000	417	-	417	83	-	1,000
7830 Pumping equipment	84,000	35,000	2,880	32,120	7,000	-	81,120
7835 Tools, shop and garage equipment	1,000	417	53	364	83	-	947
7899 Other minor tools & equipment	6,000	2,500	-	2,500	500	-	6,000
Total Contractual and other services	2,004,820	835,347	652,579	191,588	165,805	187,188	1,352,241
GRAND TOTAL	5,495,984	2,290,001	2,047,404	242,597	457,993	446,129	3,448,580



Drought Update

● ● ● SRWA BOARD MEETING | APRIL 2, 2026

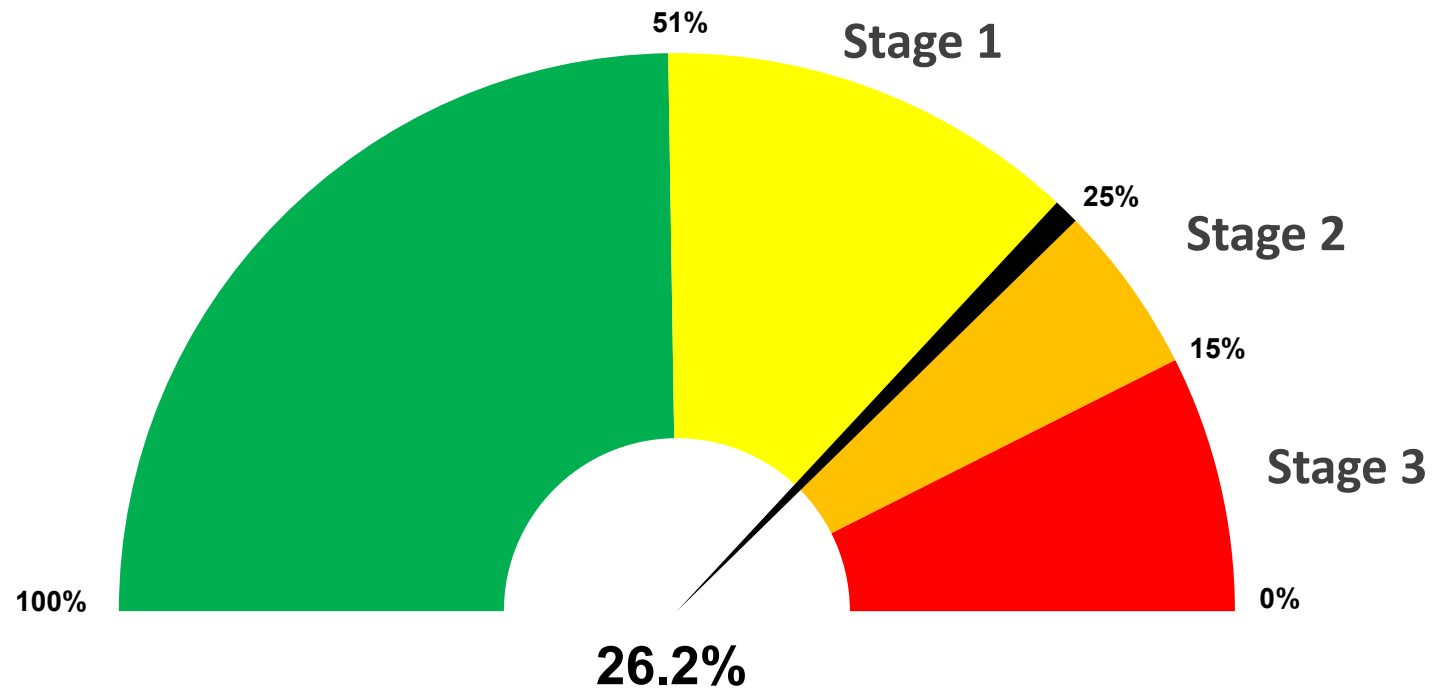
Jaime Flores

Water Resources Administrator

Raw Water Supply

A decorative graphic at the bottom of the slide consists of several overlapping, wavy blue shapes that create a sense of movement and depth, resembling water or a stylized landscape.

