

BROWNSVILLE
PUBLIC UTILITIES BOARD

Board of Directors Meeting

• • • Wednesday, March 11, 2026



BROWNSVILLE
PUBLIC UTILITIES BOARD

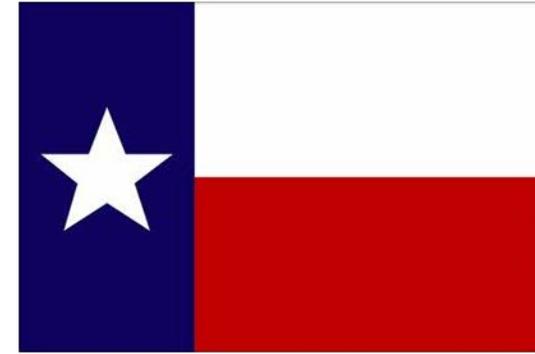
Confirmation of a Quorum

Pledge of Allegiance to the United States



I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

Texas Pledge



Honor the Texas flag, I pledge allegiance to thee, Texas, one state under God, one and indivisible.





BROWNSVILLE
PUBLIC UTILITIES BOARD

Workshop or Public Hearing(s)

2026-2030 ELECTRIC COST OF SERVICE STUDY AND RATE REVIEW - MARK
DOMBROSKI



2026-2030 ELECTRIC COST OF SERVICE STUDY AND RATE REVIEW

March 11, 2026

WORKSHOP 2: COST OF SERVICE & RATE DESIGN RESULTS

Presented by:
Grant Rabon, Partner

NewGen
Strategies & Solutions

Agenda

1. Test Year Development
2. Cost Allocation
3. Rate Design
4. Bill Impacts



TEST YEAR DEVELOPMENT

BPUB AMENDED FY 2025 BUDGET - ELECTRIC

REVENUES – SOURCES, ASSUMPTIONS AND TRENDS

SOURCES

In FY 2025, Brownsville PUB expects to generate 87.98% of revenues through base rates charged to customers and from the Fuel & Purchased Energy Charge (FPEC). Off-system sales revenue (ERCOT related transactions) make up 3.62% of the total revenue budget for FY 2025. Because of the uncertainty of these off-system sales BPUB takes a conservative approach to forecasting them. The remainder is made up of interest from investments and other operating and non-operating revenues (other revenues) which include customer service charges such as forfeited discounts (penalties) and connection and service charges. Other revenues also include Tele-Communications Inc. (TCI) pole rental charges, Transmission Cost of Service (TCOS), and ERCOT congestion rights revenues. These other revenues are relatively stable therefore the forecast is based on historical averages.

FY 2025 REVENUES BY SOURCES

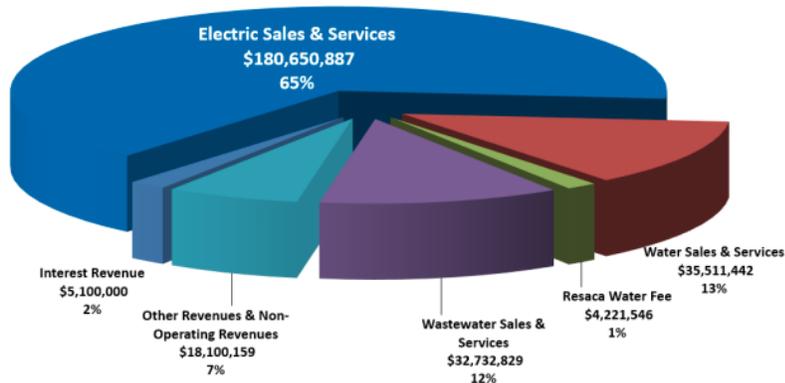
	<u>ELECTRIC</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
SALES & SERVICES TO CUSTOMERS	\$ 170,650,887	\$ 39,732,988	\$ 32,732,829	\$ 243,116,704
OFF-SYSTEM SALES REVENUE	10,000,000	-	-	10,000,000
INTEREST FROM INVESTMENTS	3,060,000	1,020,000	1,020,000	5,100,000
OTHER OPERATING & NON-OPERATING REVENUES	15,715,281	1,247,439	1,137,439	18,100,159
	<u>\$ 199,426,168</u>	<u>\$ 42,000,427</u>	<u>\$ 34,890,268</u>	<u>\$ 276,316,863</u>



FY 2025 REVENUES BY SOURCES

	<u>ELECTRIC</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
SALES & SERVICES TO CUSTOMERS	\$ 170,650,887	\$ 39,732,988	\$ 32,732,829	\$ 243,116,704
OFF-SYSTEM SALES REVENUE	10,000,000	-	-	10,000,000
INTEREST FROM INVESTMENTS	3,060,000	1,020,000	1,020,000	5,100,000
OTHER OPERATING & NON-OPERATING REVENUES	15,715,281	1,247,439	1,137,439	18,100,159
	<u>\$ 199,426,168</u>	<u>\$ 42,000,427</u>	<u>\$ 34,890,268</u>	<u>\$ 276,316,863</u>

FY 2025 REVENUES BY SYSTEM AND SOURCES



<https://www.brownsville-pub.com/wp-content/uploads/2024/12/Brownsville-Public-Utilities-Board-FY-2025-Budget-Document.pdf>

FY 2025 UNAUDITED FINANCIAL RESULTS: ELECTRIC

- In FY 2025, BPUB had a Gross Revenue variance of (\$23.4M)
- Almost all of that is explained by the Fuel and Purchased Power cost variance of (\$21.5M)
- This indicates that BPUB recovered its costs for 2025

	FY 2025 Budget	FY 2025 Actual	Difference
Gross Revenues	\$ 199,426,168	\$ 176,007,835	\$ (23,418,333)
Fuel and Purchased Power	\$ 93,225,000	\$ 71,696,365	\$ (21,528,635)
All Other O&M	55,133,024	50,728,418	(4,404,606)
	\$ 148,358,024	\$ 122,424,783	\$ (25,933,241)
City Transfer (before reduction for City service)	\$ 10,620,117	\$ 10,431,147	\$ (188,970)
Debt Service (including CP)	\$ 20,073,063	\$ 20,106,885	\$ 33,822
Cash Funded Capital Expense	\$ 16,174,964	\$ 18,845,020	\$ 2,670,056
Contribution to Reserves	\$ 4,200,000	\$ 4,200,000	\$ -
Gross Revenue Requirement	\$ 199,426,168	\$ 176,007,835	\$ (23,418,333)

Unaudited results prior to year-end accruals

	FY 2025 Budget	Adjustments	Adjusted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Five-Year Ave Test Year
Eligible Fuel and Purchase Power Costs	\$ 78,200,000	\$ 2,721,000	\$ 80,921,000	\$ 84,967,050	\$ 89,215,403	\$ 93,676,173	\$ 98,359,982	\$ 103,277,981	\$ 93,899,318
Congestion moved to Production	-	3,500,000	3,500,000	3,675,000	3,858,750	4,051,688	4,254,272	4,466,985	4,061,339
Other Production O&M	6,419,706	(459,008)	5,960,698	5,990,316	6,006,329	6,017,471	6,013,556	6,003,654	6,006,265
Transmission by Others	9,500,000	8,539,590	18,039,590	18,418,421	18,786,789	19,162,525	19,526,613	19,897,619	19,158,394
Other Transmission O&M	6,494,977	(3,500,000)	2,994,977	3,063,737	3,131,384	3,200,702	3,268,774	3,338,503	3,200,620
Distribution O&M	8,435,626	-	8,435,626	8,649,632	8,862,661	9,081,951	9,300,119	9,524,712	9,083,815
Customer, A&G & Shared O&M	39,307,715	866,877	40,174,592	41,607,938	43,080,610	44,614,762	46,192,148	47,835,990	44,666,290
Total Cash O&M	\$ 148,358,024	\$ 11,668,459	\$ 160,026,482	\$ 166,372,095	\$ 172,941,926	\$ 179,805,272	\$ 186,915,464	\$ 194,345,444	\$ 180,076,040
Transfer to City (before reduction for City service)	10,620,117	1,413,944	12,034,061	12,344,309	12,644,855	12,859,931	13,125,594	13,407,792	12,876,496
Debt Service (including CP)	20,073,063	-	20,073,063	20,565,737	20,949,171	20,482,280	20,446,859	20,474,666	20,583,743
Cash Funded Capital Expense	16,174,964	(10,674,964)	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Contribution to Reserves	4,200,000	(572,000)	3,628,000	3,628,000	3,628,000	3,628,000	3,628,000	3,628,000	3,628,000
Gross Revenue Requirement	\$ 199,426,168	\$ 1,835,438	\$ 201,261,606	\$ 208,410,140	\$ 215,663,952	\$ 222,275,484	\$ 229,615,917	\$ 237,355,903	\$ 222,664,279
Less: Wholesale & Ancillary Services Revenues	(19,821,216)	(6,000,000)	(25,821,216)	(26,621,216)	(27,461,216)	(28,343,216)	(29,269,316)	(30,241,721)	(28,387,337)
Less: Wholesale Transmission Revenues	(1,561,960)	(9,692,676)	(11,254,637)	(11,490,984)	(11,720,804)	(11,955,220)	(12,182,369)	(12,413,834)	(11,952,642)
Less: Misc Other Revenues	(7,392,105)	3,060,000	(4,332,105)	(4,332,105)	(4,332,105)	(4,332,105)	(4,332,105)	(4,332,105)	(4,332,105)
Net Revenue Requirement	\$ 170,650,887	\$ (10,797,238)	\$ 159,853,649	\$ 165,965,836	\$ 172,149,827	\$ 177,644,943	\$ 183,832,127	\$ 190,368,243	\$ 177,992,195
New Pass-Throughs:									
Energy Supply Charge	58,378,784	(3,279,000)	55,099,784	58,345,834	61,754,187	65,332,957	69,090,666	73,036,260	65,511,981
Transmission Charge	9,500,000	8,539,590	18,039,590	18,418,421	18,786,789	19,162,525	19,526,613	19,897,619	19,158,394
Base Revenue Requirement	\$ 102,772,103	\$ (16,057,828)	\$ 86,714,275	\$ 89,201,580	\$ 91,608,851	\$ 93,149,461	\$ 95,214,848	\$ 97,434,364	\$ 93,321,821

ADJUSTMENTS – OTHER PRODUCTION

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	Average	Adjustment
E51301 Maintenance of Electric Plant (spgm)	\$420,246	\$150,258	\$187,147	\$864,561	\$405,553	(\$459,008)

ADJUSTMENTS – 2025 ERCOT MATRIX (DOCKET NO. 57491)

	AE	EN	AN	AR	AS	EL	LU	OR	AL	EP	RN	RD	BPUB	RY	RI	A	N	I	E	O	D	C	T	U	S	E	T	M	I	E	T	R	V	E	C	M	N	K	L	V	E	A	C	E	E	F	H	E	D	E	Total						
Access Fee (\$/KW)	##	##	##	##	##	##	##	##	##	##	##	##	\$0.138873	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$68.54730				
Average 4CP (KW)	##	##	##	##	##	##	##	##	##	##	##	##	263,170	#	#	#	#	#	0	#	#	0	#	0	0	#	0	0	0	0	0	0	0	0	0	#	#	0	#	0	#	#	#	#	#	#	#	#	0	#	81,042,656.556						
AEP	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$916,570	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$452,416,393			
AENA	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$384,698	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$189,885,692		
BAND	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$23,121	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$11,412,655		
BAR1	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$411	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$202,715		
BAS1	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$2,476	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$1,222,221		
BELV	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$1,866	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$921,196		
BLUE	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$99,602	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$49,163,402	
BOER	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$4,880	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$2,408,887	
BRADY	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$1,903	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$939,348	
BEPC	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$568,976	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$280,844,845
BKRM	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$7,632	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$3,767,149	
BRDG	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$1,936	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$955,371
BPUB	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$36,547	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$18,039,590	
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Total	##	##	##	\$0	\$0	\$0	##	\$0	\$0	##	\$0	\$0	\$11,254,637	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	\$5,555,255,336		

BPUB pays other TSPs (Transmission by Others)

BPUB collects from others for Wholesale Transmission Service

ADJUSTMENTS – EMPLOYEE PENSION/BENEFITS

- The FY 2025 Budget for TRMS costs allocated to electric was \$3,674,083
- A change in policy increased the TRMS cost from 19.92% of payroll costs in FY 2025 to 24.62% starting January 2026
- The \$866,877 adjustment makes the TRMS cost in the test year reflective of a full year at the new TRMS rate

ADJUSTMENTS – GFT ADJUSTMENT

	FY 2025 Budget	Adjusted FY 2025
Gross Revenue Requirement	\$199,426,168	\$201,261,606
F&PEC	(99,225,000)	(80,921,000)
Net	106,201,168	120,340,606
	10%	10%
GFT	\$10,620,117	\$12,034,061
Difference		\$1,413,944

ADJUSTMENTS – CASH FUNDED CAPITAL

	FY 2025 *	FY 2026	FY 2027	FY 2028	FY 2029	Total	As a %
Capital Uses							
Electric	\$26,101,408	\$25,227,812	\$20,010,952	\$8,480,000	\$8,480,000	\$88,300,172	
A&G (allocated to electric)	3,102,616	1,716,284	1,425,000	1,425,000	-	7,668,901	
	\$29,204,024	\$26,944,096	\$21,435,952	\$9,905,000	\$8,480,000	\$95,969,073	
Capital Sources							
CIAC	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$4,500,000	4.7%
Debt	-	11,404,907	11,765,921	2,815,571	1,368,283	27,354,683	28.5%
Rate Revenues	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	27,500,000	28.7%
Reserve Fund	22,804,024	9,139,189	3,270,031	689,429	711,717	36,614,390	38.2%
	\$29,204,024	\$26,944,096	\$21,435,952	\$9,905,000	\$8,480,000	\$95,969,073	100.0%

*With carry-over amount

ADJUSTMENTS – RESERVE ADJUSTMENT

Decommissioning Reserve	Adjusted FY 2025
Beginning Balance	\$ 2,000,000
Target	10,000,000
Amount to be Recovered	\$ 8,000,000
Years to Recover	4
Annual Contribution	\$ 2,000,000
Power Supply Stabilization Reserve	Adjusted FY 2025
Beginning Balance	\$ 1,500,000
Target (90 Days F&PEC)	16,153,639
Amount to be Recovered	\$ 14,653,639
Years to Recover	9
Annual Contribution (rounded)	\$ 1,628,000
Total Annual Contribution to Reserves	\$ 3,628,000

DECOMMISSIONING RESERVE

Lens	Pros (why adopt)	Cons / Trade-offs
Intergenerational Equity	<ul style="list-style-type: none"> Spreads known end-of-life costs across the customers who benefited; avoids a large “closure spike” later. 	<ul style="list-style-type: none"> Starting late (Silas Ray ~5 years left, only \$2M on hand) means faster catch-up → near-term rate pressure.
Rate Stability	<ul style="list-style-type: none"> Predictable annual accruals instead of one-time hit at retirement. 	<ul style="list-style-type: none"> Cash set-aside reduces flexibility for other needs.
Credit/Risk	<ul style="list-style-type: none"> Reduces contingent liabilities; viewed favorably by rating analysts when targets/policies are clear. 	<ul style="list-style-type: none"> If underfunded or vague, it is still seen as a future risk.
Accounting Fit	<ul style="list-style-type: none"> Aligns with GASB 62, match recovery timing to approved schedules. 	<ul style="list-style-type: none"> Requires documented legal triggers/scope and Board-approved recovery periods/policy. (gasb.org)
Governance	<ul style="list-style-type: none"> Transparent engineering estimate, target balance, funding path, and annual reporting build trust. 	<ul style="list-style-type: none"> If rules for deposits/uses/replenishment aren’t explicit, the reserve can be perceived as a “slush fund.”

ENERGY SUPPLY RESERVE

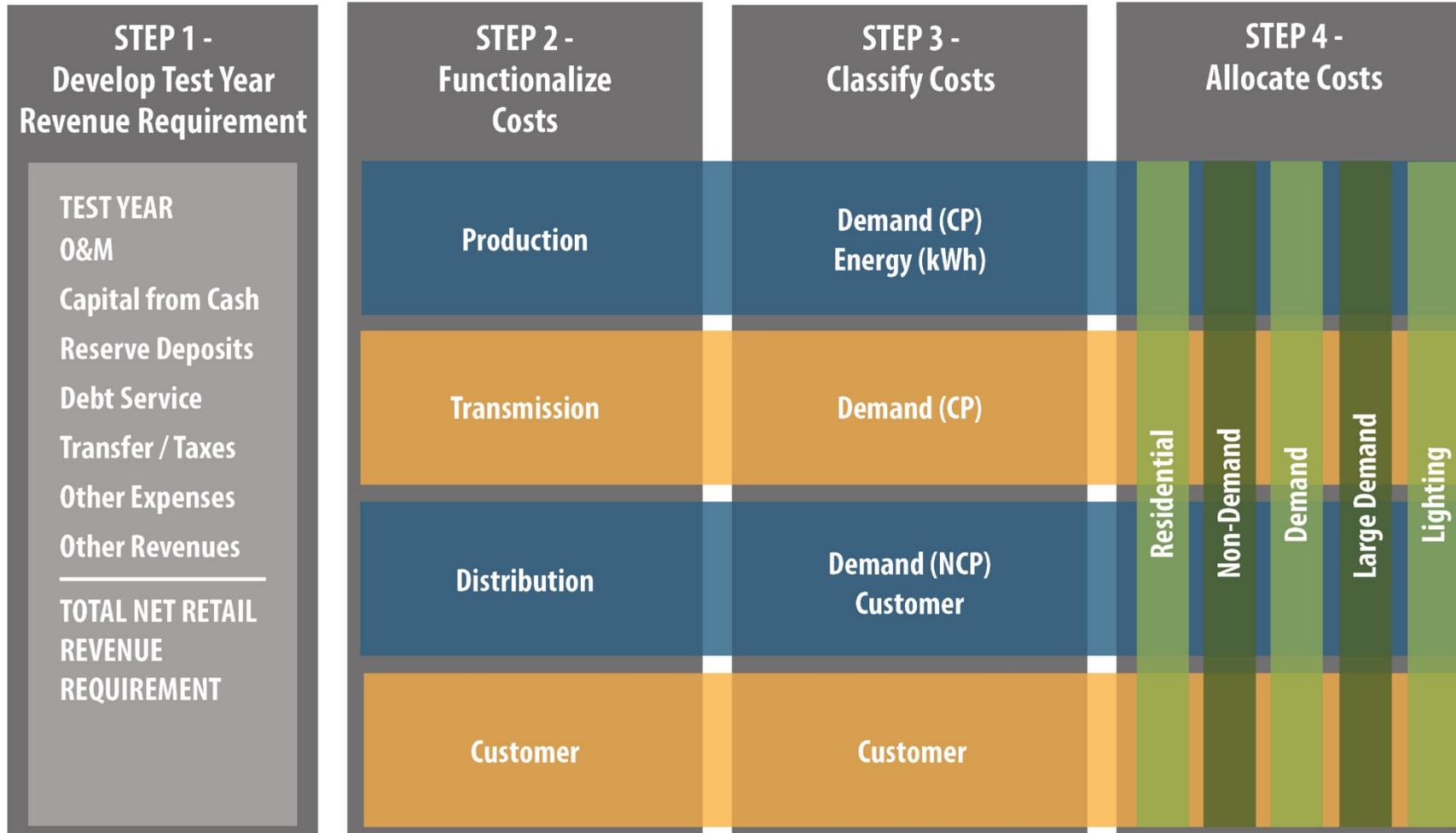
Lens	Pros (why adopt)	Cons / Trade-offs
Financial Stability	<ul style="list-style-type: none"> • Smooths earnings across volatile periods • Helps meet bond coverage requirements 	<ul style="list-style-type: none"> • Requires disciplined cash management • May tie up funds that could be used elsewhere
Rate Management	<ul style="list-style-type: none"> • Avoids sudden rate increases during high-cost periods • Supports long-term rate stability 	<ul style="list-style-type: none"> • Could delay necessary rate adjustments • May be misunderstood by stakeholders
Regulatory Compliance	<ul style="list-style-type: none"> • Aligns with GASB 62 for rate-regulated utilities • Enhances transparency with approved policies 	<ul style="list-style-type: none"> • Requires formal board/regulator approval • Needs ongoing documentation and oversight
Operational Resilience	<ul style="list-style-type: none"> • Provides a buffer during supply disruptions or market spikes • Supports reliability planning 	<ul style="list-style-type: none"> • May not be sufficient during extreme events without additional contingency planning
Strategic Planning	<ul style="list-style-type: none"> • Enables proactive budgeting and forecasting • Supports long-term capital and resource planning 	<ul style="list-style-type: none"> • Adds complexity to financial reporting • Requires regular policy review and updates

ESCALATORS FOR FUTURE YEARS

	2026	2027	2028	2029	2030	Index	Source of Information
Inflation	2.10%	2.00%	2.00%	1.90%	1.90%	GDP Chained Price Index	Blue Chip Economic Indicator Report October 2024
Interest Earnings	3.00%	3.00%	2.90%	2.90%	2.90%	Treasury Bill 3 month	Blue Chip Economic Indicator Report October 2024
Personnel	5.00%	5.00%	5.00%	5.00%	5.00%		Provided by BPUB on 4/29/2025
Energy Supply	5.00%	5.00%	5.00%	5.00%	5.00%		Electric prices from CPI-U July 2025

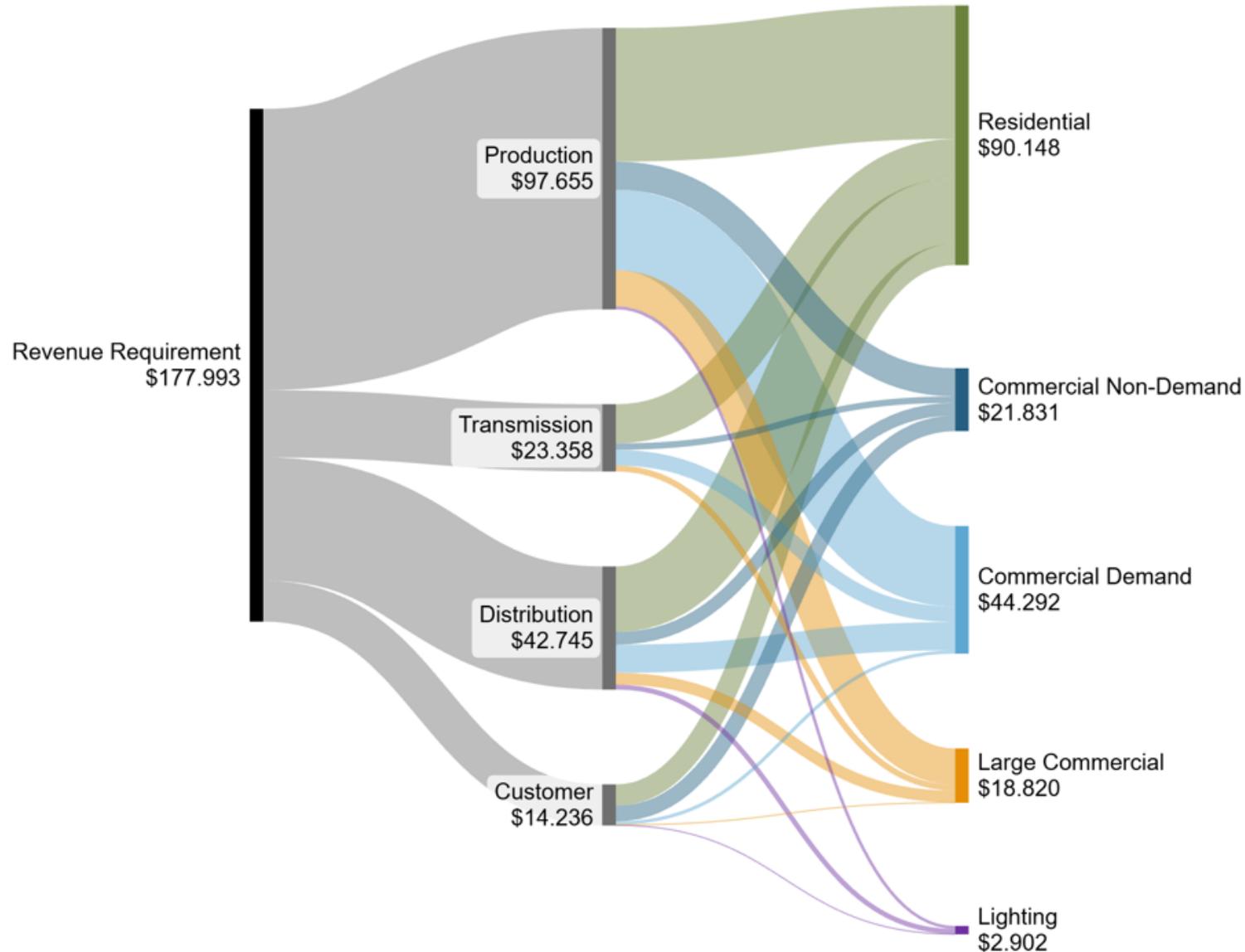
COST ALLOCATION

OVERALL PROCESS



Description	Test Year	Allocator	Residential	Commercial Non-Demand	Commercial Demand	Large Commercial	Lighting	Total
Production								
Fixed	\$ 32,142,528	12CP	\$ 16,272,189	\$ 2,495,331	\$ 9,114,074	\$ 4,260,934	\$ -	\$ 32,142,528
Variable Fuel and Purchased Power	65,511,981	NEFL	30,083,816	7,260,093	18,833,202	8,283,105	1,051,766	65,511,981
Total Production	\$ 97,654,509		\$ 46,356,004	\$ 9,755,424	\$ 27,947,275	\$ 12,544,039	\$ 1,051,766	\$ 97,654,509
Transmission								
Regulated Transmission	\$ 4,199,847	12CP	\$ 2,126,177	\$ 326,048	\$ 1,190,875	\$ 556,747	\$ -	\$ 4,199,847
Transmission by Others	19,158,394	ERCOT 4CP	11,471,125	1,917,821	4,228,676	1,540,772	-	19,158,394
Total Transmission	\$ 23,358,241		\$ 13,597,302	\$ 2,243,869	\$ 5,419,551	\$ 2,097,519	\$ -	\$ 23,358,241
Distribution Demand								
Subs	\$ 4,711,480	12NCP	\$ 2,489,299	\$ 345,613	\$ 1,233,656	\$ 553,922	\$ 88,991	\$ 4,711,480
Primary Lines	13,028,119	12NCP	6,883,374	955,684	3,411,287	1,531,696	246,077	13,028,119
Secondary Lines	10,644,490	12NCP	5,623,990	780,832	2,787,157	1,251,457	201,055	10,644,490
Transformers	6,099,289	SMD	4,003,860	439,401	1,224,939	374,162	56,926	6,099,289
City Street and Signal Lighting	961,149	Lighting	-	-	-	-	961,149	961,149
Load Dispatching	2,854,258	12NCP	1,508,040	209,376	747,360	335,571	53,912	2,854,258
Private Security Lighting	83,163	Lighting	-	-	-	-	83,163	83,163
Distribution Customer								
Services	1,116,538	Customer Weighting	581,498	426,328	91,274	7,895	9,542	1,116,538
Meters	3,246,108	Customer Weighting	1,690,588	1,239,462	265,362	22,954	27,742	3,246,108
Total Distribution	\$ 42,744,594		\$ 22,780,650	\$ 4,396,696	\$ 9,761,036	\$ 4,077,656	\$ 1,728,557	\$ 42,744,594
Customer								
Cust Service	\$ 7,034,582	Customer Weighting	\$ 3,663,643	\$ 2,686,016	\$ 575,061	\$ 49,743	\$ 60,119	\$ 7,034,582
Meter Reading	1,417,941	Customer Weighting	738,470	541,413	115,913	10,027	12,118	1,417,941
Cust Accounting	5,782,328	Customer Weighting	3,011,463	2,207,868	472,692	40,888	49,417	5,782,328
Total Customer	\$ 14,234,852		\$ 7,413,577	\$ 5,435,297	\$ 1,163,667	\$ 100,657	\$ 121,654	\$ 14,234,852
Total Revenue Requirement	\$ 177,992,195		\$ 90,147,533	\$ 21,831,286	\$ 44,291,528	\$ 18,819,871	\$ 2,901,977	\$ 177,992,195
Less: Energy Supply Charge	(65,511,981)		(30,083,816)	(7,260,093)	(18,833,202)	(8,283,105)	(1,051,766)	(65,511,981)
Less: Transmission Charge	(19,158,394)		(11,471,125)	(1,917,821)	(4,228,676)	(1,540,772)	-	(19,158,394)
Base Rate Rev Req	\$ 93,321,821		\$ 48,592,592	\$ 12,653,372	\$ 21,229,651	\$ 8,995,995	\$ 1,850,211	\$ 93,321,821

Cost of Service Allocations (\$ Millions)



Note:

The allocations shown here reflect the current 50 kW breakpoint between the Commercial Non-Demand and Commercial Demand customer classes

COST OF SERVICE SUMMARY OF FINDINGS

- In FY 2025, BPUB's electric revenues were adequate to recover its expenses and provide cash to fund CIP and reserves
- Future inflation will erode the financial condition of BPUB without an offsetting increase in revenues
- BPUB existing rate structures, designed long ago, result in inequitable outcomes and are too dependent on variable rates to recover fixed costs
- BPUB can restructure its rates to provide improved fairness, improve transparency, and to enable economic development
- The rate restructuring shifts approximately \$10M from F&PEC to base rates
- BPUB can mitigate some of the effects on Residential customers using gradualism and the over-collection in the F&PEC Fund

RATE DESIGN

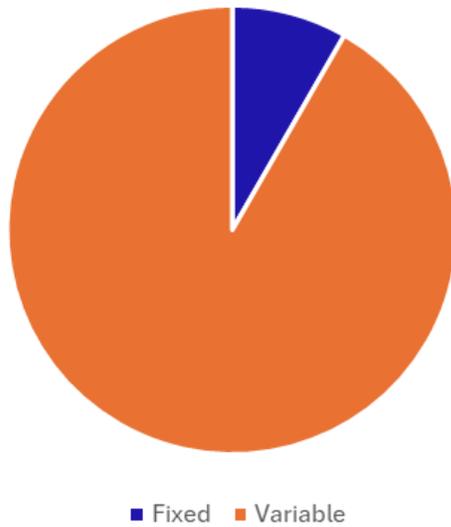
INTENT OF RATE DESIGN

- Proposed rate design attempts to better align cost responsibility and recovery (i.e., recover the right costs from the right customers)
 - Who is paying the costs?
 - How are the costs being recovered?
- For example, moving the non-demand/demand breakpoint from 50 kW to 25 kW and increasing the demand charges will improve equity as the intra-class subsidy from high load factor customers to low load factor customers will be reduced

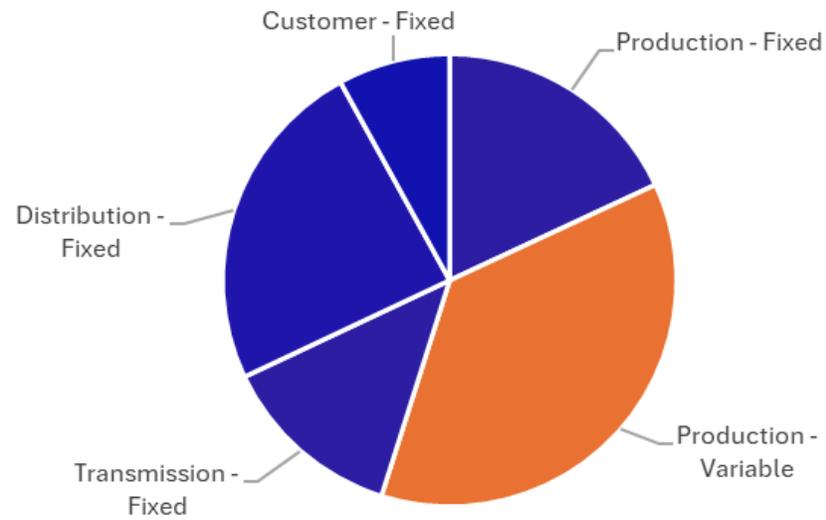


FIXED COST RECOVERY

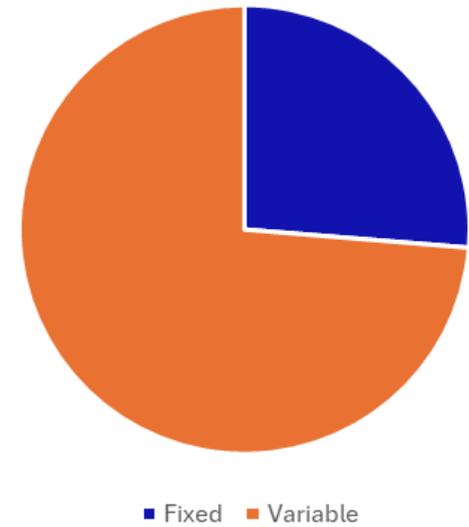
Current Rate Revenue



Cost of Service



Proposed Rate Revenue



PROPOSED RATE STRUCTURE

Type of Rate	Basis for Adjustment	Proposed Charge	Billing Determinate
Base Rates change only after a formal cost-of-service review. Adjustments reflect updated capital investment, operating costs, customer growth, and system conditions to ensure long-term, fair, and stable cost recovery.	Established every 5-years and adjusted based on policy	Customer Charge	Fixed per meter
		Delivery Charge	Rate per kWh
		Demand Charge	Rate per kW
Pass-Through Rates adjust periodically based on actual costs. These formula-driven updates ensure customers pay no more or less than the utility's true incurred expenses.	Annually upon PUCT approval of Matrix Expense	Transmission Charge	Rate per kWh or kW
	Annually during budget cycle	Community Benefit Charge	Rate per kWh
	Monthly	Energy Supply Charge	

Class	2025 Current	2026 Phase 1	2027 Phase 2	2028 Phase 3	2029 Phase 4	2030 Phase 5
Base Rate Revenue	without discounts	without discounts (b/c Community Benefit will cover these discounts)				
Residential	\$ 38,769,216	\$ 44,959,346	\$ 46,559,978	\$ 48,344,275	\$ 49,570,865	\$ 50,937,853
Commercial Non Demand/Demand	31,354,957	33,633,426	33,796,605	33,962,306	34,610,324	35,258,594
Commercial Large Demand	6,118,061	8,953,667	8,971,320	8,988,920	9,214,221	9,438,122
Lighting	2,316,539	1,882,070	1,882,070	1,882,070	1,889,525	1,896,979
Total	\$ 78,558,773	\$ 89,428,510	\$ 91,209,974	\$ 93,177,572	\$ 95,284,935	\$ 97,531,548

Base Revenue Requirement						
Residential		\$ 46,447,187	\$ 47,700,651	\$ 48,502,845	\$ 49,578,290	\$ 50,733,990
Commercial Non Demand/Demand		32,387,057	33,261,082	33,820,443	34,570,337	35,376,193
Commercial Large Demand		8,598,814	8,830,869	8,979,380	9,178,478	9,392,434
Lighting		1,768,523	1,816,250	1,846,794	1,887,743	1,931,747
Total		\$ 89,201,580	\$ 91,608,851	\$ 93,149,461	\$ 95,214,848	\$ 97,434,364

