



**BROWNSVILLE**  
**PUBLIC UTILITIES BOARD**

# Finance Committee

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WEDNESDAY, FEBRUARY 25, 2026



**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

# Call Open Meeting To Order

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**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

# Public Comments

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# ITEMS FOR PRESENTATION AND DISCUSSION

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1. Presentation and Discussion of the Brownsville Public Utilities Board's Financial Performance Report for the Period Ended January 31, 2026 – Miguel Perez
2. Presentation and Discussion of the Annual Comprehensive Financial Report for the Period Ending September 30, 2025 - Miguel Perez
3. Presentation, Discussion, and Possible Recommendation to Review and Update the Finance Committee Charter – Miguel Perez
4. Presentation, Discussion, and Possible Recommendation on the Brownsville Public Utilities Board Property Insurance – Estrella Solorzano
5. Presentation and Discussion Regarding the Continuation of Commercial Deposit Collections – Eduardo Campirano



**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

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● ● ● FINANCE COMMITTEE | 03/09/2026

Miguel A. Perez

Director of Finance

Finance Division

# 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	<u>510,826,541</u>	<u>475,136,246</u>
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)**

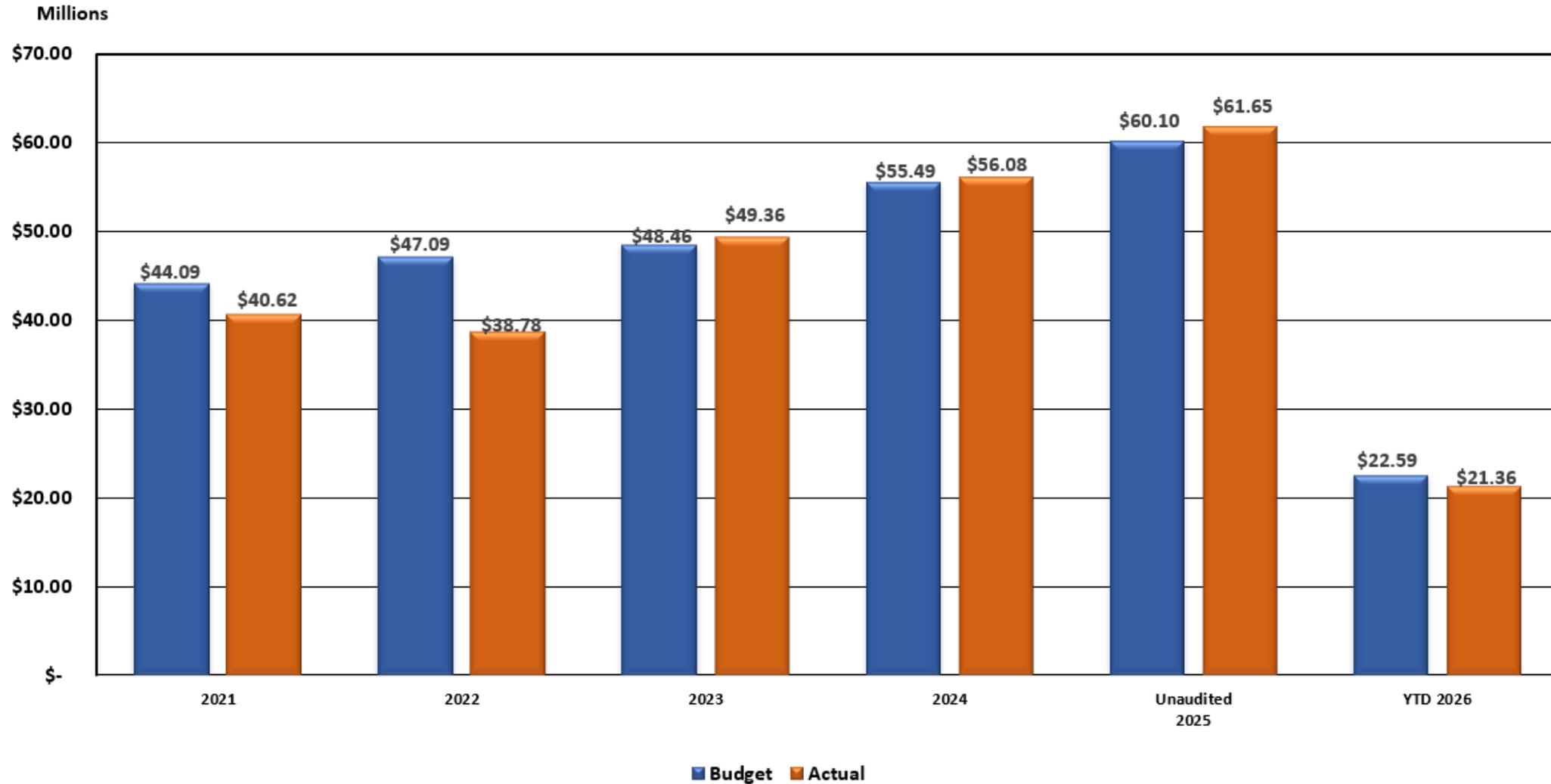


		YTD BUDGET	JANUARY 2026 YTD ACTUAL	VARIANCE
1	Operating Revenues	\$ 82,221,214	\$ 69,459,353	\$ (12,761,861)
2	Other Revenues	7,816,911	8,605,201	788,290
3	Gross Revenues	<u>90,038,125</u>	<u>78,064,554</u>	<u>(11,973,571)</u>
4	Less: Fuel and SRWA	32,358,955	22,568,571	(9,790,384)
5	Adjusted Gross Revenues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



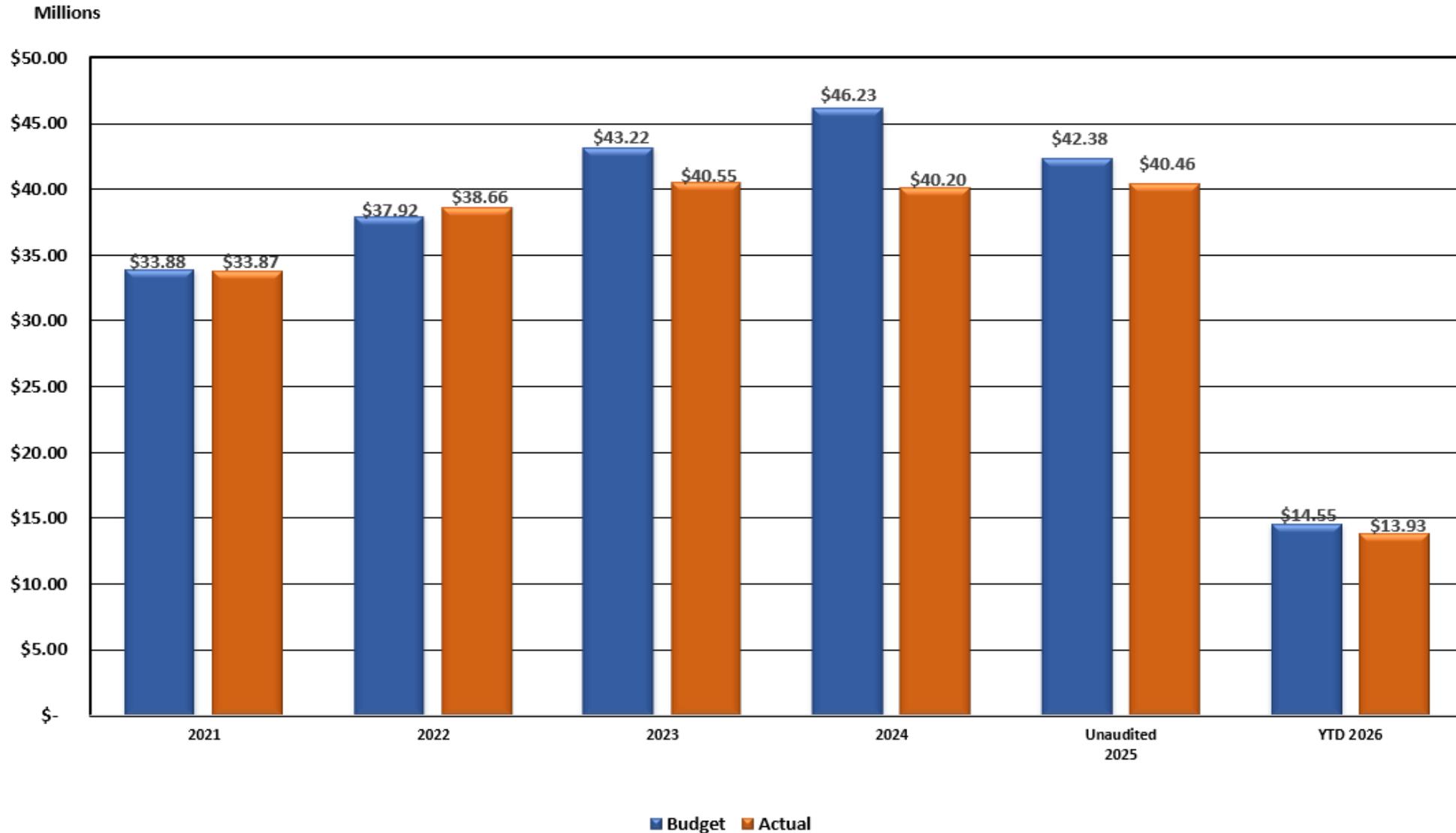
Note:

- 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

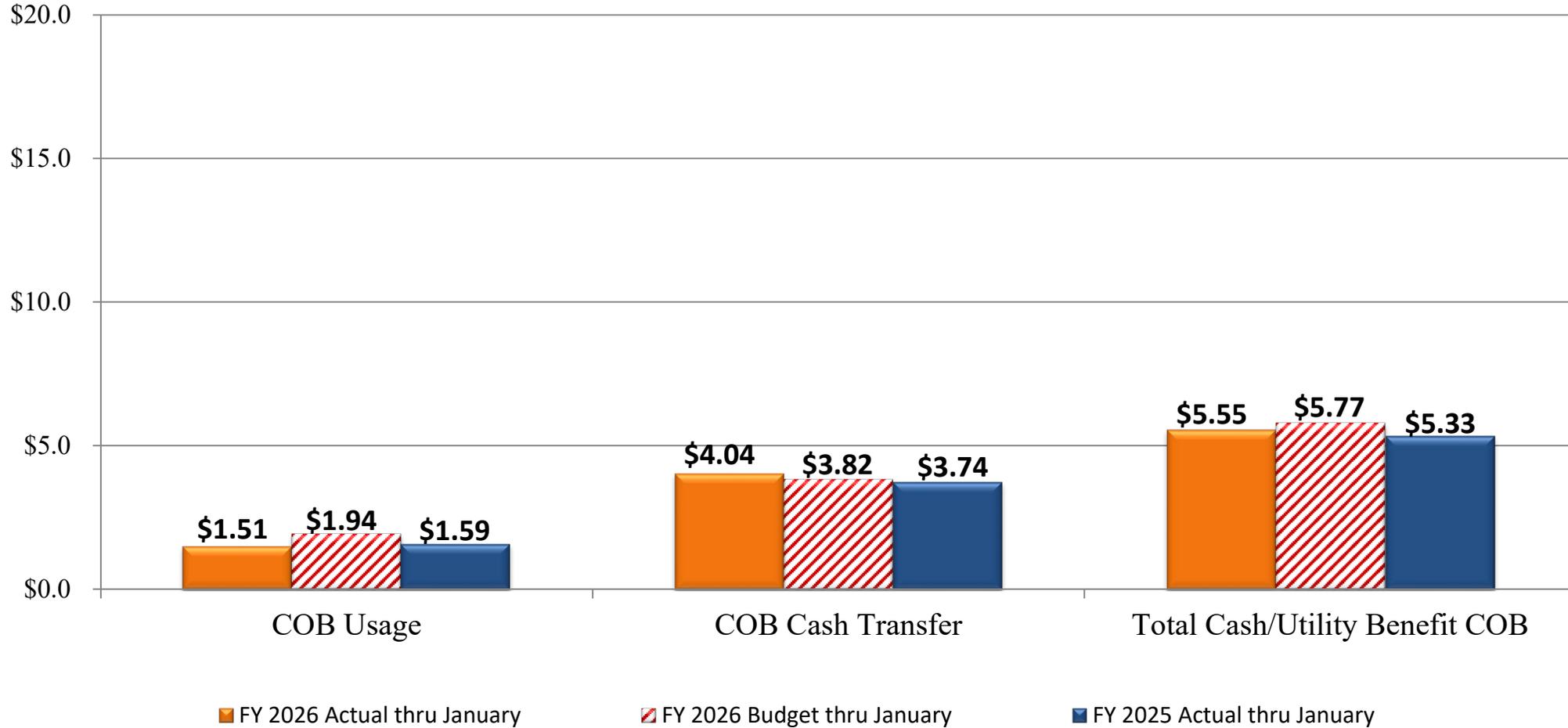
### O&M Expenses – Non-Personnel (Budget vs. Actuals)



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



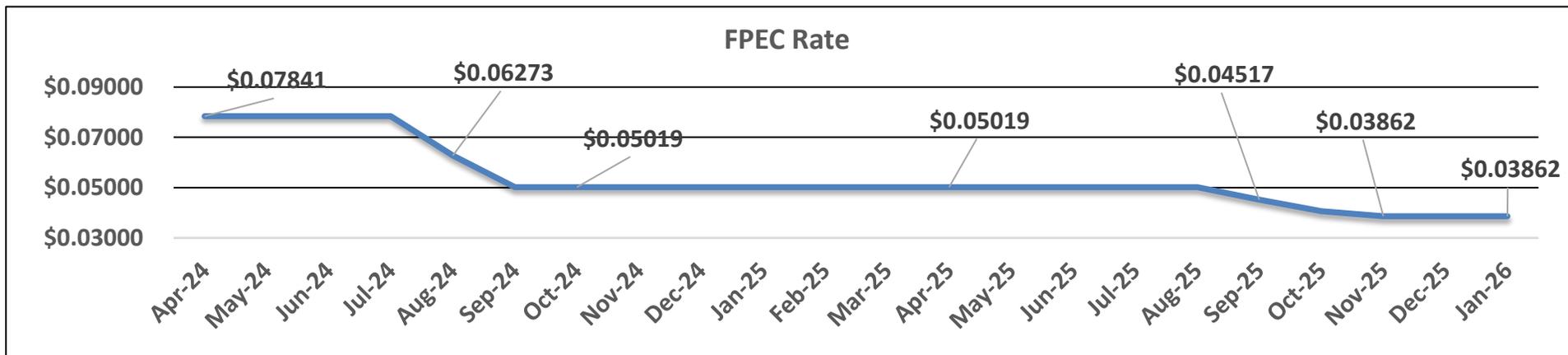
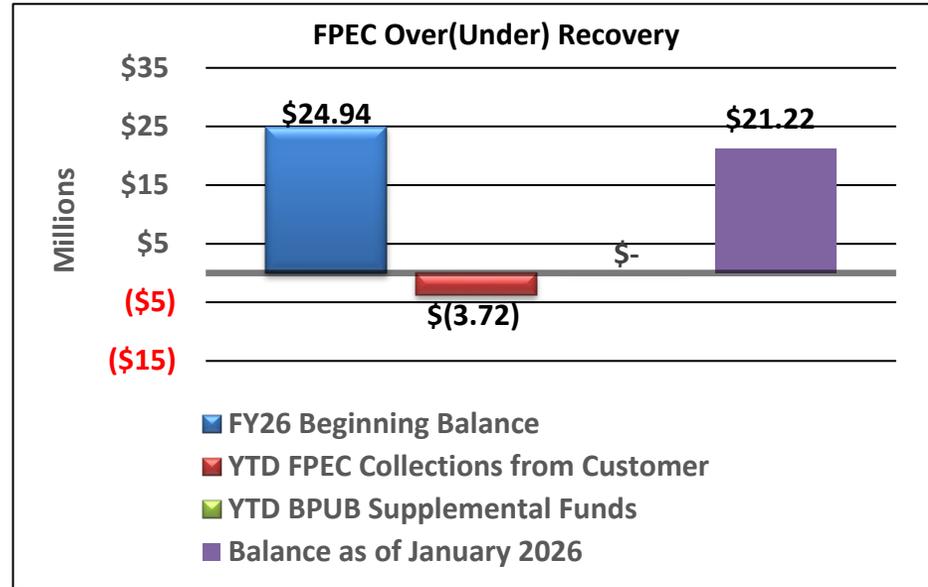
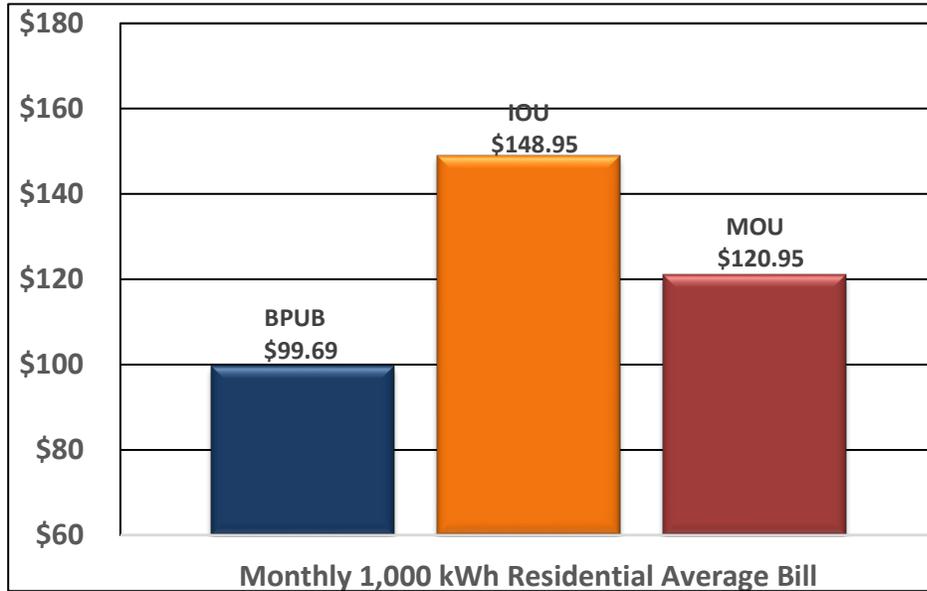
Millions