BPUB Drought Stage Meter



U.S. Combined ownership at Amistad and Falcon Reservoirs
March 21, 2026 = 26.2%

% U.S. Combined Ownership at Amistad/Falcon

Previous 3 Readings

26.6%

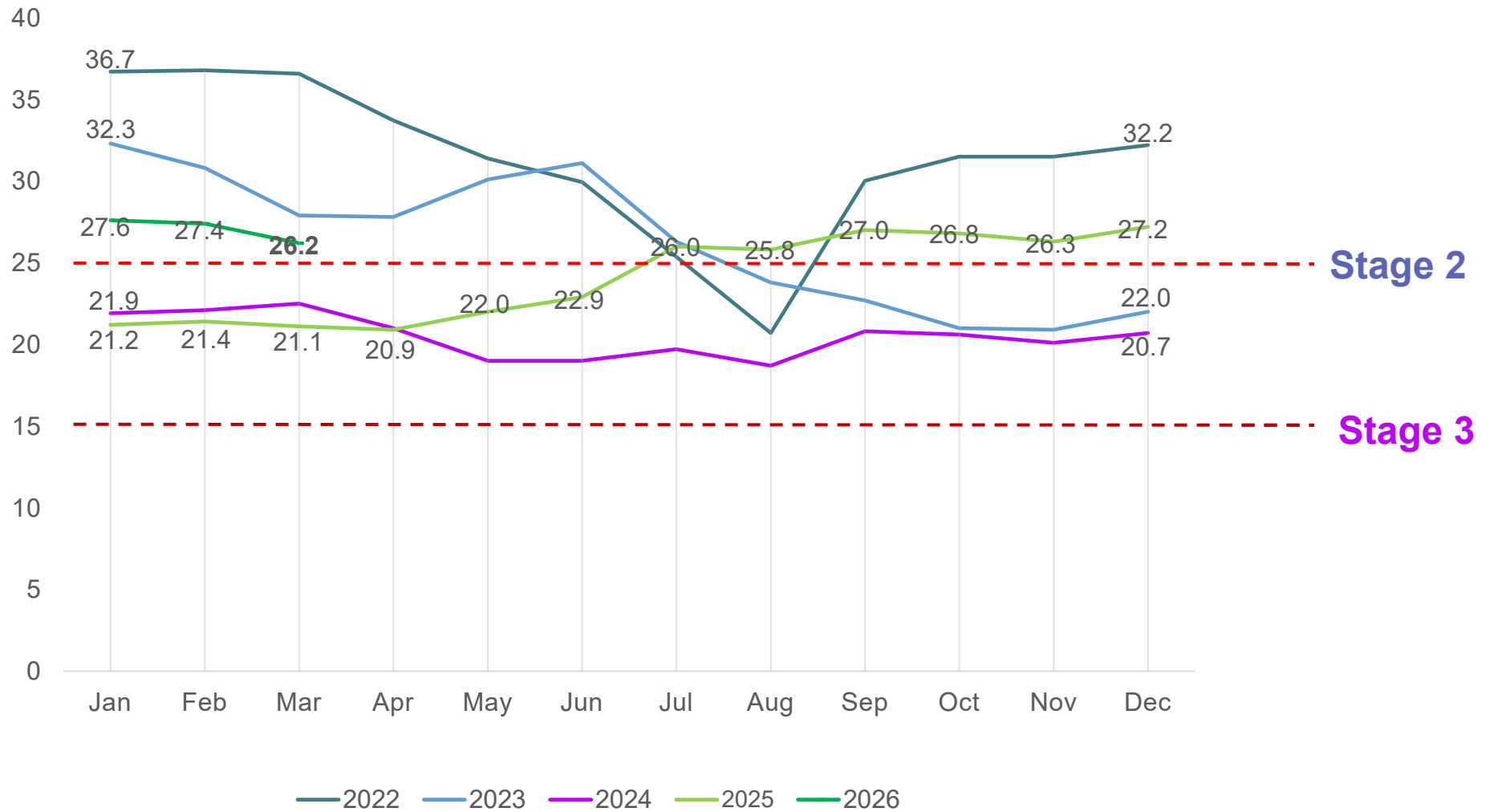
March 14, 2026

26.8%

March 7, 2026

27.2%

February 28, 2026



National Weather Service April to June 2026 Outlook: For the Lower Rio Grande Valley/Deep South Texas Region