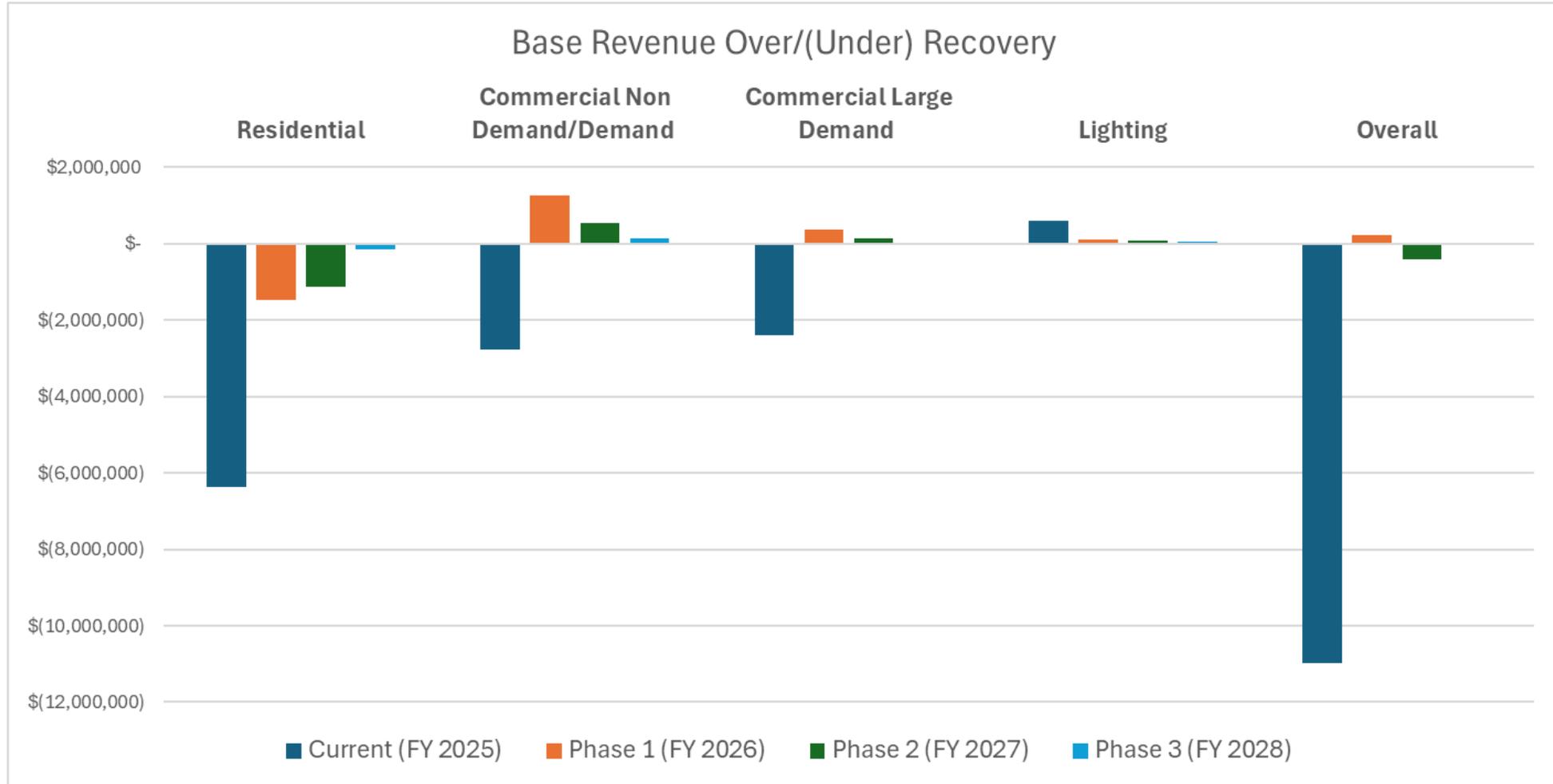
Base Revenue Over/(Under) Recovery		\$ 226,930	\$ (398,877)	\$ 28,111	\$ 70,087	\$ 97,184
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Base Rate Revenue Change						
Residential		\$ 6,190,130	\$ 1,600,632	\$ 1,784,297	\$ 1,226,590	\$ 1,366,988
Commercial Non Demand/Demand		2,278,469	163,179	165,701	648,018	648,269
Commercial Large Demand		2,835,606	17,653	17,600	225,301	223,901
Lighting		(434,469)	-	-	7,454	7,454
Total		\$ 10,869,737	\$ 1,781,464	\$ 1,967,598	\$ 2,107,363	\$ 2,246,613

Total Rate Revenue Change						
Residential		\$ (2,266,216)	\$ 3,433,907	\$ 3,761,005	\$ 3,226,316	\$ 3,511,644
Commercial Non Demand/Demand		(8,938,378)	1,615,320	1,644,986	2,234,857	2,274,080
Commercial Large Demand		(1,161,830)	458,327	464,905	705,339	713,630
Lighting		(1,138,731)	50,623	51,200	62,639	63,851
Total		\$ (13,505,155)	\$ 5,558,177	\$ 5,922,096	\$ 6,229,152	\$ 6,563,205

Current F&PEC assumed to be \$0.07303 per kWh for comparison of total rate revenue

FORECAST OF BASE RATE REVENUE RECOVERY



RESIDENTIAL

Item	Unit	COS	Current 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029	Proposed 2030
Customer Charge	\$/Month	\$ 16.72	\$ 6.94	\$ 12.00	\$ 14.25	\$ 16.50	\$ 17.50	\$ 18.50
Tier 1 Delivery Charge	\$/kWh	\$ 0.06026	\$ 0.04862	\$ 0.06000	\$ 0.06000	\$ 0.06000	\$ 0.06050	\$ 0.06100
Tier 2 Delivery Charge	\$/kWh	\$ 0.06026	\$ 0.05964	\$ 0.06000	\$ 0.06000	\$ 0.06000	\$ 0.06050	\$ 0.06100
Energy Supply Charge	\$/kWh	\$ 0.04659	\$ 0.07303	\$ 0.04195	\$ 0.04418	\$ 0.04644	\$ 0.04888	\$ 0.05137
Transmission Charge	\$/kWh	\$ 0.01777	\$ -	\$ 0.01736	\$ 0.01758	\$ 0.01775	\$ 0.01797	\$ 0.01815
Community Benefit Charge	\$/kWh	\$ -	\$ -	\$ 0.00352	\$ 0.00357	\$ 0.00362	\$ 0.00370	\$ 0.00379

COS is five-year average cost of service for FY 2026 through FY 2030

COMMERCIAL NON-DEMAND

Item	Unit	COS	Current 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029	Proposed 2030
Customer Charge	\$/Month	\$ 83.62	\$ 7.18	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00
Tier 1 Delivery Charge	\$/kWh	\$ 0.03563	\$ 0.08465	\$ 0.02600	\$ 0.02600	\$ 0.02600	\$ 0.02650	\$ 0.02700
Tier 2 Delivery Charge	\$/kWh	\$ 0.03563	\$ 0.05518	\$ 0.02600	\$ 0.02600	\$ 0.02600	\$ 0.02650	\$ 0.02700
Energy Supply Charge	\$/kWh	\$ 0.04659	\$ 0.07303	\$ 0.04195	\$ 0.04418	\$ 0.04644	\$ 0.04888	\$ 0.05137
Transmission Charge	\$/kWh	\$ 0.01231	\$ -	\$ 0.01205	\$ 0.01218	\$ 0.01231	\$ 0.01243	\$ 0.01255
Community Benefit Charge	\$/kWh	\$ -	\$ -	\$ 0.00352	\$ 0.00357	\$ 0.00362	\$ 0.00370	\$ 0.00379

COS is five-year average cost of service for FY 2026 through FY 2030

COMMERCIAL DEMAND

Item	Unit	COS	Current 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029	Proposed 2030
Customer Charge	\$/Month	\$ 167.23	\$ 34.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00
Tier 1 Delivery Charge	\$/kWh	\$ -	\$ 0.05441	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050
Tier 2 Delivery Charge	\$/kWh	\$ -	\$ 0.04843	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050
Tier 3 Delivery Charge	\$/kWh	\$ -	\$ 0.03951	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050
Tier 4 Delivery Charge	\$/kWh	\$ -	\$ 0.00565	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050	\$ 0.02050
Tier 1 Demand Charge	\$/kW	\$ 14.58	\$ 4.98	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.25	\$ 7.50
Tier 2 Demand Charge	\$/kW	\$ 14.58	\$ 4.31	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.25	\$ 7.50
Tier 3 Demand Charge	\$/kW	\$ 14.58	\$ 3.14	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.25	\$ 7.50
Tier 4 Demand Charge	\$/kW	\$ 14.58	\$ 2.19	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.25	\$ 7.50
Energy Supply Charge	\$/kWh	\$ 0.04659	\$ 0.07303	\$ 0.04195	\$ 0.04418	\$ 0.04644	\$ 0.04888	\$ 0.05137
Transmission Charge	\$/kW	\$ 3.13	\$ -	\$ 2.96	\$ 3.01	\$ 3.06	\$ 3.11	\$ 3.16
Community Benefit Charge	\$/kWh	\$ -	\$ -	\$ 0.00352	\$ 0.00357	\$ 0.00362	\$ 0.00370	\$ 0.00379

COS is five-year average cost of service for FY 2026 through FY 2030

COMMERCIAL LARGE DEMAND

Item	Unit	COS	Current 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029	Proposed 2030
Customer Charge	\$/Month	\$ 334.47	\$ 207.96	\$ 325.00	\$ 325.00	\$ 325.00	\$ 325.00	\$ 325.00
Tier 1 Delivery Charge	\$/kWh	\$ -	\$ 0.02702	\$ 0.01500	\$ 0.01500	\$ 0.01500	\$ 0.01500	\$ 0.01500
Tier 2 Delivery Charge	\$/kWh	\$ -	\$ 0.00505	\$ 0.01500	\$ 0.01500	\$ 0.01500	\$ 0.01500	\$ 0.01500
Tier 1 Demand Charge	\$/kW	\$ 21.47	\$ 6.27	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.50	\$ 16.00
Energy Supply Charge	\$/kWh	\$ 0.04659	\$ 0.07303	\$ 0.04195	\$ 0.04418	\$ 0.04644	\$ 0.04888	\$ 0.05137
Transmission Charge	\$/kW	\$ 3.73	\$ -	\$ 3.60	\$ 3.67	\$ 3.73	\$ 3.79	\$ 3.86
Community Benefit Charge	\$/kWh	\$ -	\$ -	\$ 0.00352	\$ 0.00357	\$ 0.00362	\$ 0.00370	\$ 0.00379

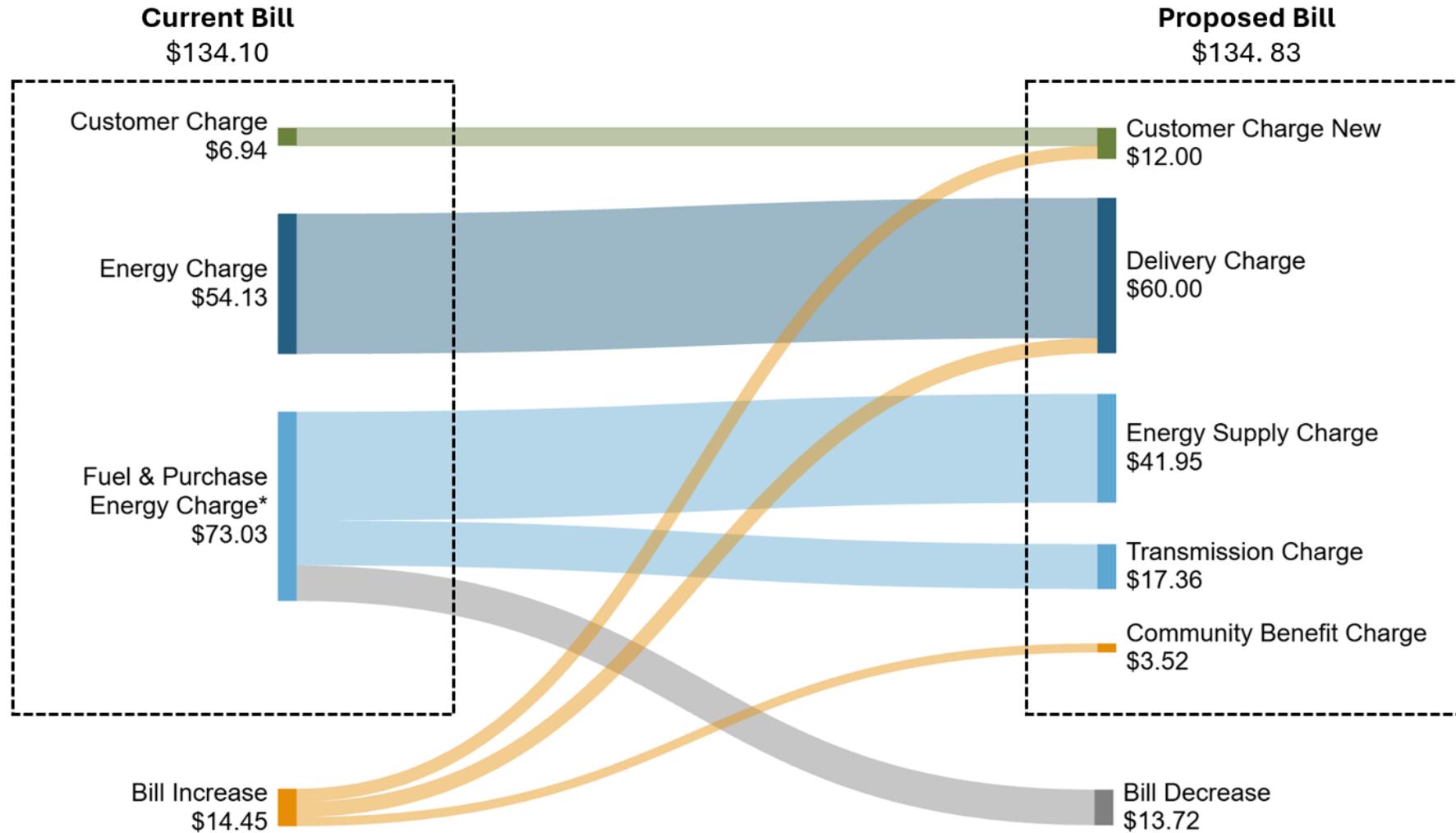
COS is five-year average cost of service for FY 2026 through FY 2030

BILL IMPACTS

F&PEC

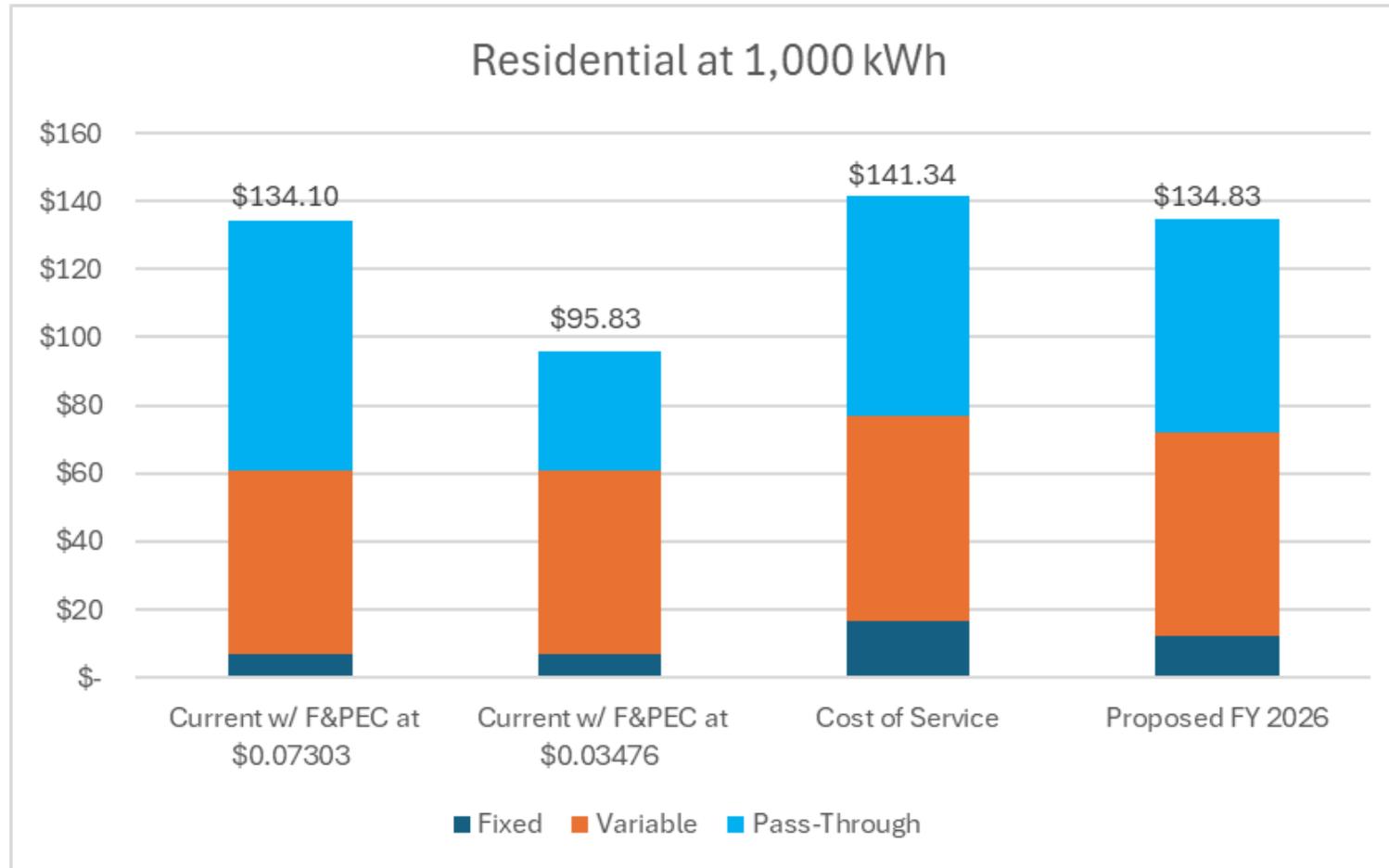
- The current F&PEC is \$0.03476 (down from \$0.05019 in August)
- However, the current F&PEC is artificially low based on the assumed drawdown of prior over-recoveries
- If not for the over-recovery drawdown, the F&PEC would have been \$0.07303 as of January 2026
- In the rate tables, NewGen assumed the current F&PEC was \$0.07303 to avoid the F&PEC impeding the base rate design discussion

RESIDENTIAL BILL COMPARISON FOR 1,000 KWH



* Based on estimated January 2026 costs if there were no over-collection

RESIDENTIAL

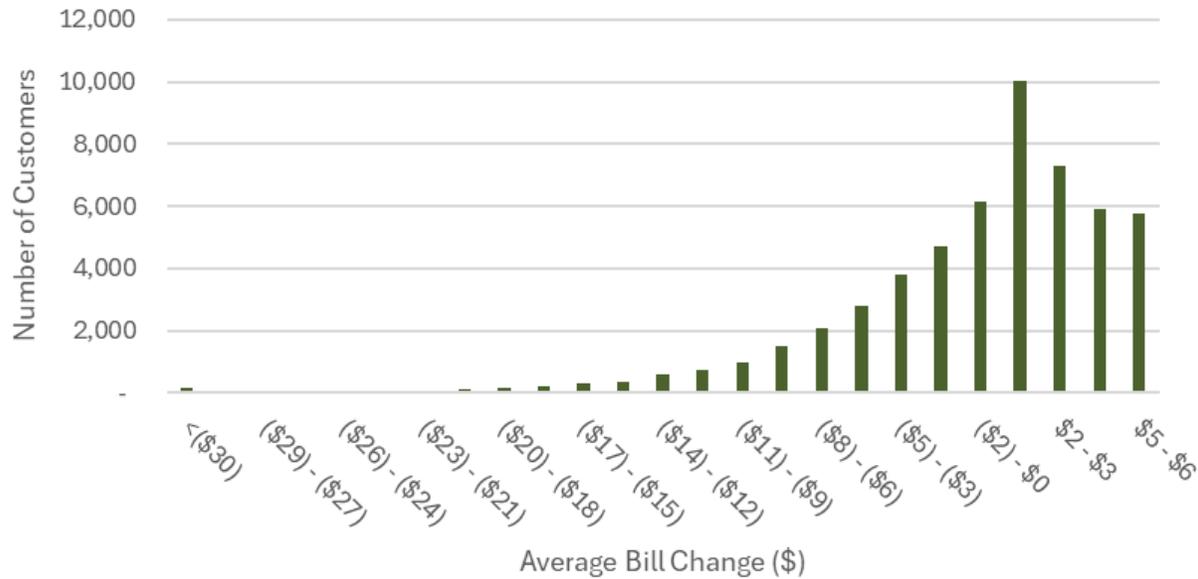


- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$0.01736
 - Community Benefit Charge: \$0.00352

RANGE OF MONTHLY BILL IMPACTS: RESIDENTIAL CURRENT VS. FY 2026 PROPOSED RATES

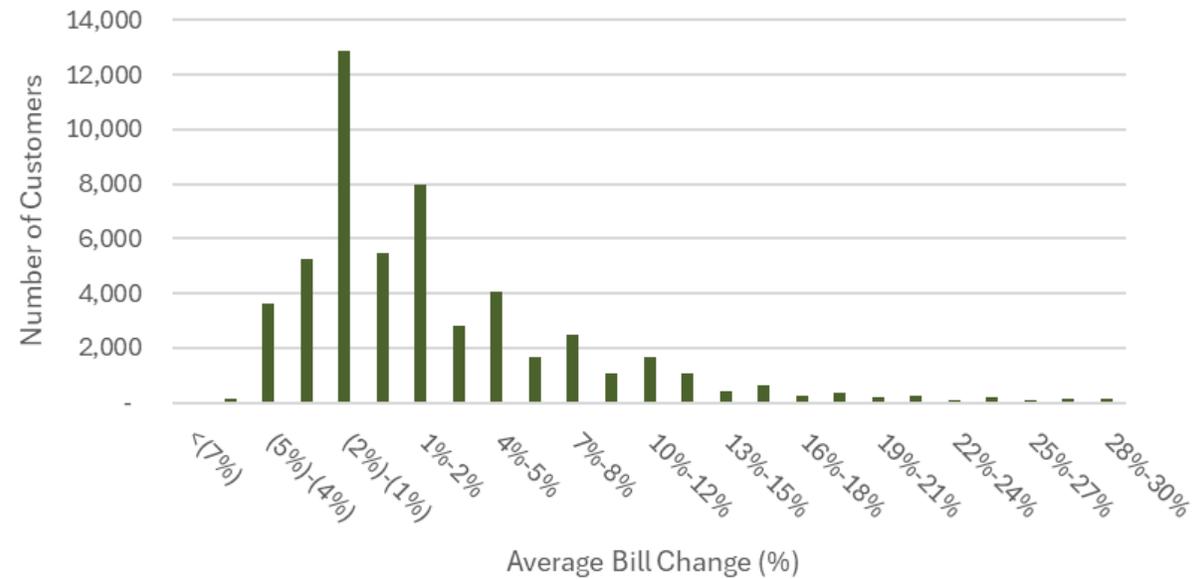
F&PEC in Current bill is assumed to be \$0.07303 per kWh

Residential Change (\$)



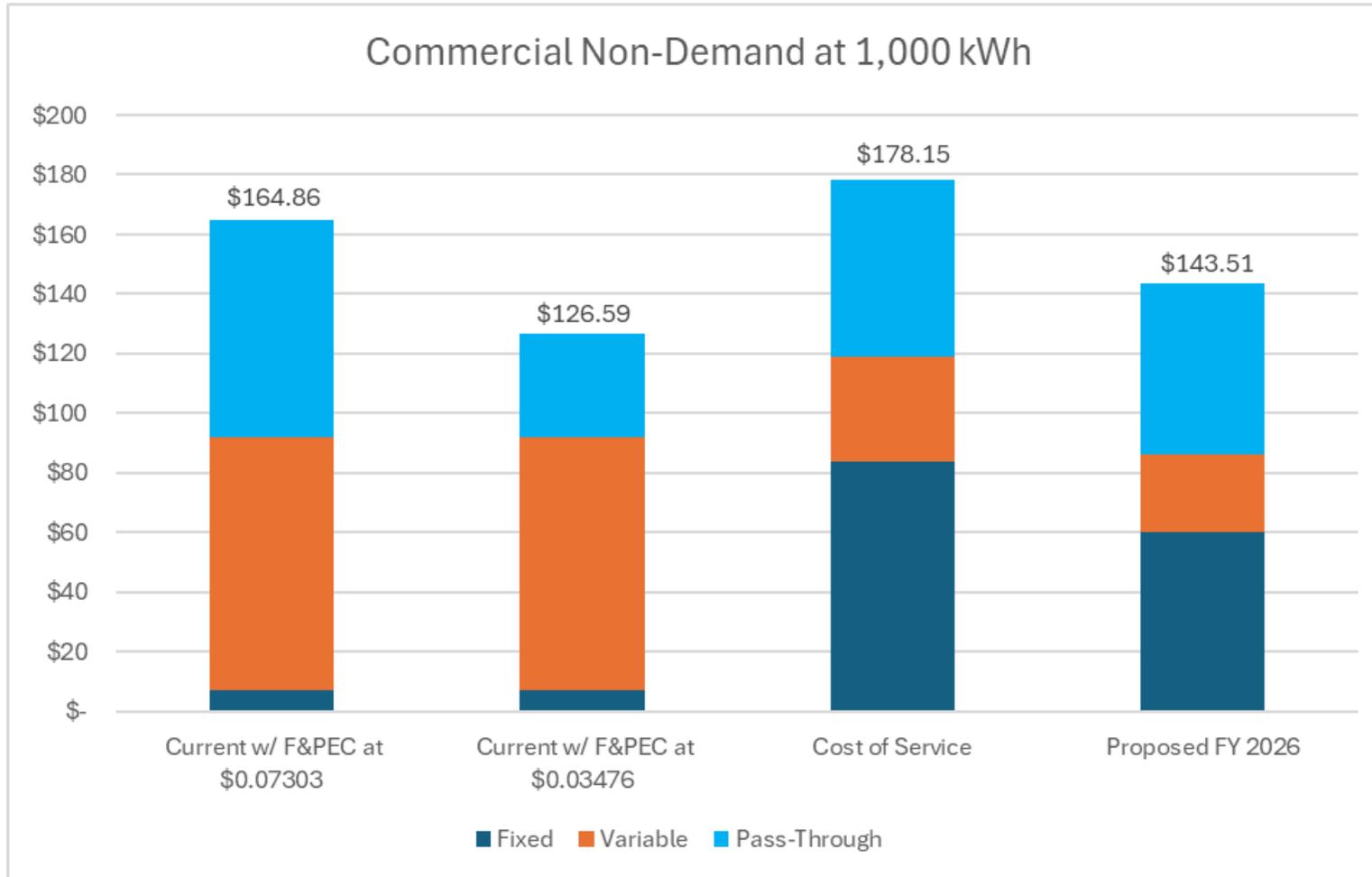
\$30 is the largest bill reduction shown in graph (so the count of bill reductions greater than \$30 are shown as reductions of \$30)

Residential Change (%)



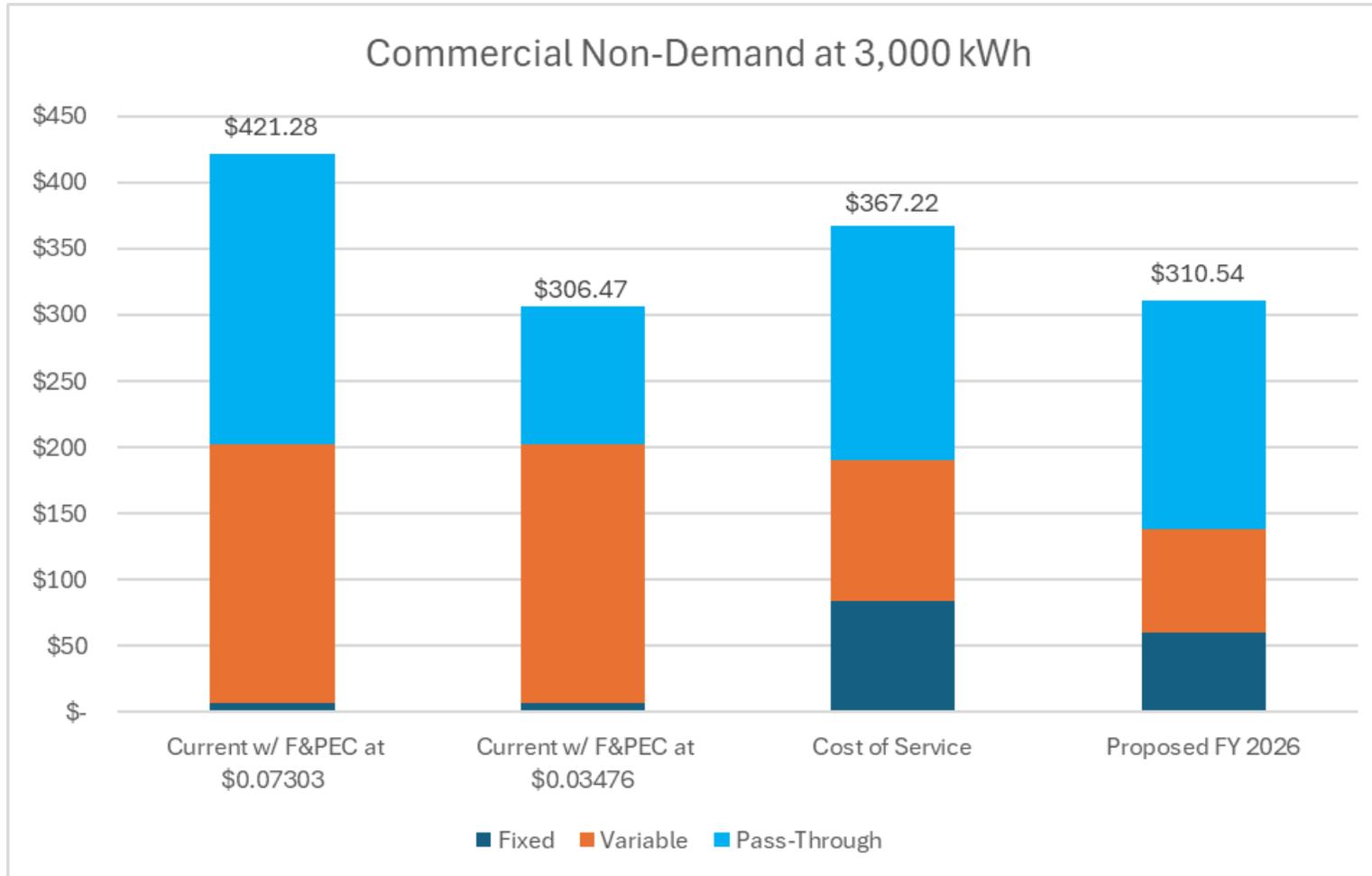
30% is the largest bill increase shown in graph (so the count of bill increases greater than 30% are shown as increases of 30%)

COMMERCIAL NON-DEMAND (SMALLER)



- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$0.01205
 - Community Benefit Charge: \$0.00352

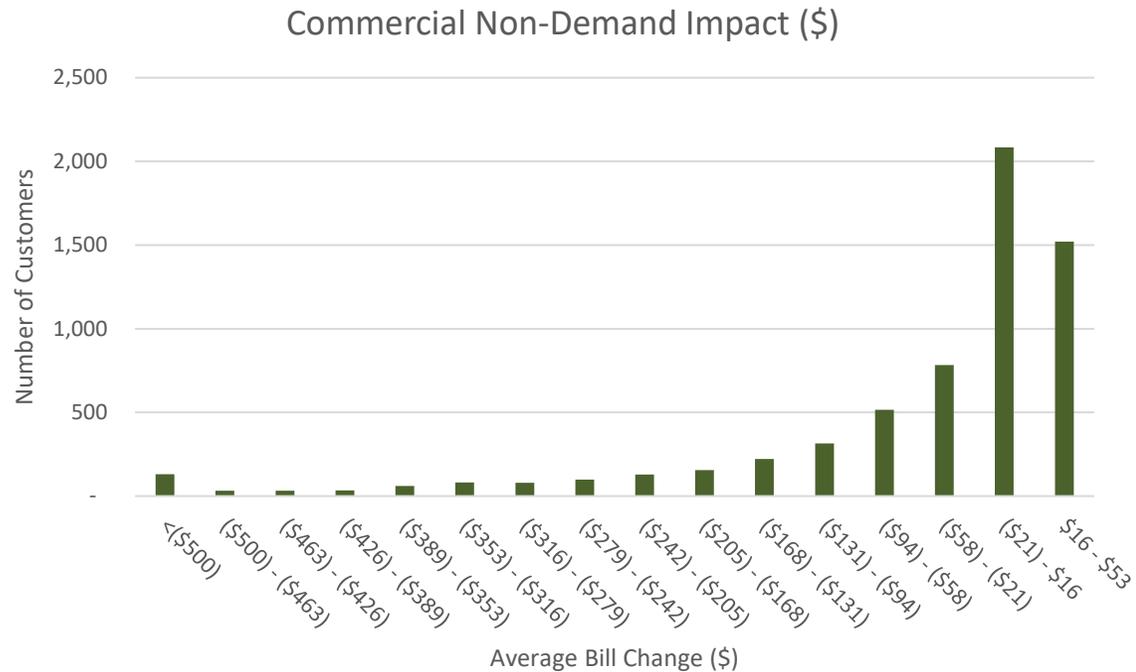
COMMERCIAL NON-DEMAND (LARGER)



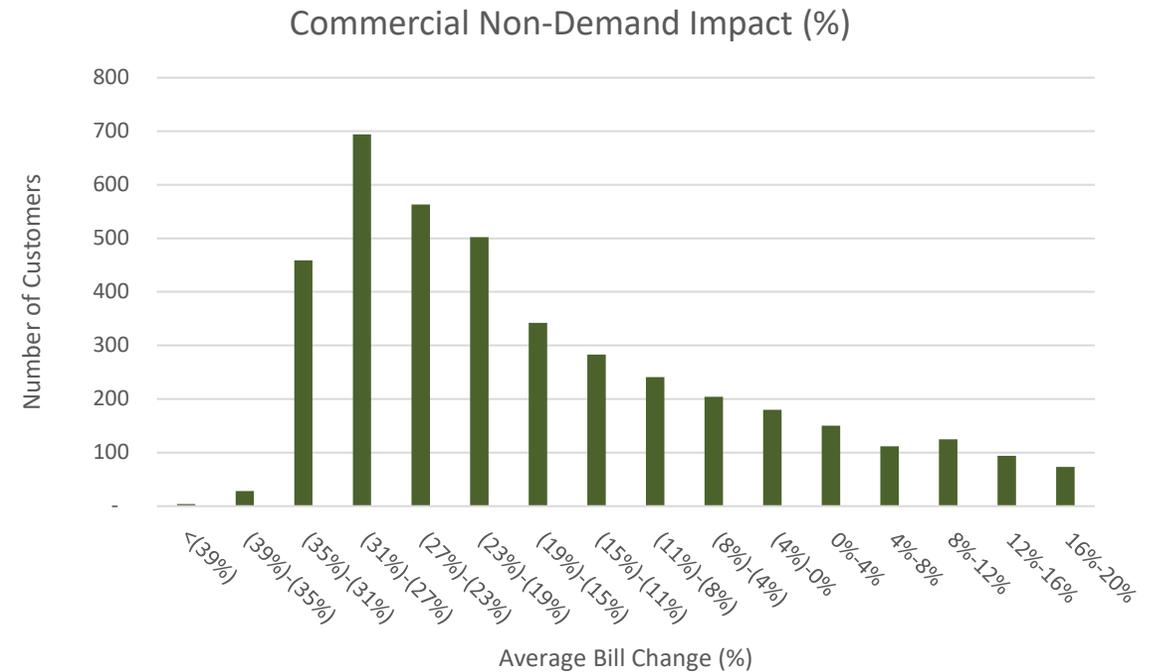
- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$0.01205
 - Community Benefit Charge: \$0.00352