# 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%
<b>Grand Total</b>		<b>\$ 89,706,170</b>	<b>\$ -</b>	<b>\$ 89,706,170</b>	<b>\$ 17,875,669</b>	<b>\$ (251,216)</b>	<b>\$ 72,081,717</b>	<b>\$ 30,971,149</b>	<b>19.93%</b>

#### 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%
<b>TOTAL</b>	<b>\$ 89,706,170.00</b>	<b>100%</b>

### CAPITAL SPENDING FIVE-YEAR HISTORY

DESCRIPTION	FY 2021	FY 2022	FY 2023	FY 2024	Unaudited FY 2025
<b>Approved Budget</b>	<b>\$ 90,795,286.00</b>	<b>\$ 98,169,572.00</b>	<b>\$ 92,133,995.00</b>	<b>\$ 91,717,365.00</b>	<b>\$ 76,099,290.00</b>
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
<b>Total Expenditures</b>	<b>\$ 36,312,666.00</b>	<b>\$ 30,664,771.00</b>	<b>\$ 28,752,750.00</b>	<b>\$ 36,228,638.00</b>	<b>\$ 53,943,897.00</b>
<b>YTD % Incurred</b>	<b>40.0%</b>	<b>31.2%</b>	<b>31.2%</b>	<b>39.5%</b>	<b>70.9%</b>