- Warmer than normal temperatures are expected to persist during the April-June 2026 period.
- Equal chances for above, normal, or drier than normal precipitation during the April-June 2026 timeframe. Precipitation Confidence: Low-Medium (33%).
- Falcon International Reservoir remained near historic seasonal lows at the end of March.
- Confidence remains near-certain (~100%) on total reservoir storage remaining just above record lows through June.
- Water supply restrictions will continue for some and could be needed for others as we move into the Spring Season.
- Given the equal chances for a wetter or drier pattern developing, there's the possibility of drought conditions continuing over at least parts of the entire region. Depending on how the precipitation pattern evolves, it may take some time in places for drought/dryness conditions to fade.



B R O W N S V I L L E
PUBLIC UTILITIES BOARD

EVERY DROP COUNTS!

Learn more about drought at:



brownsville-pub.com/drought-resources



Overview

● ● ● SRWA BOARD MEETING | April 2, 2026

Jose Armando Garza

Water Treatment Manager

W/WW Operations Division



Outline



- Background
- Aquifer Storage
- Wells
- Brackish Groundwater Desalination
 - Construction
 - Treatment Process
- Cost Summary
- Brownsville Water Supply

Southmost Regional Water Authority Partners

Formed in 1981, revived in 2000

Brownsville Public Utilities Board
92.91%



Valley Municipal Utility District No.2
2.51%

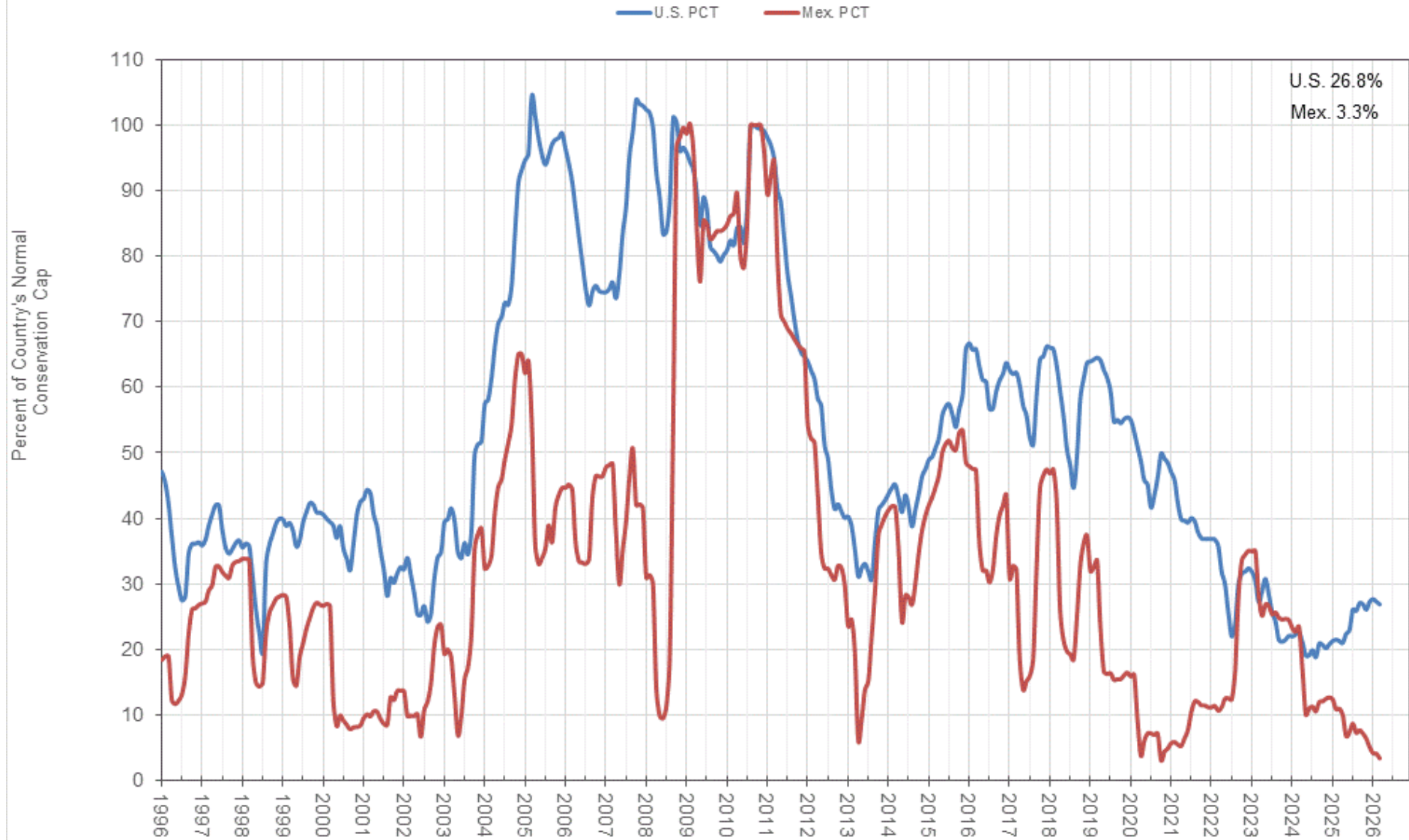


City of Los Fresnos
2.28%



Brownsville Navigation District
2.10%

Amistad-Falcon Percent of Conservation Capacity



Rio Grande at Brownsville

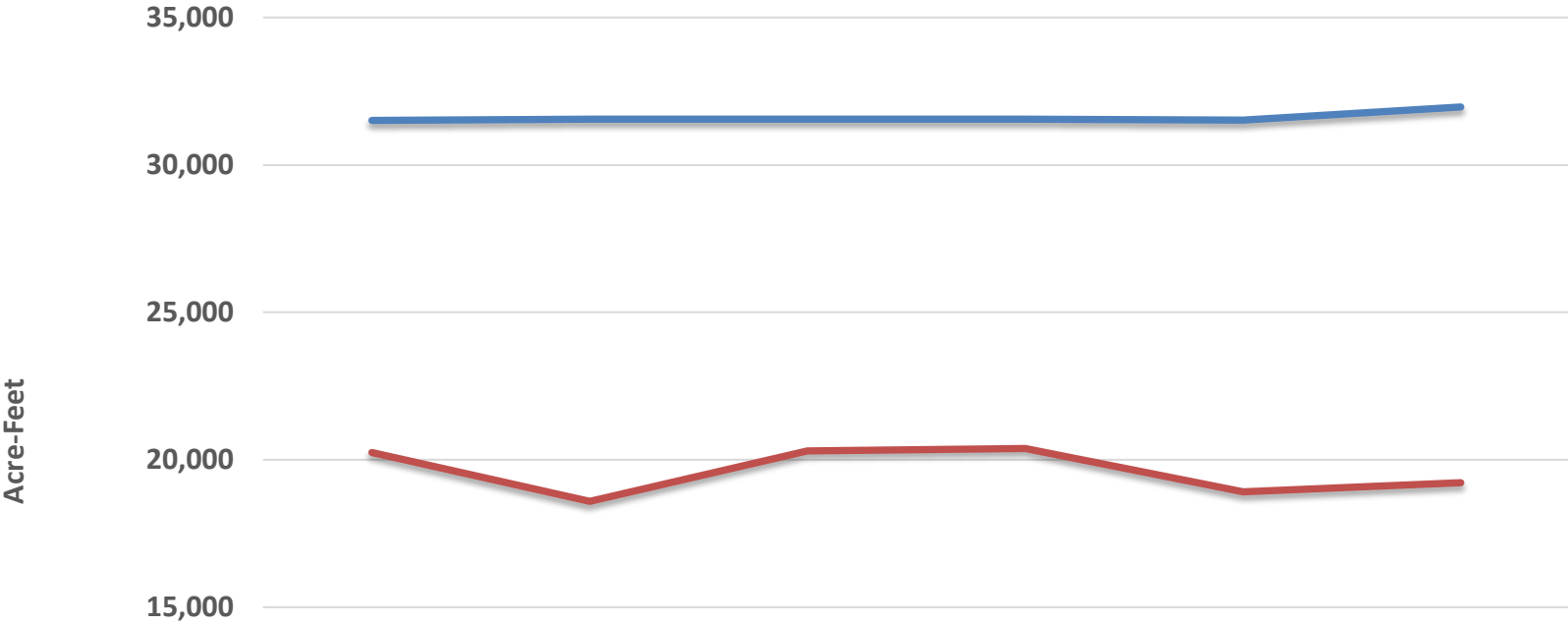
SPRING 2001



SUMMER 2002

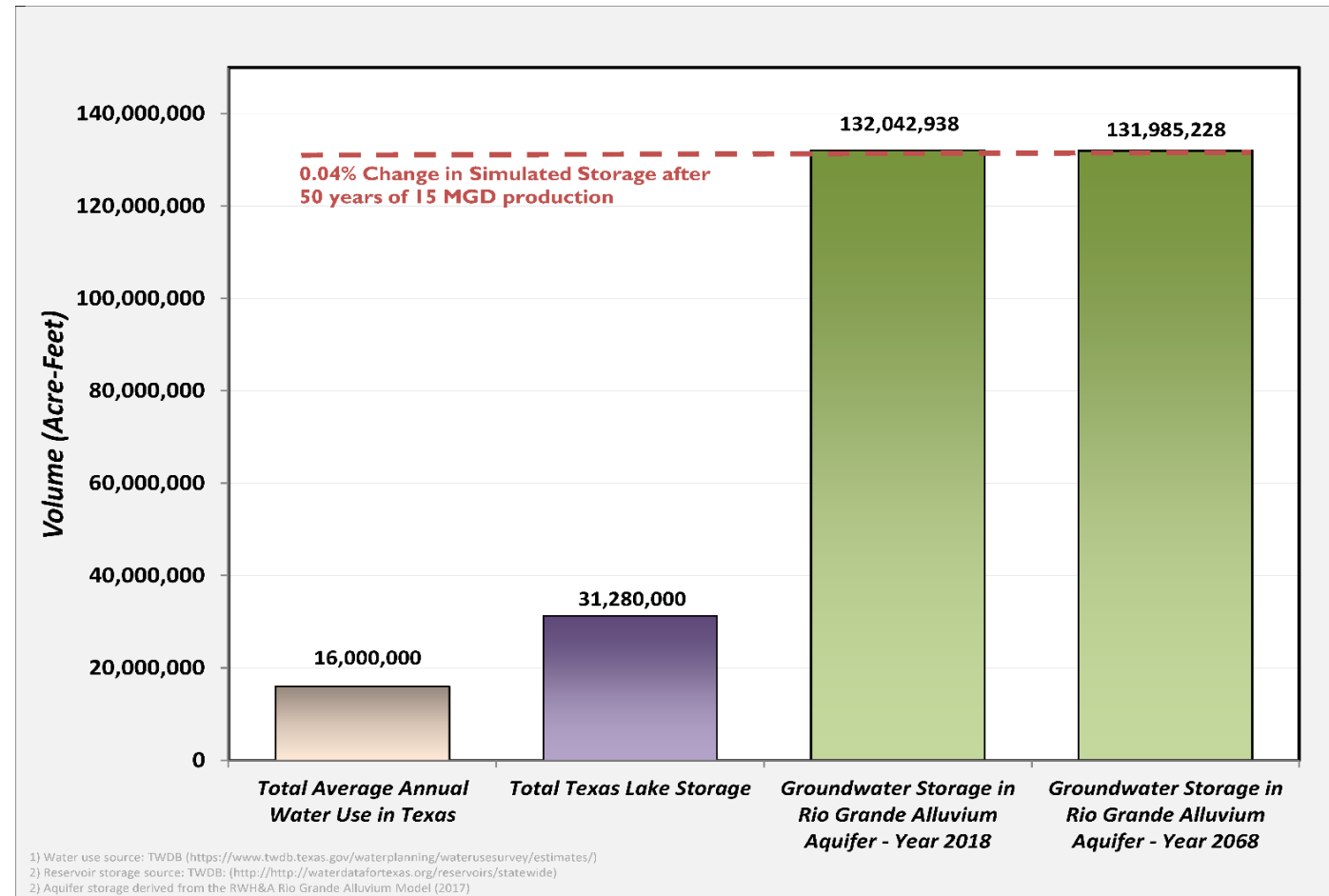


Water Rights: Owned vs Diverted



	2020	2021	2022	2023	2024	2025
— Municipal Water Rights Owned	31,510	31,552	31,552	31,552	31,522	31,966
— Municipal Water Rights Diverted	20,252	18,591	20,298	20,384	18,916	19,222