RANGE OF MONTHLY BILL IMPACTS: COMMERCIAL NON-DEMAND CURRENT VS. FY 2026 PROPOSED RATES

F&PEC in Current bill is assumed to be \$0.07303 per kWh

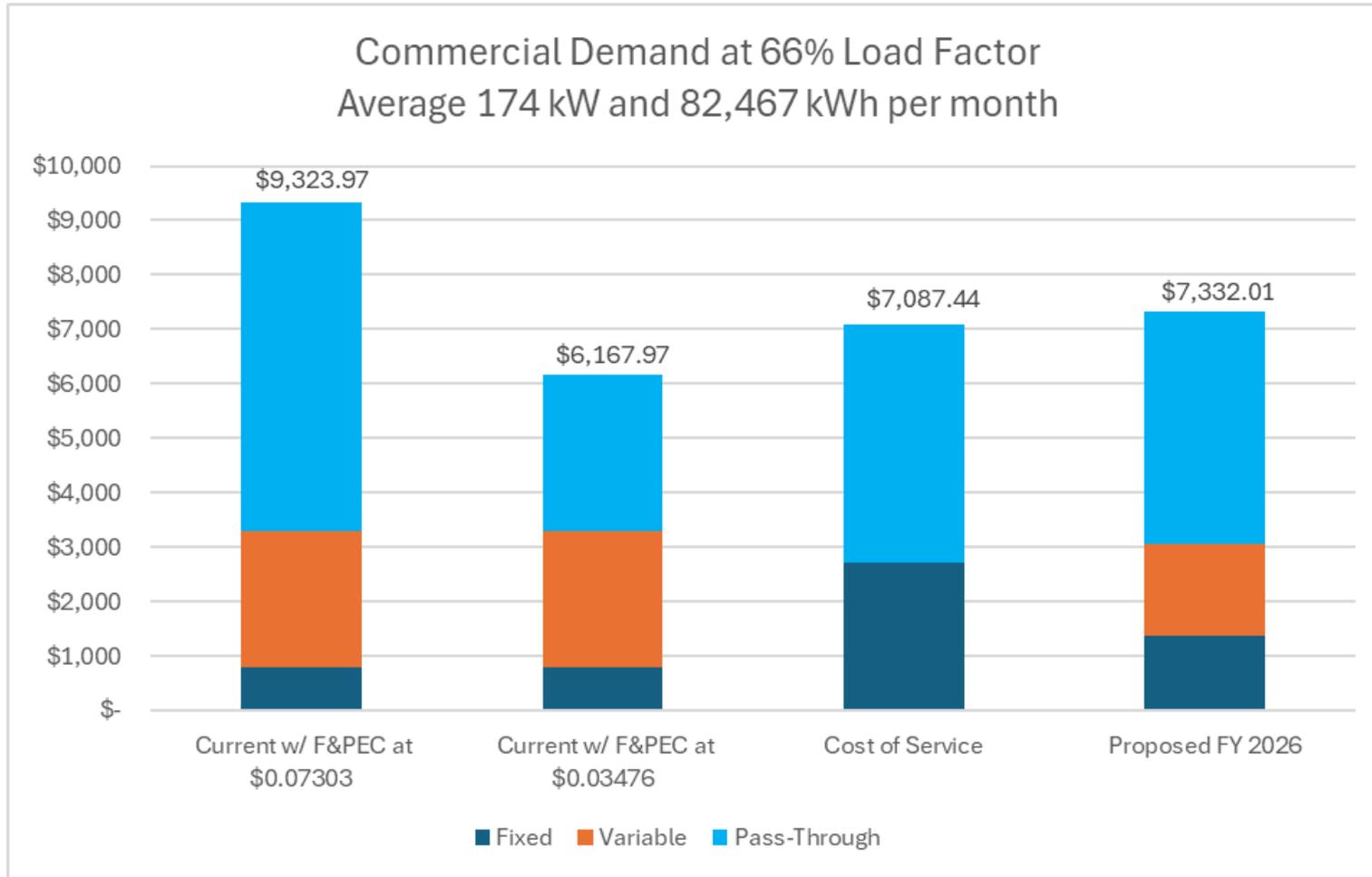


\$500 is the largest bill reduction shown in graph (so the count of bill reductions greater than \$500 are shown as reductions of \$500)



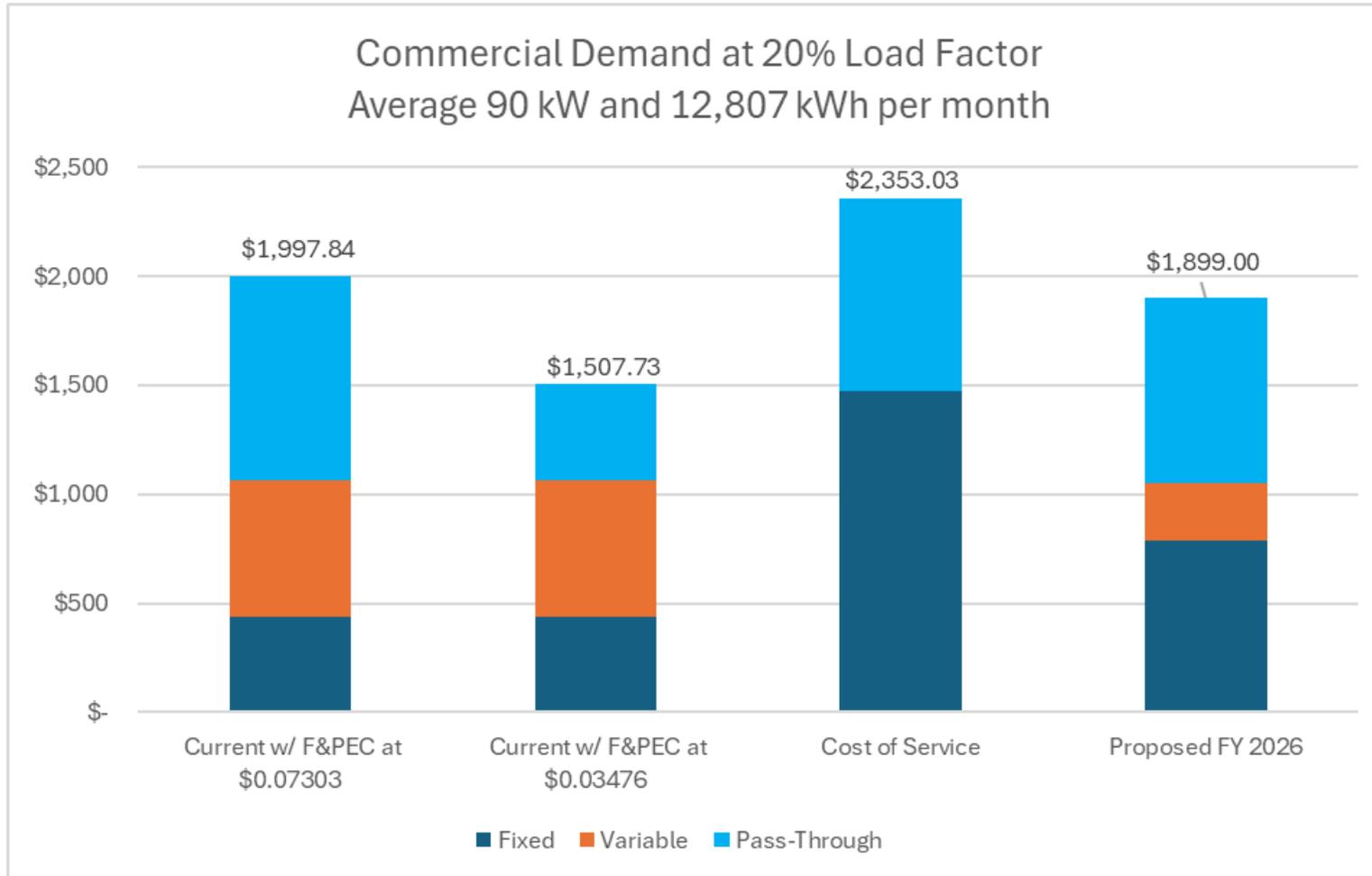
20% is the largest bill increase shown in graph (so the count of bill increases greater than 20% are shown as increases of 20%)

COMMERCIAL DEMAND (HIGH LOAD FACTOR)



- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$2.96 per kW
 - Community Benefit Charge: \$0.00352

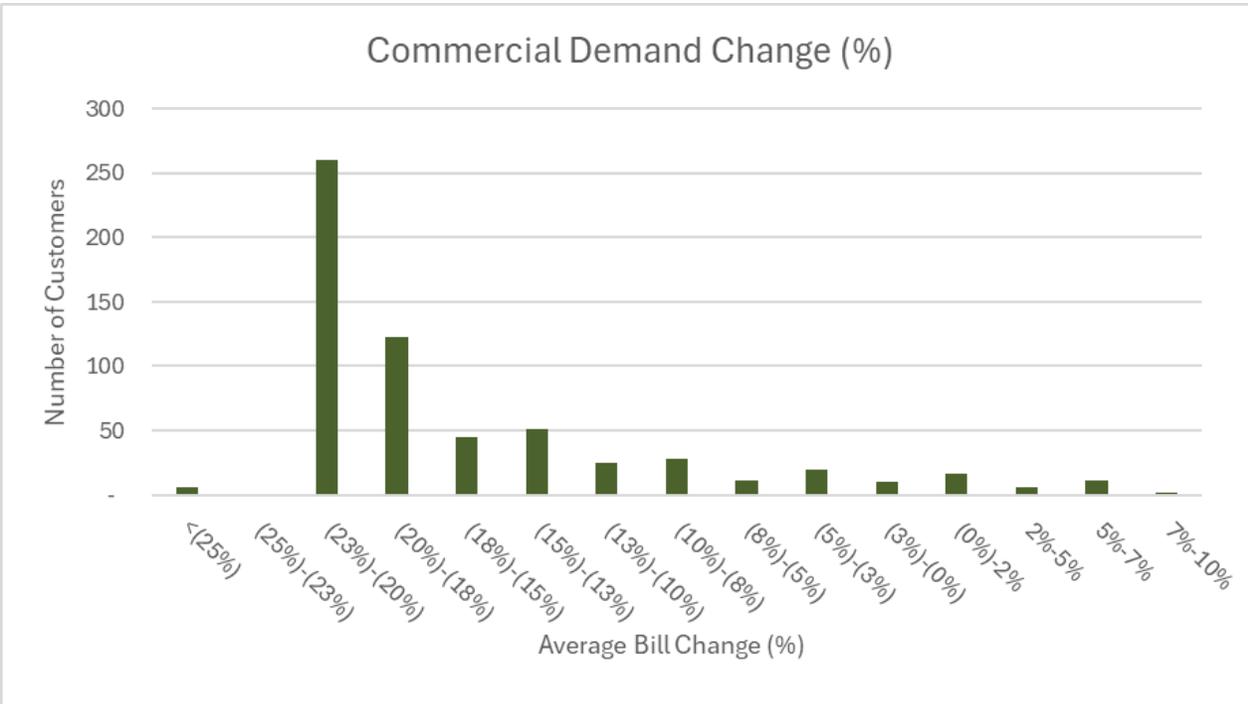
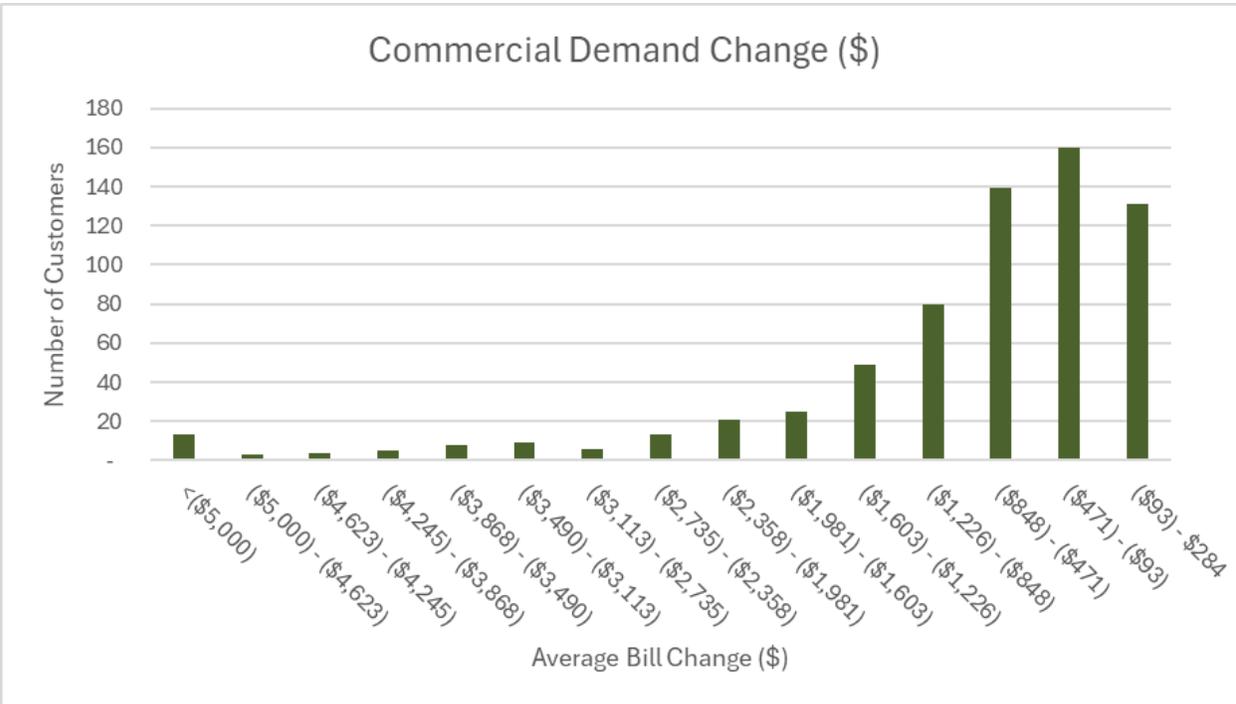
COMMERCIAL DEMAND (LOW LOAD FACTOR)



- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$2.96 per kW
 - Community Benefit Charge: \$0.00352

RANGE OF MONTHLY BILL IMPACTS: COMMERCIAL DEMAND CURRENT VS. FY 2026 PROPOSED RATES

F&PEC in Current bill is assumed to be \$0.07303 per kWh

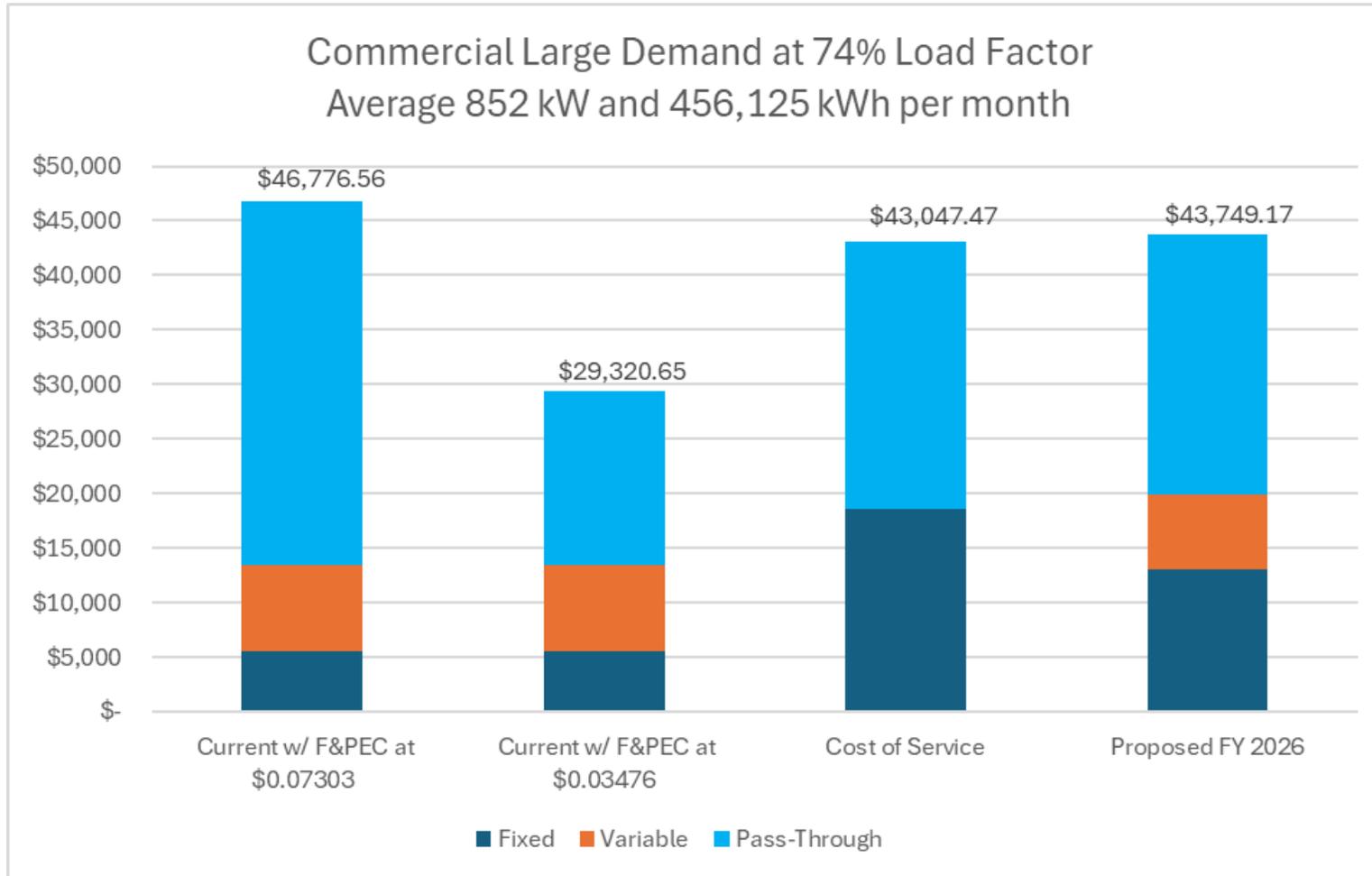


\$5,000 is the largest bill reduction shown in graph (so the count of bill reductions greater than \$5,000 are shown as reductions of \$5,000)

25% is the largest bill reduction shown in graph (so the count of bill reductions greater than 25% are shown as reductions of 25%)

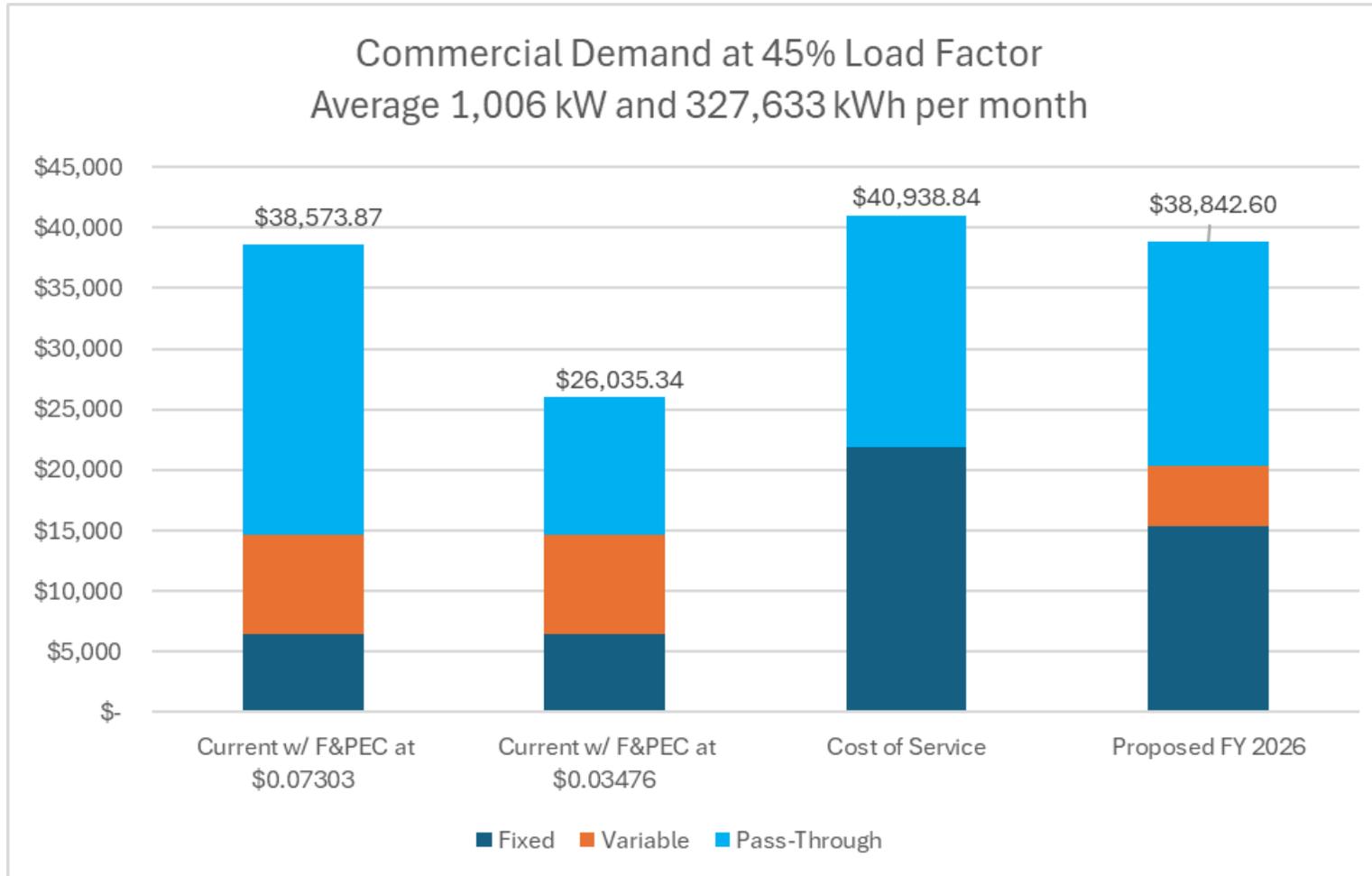
10% is the largest bill increase shown in graph (so the count of bill increases greater than 10% are shown as increases of 10%)

COMMERCIAL LARGE DEMAND (HIGH LOAD FACTOR)



- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$3.60 per kW
 - Community Benefit Charge: \$0.00352

COMMERCIAL LARGE DEMAND (LOW LOAD FACTOR)

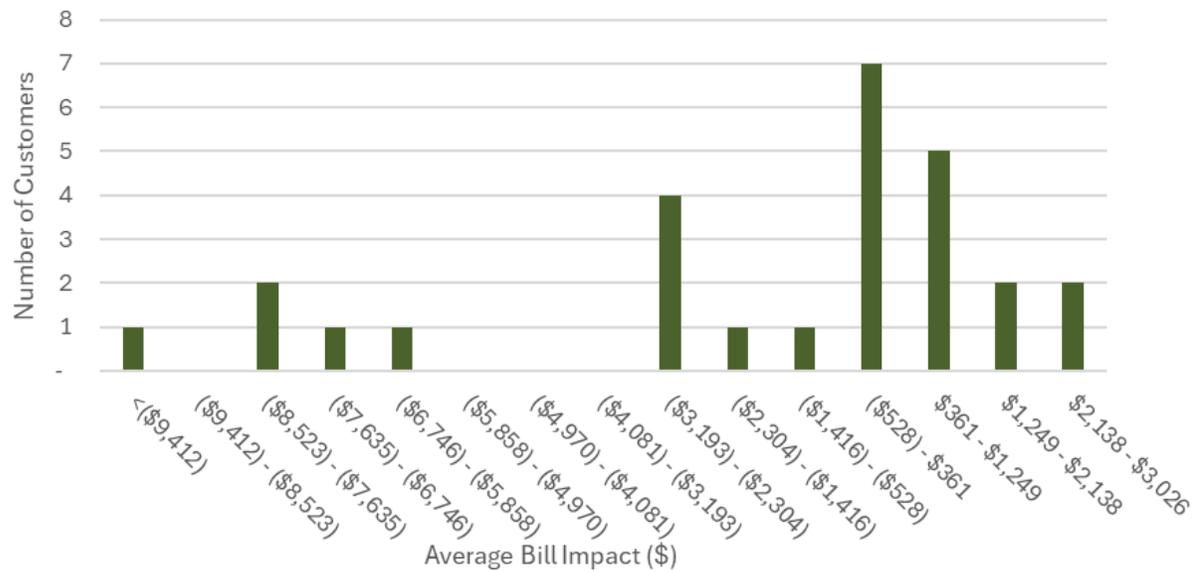


- Cost of Service is a five-year average of FY 2026 through FY 2030
- Pass-Throughs in FY 2026 include:
 - Energy Supply Charge: \$0.04195
 - Transmission Charge: \$3.60 per kW
 - Community Benefit Charge: \$0.00352

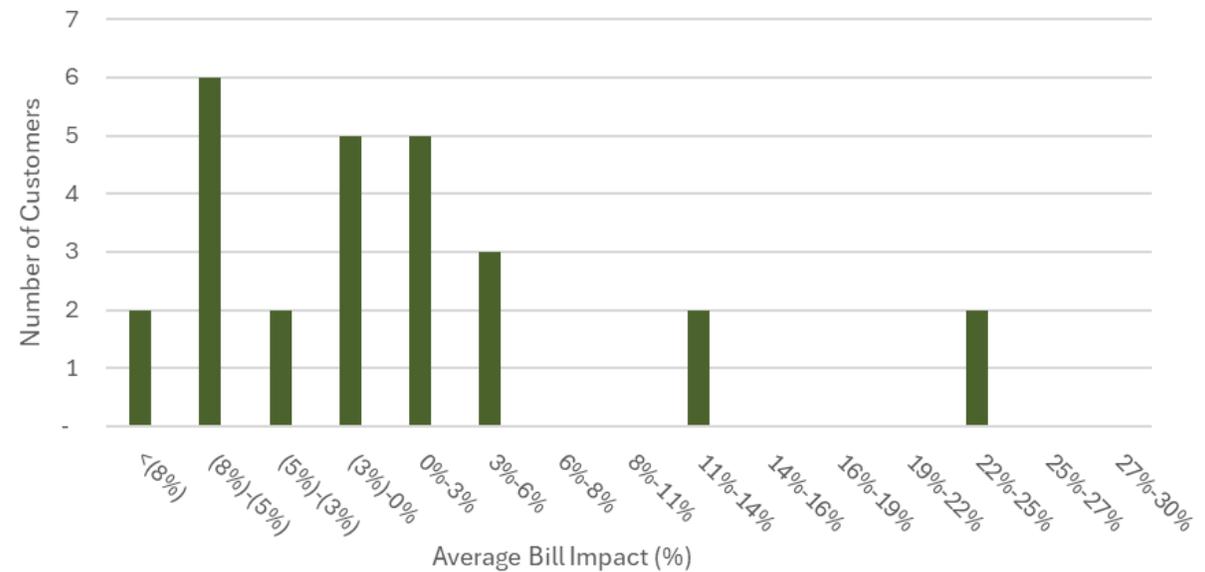
RANGE OF MONTHLY BILL IMPACTS: COMMERCIAL LARGE DEMAND CURRENT VS. FY 2026 PROPOSED RATES

F&PEC in Current bill is assumed to be \$0.07303 per kWh

Commercial Large Demand Change (\$)



Commercial Large Demand Change (%)





QUESTIONS

Grant Rabon, Partner
NewGen Strategies and Solutions, LLC
(512) 900-8232
grabon@newgenstrategies.net

NewGen
Strategies & Solutions



BROWNSVILLE
PUBLIC UTILITIES BOARD

Public Comments

Consent Agenda Items

1. Approval of Minutes of the December 8, 2025 Regular Board Meeting -
2. Consideration and Possible Action to Approve Bid Award for the Annual Supply of Concrete Poles and Single Arm Brackets -Diane Solitaire
3. Consideration and Possible Action to Approve Bid Award for the Annual Supply of Wood Poles -Diane Solitaire
4. Consideration and Possible Action to Award the Annual Supply of Liquid Aluminum-Based Water Treatment Coagulant -Jose A. Garza
5. Consideration and Possible Action for Bid Award for the Annual Contract for Concrete Work -Francisco Valdez Jr
6. Consideration and Possible Action to Approve the Purchase of BPUB Employee Workwear (Uniforms) -Diane Solitaire
7. Consideration and Possible Action to Amend Brownsville Public Utilities Board Personnel Policy No. 16 Jury Duty -Claudia Lujan
8. Consideration and Possible Action to Implement the proposed Brownsville Public Utilities Board Personnel Policy No. 46 -Social Media -Claudia Lujan

Consent Agenda Items

9. Consideration and Possible Action to Approve the Brownsville Public Utilities Board Property Insurance -Estrella Solorzano
10. Consideration and Possible Action to Approve Reimbursement to Cameron County as Part of the TDA Texas Community Block Grant 2024 Colonia Fund Construction Program for Colonia Praxedis Saldivar -Central Estates Wastewater Improvements - Project - Marie Leal
11. Consideration and Possible Action to Approve the Professional Engineering Services Contract with Freese Nichols to Develop an Update to the Current Water and Wastewater Service Policies - Marie Leal
12. Ratification of a Non-Standard Service Agreement for Wastewater Services with Space Exploration Technologies Corporation - Mark Dombroski



BROWNSVILLE
PUBLIC UTILITIES BOARD

Items for Individual Consideration

General Manager's Report

- a. Board Calendar
- b. Industry and Brownsville Public Utilities Board Updates

Board Calendar

March 2026

Sun	Mon	Tue	We	Thu	Fri	Sat
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				

May 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					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						

April 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			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		

Monthly Scheduled Meetings

- Mar 2 SRWA Board Meeting
- Mar 9 BPUB Board Meeting
- Mar 18 PUBCAP Meeting

- Apr 2 SRWA Board Meeting
- Apr 13 BPUB Board Meeting
- Apr 15 PUBCAP Meeting

- May 4 SRWA Board Meeting
- May 11 BPUB Board Meeting
- May 20 PUBCAP Meeting

BPUB Holidays (BPUB Offices Closed)

- Mar 31 Cesar Chavez Day
- Apr 3 Good Friday
- May 25 Memorial Day

Other Events/Meetings

- Mar 3 Strategic Plan Presentation to City Commission
- Mar 4 Facilities/Program Committee Mtg
- Mar 9-11 TPPA Customer Service & Communications Conf, San Antonio, TX
- Mar 13 ONE City Summit Breakfast
- Mar 25 Finance Committee Mtg
- Mar 29-Apr 1 APPA Engineering & Operations Conf, Huntsville, AL

- Apr 12-18 Water Week 2026, Washington, DC
- Apr 20-21 TPPA Spring Board Meeting, Fredericksburg, TX
- Apr 29 Finance Committee Mtg



BROWNSVILLE
PUBLIC UTILITIES BOARD

Consideration and Action on Items Pulled Out of Consent

Staff Reports and Presentations to the Board

- a. Presentation and Discussion of the Brownsville Public Utilities Board's Financial Performance Report for the Period Ended January 31, 2026 - Miguel Perez
- b. Drought Update - Jaime Flores



BROWNSVILLE
PUBLIC UTILITIES BOARD

Financial Performance Report as of January 31, 2026

PRESENTATION AND DISCUSSION OF THE BROWNSVILLE PUBLIC
UTILITIES BOARD'S FINANCIAL PERFORMANCE REPORT

• • • BOARD OF DIRECTORS MEETING | 03/09/2026

Miguel A. Perez

Director of Finance

Finance Division

A decorative graphic at the bottom of the page consists of several overlapping, wavy blue shapes that create a sense of movement and depth, extending across the width of the slide.

Fiscal Year 2026 Financial Performance As of January 31, 2026 Executive Summary

Flow of Funds: Adjusted Gross Revenues came in lower due to a lower FPEC rate. YTD, \$2,394,616 has been generated to replenish the improvement fund. Debt Service Coverage is at 1.96x, well above the 1.25x minimum.



FPEC has generated an over-recovery of \$21.22M as of January 31. This will be used to offset future market uncertainty.



COB Cash Transfer is higher than budgeted due to a lower FPEC rate.



Personnel and **Non-Personnel** expenses came in lower than budgeted primarily due to current vacancies and timing issues.



BPUB's **Average Bill** is lower than both the average MOU bill and the average IOU bill for 1000 kwh.



CIP year-to-date actuals and committed total \$17.9M and \$31M respectively, which represent 54.5% of the FY 2026 approved plan.



All **Key Financial Metrics** are currently in compliance.