# CIP Combined Utility Summary as of 1/31/2026

TOTAL FY2026 AMENDED CIP BUDGET  
**\$89.7M**

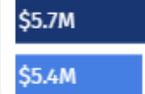
## YEAR-TO-DATE PLANNED VS ACTUAL BY PROJECT TYPE

● YTD Planned ● Actual

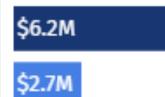
### Electrical \$38.9M Annual Budget



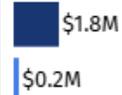
### Water \$23.5M Annual Budget



### Wastewater \$20.2M Annual Budget

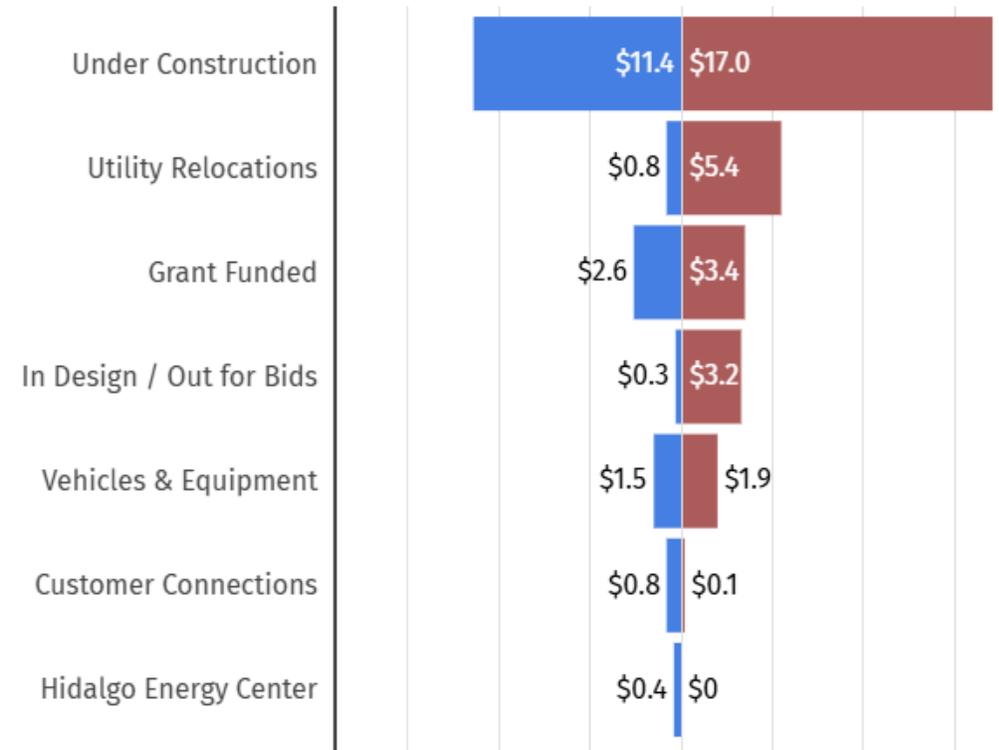


### Gen & Adm \$7.1M Annual Budget

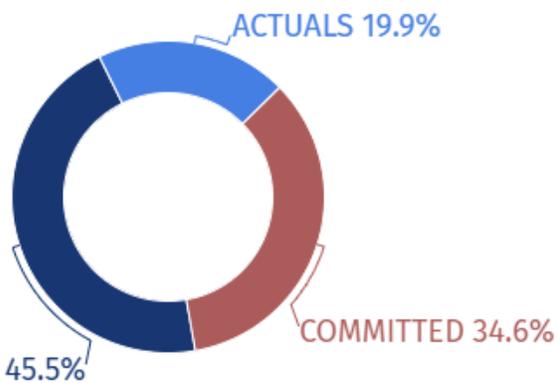


## YEAR -TO-DATE ACTUALS & COMMITTED BY CATEGORY (In Millions)

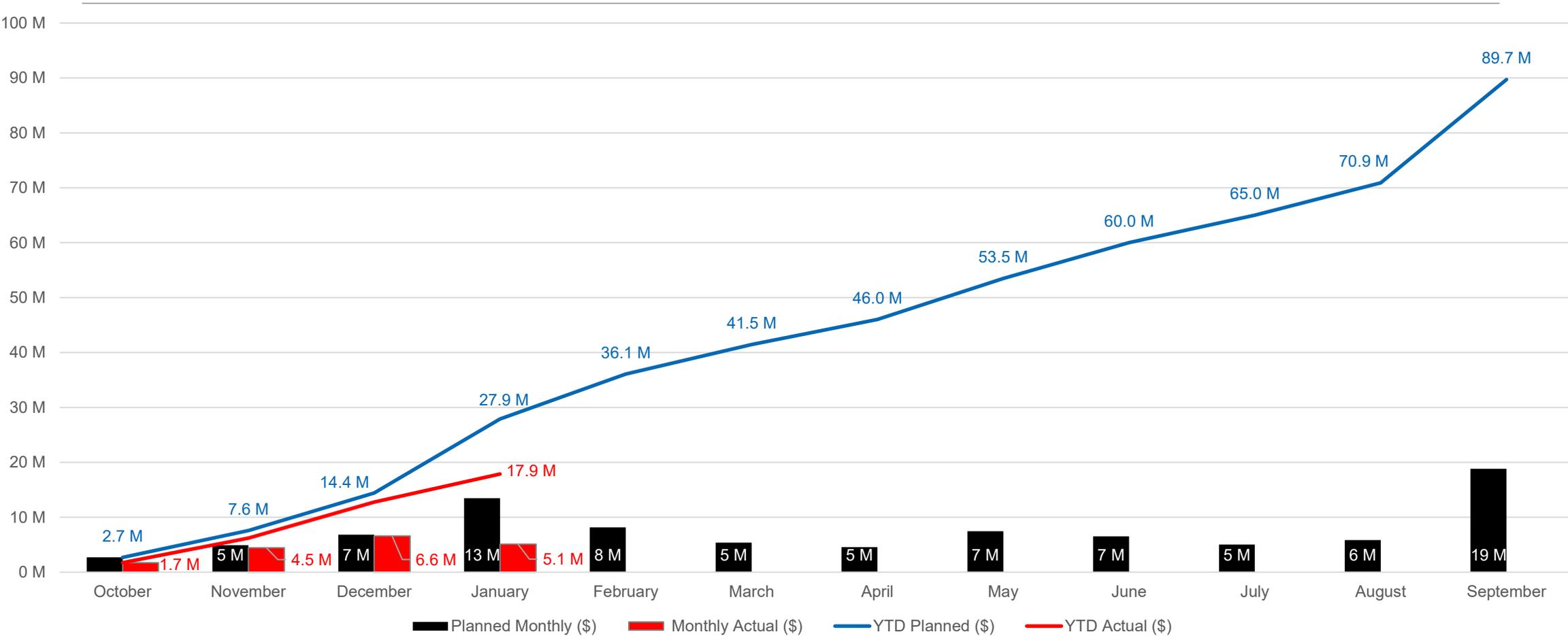
● Actuals \$17.9M ● Committed \$31.0M



**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
<b>Value in Dollars</b>	10,859,991.75	906,977.62	157,919.83	594,195.12	12,519,084.32
<b>% of Total Receivables</b>	86.7%	7.2%	1.3%	4.7%	100%
<b>Number of Accounts</b>	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		
<b>YTD Totals</b>		<b>\$ 155,461.91</b>

**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
<b>Non-Operating Revenues (Expenses):</b>		
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	\$ 1,607,104	\$ 9,769,609
19. Total Cash/Utility Benefit to COB	\$ 1,375,228	\$ 5,549,598
20. Balance Available for Transfers Out	\$ 231,876	\$ 4,220,011
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	843,404	1,269,585
30. Total	\$ 231,876	\$ 4,220,011

# Statements of Net Position\*

## As of January 31, 2026



	FY 2026 YTD	Unaudited SEPT 2025
<b>ASSETS</b>		
<b>Current Assets:</b>		
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>
<b>Non-Current Assets:</b>		
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>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
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
<b>LIABILITIES AND NET POSITION</b>		
<b>Current Liabilities:</b>		
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>
<b>Current Liabilities Payable from Restricted Assets:</b>		
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>
<b>Non-Current Liabilities:</b>		
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
<b>DEFERRED INFLOWS OF RESOURCES</b>		
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>
<b>Net Position:</b>		
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	63,958,657	52,082,833	53,259,191
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	\$ 13,207,287	\$ 13,058,147	\$ 14,597,685
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	6,688,785	6,126,522	7,791,659
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	3,390,032	3,181,488	3,106,171
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	\$ 9,896,256	\$ 1,473,371	
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	<u>82,372</u>	<u>84,185</u>	<u>96,044</u>
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	<u>100,000</u>	<u>75,772</u>	<u>158,891</u>
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	<u>7,500</u>	<u>25,070</u>	<u>104,420</u>
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	<u>972,192</u>	<u>971,835</u>	<u>920,671</u>
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	<u>893,549</u>	<u>297,850</u>	
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 <sup>1</sup>	-	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
<b>Total</b>	<b>\$ 5,039,890</b>	<b>\$ 210,575,171</b>	<b>\$ 215,615,061</b>

**NOTES:**

<sup>1</sup> Resaca Fee revenues will be used to fund future grant matching commitments.