2017 Aquifer Storage



Brackish Groundwater Wells



- 20 Brackish groundwater wells
- Well depth: approximately 250-300 feet
- Well pump rate: 330-800 gpm
- Groundwater solids: 3,700 mg/L total dissolved solids (TDS)



SRWA Phase I

Brackish Groundwater Desalination

- Reverse Osmosis (RO) Membrane Treatment Facility
- Construction completed in 2004
- Original construction cost: \$29 Million
- 7.5 MGD Original plant capacity
- 8,400 acre-feet of water rights savings (equivalent to \$17 Million)



Reverse Osmosis Membrane Process



SRWA Phase II



Pretreatment and RO expansion

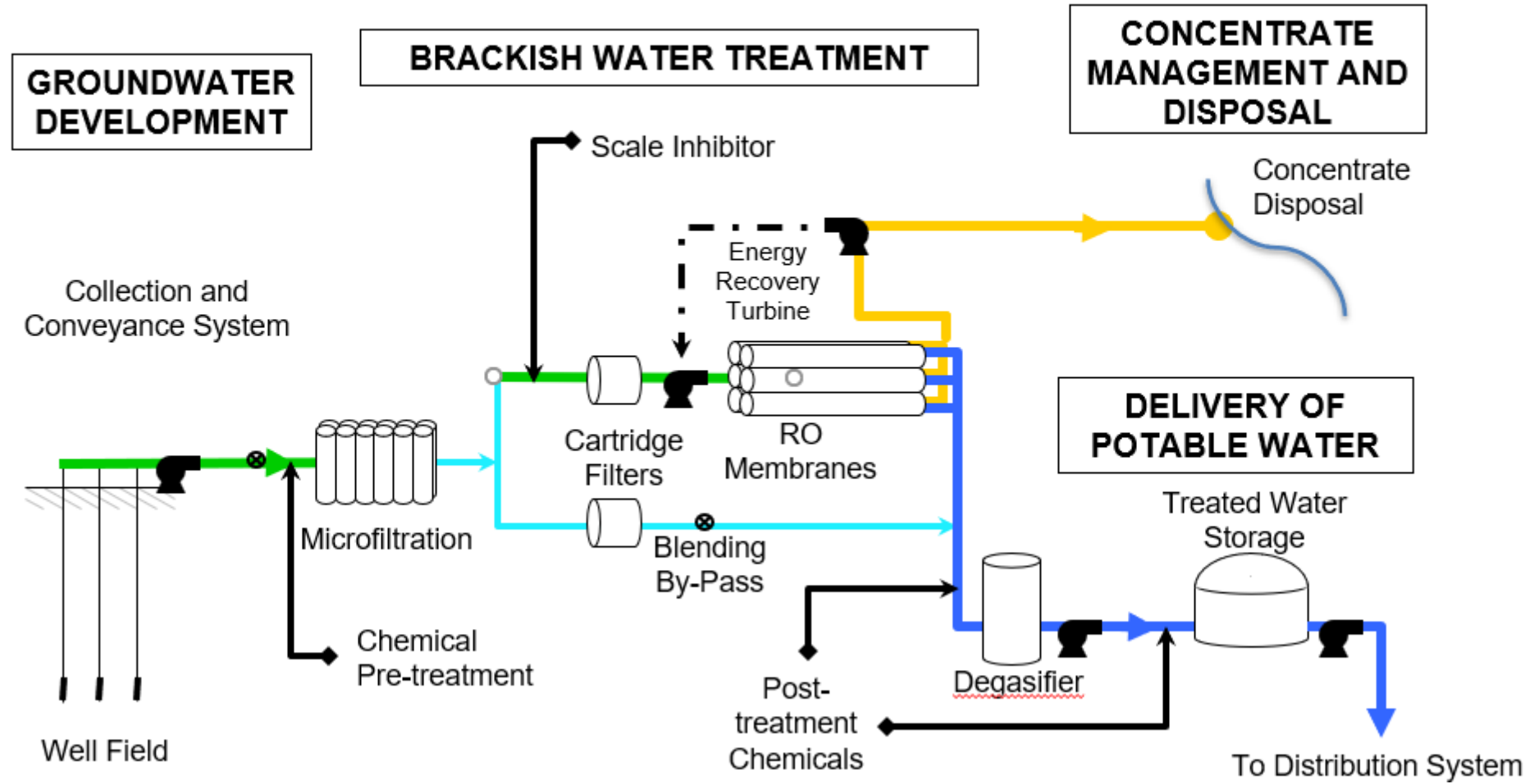
- 2006 = U.S. EPA reduced arsenic level in drinking water standards
- Installed 10 MGD Pall microfiltration system for arsenic and iron removal
- Added 2 RO trains expanding plant capacity to 10 MGD
 - 11,200 acre-feet of water rights savings (\$22.4 Million)
- Cost = \$13 Million
 - \$9,295,000 No-interest TWDB Loan
 - \$3,795,000 Low-interest (below market) TWDB Loan
- Construction cost = \$11.6 Million
 - Construction start = May 2013
 - Completion = December 2015