Fiscal Year 2026 Financial Performance

As of January 31, 2026

Statement of Revenues, Expenses, and Changes in Net Position



BROWNSVILLE
PUBLIC UTILITIES BOARD

	FY 2026 JANUARY 2026	FY 2025 JANUARY 2025 YTD
1 Operating Revenues	\$ 73,540,536	\$ 73,321,369
2 Less: Operating Expenses	64,253,025	63,993,509
3 Operating Income	<u>9,287,511</u>	<u>9,327,860</u>
4 Net nonoperating revenues (expenses)	<u>(6,589,773)</u>	<u>(6,697,530)</u>
5 Income (loss) before capital contributions	2,697,738	2,630,330
6 Capital contributions	<u>4,875,519</u>	<u>4,931,921</u>
7 Change in net position	7,573,257	7,562,251
8 Net position at beginning of fiscal year	510,826,541	475,136,246
9 Net position at end of period	<u><u>\$ 518,399,798</u></u>	<u><u>\$ 482,698,497</u></u>

Notes:

1. Excludes Southmost Regional Water Authority (a component unit of the BPUB)

Fiscal Year 2026 Financial Performance
As of January 31, 2026
Summary of Revenues & Expenses (Flow of Funds)

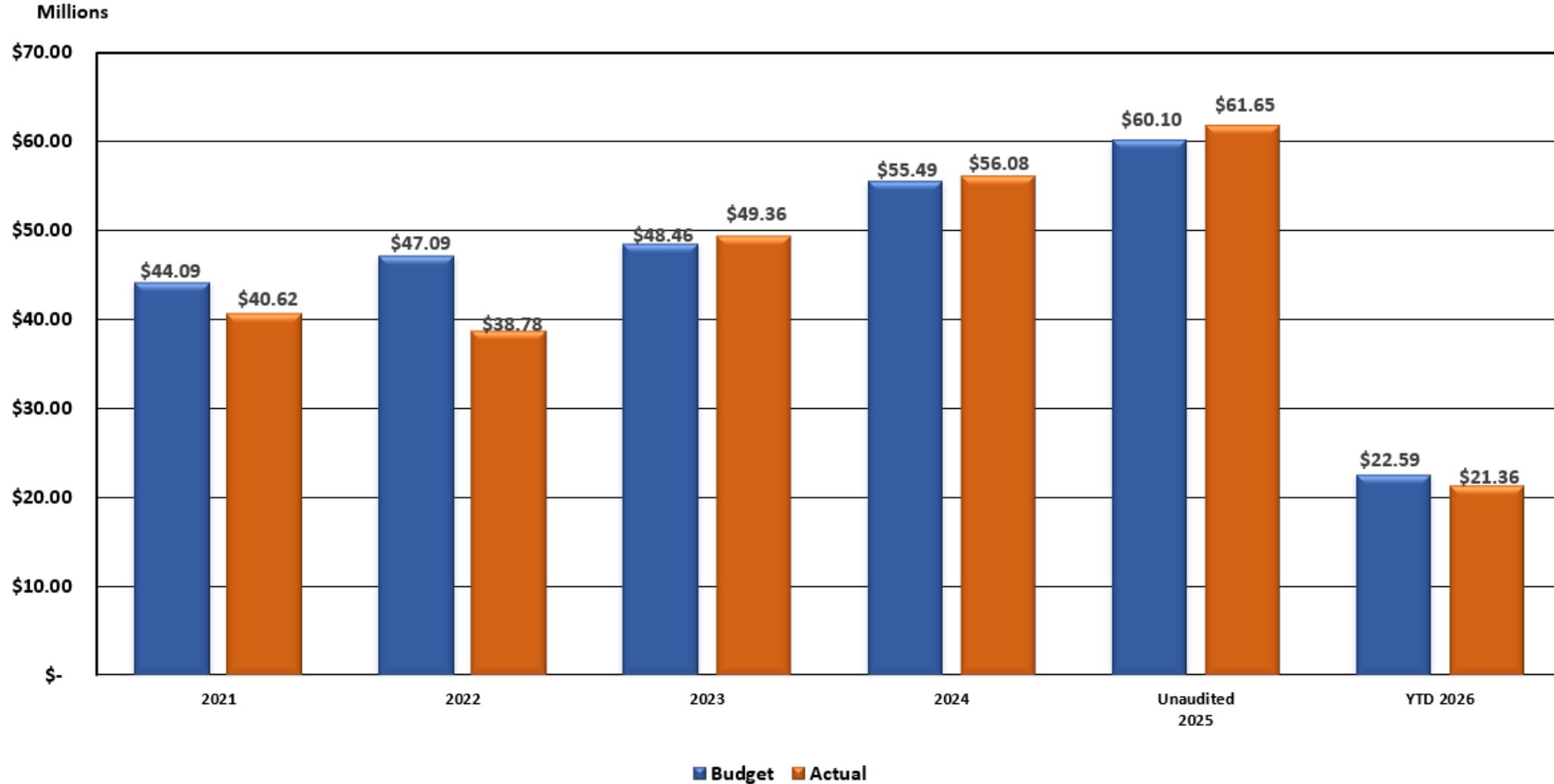


		YTD BUDGET	JANUARY 2026 YTD ACTUAL	VARIANCE
1	Operating Revenues	\$ 82,221,214	\$ 69,459,353	\$ (12,761,861)
2	Other Revenues	7,816,911	8,605,201	788,290
3	Gross Revenues	90,038,125	78,064,554	(11,973,571)
4	Less: Fuel and SRWA	32,358,955	22,568,571	(9,790,384)
5	Adjusted Gross Revenues	57,679,170	55,495,983	(2,183,187)
6	Less: Other Requirements (O&M, Non-Oper, Debt Svc)	47,408,124	45,726,374	(1,681,751)
7	Balance Available After Requirements	10,271,046	9,769,609	(501,436)
8	Less: Total Cash/Utility Benefit to COB	5,767,917	5,549,598	(218,319)
9	Balance Available for Internal Transfers	4,503,129	4,220,011	(283,118)
10	Less: Internal Transfers	3,650,775	1,825,395	(1,825,380)
11	Improvement Fund Replenishment	852,354	2,394,616	1,542,262
12	Total Transfers	\$ 4,503,129	\$ 4,220,011	\$ (283,118)
13	Debt Service Coverage Ratio	2.04 x	1.96 x	

Fiscal Year 2026 Financial Performance

As of January 31, 2026

O&M Expenses – Personnel (Budget vs. Actuals)



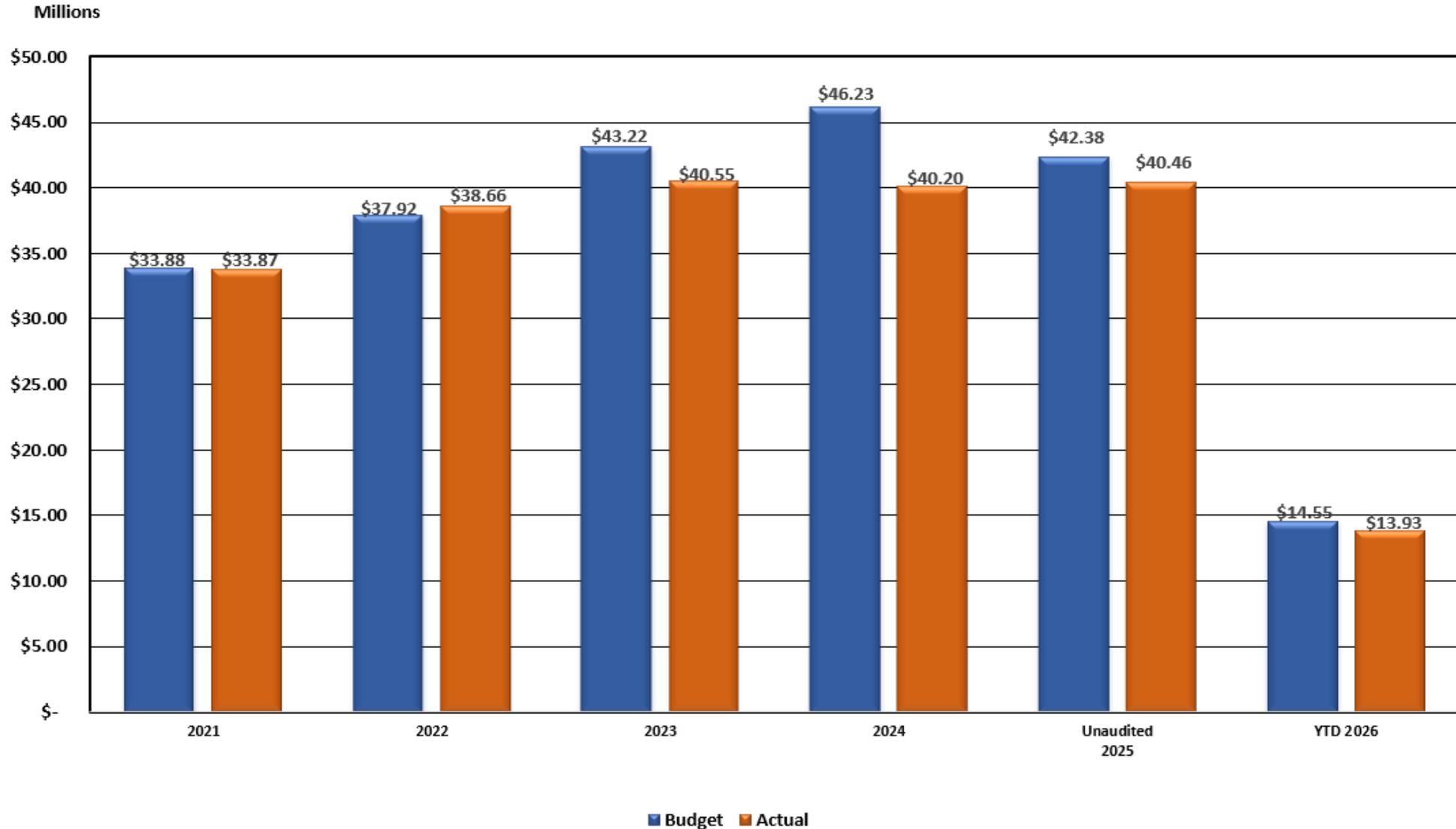
Note:

- The large variance in FY 2022 is attributed to the budgeted MAG study that wasn't fully implemented until early FY 2023.

Fiscal Year 2026 Financial Performance

As of January 31, 2026

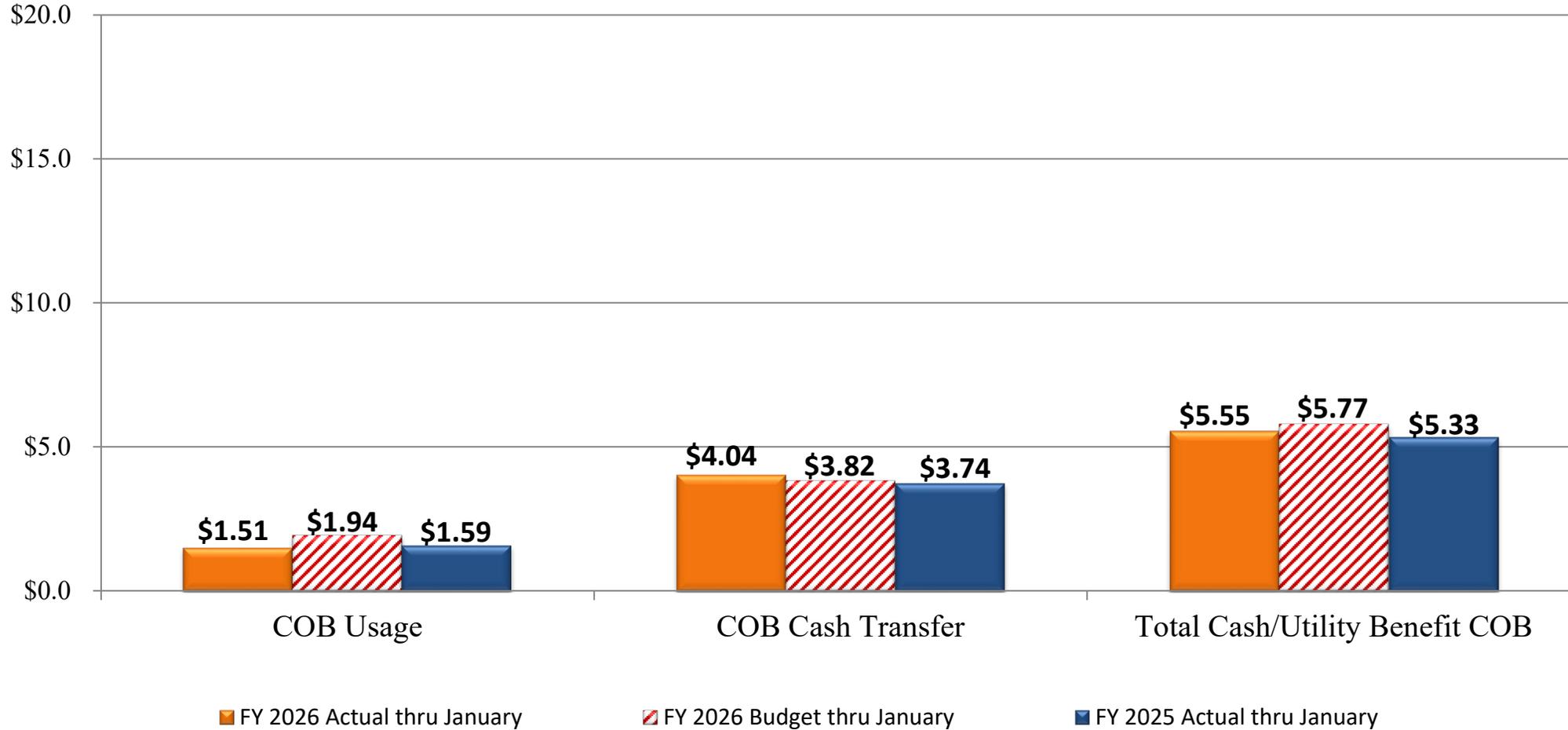
O&M Expenses – Non-Personnel (Budget vs. Actuals)



Fiscal Year 2026 Financial Performance As of January 31, 2026 City of Brownsville Transfer Summary



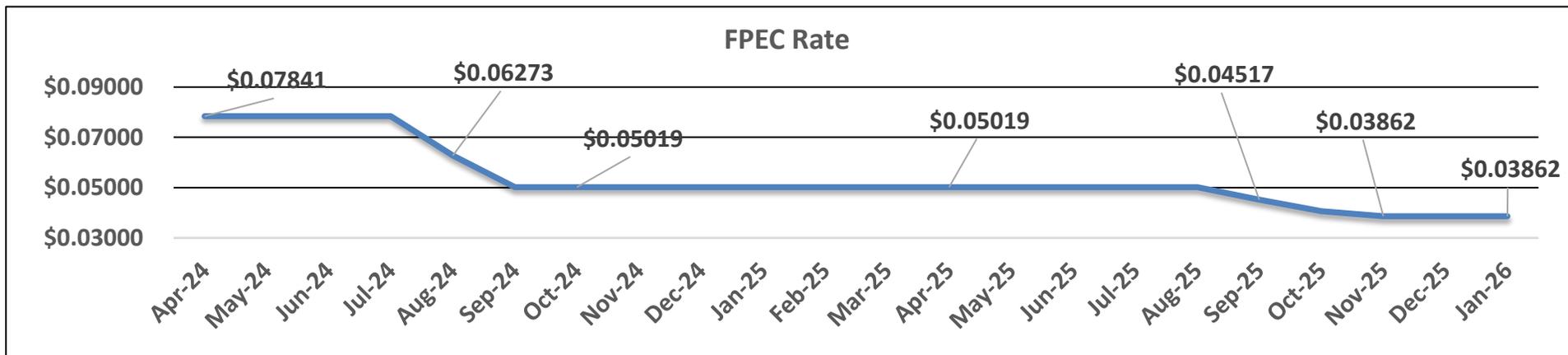
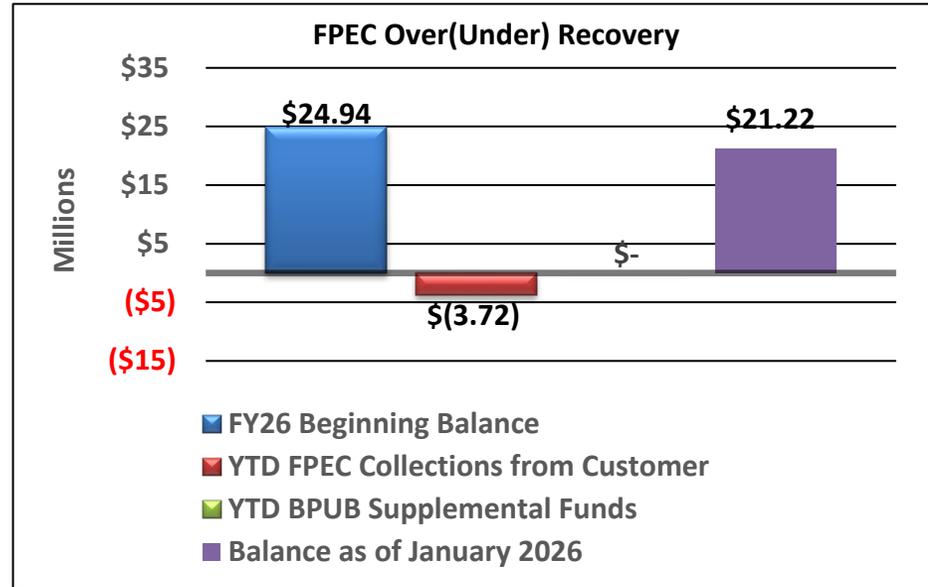
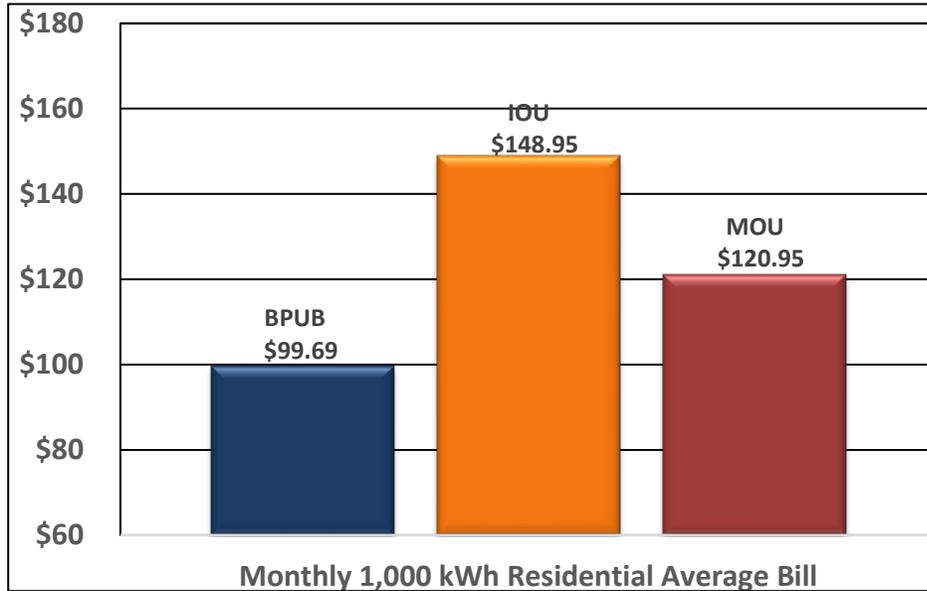
Millions



Fiscal Year 2026 Financial Performance

As of January 31, 2026

Average Electric Bill and Fuel and Purchased Energy Charge (FPEC)



Fiscal Year 2026 Financial Performance

Capital Improvement Plan

Budget vs. Actual



[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]
LINE REF.	CATEGORY	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 01/31/2026	ADJUSTMENTS AS OF 01/31/2026	PROJECT BALANCE AS OF 01/31/2026	P.O. BALANCE AS OF 01/31/2026	% BY CATEGORY
1	Customer Connections	\$ 1,562,000	\$ -	\$ 1,562,000	\$ 766,837	\$ -	\$ 795,163	\$ 93,920	49.09%
2	Grant Funded	8,646,108	-	8,646,108	2,620,962	-	6,025,146	3,355,281	30.31%
3	Heavy Equipment and Vehicles	5,837,733	-	5,837,733	1,279,970	-	4,557,763	1,664,343	21.93%
4	Hidalgo Energy Center	945,000	-	945,000	433,301	-	511,699	-	45.85%
5	In Design	10,481,789	(90,459)	10,391,330	306,341	-	10,084,989	3,211,891	2.95%
6	Proposed Projects	13,435,481	(274,582)	13,160,899	-	-	13,160,899	-	0.00%
7	Resaca Fee Funded Equipment	810,635	-	810,635	221,119	-	589,516	244,456	27.28%
8	Routine Activities	3,957,174	-	3,957,174	1,459,785	-	2,497,389	1,875,632	36.89%
9	Under Construction	29,169,234	157,725	29,326,959	9,322,861	-	20,004,098	15,021,479	31.79%
10	Utility Relocations	8,863,294	14,816	8,878,110	849,423	-	8,028,687	5,365,788	9.57%
11	Completed	485,400	130,000	615,400	605,149	(251,216)	261,467	-	98.33%
12	Contract Development	5,512,322	62,500	5,574,822	9,921	-	5,564,901	138,359	0.18%
Grand Total		\$ 89,706,170	\$ -	\$ 89,706,170	\$ 17,875,669	\$ (251,216)	\$ 72,081,717	\$ 30,971,149	19.93%

FY 2026 AMENDED CIP PLAN

Funding Source	Amount	% of Total
Pay as You Go	\$ 75,558,113.00	84.23%
Grants	8,646,108.00	9.64%
Impact Fees	4,691,314.00	5.23%
Resaca Fees	810,635.00	0.89%
Contributions	-	0.00%
TOTAL	\$ 89,706,170.00	100%

CAPITAL SPENDING FIVE-YEAR HISTORY

DESCRIPTION	FY 2021	FY 2022	FY 2023	FY 2024	Unaudited FY 2025
Approved Budget	\$ 90,795,286.00	\$ 98,169,572.00	\$ 92,133,995.00	\$ 91,717,365.00	\$ 76,099,290.00
Electric	10,932,832.00	12,766,187.00	16,239,713.00	20,234,443.00	25,037,918.00
General	16,641,320.00	2,596,943.00	1,033,971.00	1,288,500.00	1,038,290.00
Water	4,653,944.00	8,325,458.00	5,362,216.00	6,767,712.00	14,763,692.00
Wastewater	4,084,570.00	6,976,183.00	6,116,850.00	7,937,983.00	13,103,997.00
Total Expenditures	\$ 36,312,666.00	\$ 30,664,771.00	\$ 28,752,750.00	\$ 36,228,638.00	\$ 53,943,897.00
YTD % Incurred	40.0%	31.2%	31.2%	39.5%	70.9%

CIP Combined Utility Summary as of 1/31/2026

TOTAL FY2026 AMENDED CIP BUDGET
\$89.7M

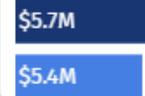
YEAR-TO-DATE PLANNED VS ACTUAL BY PROJECT TYPE

● YTD Planned ● Actual

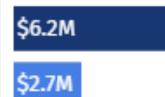
Electrical \$38.9M Annual Budget



Water \$23.5M Annual Budget



Wastewater \$20.2M Annual Budget

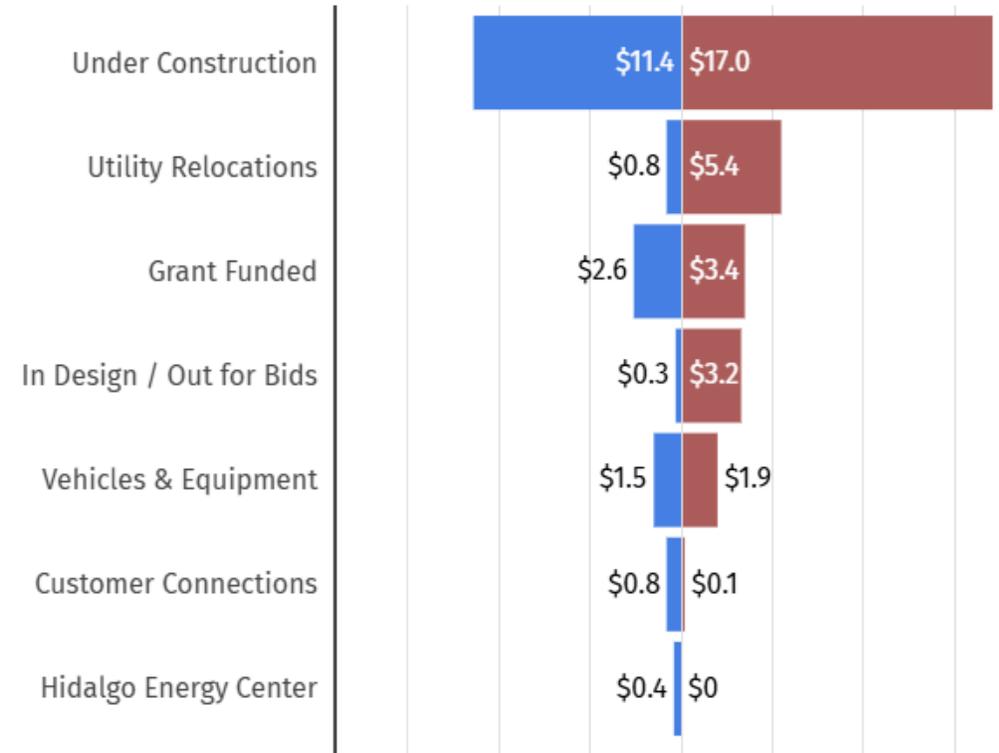


Gen & Adm \$7.1M Annual Budget

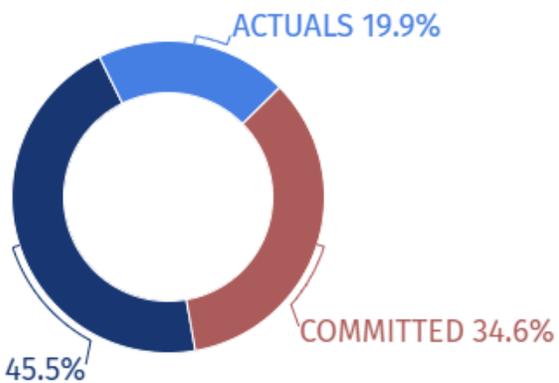


YEAR -TO-DATE ACTUALS & COMMITTED BY CATEGORY (In Millions)

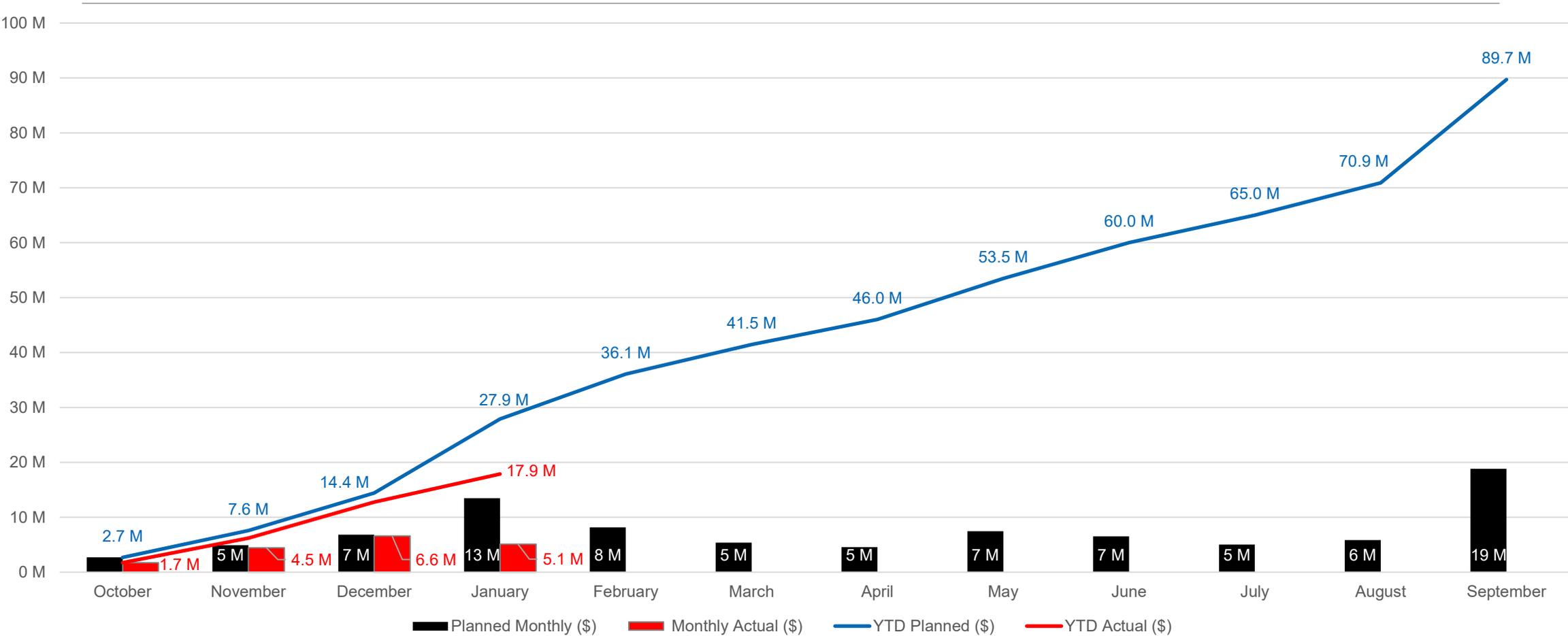
● Actuals \$17.9M ● Committed \$31.0M



Actuals \$17.9M
Committed \$31.0M
Budget Balance \$40.8M



FY 2026 CIP Cash Flow Planned vs Actual



Fiscal Year 2026 Financial Performance

As of January 31, 2026

Key Financial Metrics



Debt Service Coverage Ratio
Per Bond Covenant ~ 1.25x
Actual ~ 1.96x

Outstanding Debt
BPUB ~ \$243,815,000
Annual Debt Service ~ \$29,256,803

Debt to Capitalization Ratio
Municipal Utility Median ~ 38%
BPUB FY 2026 ~ 40%

Days Cash on Hand
Industry Standard ~ 180 days
BPUB ~ 392 days

Bond Ratings
Moody's: A2/Outlook Stable
Fitch: A/Outlook Stable
S&P: A-/Outlook Stable

All Reserves Fully Funded
Capital Improvement Reserve \$15,006,489
Debt Service Reserves – Junior and Senior Liens (Net of Surety Policies) \$16,813,253
Operating Cash Reserve \$17,010,212

Fiscal Year 2026 Financial Performance
 As of January 31, 2026
 Customer Receivable Metrics



CUSTOMER RECEIVABLES AGING REPORT

	Current	Past Due 30 Days	Past due 60 Days	Past due 90 Days	Total
Value in Dollars	10,859,991.75	906,977.62	157,919.83	594,195.12	12,519,084.32
% of Total Receivables	86.7%	7.2%	1.3%	4.7%	100%
Number of Accounts	35,819	7,871	1,735	657	46,082

FISCAL YEAR 2026
 UTILITY ASSISTANCE

MONTH	NUMBER OF ACCOUNTS	TOTAL ASSISTANCE RECEIVED
October-25	195	\$ 114,325.29
November-25	82	\$ 27,635.25
December-25	48	\$ 10,387.25
January-26	29	\$ 3,114.12
February-26		
March-26		
April-26		
May-26		
June-26		
July-26		
August-26		
September-26		
YTD Totals		\$ 155,461.91

AVERAGE CUSTOMER RECEIVABLES

FISCAL YEAR	DAYS
FY 2026 YTD	19.87
FY 2025	21.76
FY 2024	19.46
FY 2023	20.08
FY 2022	20.07
FY 2021	21.77
FY 2020	24.25

Glossary of Terms

Bond Ratings – A measure of the quality and safety of a bond, based on the issuer’s financial condition; more specifically, an evaluation from a rating service indicating the likelihood that a debt issuer will be able to meet scheduled interest and principal repayments. Typically, AAA is the highest (best), and D is the lowest (worst). The Brownsville PUB is maintaining an “A2”, as rated by Moody’s, an “A” as rated by Standard & Poor’s, and an “A-” as rated by Fitch Ratings. “A” ratings denote expectations of low credit risk and a strong capacity for payment of financial commitments.

Capital Improvement Plan (CIP) – A plan that lays out the financing, location, and timing for capital improvement projects over several years.

Debt to Capitalization Ratio – Indicates a utility funds a greater portion of capital needs on a pay-as-you-go basis and has capacity for additional borrowing for future needs.

Debt Service Coverage Ratio – Formula that measures a firm’s available cash flow to pay current debt obligations. The ratio is calculated by dividing net operating revenues by debt service, including principal and interest.

Fuel & Purchased Energy Charge (FPEC) – An electric cost adjustment is the mechanism that tracks and passes through to customers the actual cost of purchased fuel or purchased electricity. The Brownsville PUB meets on a monthly basis to make FPEC adjustments if actual costs vary from forecasted prices. Adjustments can be decreased or increased.

Improvement Fund CIP Funding – Deposit account used for meeting any capital improvements to the System.

Improvement Fund Replenishment – Deposit of any funds remaining after all debt requirements have been made.

Improvement Reserve Fund - Reserve account for future CIP projects. The goal is to establish reserves of \$15,000,000, as required by Bond Ordinance covenants.

IOU (Investor-Owned Utility) – A company that provides utility services that are privately run and own their infrastructure and equipment.

MOU (Municipally-Owned Utility) – A non-profit utility provider that is owned and operated by the municipality it serves.

Operating Reserve Funds – Reserve amount of not less than two months of budgeted O&M expenses (\$17,000,000 minimum) for the current fiscal year.

Operating Revenues – Gross Revenues with respect to any period, after deducting the O&M expenses.

Other Non-Operating Expenses – Miscellaneous expenses, debt discounts/expenses and other interest expenses.

Other Non-Operating Revenues – Revenues consisting of TCI – Pole Rental charges, miscellaneous income and billing discounts.

Other Revenues – Revenues consisting of other sales, forfeited discounts (penalties), connection and service charges and TCOS charges.

PAY-AS-YOU-GO – The principle or practice of financing expenditures with surplus funds that are currently available rather than borrowed.

Surety Policy - A financial guaranty insurance policy that insures payment of principal of and interest on Bonds that is issued simultaneously with the delivery of the Bonds

ADDITIONAL INFORMATION

Statement of Revenues, Expenses, and Changes in Net Position*
As of January 31, 2026



January 2026

FY 2026 YTD

Operating Revenues:

1. Sales and Service Charges	\$ 13,691,346	\$ 54,785,878
2. Fuel Collection	3,496,034	16,544,193
3. Fuel (over) Under Billings	1,869,139	3,723,756
4. Less rate stabilization	-	-
5. Less utilities service to the City of Brownsville, Texas	(336,578)	(1,513,291)
6. Total Operating Revenues	<u>18,719,941</u>	<u>73,540,536</u>

Operating Expenses:

7. Purchased power and fuel	5,365,174	20,267,948
8. Personnel services	5,798,743	21,359,817
9. Materials and supplies	699,047	2,890,134
10. Repairs and maintenance	275,832	1,183,514
11. Contractual and other services	2,659,569	9,852,320
12. Depreciation	2,193,084	8,699,292
13. Total Operating Expenses	<u>16,991,449</u>	<u>64,253,025</u>
14. Operating Income (Loss)	<u>\$ 1,728,492</u>	<u>\$ 9,287,511</u>

Statement of Revenues, Expenses, and Changes in Net Position*
As of January 31, 2026 - continued



	January 2026	FY 2026 YTD
Non-Operating Revenues (Expenses):		
15. SRWA other water supply	(575,156)	(2,637,713)
16. Investment and interest income	734,046	3,150,258
17. Operating grant revenue	217,197	592,648
18. Interest expense	(806,913)	(3,638,145)
19. Other	(498,144)	(20,515)
20. Gain (loss) on disposition of capital assets	-	-
21. Payments to City of Brownsville	(1,038,649)	(4,036,306)
22. Net nonoperating revenues (expenses)	<u>(1,967,619)</u>	<u>(6,589,773)</u>
23. Income (loss) before capital contributions	(239,127)	2,697,738
24. Capital contributions	<u>1,808,224</u>	<u>4,875,519</u>
25. Change in net position	<u>1,569,097</u>	<u>7,573,257</u>
26. Net position at beginning of year	516,830,701	510,826,541
27. Net position at end of year	<u>\$ 518,399,798</u>	<u>\$ 518,399,798</u>

*Excludes Southmost Regional Water Authority (a component unit of the BPUB)

Fiscal Year 2026 Financial Performance Report

As of January 31, 2026

Summary of Revenues & Expenses (Flow of Funds)



	January 2026	FY 2026 YTD
1. Operating Revenues	\$ 17,106,174	\$ 69,459,353
2. Off System Energy Sales	-	-
3. Net Operating Revenues	17,106,174	69,459,353
4. Other Revenues	1,950,345	5,594,474
5. Interest from Investments	539,290	2,201,310
6. Other Non-Operating Income	96,809	809,417
7. Gross Revenues	19,692,618	78,064,554
8. Less:		
9. Fuel & Energy Costs	5,365,174	20,267,949
10. Off System Energy Expenses	-	-
11. SRWA	575,155	2,300,622
12. Adjusted Gross Revenues	13,752,289	55,495,983
13. O&M Expenses	9,465,137	35,285,783
14. Other Non-Operating Expenses	236,385	266,727
15. Total Expenses	9,701,522	35,552,510
16. Debt Service Obligation	2,443,663	10,173,864
17. Total Requirements (Excluding Fuel & SRWA)	12,145,185	45,726,374

Fiscal Year 2026 Financial Performance Report

As of January 31, 2026

Summary of Revenues & Expenses (Flow of Funds) - continued



	January 2026	FY 2026 YTD
18. Balance Available After Requirements	<u>\$ 1,607,104</u>	<u>\$ 9,769,609</u>
19. Total Cash/Utility Benefit to COB	\$ 1,375,228	\$ 5,549,598
20. Balance Available for Transfers Out	<u>\$ 231,876</u>	<u>\$ 4,220,011</u>
21. Balance Available for Transfers Out:		
22. Operating Subaccount - Fuel Adjustment	\$ -	\$ -
23. Power Supply Stabilization Reserve	-	366,670
24. Decommissioning Reserve	-	333,340
25. Improvement Fund - CIP Funding	-	1,125,385
26. Total Transfers Out	-	1,825,395
27. Balance Available to PUB:		
28. Improvement Fund Replenishment	(611,528)	1,125,031
29. Resaca Fees	<u>843,404</u>	<u>1,269,585</u>
30. Total	<u>\$ 231,876</u>	<u>\$ 4,220,011</u>

Statements of Net Position*

As of January 31, 2026



	FY 2026 YTD	Unaudited SEPT 2025
ASSETS		
Current Assets:		
1. Cash - unrestricted	\$ 4,992,284	\$ 4,853,137
2. Investments - unrestricted	32,246,761	39,795,829
3. Due from other governments	592,648	1,919,029
4. Receivables	26,423,606	31,969,360
5. Interest receivable	1,229,905	592,786
6. Inventories	9,892,053	10,774,075
7. Prepaid expense	1,425,470	1,407,374
8. Total Current Assets	<u>76,802,727</u>	<u>91,311,590</u>
Non-Current Assets:		
9. Cash-restricted	47,606	26,081
10. Investments - restricted	178,328,410	181,792,699
11. Capital assets, net of accumulated depreciation	631,164,096	618,986,895
12. Regulatory Assets	2,334,780	1,833,146
13. Post-Employment Benefits	16,705,593	17,001,496
14. Total Non-Current Assets	<u>828,580,485</u>	<u>819,640,317</u>
15. Total Assets	<u>905,383,212</u>	<u>910,951,907</u>
DEFERRED OUTFLOWS OF RESOURCES		
16. Deferred charge on refunding	11,689,377	11,815,285
17. Unrealized Contribution Related/Pension	14,175,004	14,175,003
18. Deferred Credit-fuel under recovery	-	-
19. Total Deferred Outflows of Resources	<u>25,864,381</u>	<u>25,990,288</u>
20. Total Assets plus Deferred Outflows of Resources	<u>\$ 931,247,593</u>	<u>\$ 936,942,195</u>