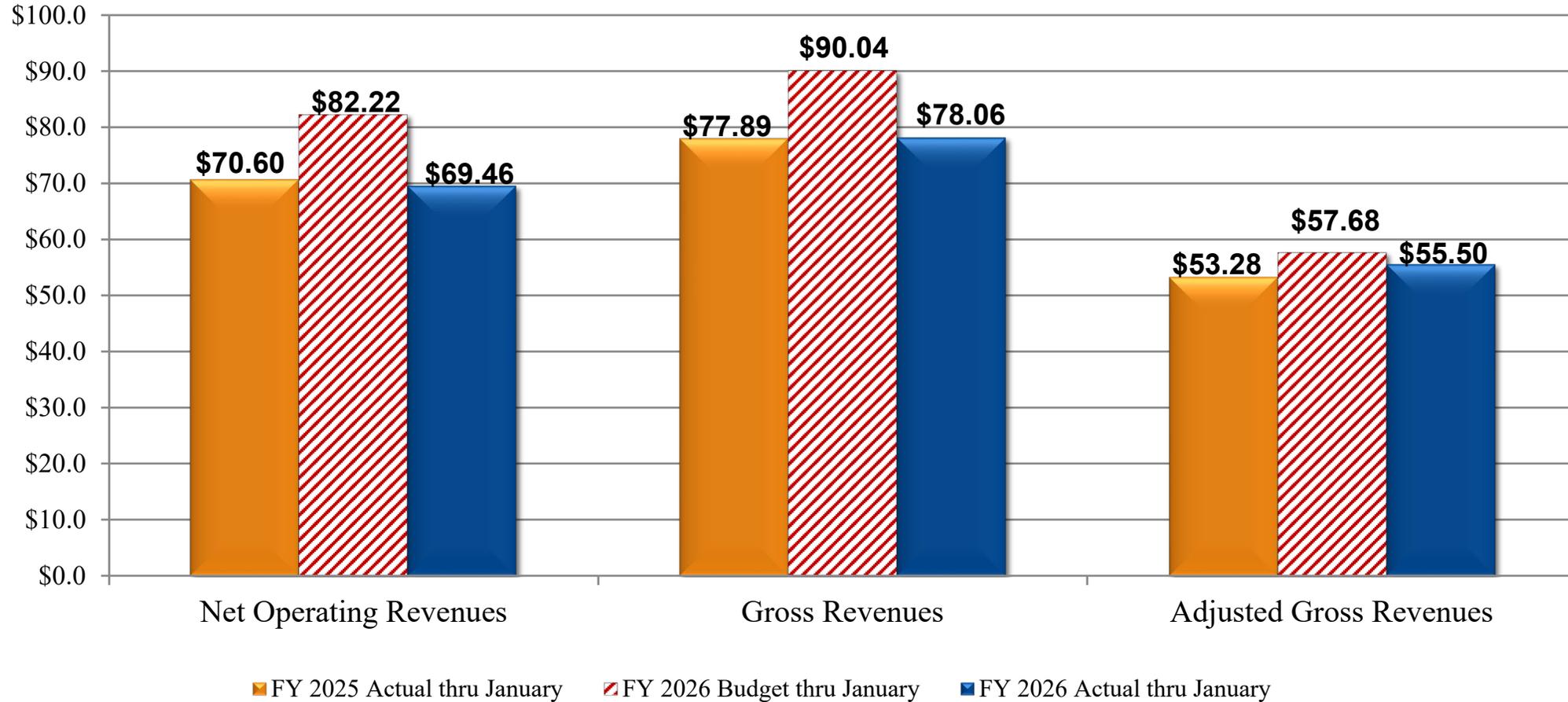
\* Restricted Assets

# Fiscal Year 2026 Financial Performance

## As of January 31, 2026



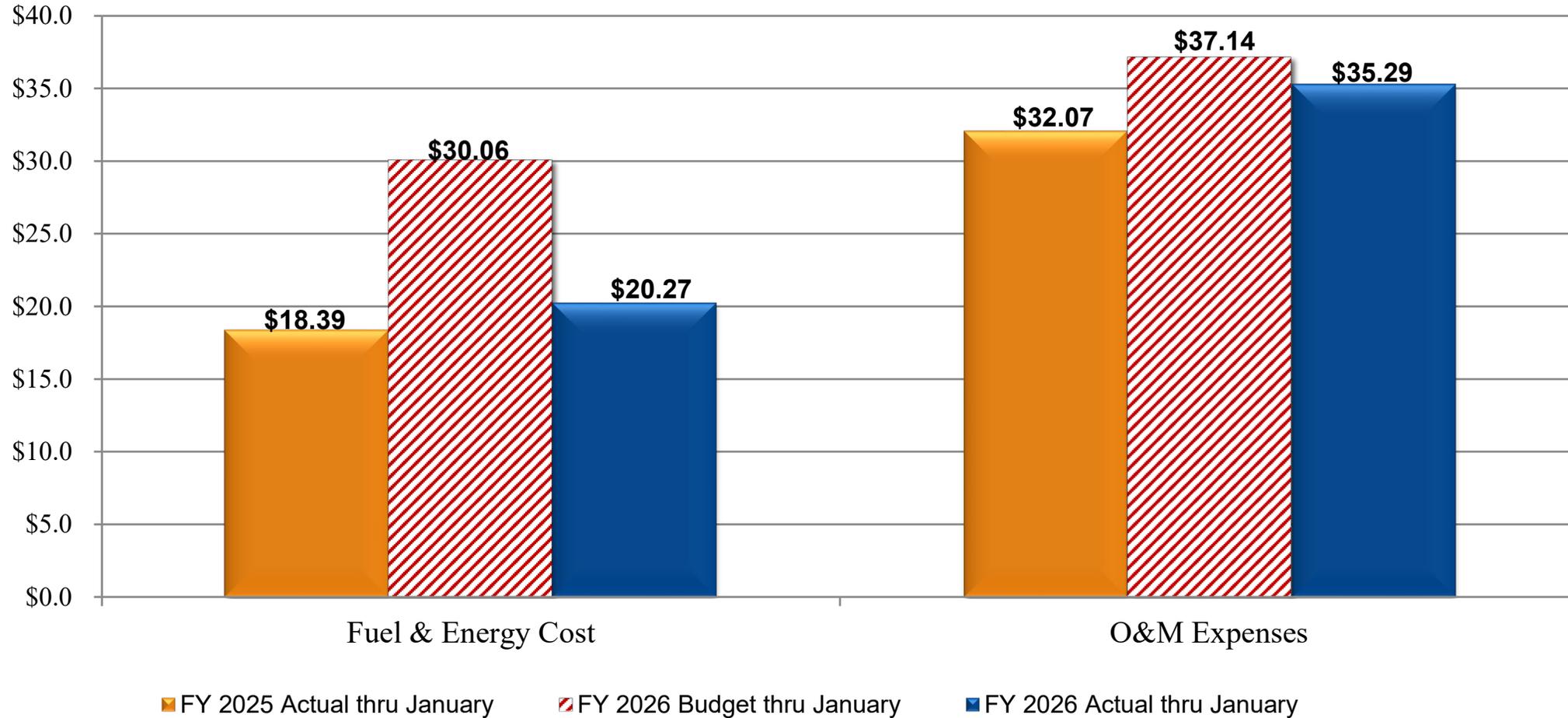
Millions



# Fiscal Year 2026 Financial Performance As of January 31, 2026

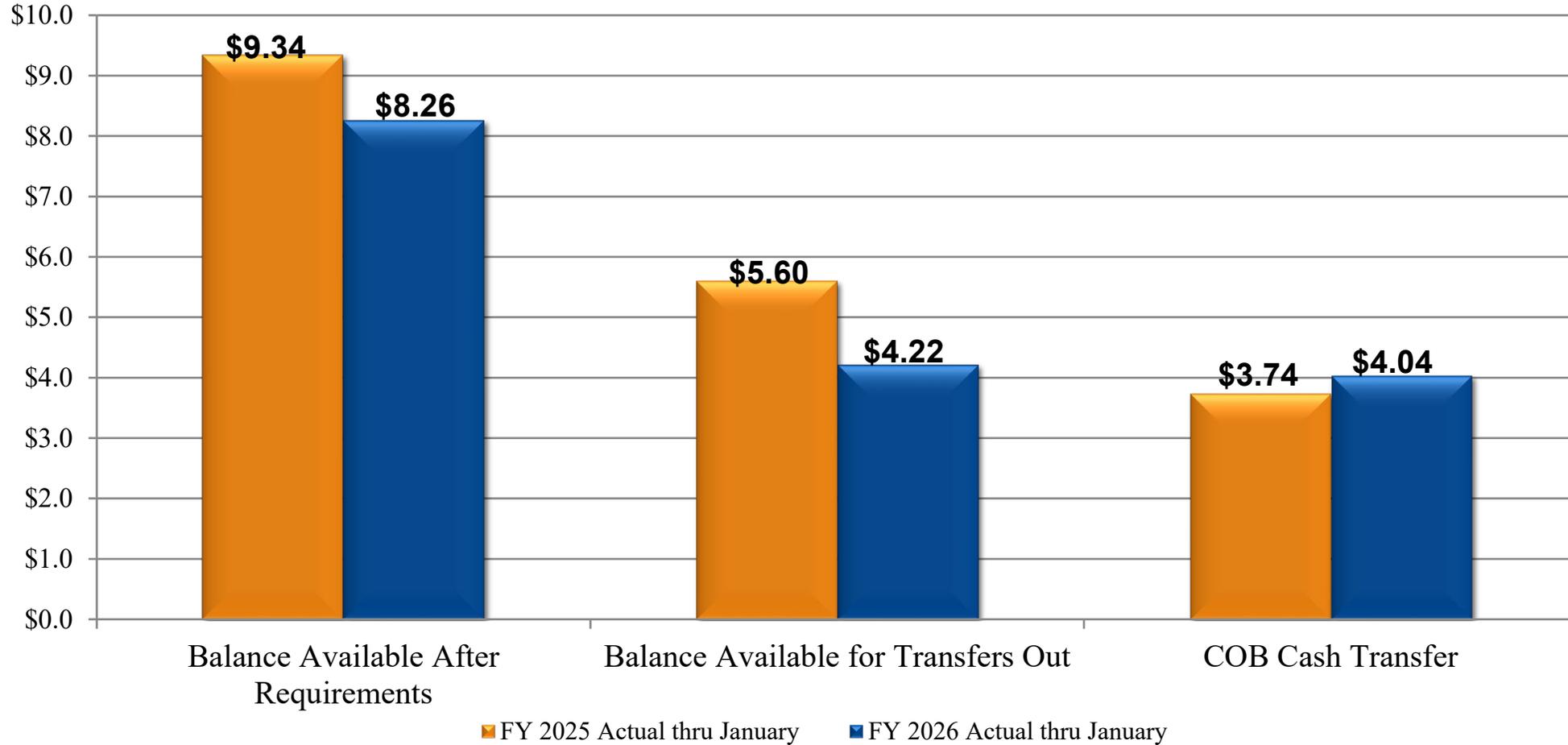


Millions



# Fiscal Year 2026 Financial Performance As of January 31, 2026

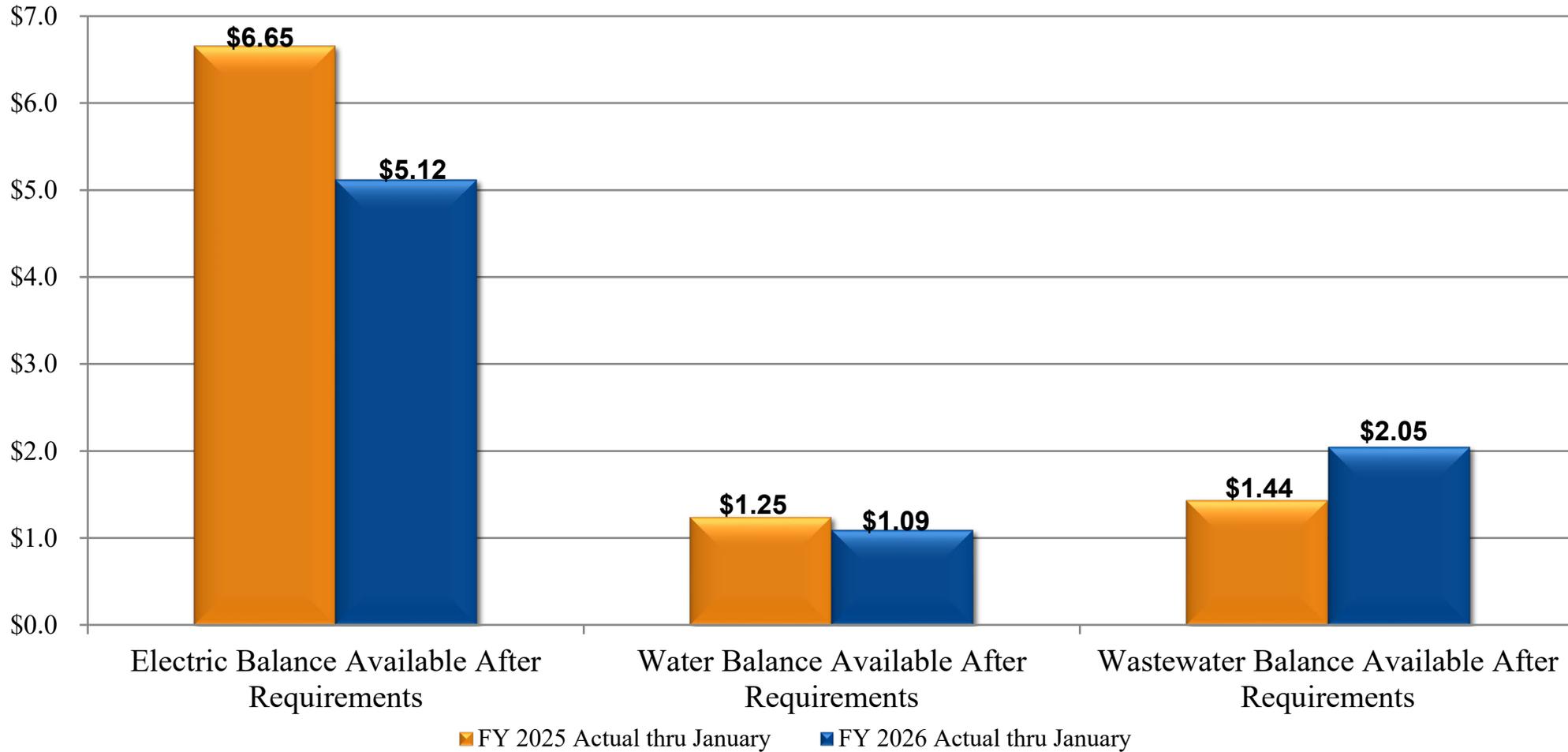