SRWA Phase III



- Future Expansion

Treatment Process



Cost Summary

FY 2025 O&M Costs = \$4.25 Million

- Distributed: 2,504,427,000 gallons
- Electrical: 24% of Operational costs
- Chemicals: 26% of Operational costs
- 11 Full-Time Employees

FY 2025 Unit Costs:

- \$1.96 per kgals (O&M)
- \$2.87 per kgals
(O&M, debt service, and capital)



Benefits and Challenges

Benefits

- Alternate water supply
- Independent of Rio Grande
- Water rights savings
- Produces high quality water
- Modular design

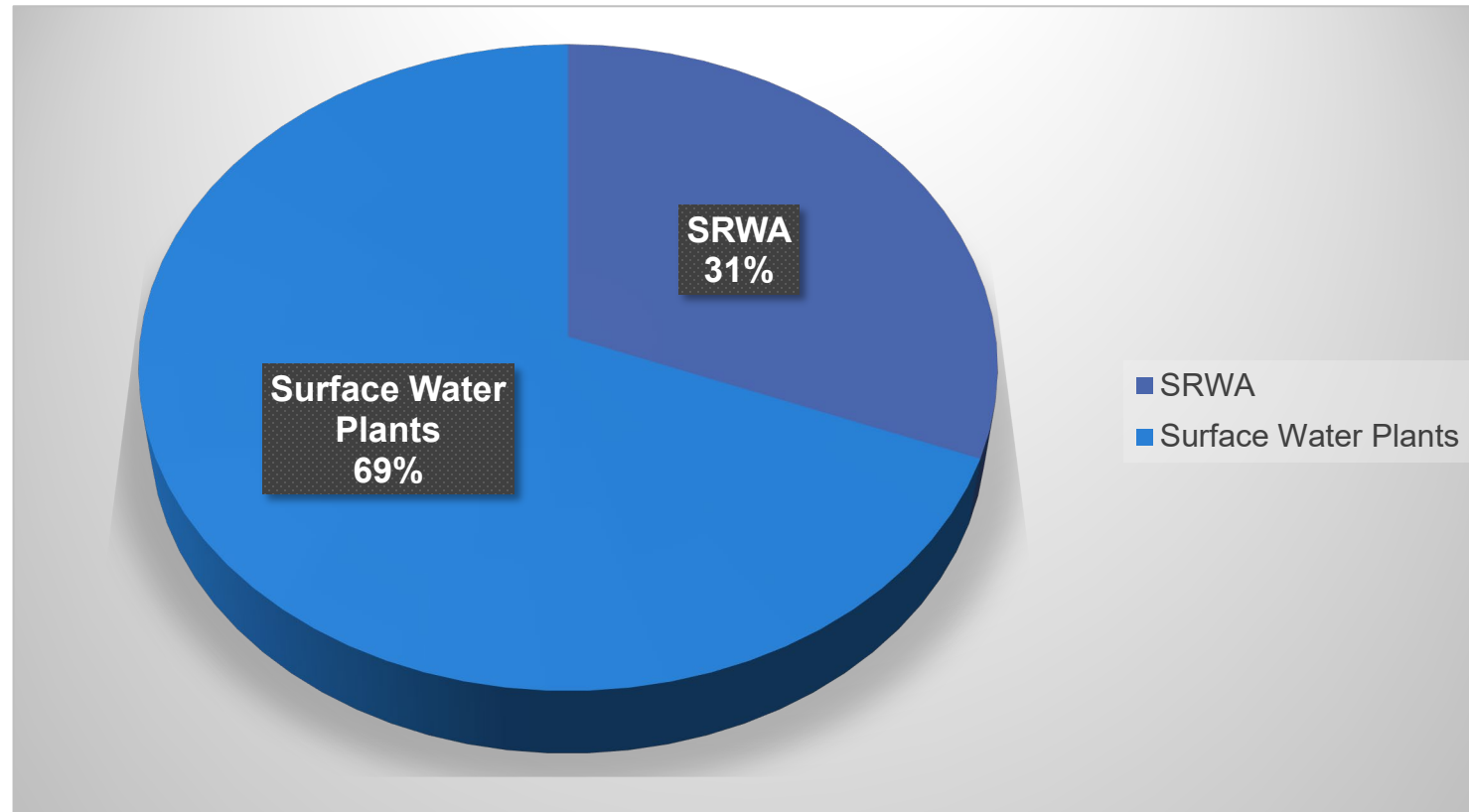
Challenges

- Arsenic, iron and manganese levels in groundwater
- Higher operating costs
- Discharge permit
- Specialized training (SCMA)



Brownsville Public Water Supply

FY 2025 AVERAGE WATER DEMAND: 21.0 MGD





Questions?

JOSE ARMANDO GARZA, WATER TREATMENT MANAGER

A decorative graphic at the bottom of the slide consists of several overlapping, curved bands of blue in various shades, creating a sense of movement and depth.

Election of Officers for the Board of Directors of the Southmost Regional Water Authority



PAUL GONZALEZ



The Right Choice.

BML

Burton
McCumber
& Longoria, LLP
CPAs & Advisors

Brownsville • McAllen

Southmost Regional Water Authority – Brownsville, TX

FINANCIAL REPORTING AUDIT – GOVERNANCE COMMUNICATIONS – FY 2025

Engagement team



Ben Peña, CPA, CVA, CFE

- Audit Partner
- 29+ Years Experience
- 956-574-0305 (direct)
- Ben.Pena@bmltexas.com



• Jose Diaz, CPA, CVA

- Audit Manager