Statements of Net Position*
As of January 31, 2026 - continued



BROWNSVILLE
PUBLIC UTILITIES BOARD

	FY 2026 YTD	Unaudited SEPT 2025
LIABILITIES AND NET POSITION		
Current Liabilities:		
21. Accounts payable	\$ 17,306,186	\$ 27,025,978
22. Accrued Vacation & Sick Leave	6,854,122	6,917,630
23. Due to primary government	1,009,307	3,719,604
24. Total Current Liabilities	<u>25,169,615</u>	<u>37,663,212</u>
Current Liabilities Payable from Restricted Assets:		
25. Accounts Payable and accrued liabilities	7,037,307	7,700,583
26. Accrued interest	4,078,411	772,828
27. Customer Deposits	6,264,125	6,288,372
28. Bonds payable - current redemption	19,445,122	18,975,000
29. Commercial Paper	-	30,000,000
30. Total Current Restricted Liabilities	<u>36,824,965</u>	<u>63,736,783</u>
31. Total Current Liabilities	<u>61,994,580</u>	<u>101,399,995</u>
Non-Current Liabilities:		
32. Bonds payable	269,675,065	239,914,002
33. Other Post -employment benefits	16,557,147	16,557,147
34. Net Pension Liability	34,693,620	34,693,620
35. Self Insurance worker's compensation claims	256,953	156,704
36. Total Non-Current liabilities	<u>321,182,785</u>	<u>291,321,473</u>
37. Total Liabilities	<u>383,177,365</u>	<u>392,721,468</u>

Statements of Net Position*
As of January 31, 2026 - continued



BROWNSVILLE
PUBLIC UTILITIES BOARD

	FY 2026 YTD	Unaudited SEPT 2025
DEFERRED INFLOWS OF RESOURCES		
38. Deferred Credit-fuel over recovery	21,217,514	24,941,270
39. Unrealized Contributions and losses related to pension	8,452,916	8,452,916
40. Total Deferred Inflows of Resources	<u>29,670,430</u>	<u>33,394,186</u>
41. Total Liabilities plus Deferred Inflows of Resources	<u>412,847,795</u>	<u>426,115,654</u>
Net Position:		
42. Invested in capital assets	356,065,998	343,735,167
Restricted for:		
43. Debt Service	12,186,294	2,314,959
44. Repair and replacement	137,066,935	153,738,120
45. Operating reserve	17,010,212	17,026,255
46. Fuel adjustment subaccount	-	-
47. Capital Projects	-	-
48. Unrestricted	<u>(3,929,641)</u>	<u>(5,987,960)</u>
49. Total Net Position	<u>518,399,798</u>	<u>510,826,541</u>
Total Liabilities Plus Deferred Inflows of Resources		
50. Plus Net Position	<u>\$ 931,247,593</u>	<u>\$ 936,942,195</u>

*Excludes Southmost Regional Water Authority (a component unit of the BPUB)

**STATEMENT OF TOTAL UTILITY REVENUES AND EXPENSES
2025-2026 YTD JANUARY ACTUAL**

	2025-2026 BUDGET TOTAL UTILITY	2025-2026 ACTUAL TOTAL UTILITY	2024-2025 ACTUAL TOTAL UTILITY
1. Operating Revenues	\$ 82,221,212	\$ 69,459,353	\$ 65,746,691
2. Off System Energy Sales	-	-	4,851,473
3. Net Operating Revenues	<u>82,221,212</u>	<u>69,459,353</u>	<u>70,598,164</u>
4. Other Revenues	5,394,421	5,594,474	4,313,207
5. Interest from Investments	1,600,000	2,201,310	2,428,964
6. Other Non-Operating Revenues	822,491	809,417	548,977
7. Gross Revenues	<u>90,038,124</u>	<u>78,064,554</u>	<u>77,889,312</u>
8. Less:			
9. Fuel & Energy Costs	30,058,333	20,267,949	18,393,015
10. Off System Energy Expenses	-	-	3,804,468
11. SRWA - O&M	1,593,711	1,593,711	1,710,915
12. SRWA - Debt Service	706,911	706,911	704,959
13. Adjusted Gross Revenues	<u>57,679,169</u>	<u>55,495,983</u>	<u>53,275,955</u>
14. O&M Expenses	37,140,916	35,285,783	32,065,672
15. Other Non-Operating Expenses	366,667	266,727	497,227
16. Net Revenues	<u>\$ 20,171,586</u>	<u>\$ 19,943,473</u>	<u>\$ 20,713,056</u>
17. Less:			
18. Debt Service Obligation	\$ 9,850,540	\$ 10,078,793	\$ 9,218,630
19. Commercial Paper Expense	50,000	95,071	566,267
20. Balance Available After Debt Service	<u>10,271,046</u>	<u>9,769,609</u>	<u>10,928,159</u>
21. COB Usage	\$ 1,944,766	\$ 1,513,292	\$ 1,590,001
22. COB Cash Transfer	3,823,151	4,036,306	3,737,595
23. Total Cash/Utility Benefit COB	<u>5,767,917</u>	<u>5,549,598</u>	<u>5,327,596</u>
25. Balance Available for Transfers Out	<u>\$ 4,503,129</u>	<u>\$ 4,220,011</u>	<u>\$ 5,600,563</u>
26. Balance Available for Transfers Out:	<u>ANNUAL</u>	<u>YTD</u>	
27. Operating Subaccount - Fuel Adjustment (Plant)	\$ -	\$ -	
28. Power Supply Stabilization Reserve	2,200,000	366,670	
29. Decommissioning Reserve	2,000,000	333,340	
30. Improvement Fund-CIP Funding	6,752,326	1,125,385	
31. Total Transfers Out	<u>\$ 10,952,326</u>	<u>\$ 1,825,395</u>	
32. Balance Available to PUB:			
33. Improvement Fund - Replenishment	-	1,125,031	
34. Resaca Fees	2,557,061	1,269,585	
35. Total	<u>\$ 13,509,387</u>	<u>\$ 4,220,011</u>	

**STATEMENT OF TOTAL UTILITY REVENUES AND EXPENSES
2025-2026 YTD JANUARY ACTUAL**

	2025-2026 BUDGET ELECTRIC	2025-2026 ACTUAL ELECTRIC	2024-2025 ACTUAL ELECTRIC
1. Operating Revenues	\$ 57,512,978	\$ 45,144,388	\$ 42,856,916
2. Off System Energy Sales	-	-	4,851,473
3. Net Operating Revenues	<u>57,512,978</u>	<u>45,144,388</u>	<u>47,708,389</u>
4. Other Revenues	4,827,932	4,976,612	3,734,852
5. Interest from Investments	960,000	1,320,786	1,459,086
6. Other Non-Operating Revenues	<u>657,747</u>	<u>641,047</u>	<u>356,864</u>
7. Gross Revenues	<u>63,958,657</u>	<u>52,082,833</u>	<u>53,259,191</u>
8. Less:			
9. Fuel & Energy Costs	30,058,333	20,267,949	18,393,015
10. Off System Energy Expenses	-	-	3,804,468
11. SRWA - O&M	-	-	-
12. SRWA - Debt Service	-	-	-
13. Adjusted Gross Revenues	<u>33,900,324</u>	<u>31,814,884</u>	<u>31,061,708</u>
14. O&M Expenses	20,526,370	18,575,009	16,236,266
15. Other Non-Operating Expenses	<u>166,667</u>	<u>181,728</u>	<u>227,757</u>
16. Net Revenues	<u>\$ 13,207,287</u>	<u>\$ 13,058,147</u>	<u>\$ 14,597,685</u>
17. Less:			
18. Debt Service Obligation	\$ 6,483,502	\$ 6,883,072	\$ 6,497,354
19. Commercial Paper Expense	<u>35,000</u>	<u>48,553</u>	<u>308,672</u>
20. Balance Available After Debt Service	<u>6,688,785</u>	<u>6,126,522</u>	<u>7,791,659</u>
21. COB Usage	\$ 1,453,333	\$ 1,010,894	\$ 1,139,347
22. COB Cash Transfer	<u>1,936,699</u>	<u>2,170,594</u>	<u>1,966,824</u>
23. Total Cash/Utility Benefit COB	<u>3,390,032</u>	<u>3,181,488</u>	<u>3,106,171</u>
25. Balance Available for Transfers Out	<u>\$ 3,298,753</u>	<u>\$ 2,945,034</u>	<u>\$ 4,685,488</u>
26. Balance Available to Transfers Out:	<u>ANNUAL</u>	<u>YTD</u>	
27. Operating Subaccount - Fuel Adjustment (Plant)	\$ -	\$ -	
28. Power Supply Stabilization Reserve	2,200,000	366,670	
29. Decommissioning Reserve	2,000,000	333,340	
30. Improvement Fund-CIP Funding	<u>5,696,256</u>	<u>773,361</u>	
31. Total Transfers Out	<u>\$ 9,896,256</u>	<u>\$ 1,473,371</u>	
32. Balance Available to PUB:			
33. Improvement Fund - Replenishment	-	1,471,663	
34. Resaca Fees	-	-	
35. Total	<u>\$ 9,896,256</u>	<u>\$ 2,945,034</u>	

STATEMENT OF TOTAL UTILITY REVENUES AND EXPENSES
2025-2026 YTD JANUARY ACTUAL

	2025-2026 BUDGET WATER	2025-2026 ACTUAL WATER	2024-2025 ACTUAL WATER
1. Operating Revenues	\$ 13,451,929	\$ 13,106,716	\$ 12,436,885
2. Off System Energy Sales	-	-	-
3. Net Operating Revenues	<u>13,451,929</u>	<u>13,106,716</u>	<u>12,436,885</u>
4. Other Revenues	301,578	386,281	357,062
5. Interest from Investments	320,000	440,262	484,939
6. Other Non-Operating Revenues	<u>82,372</u>	<u>84,185</u>	<u>96,069</u>
7. Gross Revenues	14,155,879	14,017,444	13,374,955
8. Less:			
9. Fuel & Energy Costs	-	-	-
10. Off System Energy Expenses	-	-	-
11. SRWA - O&M	1,593,711	1,593,711	1,710,915
12. SRWA - Debt Service	<u>706,911</u>	<u>706,911</u>	<u>704,959</u>
13. Adjusted Gross Revenues	11,855,257	11,716,822	10,959,081
14. O&M Expenses	8,158,525	8,896,997	8,013,677
15. Other Non-Operating Expenses	<u>100,000</u>	<u>9,227</u>	<u>110,579</u>
16. Net Revenues	\$ 3,596,732	\$ 2,810,598	\$ 2,834,825
17. Less:			
18. Debt Service Obligation	\$ 1,497,179	\$ 1,417,788	\$ 1,189,606
19. Commercial Paper Expense	<u>7,500</u>	<u>21,448</u>	<u>153,175</u>
20. Balance Available After Debt Service	2,092,053	1,371,362	1,492,044
21. COB Usage	\$ 271,266	\$ 277,805	\$ 245,808
22. COB Cash Transfer	<u>914,260</u>	<u>893,877</u>	<u>850,100</u>
23. Total Cash/Utility Benefit COB	1,185,526	1,171,682	1,095,908
25. Balance Available for Transfers Out	<u>\$ 906,527</u>	<u>\$ 199,680</u>	<u>\$ 396,136</u>
26. Balance Available to Transfers Out:	ANNUAL	YTD	
27. Operating Subaccount - Fuel Adjustment (Plant)	\$ -	\$ -	
28. Power Supply Stabilization Reserve	-	-	
29. Decommissioning Reserve	-	-	
30. Improvement Fund-CIP Funding	<u>162,521</u>	<u>54,174</u>	
31. Total Transfers Out	\$ 162,521	\$ 54,174	
32. Balance Available to PUB:			
33. Improvement Fund - Replenishment	-	(1,124,079)	
34. Resaca Fees	<u>2,557,061</u>	<u>1,269,585</u>	
35. Total	<u>\$ 2,719,582</u>	<u>\$ 199,680</u>	

**STATEMENT OF TOTAL UTILITY REVENUES AND EXPENSES
2025-2026 YTD JANUARY ACTUAL**

	2025-2026 BUDGET WASTEWATER	2025-2026 ACTUAL WASTEWATER	2024-2025 ACTUAL WASTEWATER
1. Operating Revenues	\$ 11,256,305	\$ 11,208,249	\$ 10,452,890
2. Off System Energy Sales	-	-	-
3. Net Operating Revenues	<u>11,256,305</u>	<u>11,208,249</u>	<u>10,452,890</u>
4. Other Revenues	264,911	231,581	221,293
5. Interest from Investments	320,000	440,262	484,939
6. Other Non-Operating Revenues	82,372	84,185	96,044
7. Gross Revenues	<u>11,923,588</u>	<u>11,964,277</u>	<u>11,255,166</u>
8. Less:			
9. Fuel & Energy Costs	-	-	-
10. Off System Energy Expenses	-	-	-
11. SRWA - O&M	-	-	-
12. SRWA - Debt Service	-	-	-
13. Adjusted Gross Revenues	<u>11,923,588</u>	<u>11,964,277</u>	<u>11,255,166</u>
14. O&M Expenses	8,456,021	7,813,777	7,815,729
15. Other Non-Operating Expenses	100,000	75,772	158,891
16. Net Revenues	<u>\$ 3,367,567</u>	<u>\$ 4,074,728</u>	<u>\$ 3,280,546</u>
17. Less:			
18. Debt Service Obligation	\$ 1,869,859	\$ 1,777,933	\$ 1,531,670
19. Commercial Paper Expense	7,500	25,070	104,420
20. Balance Available After Debt Service	<u>1,490,208</u>	<u>2,271,725</u>	<u>1,644,456</u>
21. COB Usage	\$ 220,167	\$ 224,593	\$ 204,846
22. COB Cash Transfer	972,192	971,835	920,671
23. Total Cash/Utility Benefit COB Transferred	<u>1,192,359</u>	<u>1,196,428</u>	<u>1,125,517</u>
25. Balance Available for Transfers Out	<u>\$ 297,849</u>	<u>\$ 1,075,297</u>	<u>\$ 518,939</u>
26. Balance Available to Transfers Out:	<u>ANNUAL</u>	<u>YTD</u>	
27. Operating Subaccount - Fuel Adjustment (Plant)	\$ -	\$ -	
28. Power Supply Stabilization Reserve	-	-	
29. Decommissioning Reserve	-	-	
30. Improvement Fund-CIP Funding	893,549	297,850	
31. Total Transfers Out	<u>\$ 893,549</u>	<u>\$ 297,850</u>	
32. Balance Available to PUB:			
33. Improvement Fund - Replenishment	-	777,447	
34. Resaca Fees	-	-	
35. Total	<u>\$ 893,549</u>	<u>\$ 1,075,297</u>	

STATEMENT OF DEMAND ACCOUNTS & INVESTMENTS

January 31, 2026

	Demand	Investments	Totals
* 1. Capital Improvement Reserve	\$ -	\$ 15,006,489	\$ 15,006,489
2. City Transfer Fund	-	2,999	2,999
3. Clearing Account	-	-	-
4. AP Clearing Account	-	-	-
* 5. Commercial Paper	2	-	2
6. Dental Insurance	34,928	1,320,100	1,355,028
7. Employee Health	361,081	216,927	578,008
* 8. EPA Grants	-	-	-
9. Flexible Spending	-	234,212	234,212
* 10. Improvement Fund	37,096	78,710,349	78,747,445
* 11. Improvement Impact Fees	10,508	16,107,946	16,118,454
* 12. Improvement Water Rights	-	5,619,170	5,619,170
* 13. Resaca Fees ¹	-	8,840,535	8,840,535
* 14. Junior Lien Debt Service I&S	-	23,916	23,916
* 15. Junior Lien Reserve Fund	-	119,168	119,168
* 16. Meter Deposit	-	8,034,163	8,034,163
* 17. Operating Reserve Cash	-	17,010,212	17,010,212
18. Other Post Employment Benefit	-	-	-
19. Payroll	-	-	-
20. Plant Fund	4,568,744	19,645,460	24,214,204
* 21. Senior Debt Service I&S Fund	-	12,162,377	12,162,377
* 22. Senior Lien Reserve Fund	-	16,694,085	16,694,085
* 23. Share Fund	6	111,402	111,408
24. Workers Compensation	27,525	5,815,651	5,843,176
25. Power Supply Stabilization Reserve	-	2,566,670	2,566,670
26. Decommissioning Reserve	-	2,333,340	2,333,340
Total	\$ 5,039,890	\$ 210,575,171	\$ 215,615,061

NOTES:

¹ Resaca Fee revenues will be used to fund future grant matching commitments.

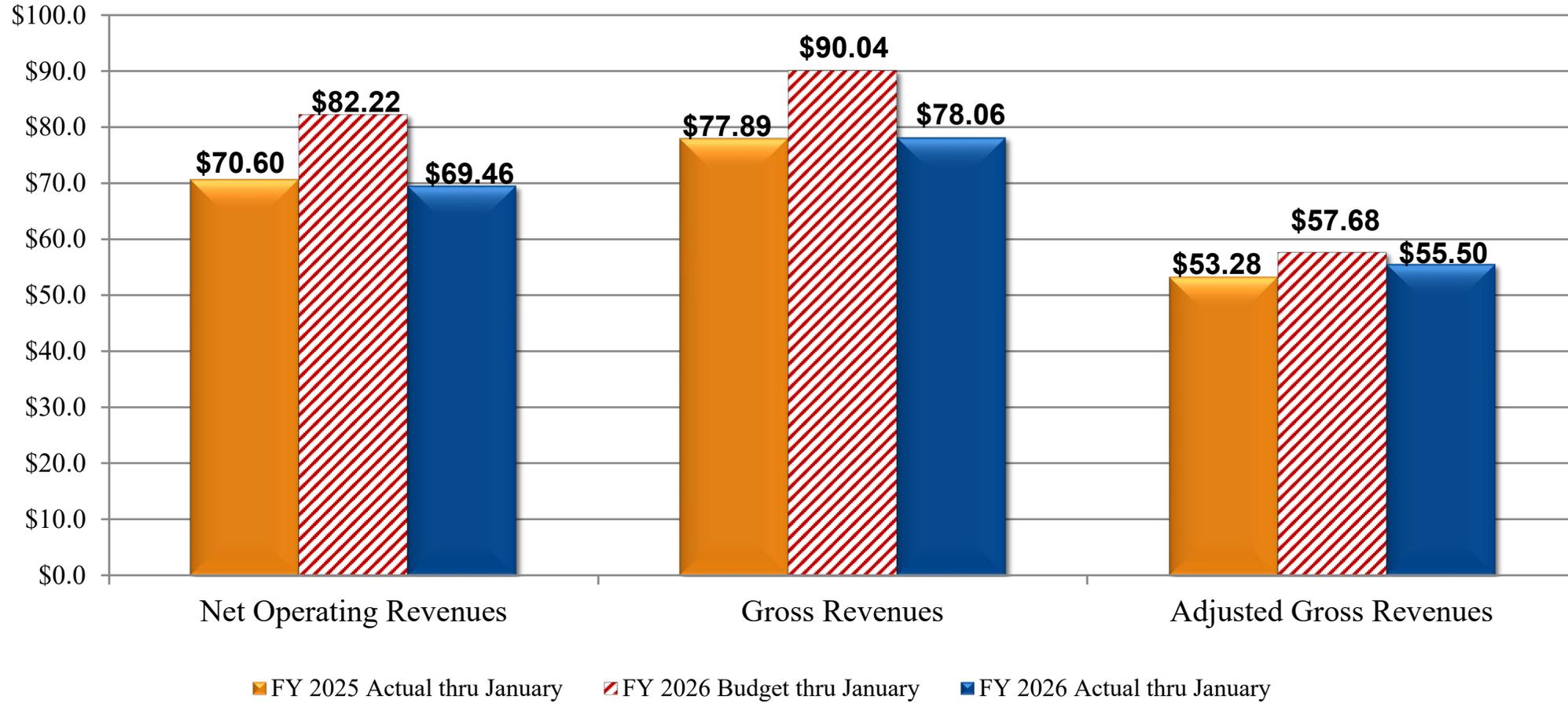
* Restricted Assets

Fiscal Year 2026 Financial Performance

As of January 31, 2026



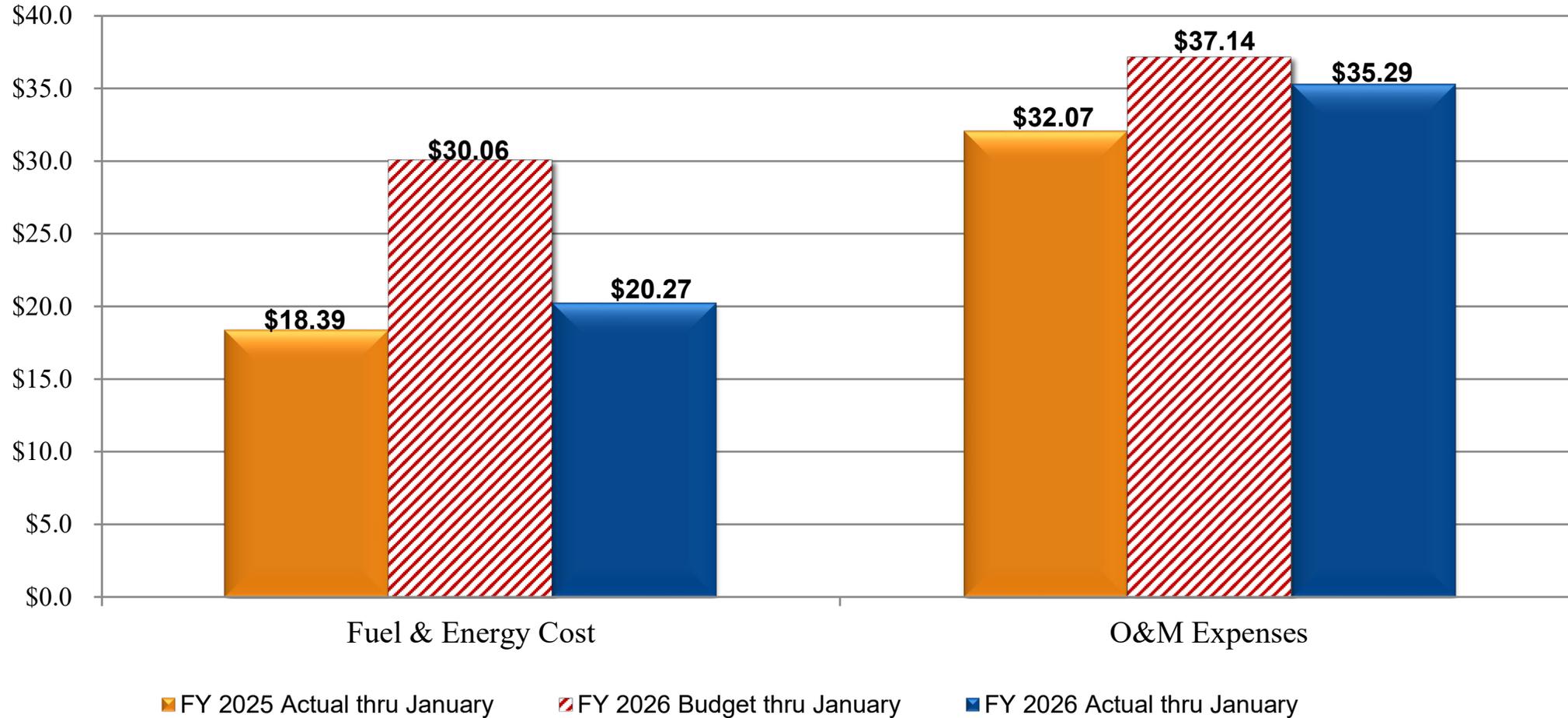
Millions



Fiscal Year 2026 Financial Performance As of January 31, 2026

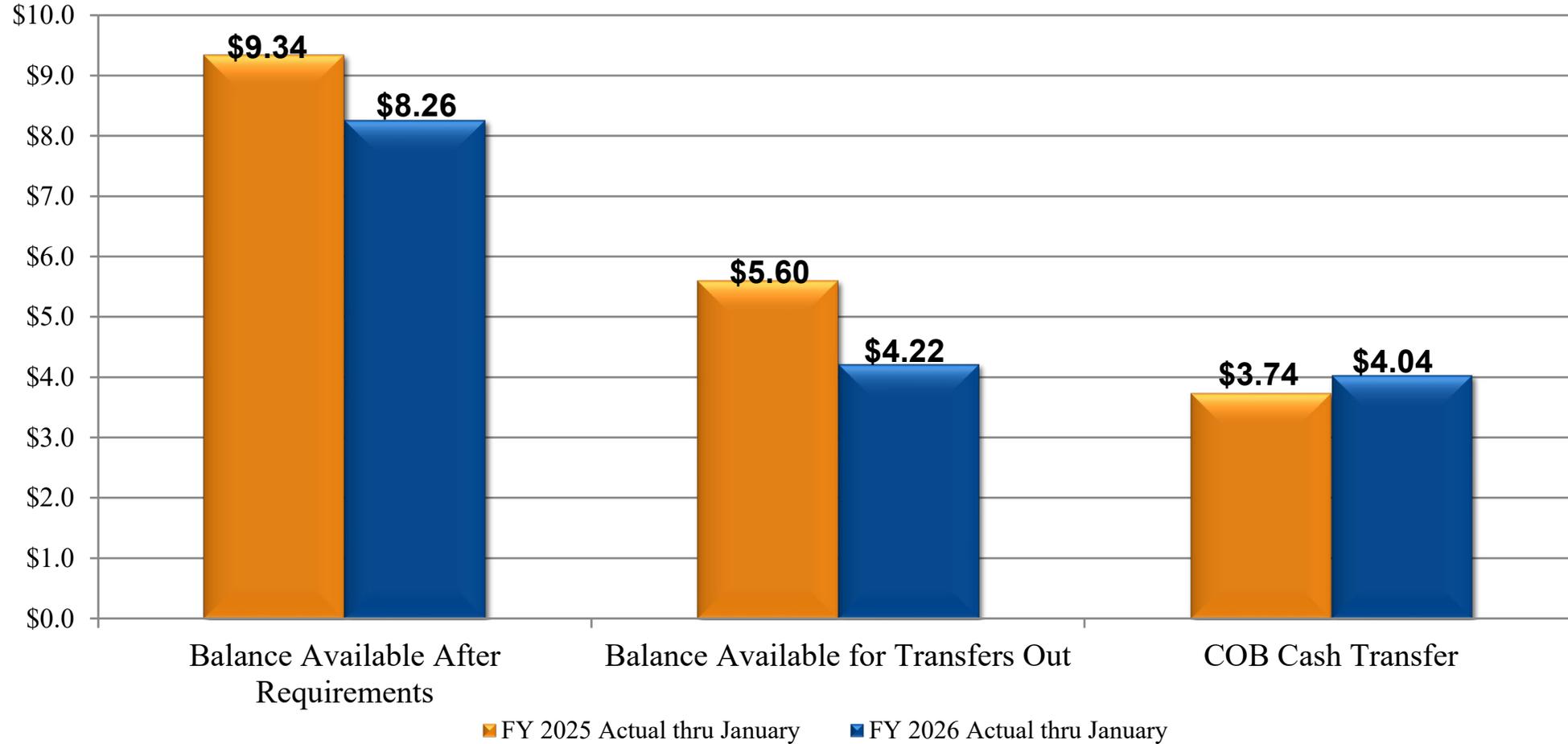


Millions



Fiscal Year 2026 Financial Performance As of January 31, 2026

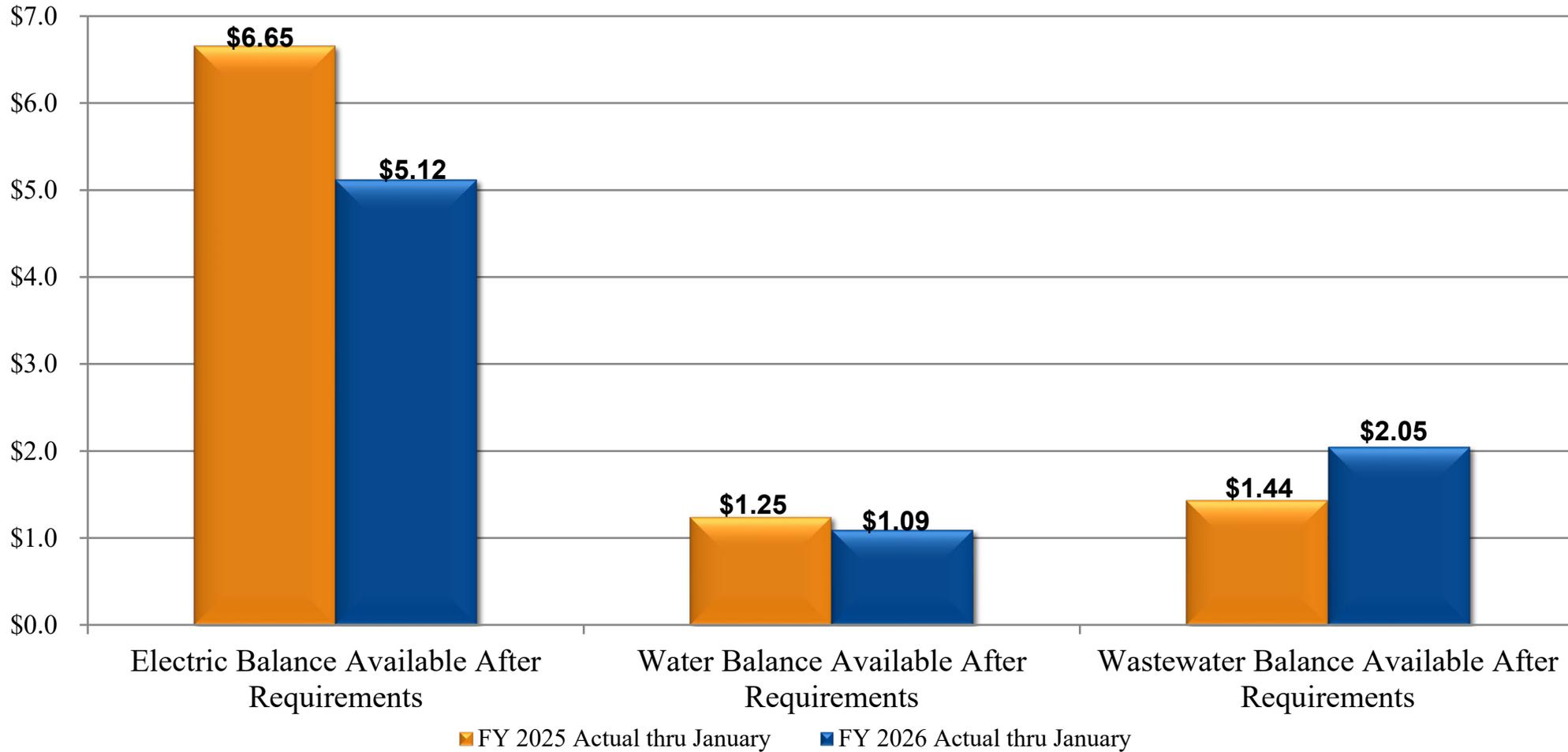
Millions



Fiscal Year 2026 Financial Performance

As of January 31, 2026

Millions



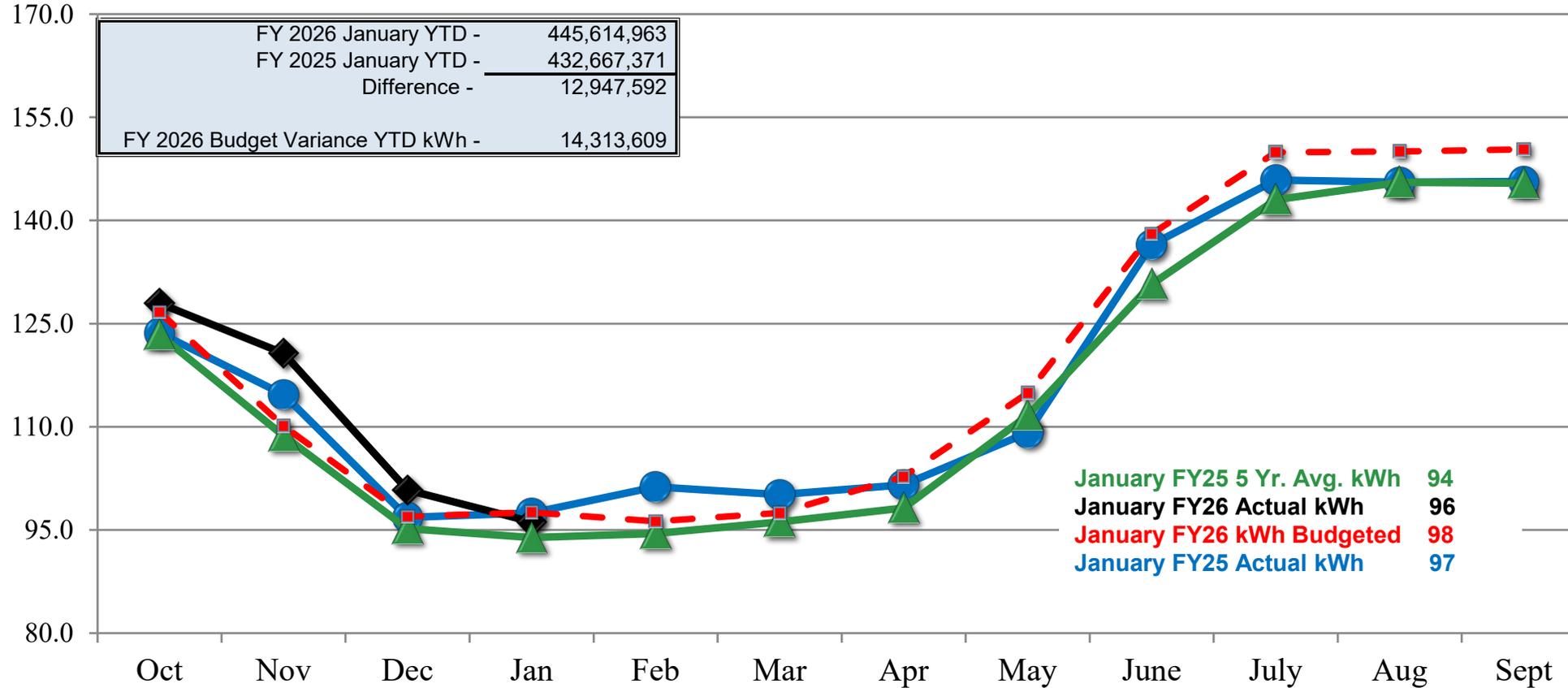
Fiscal Year 2026 Financial Performance

As of January 31, 2026

Electric Sales



Millions

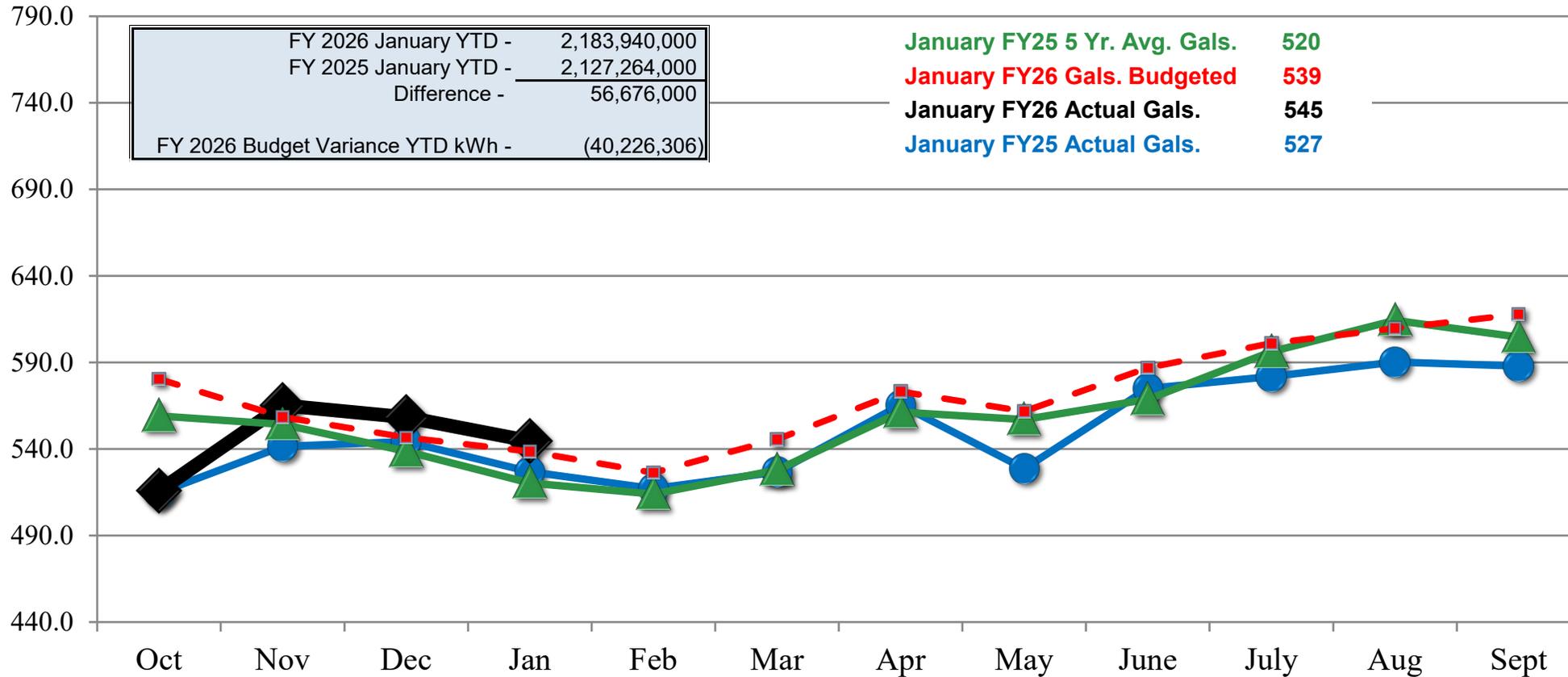


- FY 2025 Actual kWh Sales
- ◆ FY 2026 Actual kWh Sales thru January
- ▲ 5 Year (FY 2021 - FY 2025) Average kWh Sales
- - FY 2026 Budgeted kWh Sales