Millions



# Fiscal Year 2026 Financial Performance As of January 31, 2026



Millions



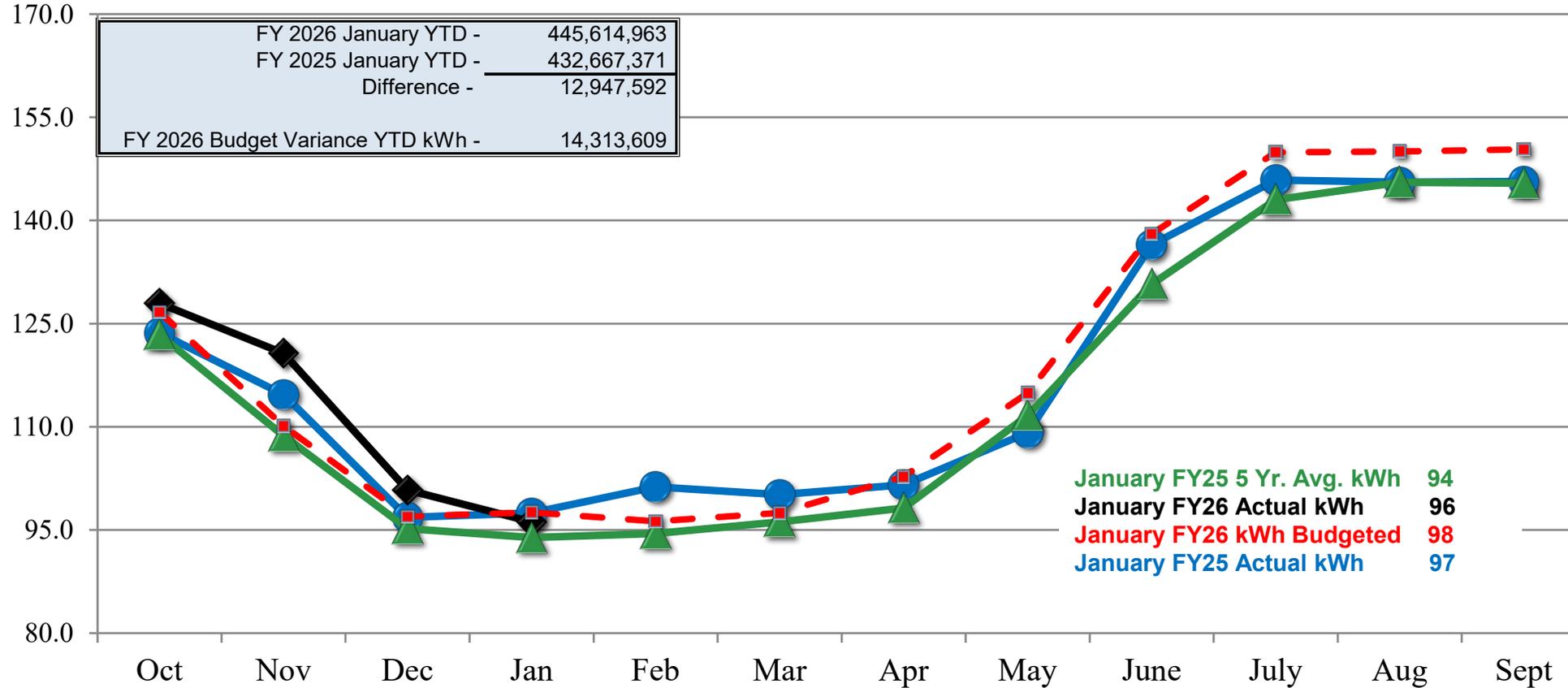
# Fiscal Year 2026 Financial Performance

## As of January 31, 2026

### Electric Sales



Millions



FY 2026 January YTD -	445,614,963
FY 2025 January YTD -	432,667,371
Difference -	12,947,592
FY 2026 Budget Variance YTD kWh -	14,313,609