- 14+ Years Experience
- 956-574-0315 (direct)
- Jose.Diaz@bmltexas.com

STAFF

- Gustavo Garcia
- Kristian Zamora
- Kevin Zarrazagas
- Noel Peña

Communications to Governance

AREA

New Accounting Policies Adopted

GASB 101 – Compensated Absences.

The new model will result in a more robust estimate of the amount of compensated absences that a government will pay or settle.

No effect on F/S for entity. Employees are paid through PUB where accruals for compensated absences are kept.

Sensitive Estimates

Depreciation on Capital Assets

No Difficulties encountered in performing the Audit.

There were **no uncorrected** misstatements noted.

There were **no disagreements** with Management.

There were **no reportable financial statement findings.**

AUDITORS' OPINIONS & FINDINGS

FINANCIAL
STATEMENTS

GOVERNMENT
AUDITING
STANDARDS
(GAS) REPORT

SINGLE AUDIT
REPORT ON
COMPLIANCE
– MAJOR

**UNMODIFIED
(a Clean Opinion”)**

“...the financial statements referred to above **present fairly, in all material respects**, the respective financial position of the Public Utilities of Board of the City of Brownsville...”,

No Reportable Findings

Internal Controls over Financial Reporting, and “..compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

Not Applicable

No findings with ICFR.



Consideration and Action on Future Agenda Items

1. DISCUSSION ON DATE, TIME OF NEXT BOARD MEETING - JOSEPH HOLLMANN
2. DISCUSSION AND/OR REQUESTS FOR FUTURE AGENDA ITEMS -



Adjournment