Fiscal Year 2026 Financial Performance

As of January 31, 2026

Water Sales



- FY 2025 Actual Water Sales
- ▲ 5 Year (FY 2021 - FY 2025) Average Water Sales
- ◆ FY 2026 Actual Water Sales thru January
- FY 2026 Budgeted Water Sales

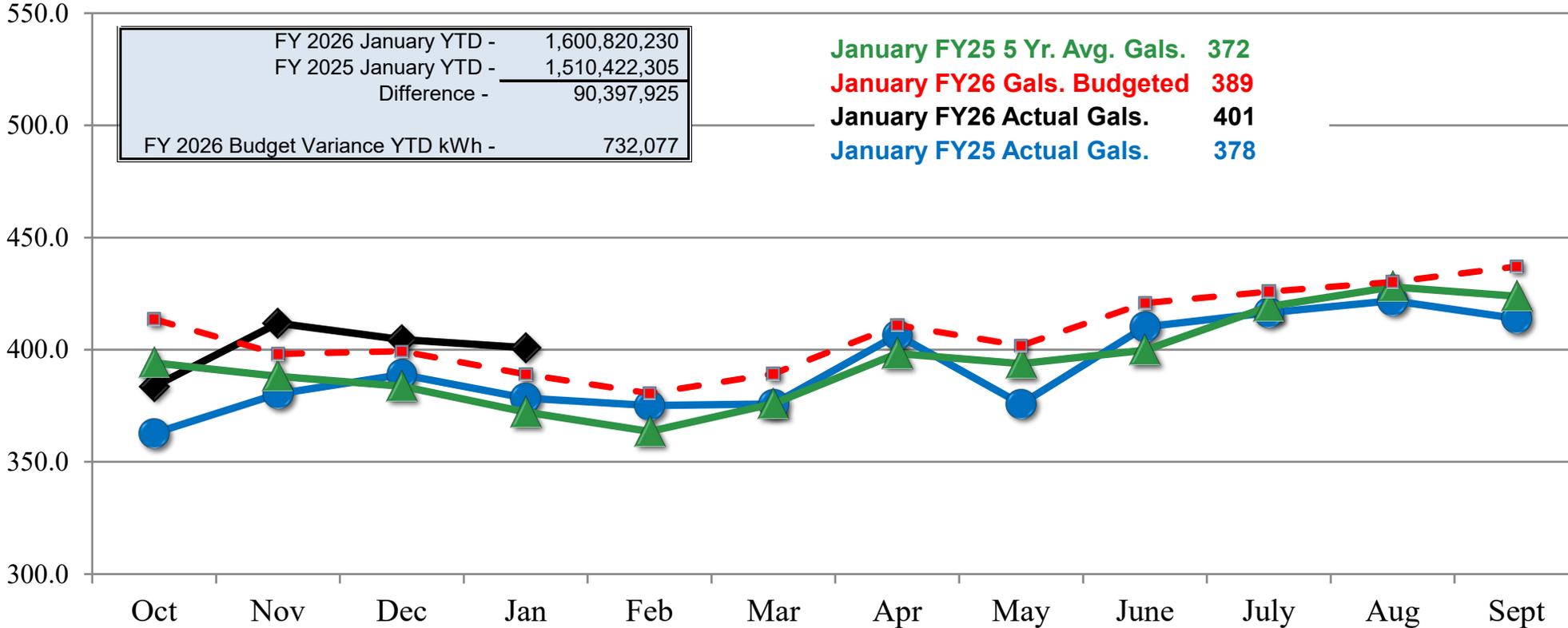
Fiscal Year 2026 Financial Performance

As of January 31, 2026

Wastewater Flows



Millions

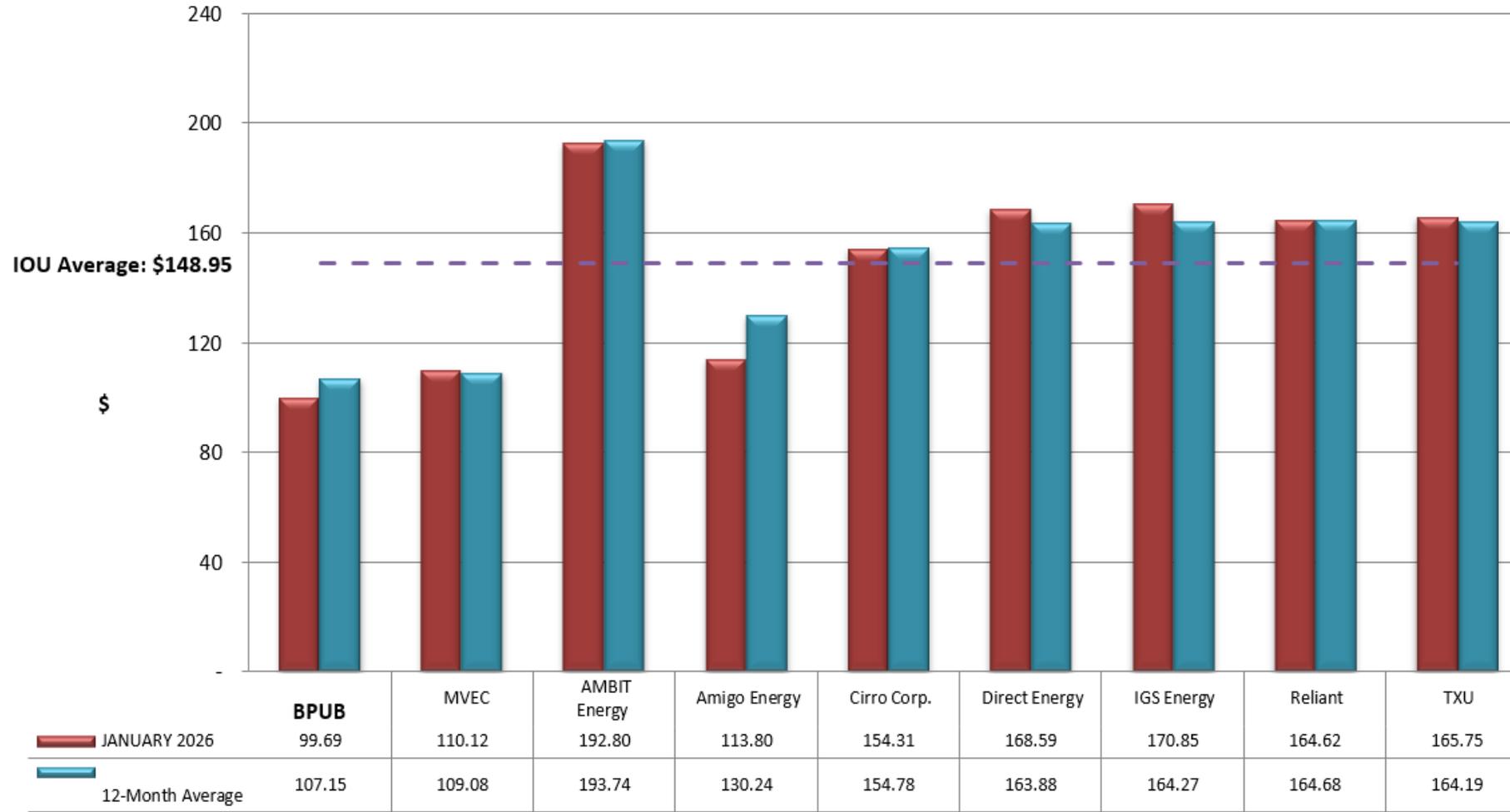


FY 2026 January YTD -	1,600,820,230
FY 2025 January YTD -	1,510,422,305
Difference -	90,397,925
FY 2026 Budget Variance YTD kWh -	732,077

January FY25 5 Yr. Avg. Gals. 372
January FY26 Gals. Budgeted 389
January FY26 Actual Gals. 401
January FY25 Actual Gals. 378

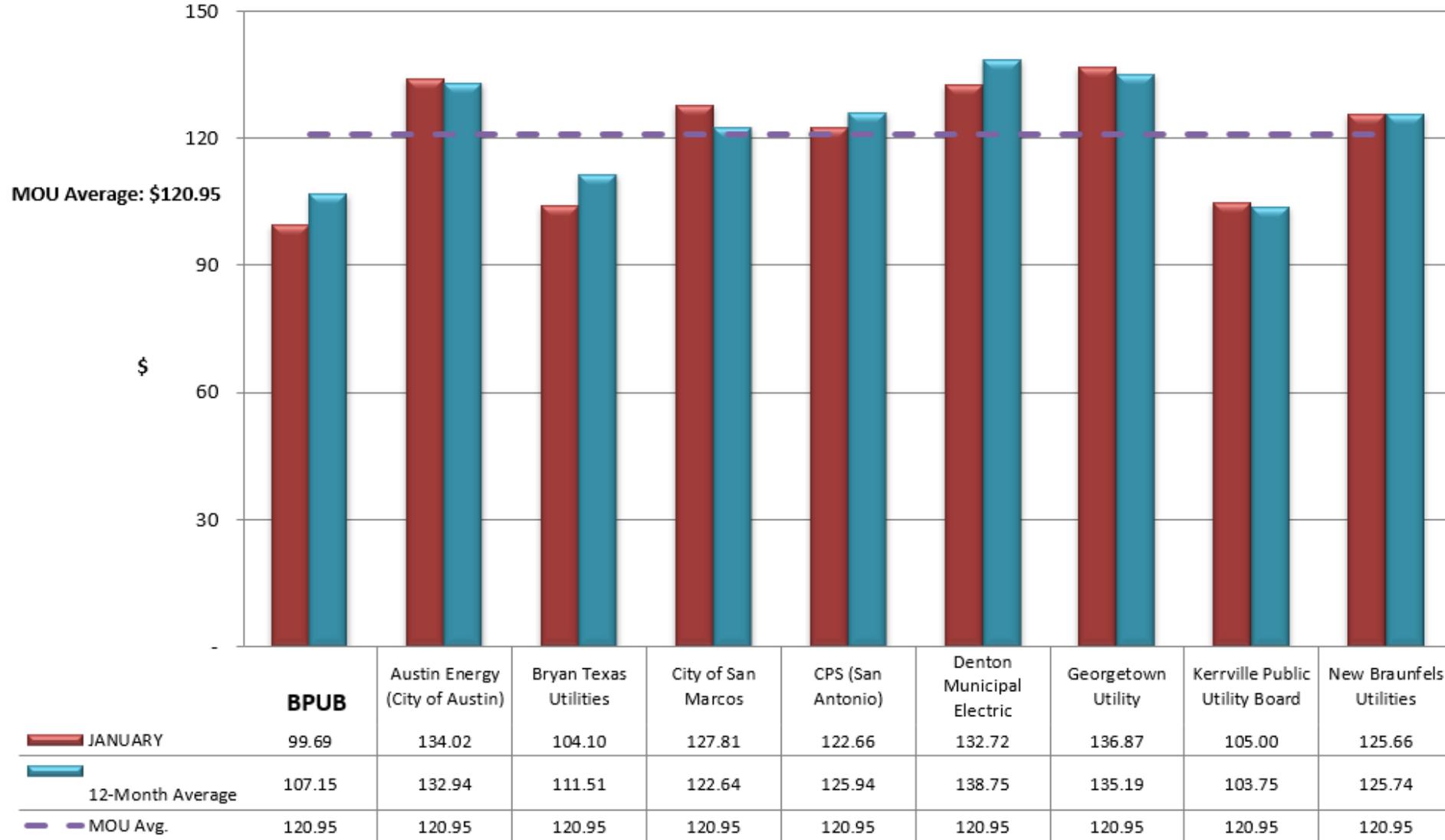
- FY 2025 Actual Wastewater Flows
- ◆ FY 2026 Actual Wastewater Flows thru January
- ▲ 5 Year (FY 2021 - FY 2025) Average Wastewater Flows
- - FY 2026 Budgeted Wastewater Flows

Investor Owned Utilities Residential Electric Bill Comparison January 2026 Based on 1,000 kWh of Electric Sales



- Notes:**
1. This comparison is compiled using information for Retail Electric Providers (REPs) which is publicly available through the Power to Choose link on the Public Utilities Commission of Texas' website. The monthly bills shown on this sheet are inclusive of all fixed (e.g. customer & metering charges) and variable charges (e.g. transmission & distribution charges).
 2. For comparative purposes bills shown are all fixed plans.

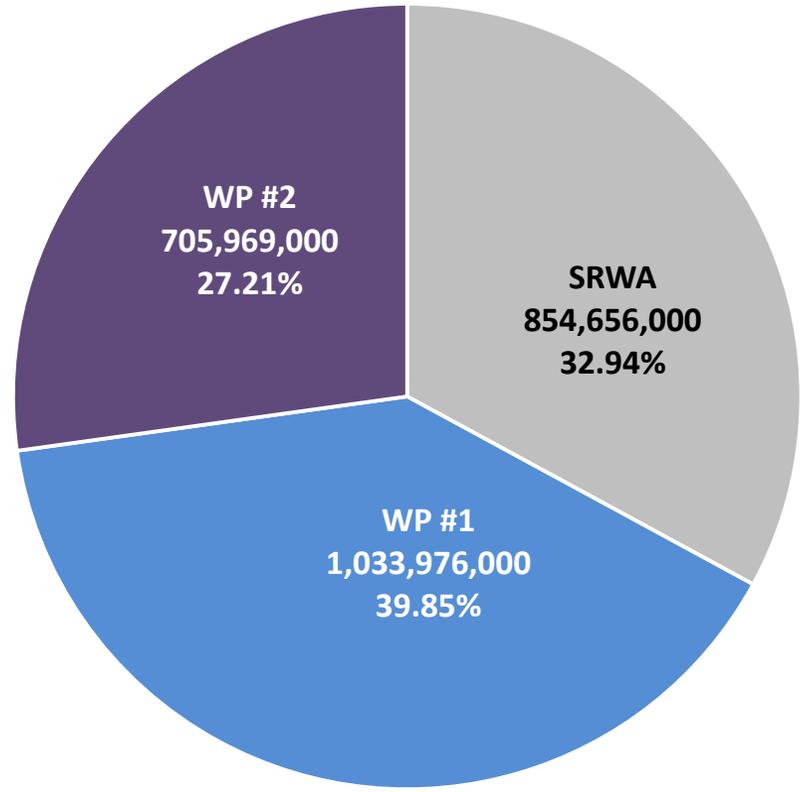
Municipally Owned Utilities
 Residential Electric Bill Comparison
 January 2026
 Based on 1,000 kWh of Electric Sales



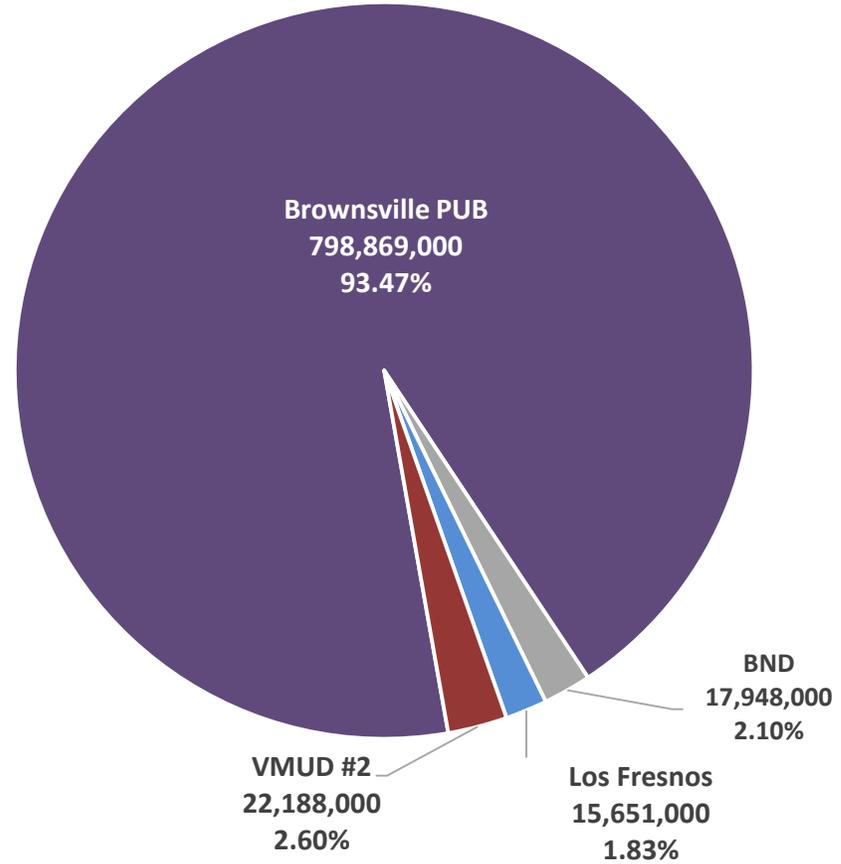
Fiscal Year 2026 Southmost Regional Water Authority Financial Performance as of January 31, 2026 Water Plants 1 & 2 and SRWA Distribution



**Total Water Plants and SRWA Distribution:
2,594,601,000 Gallons**



**SRWA Distribution to participating entities.
Total SRWA Distribution: 854,656,000 Gallons**



Unit Cost of Water (1,000 gallons)
FY Ending 2024 (Audited)

■ BPUB WPI & II	\$ 1.22
■ SRWA	2.84
■ Blended (BPUB & SRWA)	\$ 1.74

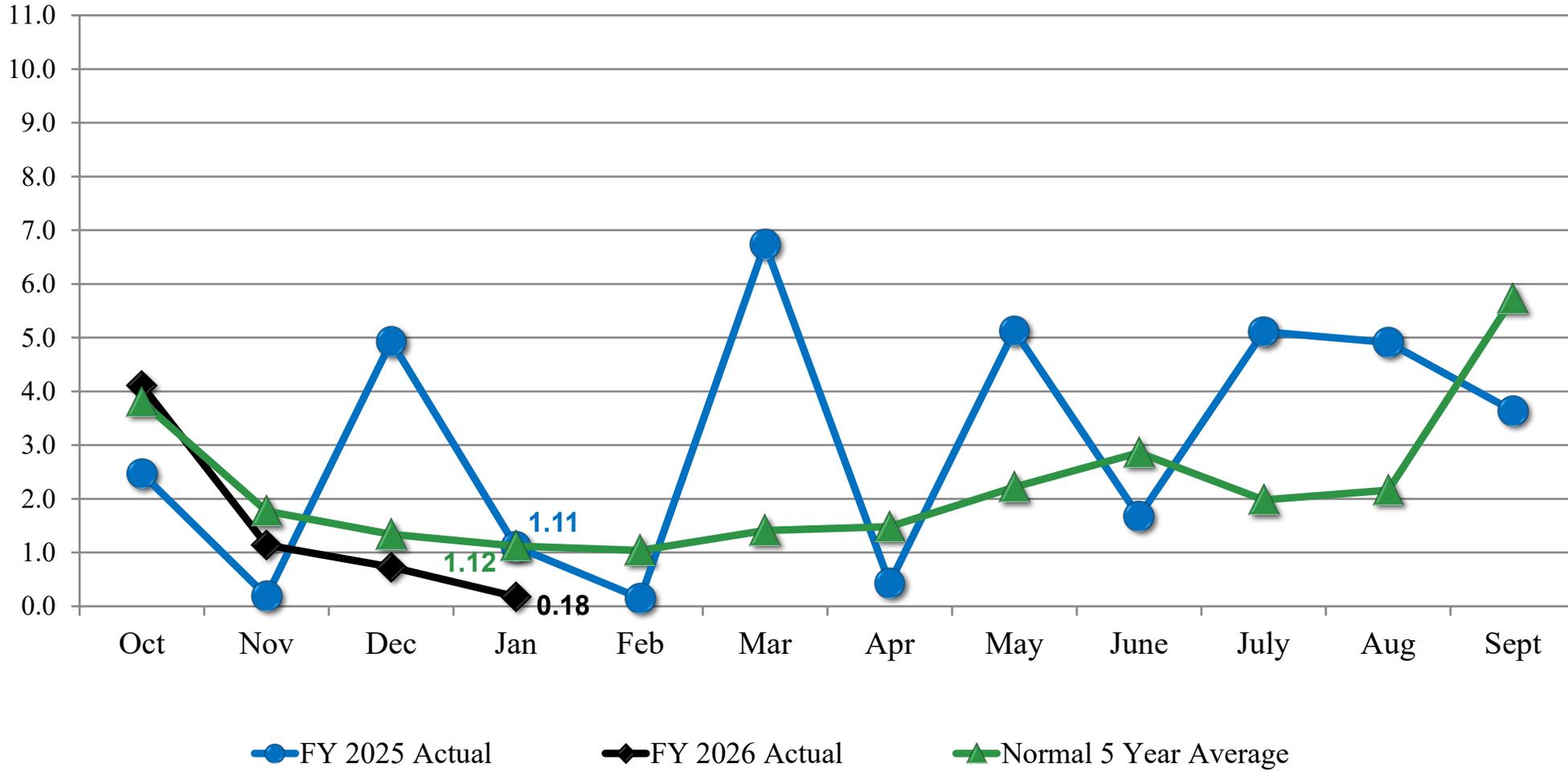
Fiscal Year 2026 Financial Performance

As of January 31, 2026

Precipitation Levels



Inches



Fiscal Year 2026 Financial Performance

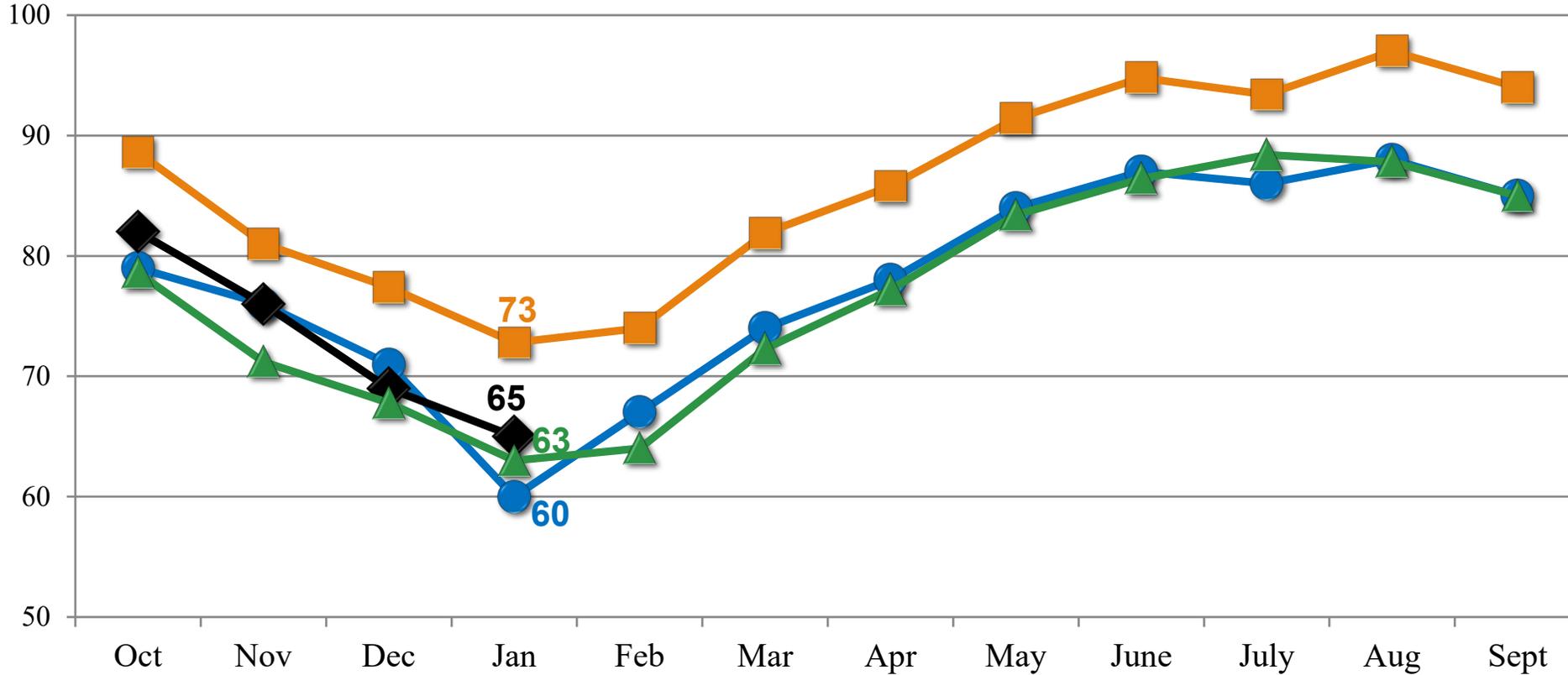
As of January 31, 2026

Mean Temperature Average

Degrees
Fahrenheit



BROWNSVILLE
PUBLIC UTILITIES BOARD



- Mean Temp. Avg. FY 2025 ◆ Mean Temp. Avg. FY 2026
- ▲ 5 Year Average Mean Temp. ■ 5 Year Average Max. Temp.



**FISCAL YEAR 2026
BUDGET STATUS FOR THE
ENGINEERING FEES EXPENSE ACCOUNT
AS OF JANUARY 31, 2026**

FUND	ORGN	VENDOR	APPROVED BUDGET	OCT ACTUAL	NOV ACTUAL	DEC ACTUAL	JAN ACTUAL	BUDGET BALANCE
100 Operating Fund-Plant								
	2210	SCADA & Electrical Support Services	10,000	-	-	-	-	10,000
	2220	Power Production	48,120	-	-	-	-	48,120
	2410	Electric Engineering						
		M&S ENGINEERING, LLC	1,252,504	1,338	-	4,345	8,332	1,233,489
		OSMOSE UTILITIES SERVICES, INC	-	-	5,000	-	-	-
	2420	Electrical System Planning						
		SIEMENS INDUSTRY, INC	387,184	34,872	-	-	16,116	284,417
		ELECTRICAL CONSULTANTS INC	-	12,869	-	31,390	-	-
		HORD, JAMES	-	-	200	-	800	-
		M&S ENGINEERING, LLC	-	-	-	4,780	1,740	-
	3120	Water Plant I	15,000	-	-	-	-	15,000
	3130	Water Plant II	30,000	-	-	-	-	30,000
	3135	Resaca Maintenance	119,041	25	-	(25)	-	119,041
	3140	Raw Water Supply	10,000	-	-	-	-	10,000
	3310	Water & Wastewater Engineering						
		FREESE & NICHOLS, INC.	100,000	11,317	21,105	-	39,948	24,602
		HAZEN AND SAWYER, DPC	-	1,543	-	1,485	-	-
	4115	Asset Management	35,798	-	-	-	-	35,798
	4220	Fuel & Purchased Energy Supply	11,595	-	1,760	5,520	-	4,315
	4310	Operational Support Services	1,135	-	-	-	-	1,135
	5110	Finance	20,000	-	-	9,290	-	10,710
		SUBTOTAL	2,040,377	61,964	28,065	56,785	66,936	1,826,627
Subtotal O&M Funds			2,040,377	61,964	28,065	56,785	66,936	1,826,627
				YTD	213,750			



**FISCAL YEAR 2026
BUDGET STATUS FOR THE
ENGINEERING FEES EXPENSE ACCOUNT
AS OF JANUARY 31, 2026**

FUND	ORGN	VENDOR	APPROVED BUDGET	OCT ACTUAL	NOV ACTUAL	DEC ACTUAL	JAN ACTUAL	BUDGET BALANCE
400 Capital Projects-Improvement								
	2120 Substations and Relaying	ELECTRICAL CONSULTANTS INC	-	-	-	59,231	-	-
	2420 Electrical System Planning	ELLETT AND GAYNOR	-	6,418	-	-	-	-
		M&S ENGINEERING, LLC	-	-	-	-	6,248	-
	3110 W/WW Engineering Captl Planning	GOERO INTERNATIONAL LLC	-	-	-	-	(218,738)	-
	3120 Water Plant I	FREESE & NICHOLS, INC.	-	-	9,773	3,772	9,161	-
	3220 Robindale Wastewater Treatment Plr	FREESE & NICHOLS, INC.	-	9,746	27,488	15,623	7,561	-
	3310 Water & Wastewater Engineering	AMBIOTEC CIVIL ENGINEERING	-	6,500	-	-	-	-
		CP&Y, INC.	-	-	-	6,075	-	-
		CAROLLO ENGINEERS, INC	-	-	23,046	-	-	-
		PROFESSIONAL SERVICE	-	-	-	570	-	-
		TERRACON CONSULTANTS, INC.	-	-	566	-	-	-
		FREESE & NICHOLS, INC.	-	2,320	-	-	-	-
		HANSON PROFESSIONAL SERVICES INC	-	10,930	-	-	4,868	-
		HAZEN AND SAWYER, DPC	-	9,807	-	9,437	-	-
	3315 W/WW Prj. Development	PROFESSIONAL SERVICE	-	200	1,152	1,790	1,061	-
		EARTHCO LLC	-	-	-	-	970	-
		TERRACON CONSULTANTS, INC.	-	845	1,145	850	-	-
		MILLENNIUM ENGINEERS GROUP INC	-	-	1,816	830	682	-
		RABA KISTNER, INC.	-	-	1,558	2,184	991	-
	4105 Operations	GOERO INTERNATIONAL LLC	-	-	-	-	(11,013)	-
405 Capital Projects-Improvement								
	3310 Water & Wastewater Engineering	HANSON PROFESSIONAL SERVICES INC	-	10,930	(10,930)	-	-	-
410 Capital Projects-Impact Fees								
	3310 Water & Wastewater Engineering	HALFF ASSOCIATES INC.	-	-	26,698	-	36,186	-
Subtotal Capital Funds			2,700,000	57,696	82,312	100,362	(162,023)	2,621,653
				YTD	78,348			
Grand Total			4,740,377	119,660	110,377	157,147	(95,087)	4,448,280

*Capital funds are budgeted on a per-project basis. The CIP Engineering budget is estimated based on actual prior year expenses.