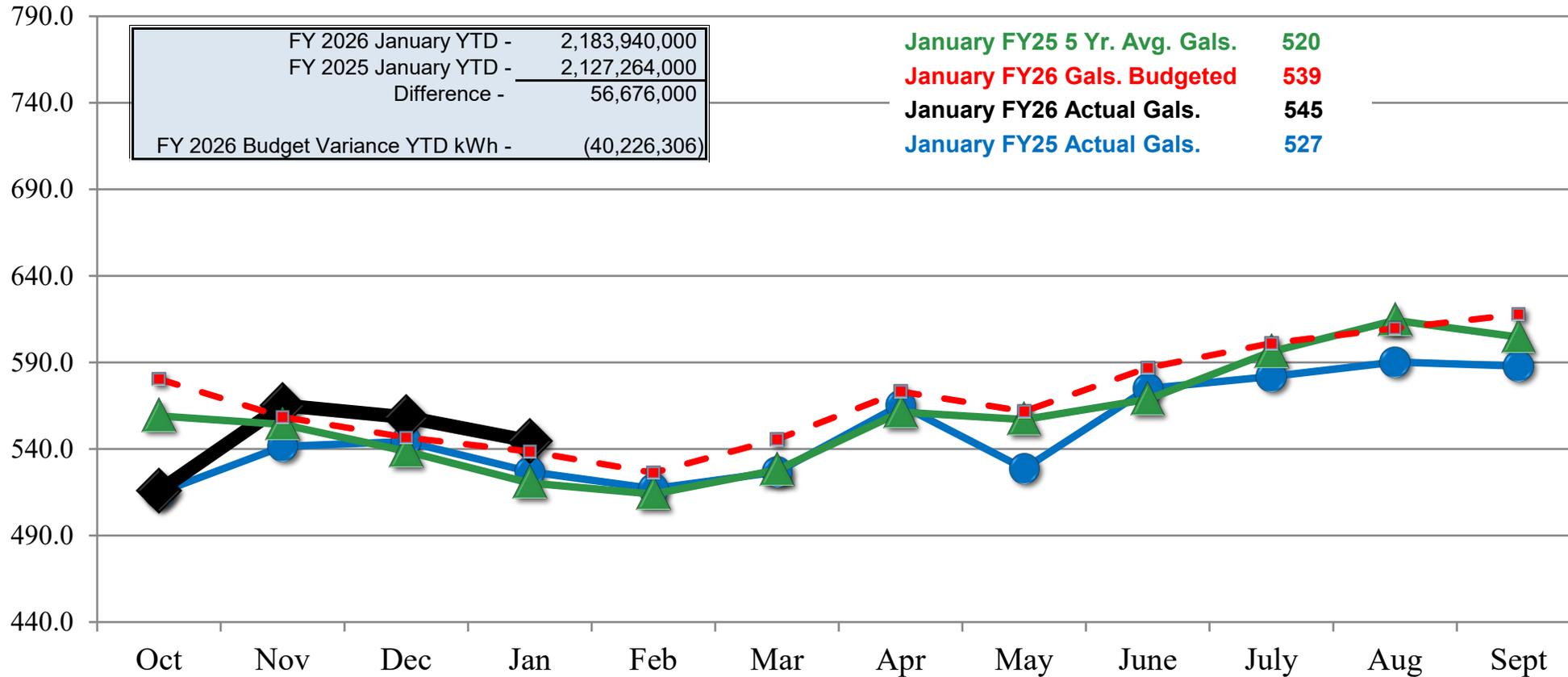
January FY25 5 Yr. Avg. kWh **94**  
 January FY26 Actual kWh **96**  
 January FY26 kWh Budgeted **98**  
 January FY25 Actual kWh **97**

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

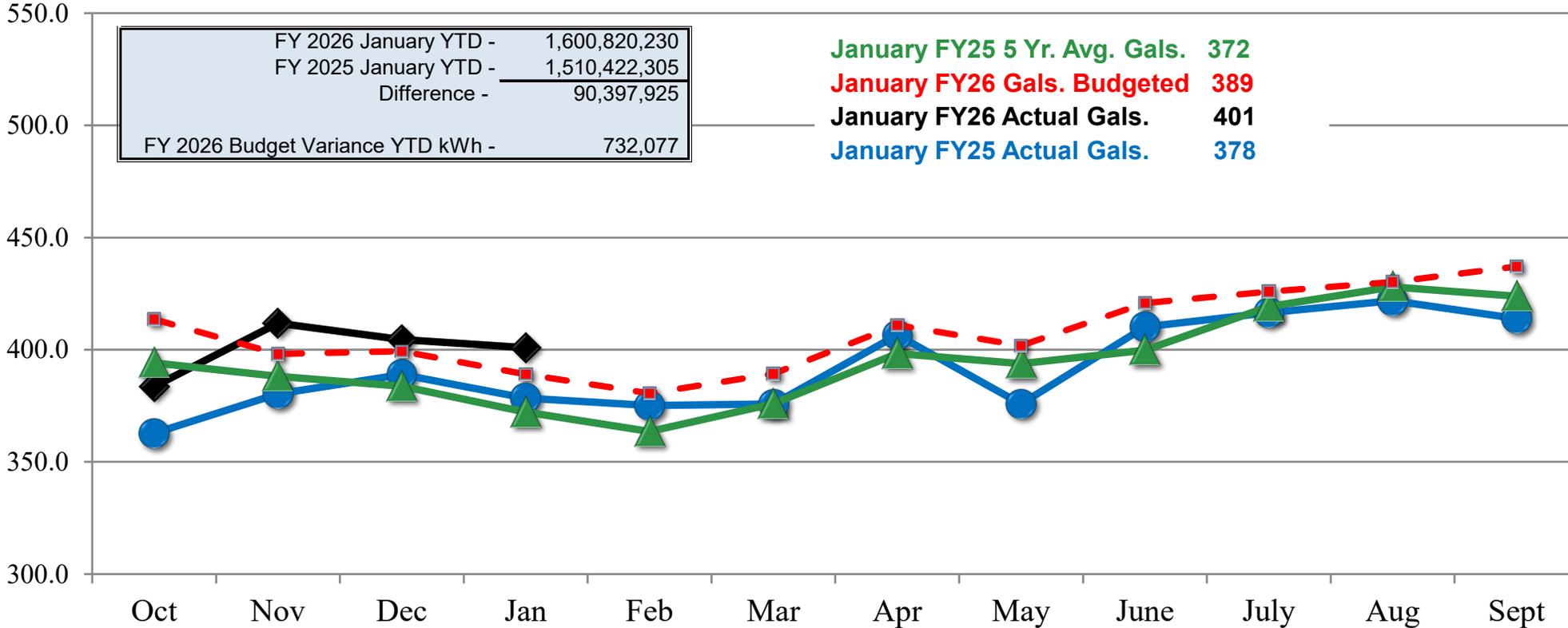
# Fiscal Year 2026 Financial Performance