**FISCAL YEAR 2026
LEGAL FEES STATUS REPORT BY CATEGORY
AS OF JANUARY 31, 2026**

Category	Approved Budget	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Balance Available
	\$ 566,000													\$ 566,000
Special Utility Counsel		14,600	8,118	8,995	-	-	-	-	-	-	-	-	-	(31,713)
Personnel Matters		1,238	770	1,938	-	-	-	-	-	-	-	-	-	(3,946)
Electric Contracts and Agreements		3,094	1,047	650	-	-	-	-	-	-	-	-	-	(4,791)
Opinions		15,230	4,302	1,972	-	-	-	-	-	-	-	-	-	(21,504)
Construction Contracts		2,954	-	-	-	-	-	-	-	-	-	-	-	(2,954)
PUCT General		1,199	708	1,360	-	-	-	-	-	-	-	-	-	(3,267)
Real Estate and R-O-W Easements		5,055	56	146	-	-	-	-	-	-	-	-	-	(5,257)
Lit Fiber ROW Management		338	-	-	-	-	-	-	-	-	-	-	-	(338)
SpaceX Starbase Service Agreements		948	1,071	7,223	-	-	-	-	-	-	-	-	-	(9,242)
Subtotal O&M Budget	\$ 566,000	\$ 44,656	\$ 16,072	\$ 22,284	\$ -	\$ 482,988								

Total O&M Y-T-D Actuals: \$ 83,012

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
COMBINED UTILITY SUMMARY
BY CATEGORY AND UTILITY**

[A] LINE REF.	[B] PRIMARY UTILITY	[C] CATEGORY	[D] AMENDED PLAN FOR FY 2026	[E] TRANSFERS IN (OUT)	[F] AMENDED PLAN FOR FY 2026	[G] YTD ACTUAL AS OF 01/31/2026	[H] ADJUSTMENTS AS OF 01/31/2026	[I] PROJECT BALANCE AS OF 01/31/2026
1	Electric	Customer Connections	\$ 462,000	\$ -	\$ 462,000	\$ 196,105	\$ -	\$ 265,895
2		Grant Funded	-	-	-	33,800	-	(33,800)
3		Heavy Equipment and Vehicles	2,053,948	-	2,053,948	535,664	-	1,518,284
4		Hidalgo Energy Center	945,000	-	945,000	433,301	-	511,699
5		In Design	1,187,065	-	1,187,065	68,911	-	1,118,154
6		Proposed Projects	5,643,035	-	5,643,035	-	-	5,643,035
7		Routine Activities	3,919,405	-	3,919,405	1,427,441	-	2,491,964
8		Under Construction	21,847,495	74,702	21,922,197	6,849,430	-	15,072,767
9		Utility Relocations	200,000	-	200,000	9,392	-	190,608
10		Contract Development	2,602,167	-	2,602,167	6,248	-	2,595,919
11	Electric Total		38,860,115	74,702	38,934,817	9,560,292	-	29,374,525
12	Gen & Admin	Proposed Projects	\$ 3,100,789	\$ (7,380)	\$ 3,093,409	\$ -	\$ -	\$ 3,093,409
13		Under Construction	1,216,603	7,380	1,223,983	151,957	-	1,072,026
14		Completed	-	-	-	-	(251,216)	251,216
15		Contract Development	2,760,155	-	2,760,155	3,673	-	2,756,482
16	Gen & Admin Total		7,077,547	-	7,077,547	155,630	(251,216)	7,173,133

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
COMBINED UTILITY SUMMARY
BY CATEGORY AND UTILITY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
LINE	PRIMARY		AMENDED	TRANSFERS	AMENDED	YTD	ADJUSTMENTS	PROJECT
REF.	UTILITY	CATEGORY	PLAN FOR	IN (OUT)	PLAN FOR	ACTUAL AS	AS OF	BALANCE AS
			FY 2026		FY 2026	OF 01/31/2026	OF 01/31/2026	OF 01/31/2026
17	Wastewater	Customer Connections	\$ 500,000	\$ -	\$ 500,000	\$ 139,217	\$ -	\$ 360,783
18		Grant Funded	3,868,608	-	3,868,608	1,039,767	-	2,828,841
19		Heavy Equipment and Vehicles	1,800,273	-	1,800,273	474,483	-	1,325,790
20		In Design	3,727,782	75,000	3,802,782	147,963	-	3,654,819
21		Proposed Projects	2,337,634	(74,702)	2,262,932	-	-	2,262,932
22		Routine Activities	37,769	-	37,769	32,344	-	5,425
23		Under Construction	1,971,327	75,643	2,046,970	290,463	-	1,756,507
24		Utility Relocations	5,978,941	(75,643)	5,903,298	607,099	-	5,296,199
25	Wastewater Total		20,222,334	298	20,222,632	2,731,336	-	17,491,296
26	Water	Customer Connections	\$ 600,000	\$ -	\$ 600,000	\$ 431,515	\$ -	\$ 168,485
27		Grant Funded	4,777,500	-	4,777,500	1,547,395	-	3,230,105
28		Heavy Equipment and Vehicles	1,983,512	-	1,983,512	269,823	-	1,713,689
29		In Design	5,566,942	(165,459)	5,401,483	89,467	-	5,312,016
30		Proposed Projects	2,354,023	(192,500)	2,161,523	-	-	2,161,523
31		Resaca Fee Funded Equipment	810,635	-	810,635	221,119	-	589,516
32		Under Construction	4,133,809	-	4,133,809	2,031,011	-	2,102,798
33		Utility Relocations	2,684,353	90,459	2,774,812	232,932	-	2,541,880
34		Completed	485,400	130,000	615,400	605,149	-	10,251
35		Contract Development	150,000	62,500	212,500	-	-	212,500
	Water Total		23,546,174	(75,000)	23,471,174	5,428,411	-	18,042,763
	Grand Total		\$ 89,706,170	\$ -	\$ 89,706,170	\$ 17,875,669	\$ (251,216)	\$ 72,081,717

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
1		ELECTRIC PROJECTS								
2		DEPARTMENT 2120 - SUBSTATIONS & RELAYING								
3	In Design	Transformer Radiators Replacement - Loma Alta, Midtown, and FM 802 Substations	57,500	-	57,500	-	-	57,500	0.00%	-
4	Under Construction	Replace Legacy Overcurrent and Transformer Differential Protection Relays	40,000	-	40,000	-	-	40,000	0.00%	-
5	In Design	Install a Second Power Transformer at Palo Alto Substation	600,000	-	600,000	61,834	-	538,166	10.31%	250,039
6	Proposed Projects	Relay & Protection Upgrades Program	280,000	-	280,000	-	-	280,000	0.00%	-
7	Under Construction	Install a Second Power Transformer at Waterport Substation	797,440	-	797,440	222,046	-	575,394	27.84%	578,007
8	In Design	Substation Equipment Upgrades (at Military Hwy and Midtown)	400,000	(200,000)	200,000	-	-	200,000	0.00%	-
9	In Design	Substation Equipment Upgrades - Midtown 145KV L200 Breaker Replacement	-	200,000	200,000	5,939	-	194,061	2.97%	-
10	Under Construction	Airport Substation, Transformer No. 1 Upgrade, 69 KV to 138 KV	2,514,441	(1,095)	2,513,346	109,370	-	2,403,976	4.35%	333,606
11	Under Construction	Spare 12.47 kV Substation Switchgear	735,000	-	735,000	219,434	-	515,566	29.85%	512,012
12	Under Construction	Substations Satellite-Synchronized Clock Upgrade	30,000	-	30,000	-	-	30,000	0.00%	-
13	In Design	SEL Data Management and Automation (DMA) Blueframe Implementation	129,565	-	129,565	1,138	-	128,427	0.88%	-
14	Under Construction	Battery Bank Replacements at Waterport, Filter Plant, Price Road and Palo Alto Substations	50,000	-	50,000	-	-	50,000	0.00%	-
15	Proposed Projects	Repair/Recondition Two 138KV Transmission Breakers and Purchase Two New 15 KV Distribution Breakers	150,000	-	150,000	-	-	150,000	0.00%	-
16	Under Construction	Replacement of Blower No 1 at Blower Building No.1	-	-	-	9,610	-	(9,610)	100.00%	498,558
17	Under Construction	Palo Alto Substation 4.8MVAR Capacitor Bank	-	-	-	-	-	-	0.00%	65,550
18		Total for Dept. 2120	5,783,946	(1,095)	5,782,851	629,371	-	5,153,480	10.88%	2,237,772
19		DEPARTMENT 2130 - ELEC T&D CONSTRUCTION & MAINTENANCE								
20	Routine Activities	Emergency Replacements	1,400,000	-	1,400,000	914,111	-	485,889	65.29%	-
21	Routine Activities	Electric Utility Work	1,250,000	-	1,250,000	168,595	-	1,081,405	13.49%	1,829,504
22	Routine Activities	Wood Pole Restorations and Upgrades throughout the City of Brownsville	113,405	-	113,405	-	-	113,405	0.00%	46,128
23		Total for Dept. 2130	2,763,405	-	2,763,405	1,082,706	-	1,680,699	39.18%	1,875,632

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
24		DEPARTMENT 2410 - ELECTRIC ENGINEERING								
25	Customer Connections	New Connections - Contributions	1,848,000	-	1,848,000	107,872	-	1,740,128	5.84%	-
26	Customer Connections	New Connections - Contributions Offset	(1,848,000)	-	(1,848,000)	(107,872)	-	(1,740,128)	5.84%	-
27	Customer Connections	New Connections	462,000	-	462,000	196,105	-	265,895	42.45%	-
28	Customer Connections	New Subdivisions - Contributions	2,024,000	-	2,024,000	679,555	-	1,344,445	33.57%	-
29	Customer Connections	New Subdivisions - Contributions Offset	(2,024,000)	-	(2,024,000)	(679,555)	-	(1,344,445)	33.57%	-
30	Routine Activities	New Subdivisions	506,000	-	506,000	300,298	-	205,702	59.35%	-
31	Routine Activities	Infrastructure Improvements	440,000	-	440,000	32,469	-	407,531	7.38%	-
32	Routine Activities	Security Light Installation	80,000	-	80,000	6,014	-	73,986	7.52%	-
33	Routine Activities	Street Light Installations	130,000	-	130,000	5,954	-	124,046	4.58%	-
34	Proposed Projects	Reconductor Alternate Feeder from Union Carbide Substation to Forza Steel with 795 MCM AAC	250,000	-	250,000	-	-	250,000	0.00%	-
35	Routine Activities	Pole Attachment Requests - BPUB Make-Ready Work - Contributions	750,000	-	750,000	(98)	-	750,098	-0.01%	-
36	Routine Activities	Pole Attachment Requests - BPUB Make-Ready Work - Contributions Offset	(750,000)	-	(750,000)	98	-	(750,098)	-0.01%	-
37	Proposed Projects	GBIC Industrial Park - Phase I West Subdivision - Contributions	1,250,000	-	1,250,000	-	-	1,250,000	0.00%	-
38	Proposed Projects	GBIC Industrial Park - Phase I West Subdivision - Contributions Offset	(1,250,000)	-	(1,250,000)	-	-	(1,250,000)	0.00%	-
39	Utility Relocations	COB Old Hwy 77 Pole Relocation Project	100,000	(21,292)	78,708	-	-	78,708	0.00%	-
40	Utility Relocations	4011 Exp 77 S Frontage Rd - Conversion of UG to OH	-	21,292	21,292	9,392	-	11,900	44.11%	-
41	Utility Relocations	TXDOT State Highway 3248 (Alton Gloor) Pole Relocation Project	100,000	-	100,000	-	-	100,000	0.00%	-
42	Utility Relocations	COB Old Alice Rd Pole Relocation Project	-	-	-	-	-	-	0.00%	-
43	Utility Relocations	COB Coffee Port Rd Pole Relocation Project	-	-	-	-	-	-	0.00%	-
44	Utility Relocations	TXDOT East Loop Regional Project	-	-	-	-	-	-	0.00%	-
45	Under Construction	The Resaca Gardens Subdivision Conductor Replacement	50,000	-	50,000	9,873	-	40,127	19.75%	-
46		Total for Dept. 2410	2,118,000	-	2,118,000	560,105	-	1,557,895	26.44%	-
47		DEPARTMENT 2420 - ELECTRICAL SYSTEM PLANNING								
48	Under Construction	Cypher Substation (Loma Alta Rebuild)	1,780,910	(1,267)	1,779,643	677,071	-	1,102,572	38.05%	609,691
49	Contract Development	Direct Buried Cable Replacement	836,667	-	836,667	6,248	-	830,419	0.75%	62,753
50	Under Construction	Feeder Extensions Projects	1,500,000	-	1,500,000	40,481	-	1,459,519	2.70%	-

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
51	Under Construction	Reactive Supports Projects	80,000	-	80,000	11,158	-	68,842	13.95%	-
52	Under Construction	Reliability Improvement Projects	250,000	-	250,000	37,432	-	212,568	14.97%	-
53	Under Construction	Smart Grid	125,000	-	125,000	-	-	125,000	0.00%	37,800
54	Contract Development	Titan T3 (Transformer No. 3) Addition	750,000	-	750,000	-	-	750,000	0.00%	-
55	Proposed Projects	Loma Alta to Nimzo Transmission Line Study and Design	-	-	-	-	-	-	0.00%	-
56	Proposed Projects	Goliath Substation Design (Element Fuel) - Phase 2	-	-	-	-	-	-	0.00%	-
57	Proposed Projects	Nimzo Substation Design (GBIC) - Phase 2 - Contributions	375,000	-	375,000	-	-	375,000	0.00%	-
58	Proposed Projects	Nimzo Substation Design (GBIC) - Phase 2 - Contributions Offset	(375,000)	-	(375,000)	-	-	(375,000)	0.00%	-
59	Under Construction	56MVA Ocelot Distribution Substation and Equipment	7,488,281	-	7,488,281	862,917	-	6,625,364	11.52%	4,415,710
60	Proposed Projects	GBIC Feeder Extension - Contributions	500,000	-	500,000	-	-	500,000	0.00%	-
61	Proposed Projects	GBIC Feeder Extension - Contributions Offset	(500,000)	-	(500,000)	-	-	(500,000)	0.00%	-
62	Under Construction	Linde Feeder Extension - Contributions	350,000	-	350,000	450,654	-	(100,654)	128.76%	56,395
63	Under Construction	Linde Feeder Extension - Contributions Offset	(350,000)	-	(350,000)	(450,654)	-	100,654	128.76%	-
64	Under Construction	Loma Alta Substation Phase 1 with Control House SCADA Relaying and Panel Equipment	469	-	469	155,868	-	(155,399)	33234.12%	469
65	Under Construction	Spare Substation Equipment	643,877	-	643,877	682,645	-	(38,768)	106.02%	-
66	Under Construction	Mobile Substation Connection at Airport Substation	-	1,095	1,095	1,095	-	-	100.00%	-
67	Under Construction	4 ea Steel Angles for Loma Alta Mobile Substation	-	1,267	1,267	-	-	1,267	0.00%	1,267
68		Total for Dept. 2420	13,455,204	1,095	13,456,299	2,474,915	-	10,981,384	18.39%	5,184,085
69		DEPARTMENT 7130 - ENTERPRISE SOLUTIONS								
70	Under Construction	Advanced Metering Infrastructure (AMI) - electric	4,523,102	-	4,523,102	3,528,051	-	995,051	78.00%	2,197,505
71		Total for Dept. 7130	4,523,102	-	4,523,102	3,528,051	-	995,051	78.00%	2,197,505
72		DEPARTMENT 7190 - SCADA								
73	Proposed Projects	Industrial Defender Software	243,035	-	243,035	-	-	243,035	0.00%	-
74	Under Construction	OSI SCADA Upgrade	866,085	-	866,085	71,919	-	794,166	8.30%	678,300
75	Proposed Projects	Fiber Improvement Project	120,000	-	120,000	-	-	120,000	0.00%	-
76	Under Construction	Annex SCADA NOC APC UPS Battery Replacement	152,800	-	152,800	125,246	-	27,554	81.97%	-
77	Under Construction	CR15 APPA Subaward	15,000	-	15,000	254	-	14,746	1.69%	-
78	Grant Funded	CR15 APPA Subaward	-	-	-	33,800	-	(33,800)	100.00%	-
79	Under Construction	Cisco Firewall End-of-Life Replacement Project	-	74,702	74,702	-	-	74,702	0.00%	-
80		Total for Dept. 7190	1,396,920	74,702	1,471,622	231,219	-	1,240,403	15.71%	678,300

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
81		ELECTRIC TRANS. & DIST. PROJECT TOTAL:	\$ 30,040,577	\$ 74,702	\$ 30,115,279	\$ 8,506,367	\$ -	\$ 21,608,912	28.25%	\$ 12,173,294
82		DEPARTMENT 2220 - POWER PRODUCTION								
83	Hidalgo Energy Center	Hidalgo Capital Improvements	945,000	-	945,000	433,301	-	511,699	45.85%	-
84	Contract Development	Unit 10 Chiller Cooling Tower Replacement	1,015,500	-	1,015,500	-	-	1,015,500	0.00%	-
85	Proposed Projects	Unit 9 Major Outage	4,600,000	-	4,600,000	-	-	4,600,000	0.00%	-
86	Under Construction	Unit 6 Improvements, HRSG Economizer Panel Replacement and Generator Gas Analyzer Replacement	200,000	-	200,000	-	-	200,000	0.00%	105,274
87		Total for Dept. 2220	6,760,500	-	6,760,500	433,301	-	6,327,199	6.41%	105,274
88		DEPARTMENT 7125 - REAL ESTATE								
89	Under Construction	Cross Valley Pipeline Project	5,090	-	5,090	84,960	-	(79,870)	1669.16%	5,082
90		Total for Dept. 7125	5,090	-	5,090	84,960	-	(79,870)	1669.16%	5,082
91		ELECTRIC GENERATION PROJECT TOTAL:	\$ 6,765,590	\$ -	\$ 6,765,590	\$ 518,261	\$ -	\$ 6,247,329	7.66%	\$ 110,356
92		ADD ESTIMATED CAPITAL EQUIPMENT BUDGET								
93	Heavy Equipment and	CARRYOVER CAPITAL EQUIPMENT	1,231,525	-	1,231,525	476,800	-	754,725	38.72%	622,313
94	Heavy Equipment and	ESTIMATED CAPITAL EQUIPMENT	822,423	-	822,423	58,864	-	763,559	7.16%	43,073
95		ESTIMATED EQUIPMENT TOTAL - ELECTRIC	\$ 2,053,948	\$ -	\$ 2,053,948	\$ 535,664	\$ -	\$ 1,518,284	26.08%	\$ 665,386
96		ESTIMATED PLAN TOTAL - ELECTRIC	\$38,860,115	\$ 74,702	\$38,934,817	\$ 9,560,292	\$ -	\$29,374,525	24.55%	\$ 12,949,036
97		GENERAL & ADMINISTRATIVE PROJECTS								
98		DEPARTMENT 1135 - COMMUNICATIONS & PUBLIC RELATIONS								
99	Contract Development	BPUB Billboard Construction	473,000	-	473,000	-	-	473,000	0.00%	-
100		Total for Dept. 1135	473,000	-	473,000	-	-	473,000	0.00%	-
101		DEPARTMENT 1165 - RECORDS MANAGEMENT								
102	Under Construction	Implementation of an Enterprise Content Management (ECM) System	118,963	-	118,963	-	-	118,963	0.00%	-
103		Total for Dept. 1165	118,963	-	118,963	-	-	118,963	0.00%	-

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
104		DEPARTMENT 3110 - WWW ENGINEERING & CAPITAL PLANNING								
105	Completed	Administration Building Remodeling - Design	-	-	-	-	(251,216)	251,216	0.00%	-
106		Total for Dept. 3110	-	-	-	-	(251,216)	251,216	0.00%	-
107		DEPARTMENT 4115 - ASSET MANAGEMENT & CIP DELIVERY								
108	Under Construction	Capital Project Management Software	112,169	-	112,169	-	-	112,169	0.00%	136,169
109		Total for Dept. 4115	112,169	-	112,169	-	-	112,169	0.00%	136,169
110		DEPARTMENT 5110 - FINANCE								
111	Proposed Projects	Financial Management Information System	250,000	-	250,000	-	-	250,000	0.00%	-
112		Total for Dept. 5110	250,000	-	250,000	-	-	250,000	0.00%	-
113		DEPARTMENT 6110 - CUSTOMER SERVICE								
114	Proposed Projects	Virtual Assistant	71,000	(7,380)	63,620	-	-	63,620	0.00%	-
115		Total for Dept. 6110	71,000	(7,380)	63,620	-	-	63,620	0.00%	-
116		DEPARTMENT 6125 - CALL CENTER								
117	Under Construction	Call Center Expansion	40,079	-	40,079	-	-	40,079	0.00%	17,934
118		Total for Dept. 6125	40,079	-	40,079	-	-	40,079	0.00%	17,934
119		DEPARTMENT 6135 - CIS SUPPORT								
120	Under Construction	Cayenta The Customer Engagement Portal	241,135	-	241,135	16,650	-	224,485	6.90%	241,135
121		Total for Dept. 6135	241,135	-	241,135	16,650	-	224,485	6.90%	241,135
122		DEPARTMENT 6160 - CASHIERS								
123	Under Construction	BPUB Kiosk Project	113,221	7,380	120,601	-	-	120,601	0.00%	113,221
124		Total for Dept. 6160	113,221	7,380	120,601	-	-	120,601	0.00%	113,221
125		DEPARTMENT 7131 - IT HARDWARE, CYBER, & NETWORK MGMNT								
126	Proposed Projects	Next Gen Firewall Cybersecurity Appliances	306,680	-	306,680	-	-	306,680	0.00%	-
127	Under Construction	Cisco Phone Upgrade - RingCentral	150,000	-	150,000	-	-	150,000	0.00%	113,666
128	Proposed Projects	Office M365 & Co-pilot	498,109	-	498,109	-	-	498,109	0.00%	-
129	Proposed Projects	Disk expansion - M365 backup	225,000	-	225,000	-	-	225,000	0.00%	-
130	Contract Development	Email archiving appliances & Load Balancer	180,000	-	180,000	-	-	180,000	0.00%	75,606
131	Under Construction	Motorola Network Upgrade	300,000	-	300,000	-	-	300,000	0.00%	123,159

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132	Proposed Projects	UPS - Power Plant NOC	50,000	-	50,000	-	-	50,000	0.00%	-
133	Proposed Projects	Cisco Core Networking Equipment - all sites	350,000	-	350,000	-	-	350,000	0.00%	-
134	Contract Development	Annex Board Room Upgrade	500,000	-	500,000	-	-	500,000	0.00%	-
135		Total for Dept. 7131	2,559,789	-	2,559,789	-	-	2,559,789	0.00%	312,431
136		DEPARTMENT 7135 - GEOGRAPHIC INFORMATION SYSTEMS								
137	Proposed Projects	GIS Data Migration to ESRI's Utility Network	150,000	-	150,000	-	-	150,000	0.00%	-
138		Total for Dept. 7135	150,000	-	150,000	-	-	150,000	0.00%	-
139		DEPARTMENT 7160 - FACILITY MAINTENANCE								
140	Contract Development	HVAC Replacement and Design Phase Project	700,747	-	700,747	3,673	-	697,074	0.52%	-
141	Proposed Projects	Administration Building HVAC Replacement	1,200,000	-	1,200,000	-	-	1,200,000	0.00%	-
142	Contract Development	Administration Building Flooring Replacement	250,000	-	250,000	-	-	250,000	0.00%	-
143	Contract Development	Administration Building Roof Replacement	125,000	-	125,000	-	-	125,000	0.00%	-
144		Total for Dept. 7160	2,275,747	-	2,275,747	3,673	-	2,272,074	0.16%	-
145		DEPARTMENT 7170 - WAREHOUSE								
146	Contract Development	Service Yard Expansion - Phase 1 Inventory Material	531,408	-	531,408	-	-	531,408	0.00%	-
147	Under Construction	FM 511 Service Center - New Lay Down Yard - Phase 2	141,036	-	141,036	77,975	-	63,061	55.29%	-
148	Under Construction	FM 511 Service Center - New Lay Down Yard - Phase 2 Lighting	-	-	-	57,332	-	(57,332)	100.00%	-
149		Total for Dept. 7170	672,444	-	672,444	135,307	-	537,137	20.12%	-
150		ESTIMATED TOTAL BY CATEGORY:								
151		GENERAL & ADMINISTRATIVE	6,612,112	-	6,612,112	138,980	(251,216)	6,724,348	2.10%	448,600
152		ADMINISTRATIVE - CUSTOMER SERVICE	465,435	-	465,435	16,650	-	448,785	3.58%	372,290
153		ESTIMATED PLAN TOTAL - GEN. & ADMIN.	\$ 7,077,547	\$ -	\$ 7,077,547	\$ 155,630	\$ (251,216)	\$ 7,173,133	2.20%	\$ 820,890
154		WATER PROJECTS								
155		DEPARTMENT 3120 - WATER PLANT I								
156	In Design	Backup Caustic Bulk Tank	75,000	-	75,000	-	-	75,000	0.00%	-
157	Proposed Projects	Drain Valves for the drying lagoons	58,500	-	58,500	-	-	58,500	0.00%	-
158	Proposed Projects	Raw Water Pump Station # 1, 2 and 3	100,000	-	100,000	-	-	100,000	0.00%	-

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159	In Design	Raw Water Pump Station # 4, 5 and 6	200,000	-	200,000	-	-	200,000	0.00%	4,316
160	Grant Funded	Raw Water Pump Station No. 4, 5, and 6	-	-	-	-	-	-	0.00%	-
161	Under Construction	Replacement ammoniators	32,382	-	32,382	-	-	32,382	0.00%	25,750
162	In Design	Replacement of influent valves for 8 filters	120,000	-	120,000	-	-	120,000	0.00%	-
163	Proposed Projects	Replacement of rakes for two clarifiers (B1 and B2)	218,722	-	218,722	-	-	218,722	0.00%	-
164	Proposed Projects	Sluice gates for drying lagoons	38,317	-	38,317	-	-	38,317	0.00%	-
165	Under Construction	Structural Rehabilitation of Pipe Gallery	99,000	-	99,000	22,706	-	76,294	22.94%	73,144
166	In Design	High Service Pump Station No 2 Design and Construction	283,775	-	283,775	-	-	283,775	0.00%	3,129
167		Total for Dept. 3120	1,225,696	-	1,225,696	22,706	-	1,202,990	1.85%	106,339
168		DEPARTMENT 3130 - WATER PLANT II								
169	In Design	Aeration Structure Rehabilitation/Replacement	59,311	-	59,311	7,044	-	52,267	11.88%	31,591
170	Proposed Projects	Carbon Mixer	280,000	-	280,000	-	-	280,000	0.00%	-
171	Under Construction	Flocculation Basin Improvement	140,980	-	140,980	103,659	-	37,321	73.53%	9,575
172	In Design	High Service Pump Station	262,000	-	262,000	-	-	262,000	0.00%	3,747
173	Proposed Projects	Pump and Motor Replacement of Reservoir Raw Water Pump 1	98,250	-	98,250	-	-	98,250	0.00%	-
174	Proposed Projects	Pump and Motor Replacement of Reservoir Raw Water Pump 3	98,250	-	98,250	-	-	98,250	0.00%	-
175	Under Construction	Replace Fence Surrounding Clearwell and High Service Pumps Station	75,600	-	75,600	-	-	75,600	0.00%	33,700
176	Contract Development	Reservoir Raw Water Pumps Variable Frequency Drives	150,000	-	150,000	-	-	150,000	0.00%	-
177	Proposed Projects	Backup Power Improvements including Reservoir Raw Water Pumps	300,000	-	300,000	-	-	300,000	0.00%	-
178	In Design	Aeration Tank Replacement - engineering (Packet 3)	38,333	-	38,333	7,044	-	31,289	18.38%	31,592
179	In Design	Raw Water Pump Station - engineering (Packet 4)	2,955	-	2,955	-	-	2,955	0.00%	2,955
180		Total for Dept. 3130	1,505,679	-	1,505,679	117,747	-	1,387,932	7.82%	113,160
181		DEPARTMENT 3135 - RESACA MAINTENANCE								
182	Contract Development	Water Plant I Resaca Maintenance Office Renovation	-	41,500	41,500	-	-	41,500	0.00%	-
183		Total for Dept. 3135	-	41,500	41,500	-	-	41,500	-	-
184		DEPARTMENT 3140 - RAW WATER SUPPLY								
185	Proposed Projects	Raw Water to Resaca Flow Meter	300,000	(62,500)	237,500	-	-	237,500	0.00%	-

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186	Contract Development	Pump House No. 1 Door Removal and Installation	-	9,000	9,000	-	-	9,000	0.00%	-
187	Contract Development	Pump House No. 3 Exhaust Fan Installation	-	12,000	12,000	-	-	12,000	0.00%	-
188		Total for Dept. 3140	300,000	(41,500)	258,500	-	-	258,500	0.00%	-
189		DEPARTMENT 3150 - W/WW OPERATIONS & CONSTRUCTION								
190	Utility Relocations	TXDOT - Alton Gloor Water Reconstruction Utility Adjustment (Expwy I69E to Paredes Ln Rd)	150,000	-	150,000	-	-	150,000	0.00%	-
191		Total for Dept. 3150	150,000	-	150,000	-	-	150,000	0.00%	-
192		DEPARTMENT 3155 - W/WW OPERATIONS & MAINTENANCE								
193	Customer Connections	Water New Connections and New Subdivisions	600,000	-	600,000	431,515	-	168,485	71.92%	63,858
194	In Design	Fire Hydrant Replacement Project	150,000	-	150,000	-	-	150,000	0.00%	-
195	Completed	Valve Replacement Project Phase 4 and 5	485,400	130,000	615,400	605,149	-	10,251	98.33%	-
196	Proposed Projects	Valve Replacement Project Phase 5	130,000	(130,000)	-	-	-	-	0.00%	-
197		Total for Dept. 3155	1,365,400	-	1,365,400	1,036,664	-	328,736	75.92%	63,858
198		DEPARTMENT 3310 - WATER & WASTEWATER ENGINEERING								
199	In Design	16-inch Waterline Loop at Ruben M Torres Blvd	508,030	-	508,030	288	-	507,742	0.06%	-
200	In Design	16-inch Waterline Loop from Lago Vista to W. Alton Gloor Blvd	225,000	-	225,000	15,850	-	209,150	7.04%	280,284
201	Grant Funded	ARPA Downtown Water & Wastewater Improvement Project 2	600,000	-	600,000	924,895	-	(324,895)	154.15%	1,495,633
202	Grant Funded	ARPA Downtown Water and Wastewater Improvements - Project 3	877,500	-	877,500	-	-	877,500	0.00%	-
203	Grant Funded	Banco Morales Reservoir Surplus Water Impound - Engineering & Construction	500,000	-	500,000	-	-	500,000	0.00%	-
204	Utility Relocations	Calvin Street Water Utility Improvements - engineering and construction	79,432	-	79,432	948	-	78,484	1.19%	79,147
205	Utility Relocations	City Streets Contract - Coffee Road - District 2 & 3 - Phase I Construction (FM 802 to Paredes Line Rd)	326,318	150,000	476,318	-	-	476,318	0.00%	19,018
206	Utility Relocations	City Streets Contract - E. 14th Street - District 1 - Engineering and Construction	10,000	-	10,000	-	-	10,000	0.00%	-
207	Utility Relocations	City Streets Contract - Old Alice Road - District 2 - Engineering & Construction	537,866	-	537,866	48	-	537,818	0.01%	72,049
208	Utility Relocations	City Streets Contract - Old Hwy 77 - District 4	440,564	-	440,564	144,967	-	295,597	32.90%	927,115
209	Utility Relocations	City Streets Contract - Wild Rose Lane - District 3 & 4	453,000	-	453,000	25,046	-	427,954	5.53%	455,131

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210	In Design	FM 511 24-inch Waterline Loop (SRWA to Old Port Isabel Rd) - engineering	196,046	-	196,046	51,500	-	144,546	26.27%	138,310
211	In Design	FM 511 Waterline Loop (SH 48 to Boca Chica Blvd) - Engineering & Construction	138,000	59,541	197,541	-	-	197,541	0.00%	137,610
212	In Design	Military Hwy (US281) - 16-inch Diameter Waterline Pressure Booster and Chlorination Station - Engineering & Construction	250,000	-	250,000	-	-	250,000	0.00%	143,762
213	In Design	New Raw Water River Intake Facility - Engineering	1,044,642	(35,000)	1,009,642	-	-	1,009,642	0.00%	-
214	In Design	Ocelot Electrical Substation Water Improvements	567,050	(150,000)	417,050	6,130	-	410,920	1.47%	-
215	Proposed Projects	Raw Water Reservoir Dredging Project - Engineering	75,000	-	75,000	-	-	75,000	0.00%	-
216	In Design	SpaceX 16-inch Diameter Waterline Upsizing Project - Construction	1,236,800	-	1,236,800	1,175	-	1,235,625	0.10%	-
217	Utility Relocations	TXDOT - International Blvd (SH 4) Water Utility Adjustment Phase 1-3 (from Expwy I69E to Four Corners)	297,173	(59,541)	237,632	60,000	-	177,632	25.25%	500
218	Utility Relocations	TXDOT - SH 48 Median Construction - Water Utility Adjustments (Four Corners to FM 511)	175,000	-	175,000	69	-	174,931	0.04%	-
219	Utility Relocations	Water Main Replacements related to City Street Paving and Drainage Improvement Projects	100,000	-	100,000	-	-	100,000	0.00%	-
220	In Design	Water Plant No. 1 Raw Water Pump System - Engineering	50,000	-	50,000	-	-	50,000	0.00%	30,215
221	Utility Relocations	City Streets Contract - Dennet Road - District 3 Engineering & Construction	115,000	-	115,000	-	-	115,000	0.00%	-
222	Under Construction	2.0 MG Elevated Storage Tank	-	-	-	2,320	-	(2,320)	100.00%	49,525
223	Utility Relocations	Villa Los Pinos Subdivision Utility Improvements	-	-	-	1,854	-	(1,854)	100.00%	-
224	In Design	Waterline Upgrade Near WTP No. 1 (on 13th Street)	10,000	-	10,000	-	-	10,000	0.00%	-
225	Proposed Projects	Brownsville PUB Water Impact Fee Update	110,000	-	110,000	-	-	110,000	0.00%	-
226	In Design	SpaceX Pressure Booster Station	-	35,000	35,000	436	-	34,564	1.25%	-
227		Total for Dept. 3310	8,922,421	-	8,922,421	1,235,526	-	7,686,895	13.85%	3,828,299
228		DEPARTMENT 7125 - REAL ESTATE								
229	Proposed Projects	16-inch Waterline Loop from Lago Vista to W. Alton Gloor Blvd	-	-	-	-	-	-	0.00%	-
230		Total for Dept. 7125	-	-	-	-	-	-	0.00%	-

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231		DEPARTMENT 7130 - ENTERPRISE SOLUTIONS								
232	Under Construction	Advanced Metering Infrastructure (AMI) - water	3,785,847	-	3,785,847	1,902,326	-	1,883,521	50.25%	2,110,264
233	Grant Funded	Advanced Metering Infrastructure (AMI) - water	2,800,000	-	2,800,000	622,500	-	2,177,500	22.23%	-
234		Total for Dept. 7130	6,585,847	-	6,585,847	2,524,826	-	4,061,021	38.34%	2,110,264
235		DEPARTMENT 7190 - SUPV CONTROL & DATA ACQ (SCADA)								
236	Proposed Projects	SRWA Wells Fiber	234,350	-	234,350	-	-	234,350	0.00%	-
237	In Design	Water Wastewater SCADA System Cybersecurity Upgrade	150,000	(75,000)	75,000	-	-	75,000	0.00%	5,983
238	Proposed Projects	SCADA Water Communication Enhancements - Phase 3	150,000	-	150,000	-	-	150,000	0.00%	-
239	Proposed Projects	Water SCADA Upgrade	162,634	-	162,634	-	-	162,634	0.00%	-
240		Total for Dept. 7190	696,984	(75,000)	621,984	-	-	621,984	0.00%	5,983
241		ADD ESTIMATED CAPITAL EQUIPMENT BUDGET								
242	Heavy Equipment and	ADD CARRYOVER CAPITAL EQUIPMENT	766,730	-	766,730	245,023	-	521,707	31.96%	528,613
243	Heavy Equipment and	ADD ESTIMATED CAPITAL EQUIPMENT	1,216,782	-	1,216,782	24,800	-	1,191,982	2.04%	7,095
244	Resaca Fee Funded Et	Carryover Capital Equipment - Resaca	529,780	-	529,780	144,719	-	385,061	27.32%	33,154
245	Resaca Fee Funded Et	New Capital Equipment - Resaca	280,855	-	280,855	76,400	-	204,455	27.20%	211,302
246		ESTIMATED EQUIPMENT TOTAL - WATER	\$ 2,794,147	\$ -	\$ 2,794,147	\$ 490,942	\$ -	\$ 2,303,205	17.57%	\$ 780,164
247		ESTIMATED PLAN TOTAL - WATER	\$23,546,174	\$ (75,000)	\$23,471,174	\$ 5,428,411	\$ -	\$18,042,763	23.13%	\$ 7,008,067
248		WASTEWATER PROJECTS								
249		DEPARTMENT 1430 - PRE-TREATMENT								
250	Under Construction	Pretreatment's Roof Replacement	37,000	-	37,000	-	-	37,000	0.00%	32,000
251		Total for Dept. 1430	37,000	-	37,000	-	-	37,000	0.00%	32,000
252		DEPARTMENT 3150 - W/WW OPERATIONS & CONSTRUCTION								
253	Utility Relocations	TXDOT - Alton Gloor Reconstruction Utility Adjustments (Expwy I69E to Paredes Ln Rd)	200,000	(75,643)	124,357	-	-	124,357	0.00%	-
254		Total for Dept. 3150	200,000	(75,643)	124,357	-	-	124,357	0.00%	-
255		DEPARTMENT 3155 - W/WW OPERATIONS & MAINTENANCE								
256	Customer Connections	Wastewater New Connections and New Subdivisions	500,000	-	500,000	139,217	-	360,783	27.84%	30,062

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257		Total for Dept. 3155	500,000	-	500,000	139,217	-	360,783	27.84%	30,062
258		DEPARTMENT 3210 - SOUTH WASTEWATER TREATMENT PLANT								
259	Under Construction	Plant Drain Pump	26,840	-	26,840	-	-	26,840	0.00%	22,000
260	Under Construction	Return Activated Sludge Pump (2 each)	177,510	-	177,510	-	-	177,510	0.00%	146,500
261	In Design	SWWTP Headworks Rehabilitation	1,250,000	-	1,250,000	-	-	1,250,000	0.00%	51,938
262	In Design	Replacement of Blower No 1 at Blower Building No.1	-	-	-	-	-	-	0.00%	95,571
263		Total for Dept. 3210	1,454,350	-	1,454,350	-	-	1,454,350	0.00%	316,009
264		DEPARTMENT 3220 - ROBINDALE WASTEWATER TREATMENT PLANT								
265	Routine Activities	Three (3) New 25 Yard Bio-solids Metal Roll-off Bins	37,769	-	37,769	32,344	-	5,425	85.64%	-
266	Under Construction	Mixer Pump	87,194	-	87,194	-	-	87,194	0.00%	68,976
267	Under Construction	Non-Potable Water Pump	13,237	-	13,237	-	-	13,237	0.00%	13,900
268	Under Construction	Recirculation Pump	23,119	-	23,119	-	-	23,119	0.00%	18,950
269	In Design	Upgrade of Robindale WWTP Headworks Screening System and Compactor	597,615	-	597,615	63,861	-	533,754	10.69%	537,196
270	Under Construction	Turbo Blower Upgrades Phase I (Packet 3) - construction	239,501	-	239,501	96,344	-	143,157	40.23%	162,059
271		Total for Dept. 3220	998,435	-	998,435	192,549	-	805,886	19.29%	801,081
272		DEPARTMENT 3230 - WASTEWATER LIFT STATIONS								
273	Under Construction	Lift Station No. 9 Pump Rehabilitation	777,164	-	777,164	5,193	-	771,971	0.67%	773,753
274	Under Construction	Lift Station No. 10 Rehabilitation	346,349	-	346,349	1,985	-	344,364	0.57%	344,440
275	Under Construction	Lift Station No. 11 Rehabilitation	243,413	-	243,413	1,542	-	241,871	0.63%	241,929
276	Proposed Projects	Lift Station No. 12 Rehabilitation	-	-	-	-	-	-	0.00%	-
277	Proposed Projects	Lift Station No. 13 Rehabilitation	-	-	-	-	-	-	0.00%	-
278	In Design	Lift Station No. 15 Rehabilitation	-	-	-	26,322	-	(26,322)	100.00%	62,554
279	In Design	Lift Station No. 17 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570
280	In Design	Lift Station No. 28 Rehabilitation	200,000	-	200,000	486	-	199,514	0.24%	12,570
281	Under Construction	Lift Station No. 41 Rehabilitation	-	-	-	-	-	-	0.00%	-
282	In Design	Lift Station No. 43 Rehabilitation	231,547	-	231,547	1,784	-	229,763	0.77%	229,832
283	Proposed Projects	Lift Station No. 44 Rehabilitation	-	-	-	-	-	-	0.00%	-
284	In Design	Lift Station No. 47 Rehabilitation	40,022	-	40,022	-	-	40,022	0.00%	40,022
285	In Design	Lift Station No. 51 Rehabilitation	100,000	-	100,000	-	-	100,000	0.00%	5,825
286	Proposed Projects	Lift Station No. 53 Rehabilitation	-	-	-	-	-	-	0.00%	-
287	In Design	Lift Station No. 58 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
288	In Design	Lift Station No. 63 Force Main	300,000	-	300,000	-	-	300,000	0.00%	24,715
289	Proposed Projects	Lift Station No. 68 Rehabilitation Engineering and Construction	-	-	-	-	-	-	0.00%	-
290	Proposed Projects	Lift Station No. 69 Rehabilitation	100,000	-	100,000	-	-	100,000	0.00%	-
291	In Design	Lift Station No. 72 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570
292	Proposed Projects	Lift Station No. 77 Rehabilitation	-	-	-	-	-	-	0.00%	-
293	Proposed Projects	Lift Station No. 82 Rehabilitation	-	-	-	-	-	-	0.00%	-
294	Proposed Projects	Lift Station No. 85 Rehabilitation	-	-	-	-	-	-	0.00%	-
295	In Design	Lift Station No. 89 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570
296	In Design	Lift Station No. 95 Rehabilitation Engineering and Construction	-	-	-	486	-	(486)	100.00%	12,570
297	In Design	Lift Station No. 96 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570
298	In Design	Lift Station No. 99 Rehabilitation	-	-	-	486	-	(486)	100.00%	12,570
299	In Design	Lift Station No. 101 Rehabilitation	-	-	-	-	-	-	0.00%	5,607
300	Proposed Projects	Lift Station No. 102 Rehabilitation	-	-	-	-	-	-	0.00%	-
301	Proposed Projects	Lift Station No. 103 Decommission	-	-	-	-	-	-	0.00%	-
302	In Design	Lift Station No. 106 Rehabilitation	-	-	-	-	-	-	0.00%	5,277
303	Proposed Projects	Lift Station No. 111 Odor Control	200,000	-	200,000	-	-	200,000	0.00%	-
304	Proposed Projects	Lift Station No. 113 Rehabilitation	-	-	-	-	-	-	0.00%	-
305	In Design	Lift Station No. 140 Rehabilitation	13,037	-	13,037	486	-	12,551	3.73%	12,570
306	In Design	Lift Station No. 159 Lift Station Upgrade	-	-	-	-	-	-	0.00%	12,375
307	In Design	2025 Wet Well Re-Coating Program (for LS No. 55, 67, 80, 92 and 105)	327,415	-	327,415	365	-	327,050	0.11%	-
308	Under Construction	Capitalizable WW Pumping Asset Replacement	-	-	-	108,256	-	(108,256)	100.00%	54,504
309		Total for Dept. 3230	2,878,947	-	2,878,947	149,821	-	2,729,126	5.20%	1,913,963
310		DEPARTMENT 3310 - W/WW ENGINEERING								
311	Grant Funded	ARPA Downtown Water and Wastewater Improvements - Project 1	-	467,072	467,072	104,386	-	362,686	22.35%	362,686
312	Grant Funded	ARPA Downtown Water and Wastewater Improvements - Project 2	2,968,608	(467,072)	2,501,536	935,381	-	1,566,155	37.39%	1,496,962
313	Utility Relocations	Calvin Street Wastewater Utility Improvements - engineering and construction	100,793	-	100,793	1,807	-	98,986	1.79%	79,147
314	Utility Relocations	Central Estates - Praxedis Saldivar Sanitary Sewer Improvements - Engineering and Construction	397,189	-	397,189	-	-	397,189	0.00%	-

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
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315	Grant Funded	Central Estates - Praxedis Saldivar Sanitary Sewer Improvements - Engineering and Construction	500,000	-	500,000	-	-	500,000	0.00%	-
316	Utility Relocations	City Streets Contract - Coffee Road - District 2 & 3 - Phase I Construction (FM 802 to Paredes Line Rd)	136,880	150,000	286,880	-	-	286,880	0.00%	-
317	Utility Relocations	City Streets Contract - E. 14th Street - District 1 - Engineering and Construction	20,500	-	20,500	1,449	-	19,051	7.07%	20,500
318	Utility Relocations	City Streets Contract - Old Alice Road - District 2 - Engineering & Construction	577,333	-	577,333	-	-	577,333	0.00%	72,049
319	Utility Relocations	City Streets Contract - Old Hwy 77 - District 4	3,195,564	-	3,195,564	570,713	-	2,624,851	17.86%	3,141,221
320	Utility Relocations	City Streets Contract - Wild Rose Lane - District 3 & 4	380,132	-	380,132	28,481	-	351,651	7.49%	455,131
321	In Design	North Regional Force Main - Phase I - Engineering	258,826	-	258,826	51,229	-	207,597	19.79%	324,061
322	Proposed Projects	North Regional Force Main - Phase I - Construction	1,500,000	-	1,500,000	-	-	1,500,000	0.00%	-
323	Utility Relocations	Ocelot Electrical Substation Wastewater Improvements	545,550	(150,000)	395,550	4,263	-	391,287	1.08%	-
324	Utility Relocations	Sewer Replacements related to City Street Paving and Drainage Improvement Projects	150,000	-	150,000	-	-	150,000	0.00%	-
325	Utility Relocations	TXDOT - International Blvd (SH4) Wastewater Utility Adjustment Phase 1 - 3 (from Expressway I69E to Four Corners)	100,000	-	100,000	358	-	99,642	0.36%	44,780
326	Utility Relocations	TXDOT - SH48 Median Construction - Wastewater Utility Adjustments (Four Corners to FM 511)	175,000	-	175,000	28	-	174,972	0.02%	-
327	In Design	SpaceX Force Main Project	75,000	-	75,000	28	-	74,972	0.04%	49,208
328	Proposed Projects	City Streets Contract - Dennet Road - District 3 Engineering & Construction	115,000	-	115,000	-	-	115,000	0.00%	-
329	In Design	Robindale WWTP Indirect Potable Reuse Project Phase II	334,320	-	334,320	-	-	334,320	0.00%	585,064
330	Grant Funded	Robindale WWTP Indirect Potable Reuse Project Phase II	400,000	-	400,000	-	-	400,000	0.00%	-
331	Proposed Projects	Brownsville PUB Wastewater Impact Fee Update	110,000	-	110,000	-	-	110,000	0.00%	-
332		Total for Dept. 3310	12,040,695	-	12,040,695	1,698,123	-	10,342,572	14.10%	6,630,809
333		DEPARTMENT 7125 - REAL ESTATE								
334	Under Construction	Lift Station No. 121 land purchase	-	75,643	75,643	77,143	-	(1,500)	101.98%	-
335		Total for Dept. 7125	-	75,643	75,643	77,143	-	(1,500)	101.98%	-
336		DEPARTMENT 7190 - SUPV CONTROL & DATA ACQ (SCADA)								

**AMENDED FISCAL YEAR 2026
FIVE YEAR CAPITAL IMPROVEMENT PLAN
BY UTILITY AND FUNDING SOURCE
COMBINED UTILITY SUMMARY**

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
LINE NO.	PROJECT STATUS OR DEPENDENCIES	DESCRIPTION	AMENDED PLAN FOR FY 2026	TRANSFERS IN (OUT)	AMENDED PLAN FOR FY 2026	YTD ACTUAL AS OF 1/31/2026	ADJUSTMENTS	PROJECT BALANCE AS OF 1/31/2026	COMPLETION PERCENTAGE 1/31/2026	CURRENT PO BALANCE AS OF 1/31/2026
337	Proposed Projects	SCADA Wastewater Communication Enhancements -	150,000	(74,702)	75,298	-	-	75,298	0.00%	-
338	In Design	Wastewater SCADA System Cybersecurity Upgrade P	-	75,000	75,000	-	-	75,000	0.00%	5,983
339	Proposed Projects	Wastewater SCADA Upgrade	162,634	-	162,634	-	-	162,634	0.00%	-
340		Total for Dept. 7190	312,634	298	312,932	-	-	312,932	0.00%	5,983
341		ADD ESTIMATED CAPITAL EQUIPMENT BUDGET								
342	Heavy Equipment and'	ADD CARRYOVER CAPITAL EQUIPMENT	808,461	-	808,461	463,027	-	345,434	57.27%	278,954
343	Heavy Equipment and'	ADD ESTIMATED CAPITAL EQUIPMENT	991,812	-	991,812	11,456	-	980,356	1.16%	184,295
344		ESTIMATED EQUIPMENT TOTAL - WASTEWATER	\$ 1,800,273	\$ -	\$ 1,800,273	\$ 474,483	\$ -	\$ 1,325,790	26.36%	\$ 463,249
345		ESTIMATED PLAN TOTAL - WASTEWATER	\$20,222,334	\$ 298	\$20,222,632	\$ 2,731,336	\$ -	\$17,491,296	13.51%	\$ 10,193,156
346		CAPITAL IMPROVEMENT PLAN - GRAND TOTAL	\$89,706,170	\$ -	\$89,706,170	\$17,875,669	\$ (251,216)	\$72,081,717	19.93%	\$ 30,971,149

**CAPITAL WORK ORDERS
REQUESTED BY THE CITY OF BROWNSVILLE, TEXAS
UNBILLED SERVICES FROM FISCAL YEAR 2022 THROUGH 2026**

Type	FY 2022			FY 2023			FY 2024			FY 2025			FY 2026			FY 2022 - FY 2026 Total		
	Authorized Work Order Amount	Expenditures Incurred	Work Orders	Authorized Work Order Amount	Expenditures Incurred	Work Orders	Authorized Work Order Amount	Expenditures Incurred	Work Orders	Authorized Work Order Amount	Expenditures Incurred	Work Orders	Authorized Work Order Amount	Expenditures Incurred	Work Orders	Authorized Work Order Amount	Expenditures Incurred	Work Orders
Fiber Optics	7,102	7,102	-	26,787	25,317	1	-	-	-	-	-	-	-	-	-	33,889	32,419	1
New Connections	12,228	14,787	1	106,997	123,246	16	47,903	-	2	1,275	-	1	-	-	-	168,402	138,033	20
Street Lights	13,280	10,199	11	626	209	1	-	27,150	3	673	753	1	-	-	-	14,579	38,312	16
Infrastructure	2,352	1,493	1	-	-	-	-	-	-	2,888	2,873	1	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	73,084	235,797	1	-	-	-	-	-	-	-	-	-	-	-	-	5,240	4,367	2
Electric Utility Total	108,046	269,379	14	134,410	148,772	18	47,903	27,150	5	4,836	3,626	3	-	-	-	295,195	448,928	40
Other - Sewer & Water	13,883	6,044	1	30,860	10,924,586	5	-	1,190	1	-	-	-	-	-	-	44,743	10,931,820	7
Grand Total	\$ 121,929	\$ 275,424	15	\$ 165,270	\$ 11,073,358	23	\$ 47,903	\$ 28,340	6	\$ 4,836	\$ 3,626	3	\$ -	\$ -	-	\$ 339,938	\$ 11,380,748	47

Note: All expenditures are from multi year work order inception date through 01/31/2026.

BILLED SERVICES OF COB WORK ORDERS FOR FISCAL YEAR 2026

Type	OPEN BALANCE as of 09/30/25	October	November	December	January	February	March	April	May	June	July	August	September	FY 2026 INVOICE TOTAL	OPEN BALANCE as of 01/31/26	INVOICE PAYMENTS RECEIVED	FY 2026 OPEN BALANCE
Fiber Optics	\$ 7,102	\$ -	\$ (7,102)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,102)	\$ -	\$ -	\$ -
New Connections	60,244	-	(55,884)	-	-	-	-	-	-	-	-	-	-	(55,884)	4,360	-	4,360
Street Lights	168,305	-	(168,305)	-	-	-	-	-	-	-	-	-	-	(168,305)	-	-	-
Infrastructure	23,631	-	(23,631)	-	-	-	-	-	-	-	-	-	-	(23,631)	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	5,576	-	(5,576)	-	-	-	-	-	-	-	-	-	-	(5,576)	-	-	-
LIT Pole Attachments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electric Utility Total	264,859	-	(260,498)	-	-	-	-	-	-	-	-	-	-	(260,498)	4,360	-	4,360
ARPA - Sewer & Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	\$ 264,859	\$ -	\$ (260,498)	\$ -	\$ (260,498)	\$ 4,360	\$ -	\$ 4,360									

**TOTAL TRANSFERS TO THE CITY OF BROWNSVILLE
SUMMARY BY UTILITY FROM FISCAL YEAR 2022 THROUGH 2026**

Utility	FY 2022			FY 2023			FY 2024			FY 2025			FY 2026 (as of January 31, 2026)		
	COB Usage	COB Cash Transfer	COB Transfer Total	COB Usage	COB Cash Transfer	COB Transfer Total	COB Usage	COB Cash Transfer	COB Transfer Total	COB Usage	COB Cash Transfer	COB Transfer Total	COB Usage	COB Cash Transfer	COB Transfer Total
Electric	4,223,052	8,707,564	12,930,616	4,666,211	7,303,235	11,969,446	4,701,605	5,998,441	10,700,046	3,412,964	6,960,971	10,373,935	1,010,894	2,170,594	3,181,488
Water	751,795	1,585,378	2,337,173	783,093	1,903,337	2,686,430	791,422	2,223,808	3,015,230	817,142	2,215,506	3,032,648	277,805	752,812	1,030,617
Water - Resaca Fees	-	113,813	113,813	-	386,127	386,127	-	414,279	414,279	-	419,528	419,528	-	141,065	141,065
Wastewater	537,454	2,071,047	2,608,501	604,121	2,463,226	3,067,347	596,384	2,757,020	3,353,404	664,258	2,831,621	3,495,879	224,593	971,835	1,196,428
Grand Total	\$ 5,512,301	\$ 12,477,802	\$ 17,990,103	\$ 6,053,425	\$ 12,055,925	\$ 18,109,350	\$ 6,089,411	\$ 11,393,548	\$ 17,482,959	\$ 4,894,364	\$ 12,427,626	\$ 17,321,990	\$ 1,513,292	\$ 4,036,306	\$ 5,549,598

Note: On November 10, 2025, the Board of Directors approved the waiver of the contributions in aid of construction invoiced prior to October 1, 2025. The adjustments are reflected during the month of November.



BROWNSVILLE
PUBLIC UTILITIES BOARD

Updated Presentation
G-IC Item #3b

Drought Update

● ● ● BOARD OF DIRECTORS MEETING | March 11, 2026

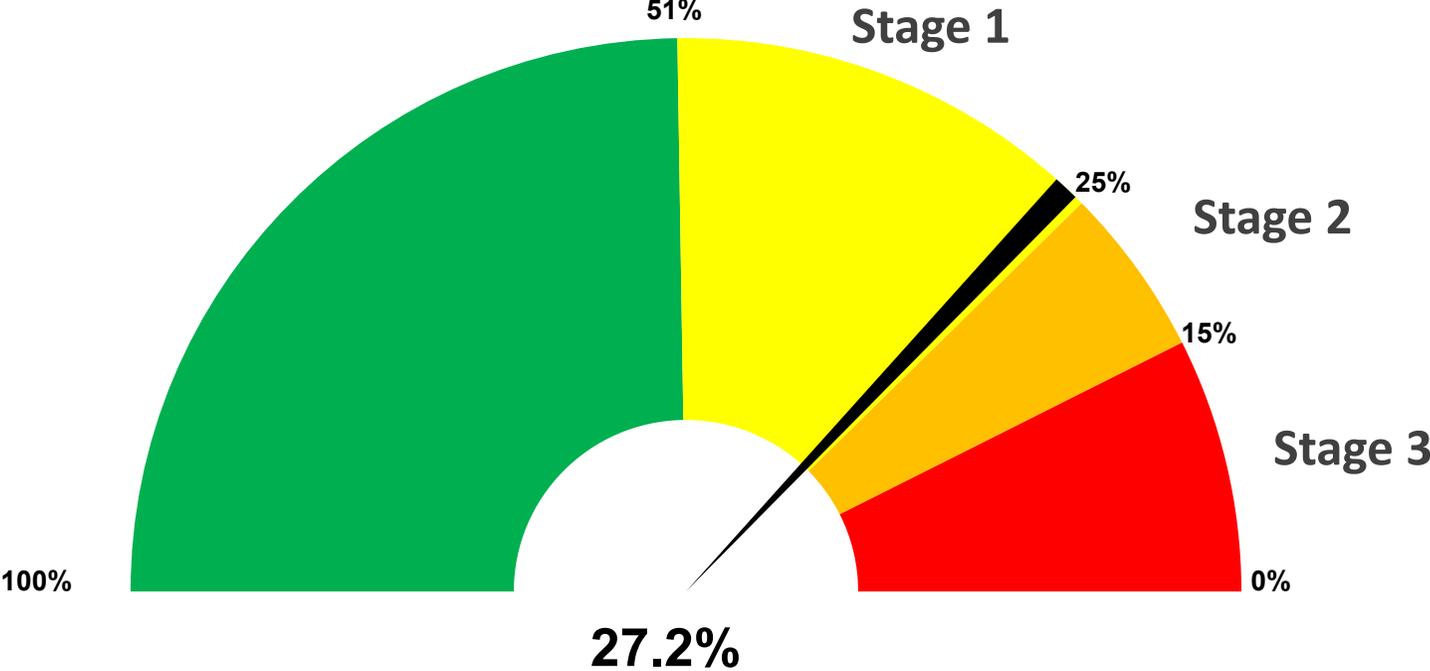
Jaime Flores

Water Resources Administrator

Raw Water Supply

A decorative graphic at the bottom of the slide consisting 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
February 28, 2026 = 27.2%

% U.S. Combined Ownership at Amistad/Falcon

Previous 3 Readings

27.5%

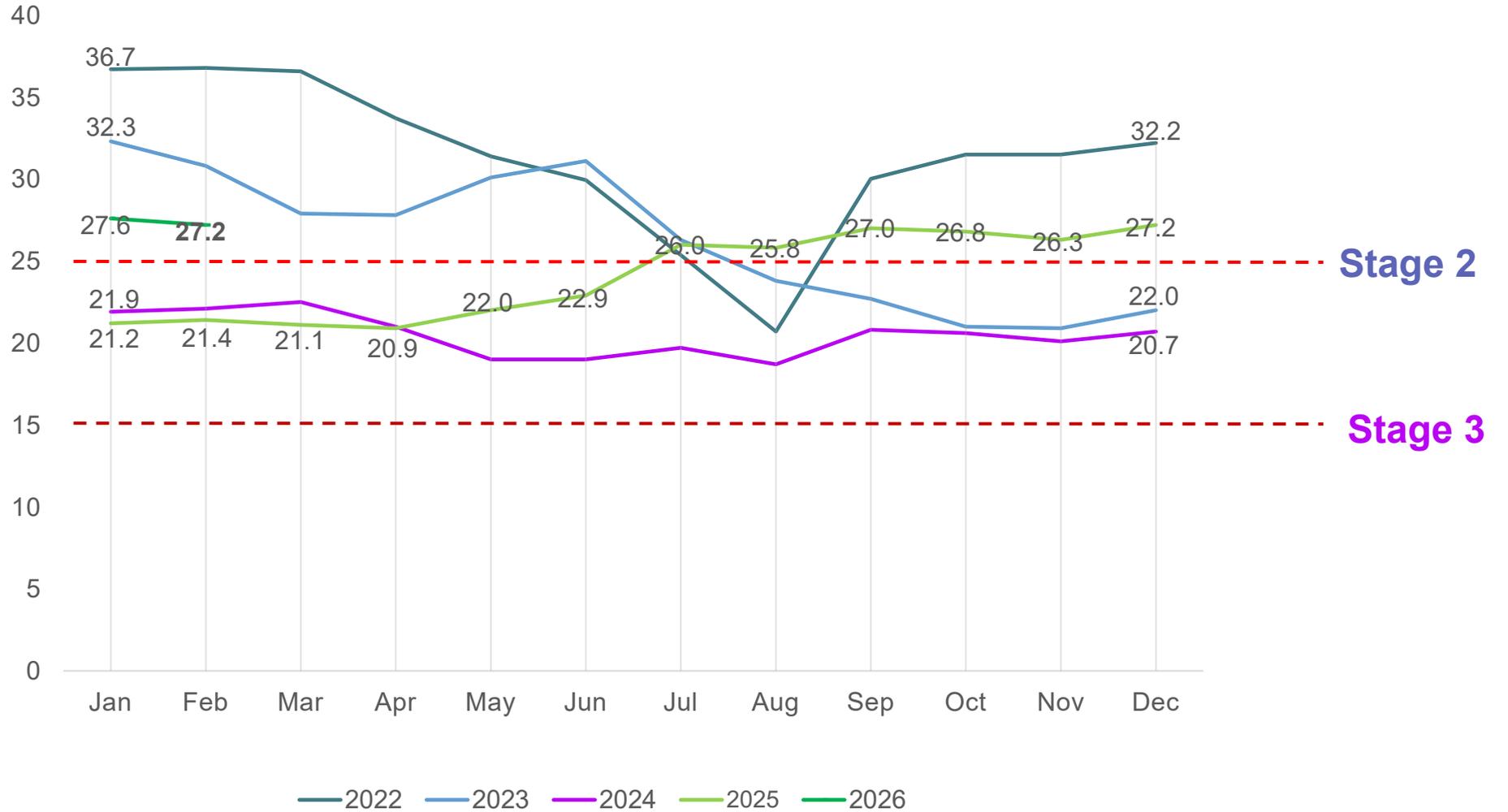
February 14, 2026

27.6%

February 7, 2026

27.6%

January 31, 2026



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

- A warmer than normal outlook is anticipated through the March-May 2026 period.
- Meanwhile, **precipitation outlook is a true toss-up!**
- March, April, and May are amongst the fastest warming months in the RGV.
- Falcon International Reservoir remained near historic seasonal lows at the end of February.
- Confidence remains near-certain (~100%) on total reservoir storage remaining just above record lows through May.
- As we transition into March/April, severe thunderstorms (winds, hail, tornadoes), heavy rainfall and localized flooding has to be taken into consideration as the prospects for showers and thunderstorms could increase.

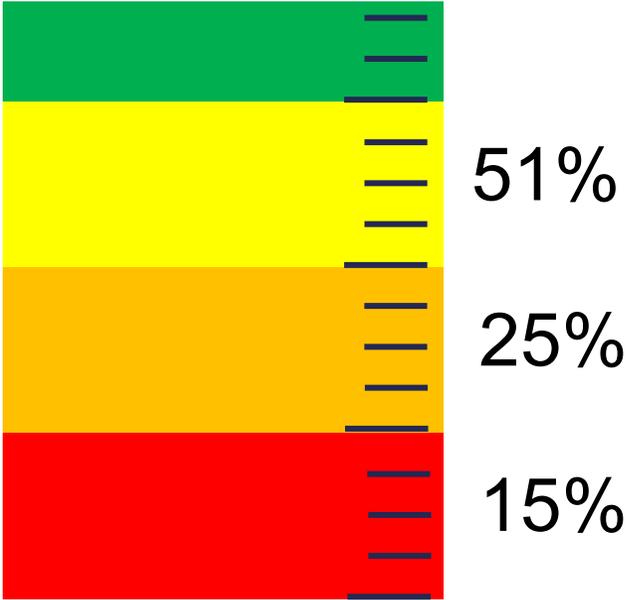
Drought Response Stages

U.S. Combined Falcon Dam and Amistad Reservoirs' Storage

Stage 1 – Voluntary

Stage 2 – Restrictions

Stage 3 – Surcharges



Stage 2 Triggering Conditions

- Condition 1: The level of the United States' water stored in the Amistad and Falcon International Reservoirs reaches twenty-five percent (25%), and/or
- Condition 2: Analyses of water supply and demand indicates the City of Brownsville/Brownsville PUB's annual water allotment may be exhausted; and/or
- Condition 3: Line breaks, or pump or system failure due to hurricanes, flooding freezes and/or some other natural or man-made cause will result in unprecedented loss of capability to provide service; and/or
- Condition 4: Peak demands on the Brownsville PUB's water distribution and/or treatment plants are nearing capacity levels and will place a strain on the system(s); and/or
- Condition 5: Contamination of the water supply and/or transmission & distribution system due to hurricanes, freezes and/or some other natural or man-made cause may result in unprecedented loss of capability to provide service.

Stage 2 Termination Considerations

- A warmer than normal outlook is anticipated through the March-May 2026 period.
- Agriculture reservoir water demand to continue during late Winter and Spring months.
- Stability of Amistad/Falcon reservoir levels contingent on Mexico deliveries and precipitation in the watershed upstream of the reservoirs.
- In 2023 delayed rescinding Stage 2, three months after reservoirs levels reached above 25%, to observe the stability of the reservoir levels, drought monitoring predictions, and to prevent confusion in public communication and implementation.

STAGE 2: WATER USE RESTRICTIONS



Lawn irrigation is allowed

Midnight through 7:00 a.m.

7:00 p.m. through midnight.

On designated watering days.

- Landscape irrigation with a hand-held garden hose, soaker hose, hand-held bucket, no larger than 5 gallons, or drip irrigation is allowed based on last digit of service address.
- New landscape vegetation may be irrigated any day during the designated Stage 2 irrigation hour. Requires variance.
- Variance is available for 4 weeks from the date of planting, and renewal is available for 8 weeks total.

Watering Schedule

based on last digit of service address

Last # of Address	Watering Days
0 or 1	Monday, Saturday
2 or 3	Tuesday, Saturday
4 or 5	Wednesday, Saturday
6 or 7	Thursday, Sunday
8 or 9	Friday, Sunday

EVERY DROP COUNTS! Learn more about drought at: brownsville-pub.com/drought-resources

STAGE 2: WATER USE RESTRICTIONS



Car washing is allowed

Midnight through 10:00 a.m.

7:00 p.m. through midnight.

On designated watering days.

- Vehicle washing is allowed at commercial vehicle wash facilities at any time.
- Fundraising car washes will follow the watering schedule and allowed time.

Watering Schedule

based on last digit of service address

Last # of Address	Watering Days
0 or 1	Monday, Saturday
2 or 3	Tuesday, Saturday
4 or 5	Wednesday, Saturday
6 or 7	Thursday, Sunday
8 or 9	Friday, Sunday

EVERY DROP COUNTS! Learn more about drought at: brownsville-pub.com/drought-resources

STAGE 2: ADDITIONAL RESTRICTIONS



- Non-essential watering is prohibited, such as washing buildings or sidewalks, using water for dust control, or allowing water to runoff into streets.

STAGE 3: WATER USE RESTRICTIONS



Car washing is allowed once a week

Midnight through 10:00 a.m.

7:00 p.m. through midnight.

On designated watering day.

- Allowed with a hand-held bucket, no larger than 5 gallons, or hose with a positive shutoff nozzle based on last digit of service address.
- Vehicle washing is allowed at commercial vehicle wash facilities at any time.
- Fundraising car washes are prohibited.

- Hydrant use is limited to fire fighting, except those designated for construction purposes under special permit by the BPUB.
- Water use restrictions for golf courses based on water management plans.

Watering Schedule

based on last digit of service address

Last # of Address	Watering Days
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

STAGE 3: WATER USE RESTRICTIONS



Lawn irrigation is allowed once a week

Midnight through 7:00 a.m.

7:00 p.m. through midnight.

On designated watering day.

- Landscape irrigation with a hand-held garden hose, soaker hose, hand-held bucket, no larger than 5 gallons, or drip irrigation is allowed based on last digit of service address.
- New landscape vegetation may be irrigated twice/week on the designated Stage 2 irrigation schedule. Requires variance.
- Variance is available for 4 weeks from the planting date, and renewal is available for 8 weeks total.

Watering Schedule

based on last digit of service address

Last # of Address	Watering Days
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

STAGE 3: WATER USE RESTRICTIONS

Additional Restriction

- Adding water to pools, except to maintain structural integrity, is prohibited.
- Operation of any outdoor ornamental fountain/pond for aesthetic or scenic purposes is prohibited, except to support aquatic life or where fountain/ponds recirculate water.
- The use of water from scenic and recreational ponds and lakes (resacas) and pumping water into them is prohibited, except when necessary to support aquatic life.

STAGE 3: SURCHARGES

Residential

ALLOCATION
10,000

gallons per month

SURCHARGE
1.5X

the current rate for water used over the allocation amount

Non-Residential

ALLOCATION
80%

of monthly usage for the 12-month period ending prior to the date of implementation of Stage 3

SURCHARGE
1.25X

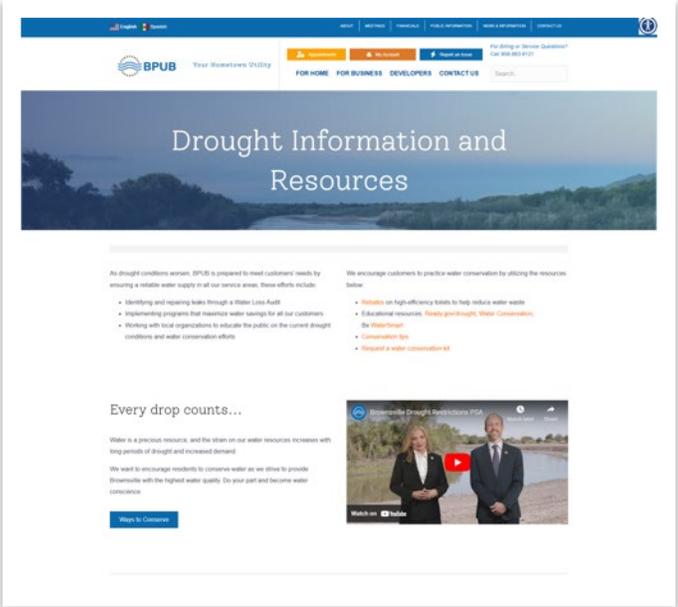
the current rate for water used over the allocation amount

Irrigation

- Lasts residential rate block 1.5 times current rate

Drought Messaging

February 2026



WEBSITE
Drought Resources

434
visitors



SOCIAL MEDIA

3 drought-related content

9,030
Views

876
Interactions

Drought Messaging

February 2026



Billboards

4
Billboards

2
Locations

12,547
Fiscal year-to-date
Appearances



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



Public Utilities Board of the City of Brownsville, Texas

FINANCIAL REPORTING AUDIT – GOVERNANCE COMMUNICATIONS – FY 2025

Engagement team



Ben Peña, CPA, CVA, CFE

- Audit Partner
- 29+ Years Experience
- 956-574-0305 (direct)
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• Jose Diaz, CPA, CVA

- Audit Manager
- 14+ Years Experience
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STAFF

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

Communications to Governance

AREA

New Accounting Policies Adopted

GASB No. 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.

Footnote (17) – Restatement of net position required of \$843,350 which increased the Compensated Absences liability reported in 2024.

Sensitive Estimates

Unbilled revenue

Allowance for Doubtful Accounts

Depreciation on Capital Assets

Estimated Costs on
Capital Contributions

Estimated self-Insurance Claims

Net Pension / OPEB liability
and related deferrals

Communications to Governance

AREA

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.

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New in Current Year – Compliance

AREA	WHAT IS IT?	WHICH ONES?	
<p>Single Audit under Title 2 U.S. Code of Federal Regulations Part 200 (Uniform Guidance)</p>	<p>Audit of Expenditures of Federal Awards related to Compliance Requirements under the Uniform Guidance and Controls over Financial Reporting</p>	<p>U.S. Dept of Interior – US Bureau of Reclamation</p> <p>WaterSMART Advance Metering Infrastructure \$2,364,417</p>	<p>U.S Dept of Treasury – Through the City of Brownsville, Texas</p> <p>American Rescue Plan Act (ARPA) Downtown Water/Wastewater Improvements \$7,719,421</p>
<p>What we audit:</p>	<p>Internal Controls over Financial Reporting (ICFR)</p> <p>Findings: NONE</p>	<p>Internal Controls over Compliance (ICOC)</p> <p>Findings: NONE</p>	<p>Compliance (C)</p> <p>Findings: NONE</p>

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.

**UNMODIFIED
(a Clean Opinion”)**

“...in our opinion, the BPUB **complied, in all material respects, with the types of compliance requirements** ...that have a direct and material effect on each of its major programs”.

With No Reportable Findings



BROWNSVILLE
PUBLIC UTILITIES BOARD

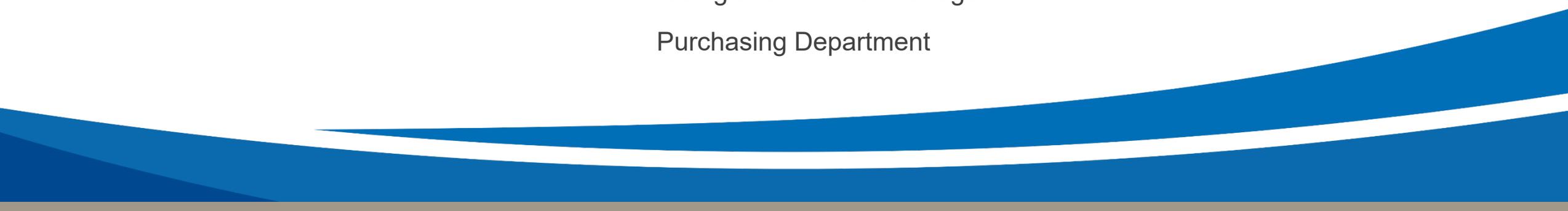
Consideration and Possible Action to Approve Bid Award for the Supply of Electrical Inventory Material

• • • BOARD OF DIRECTORS MEETING | March 11, 2026

Diane Solitaire

Purchasing and Material Manager

Purchasing Department

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BROWNSVILLE
PUBLIC UTILITIES BOARD

Recess to Closed Meeting

TO CONSIDER MATTERS PURSUANT TO TEX. GOVERNMENT CODE CHAPTER 551,
ET SEQ.

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Closed Session Items

1. Meeting with Board's legal counsel for advice about contemplated and pending court and administrative litigation and on matters in which the duty of the attorney under the Texas Disciplinary Rules of Professional Conduct conflicts with Chapter 551 (Sec. 551.071) (Paul Gonzalez, Juan Pequeno), including but not limited to any item moved to closed session and the following:
 - a) Reports of local and special counsel, including regarding potential or pending litigation involving BPUB; and
 - b) City/BPUB MOU related matters. - Paul Gonzalez, Juan Pequeno

2. Presentation, Discussion and Possible Recommendation of Information upon Pricing of Purchased Power, Generation and Fuel and their Impact upon the Fuel, Purchased Energy, and Marketing Charge (Sec. 551.086 and Sec. 551.072). - Miguel Perez



BROWNSVILLE
PUBLIC UTILITIES BOARD

Reconvene Open Meeting



BROWNSVILLE
PUBLIC UTILITIES BOARD

Consideration and Action on Closed Meeting Items

-
1. CONSIDERATION AND POSSIBLE ACTION ON ITEMS DISCUSSED IN CLOSED MEETING –



BROWNSVILLE
PUBLIC UTILITIES BOARD

Consideration and Action on Future Agenda Items

1. DISCUSSION AND/OR REQUESTS FOR FUTURE AGENDA ITEMS

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BROWNSVILLE
PUBLIC UTILITIES BOARD

Adjournment