## As of January 31, 2026

### Wastewater Flows



Millions

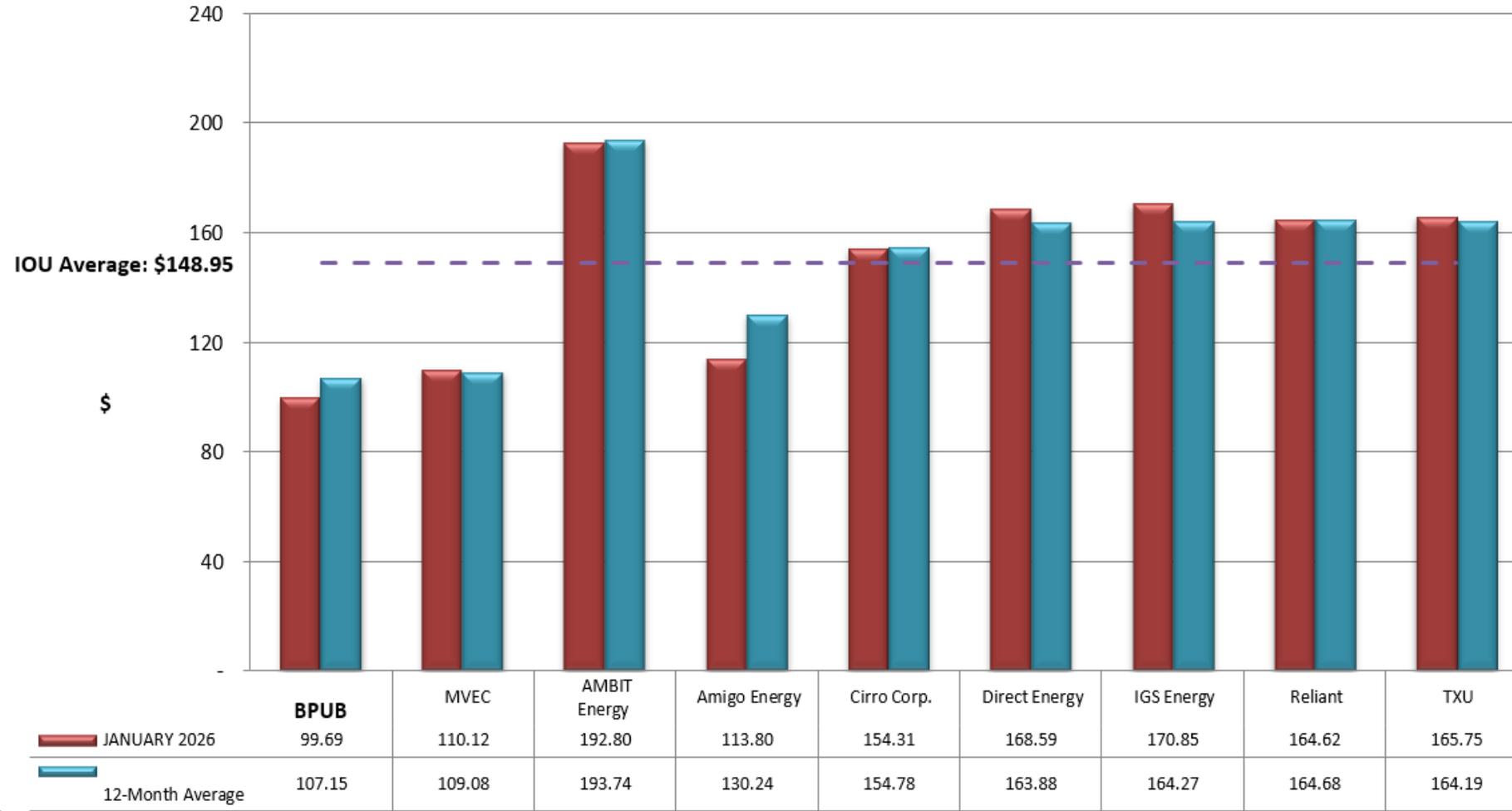


FY 2026 January YTD -	1,600,820,230
FY 2025 January YTD -	1,510,422,305
Difference -	90,397,925
FY 2026 Budget Variance YTD kWh -	732,077

**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

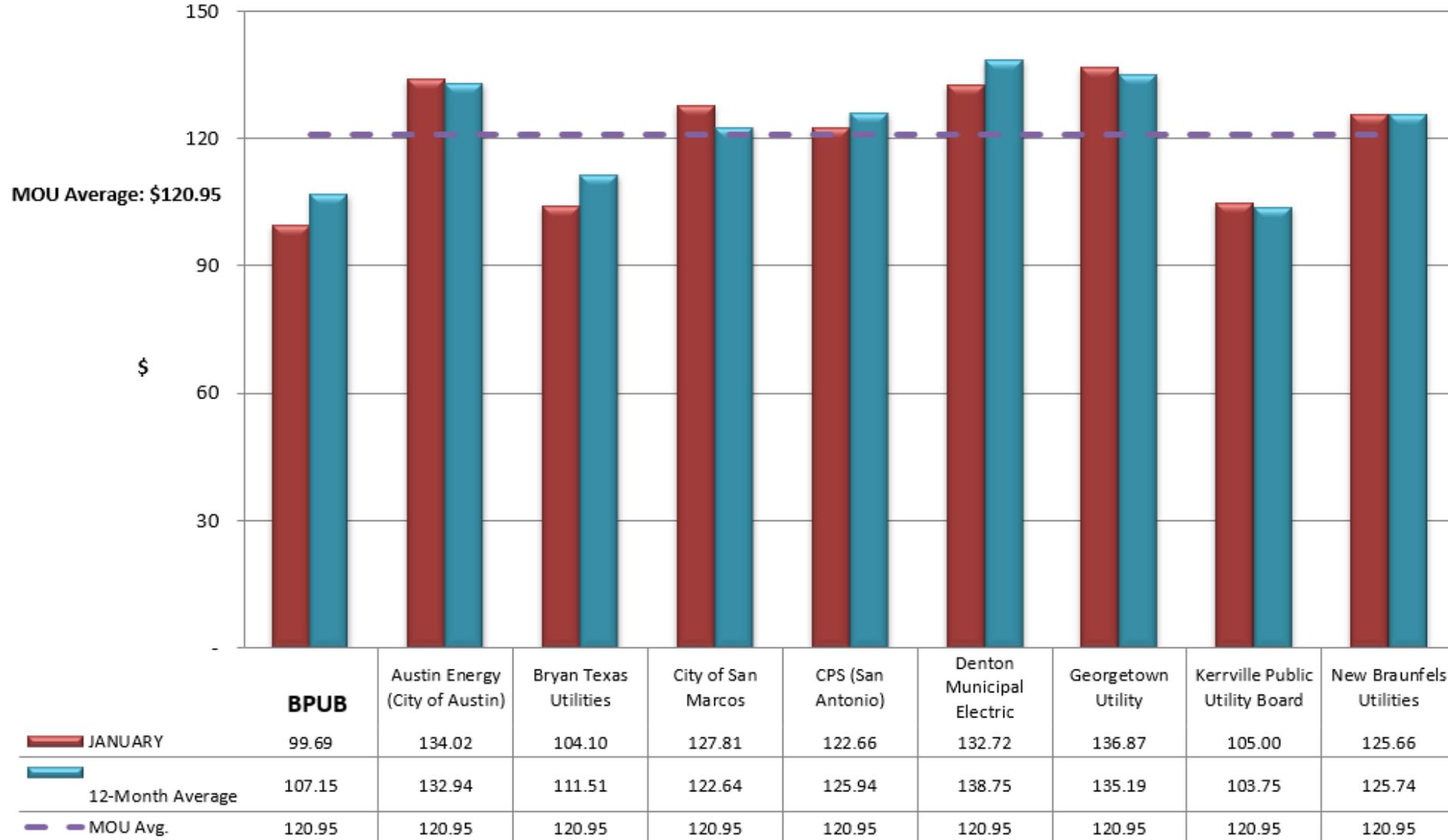
# Investor Owned Utilities Residential Electric Bill Comparison January 2026 Based on 1,000 kWh of Electric Sales



**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.

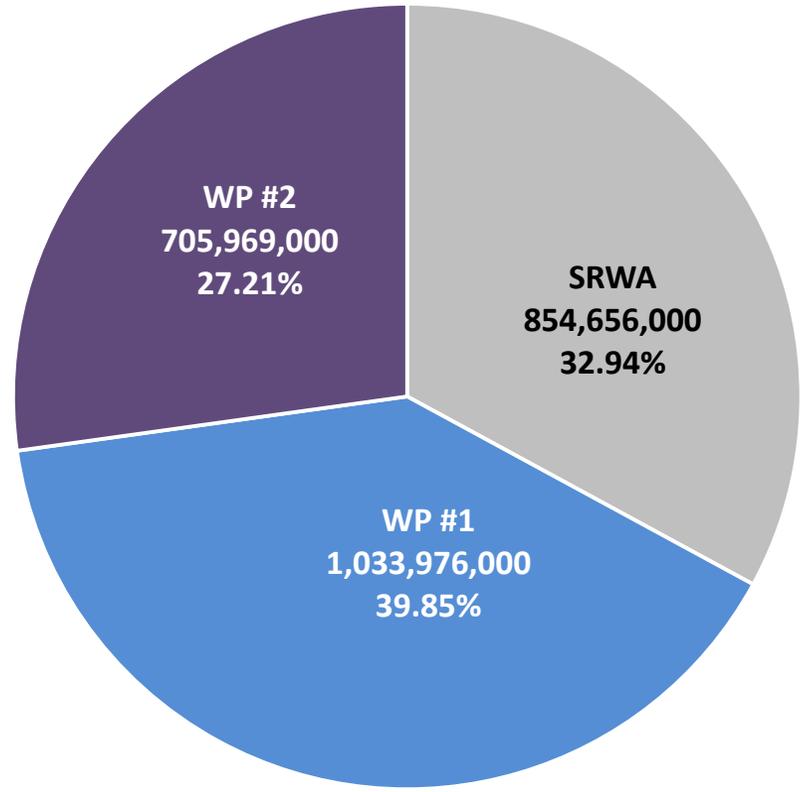
Municipally Owned Utilities  
 Residential Electric Bill Comparison  
 January 2026  
 Based on 1,000 kWh of Electric Sales



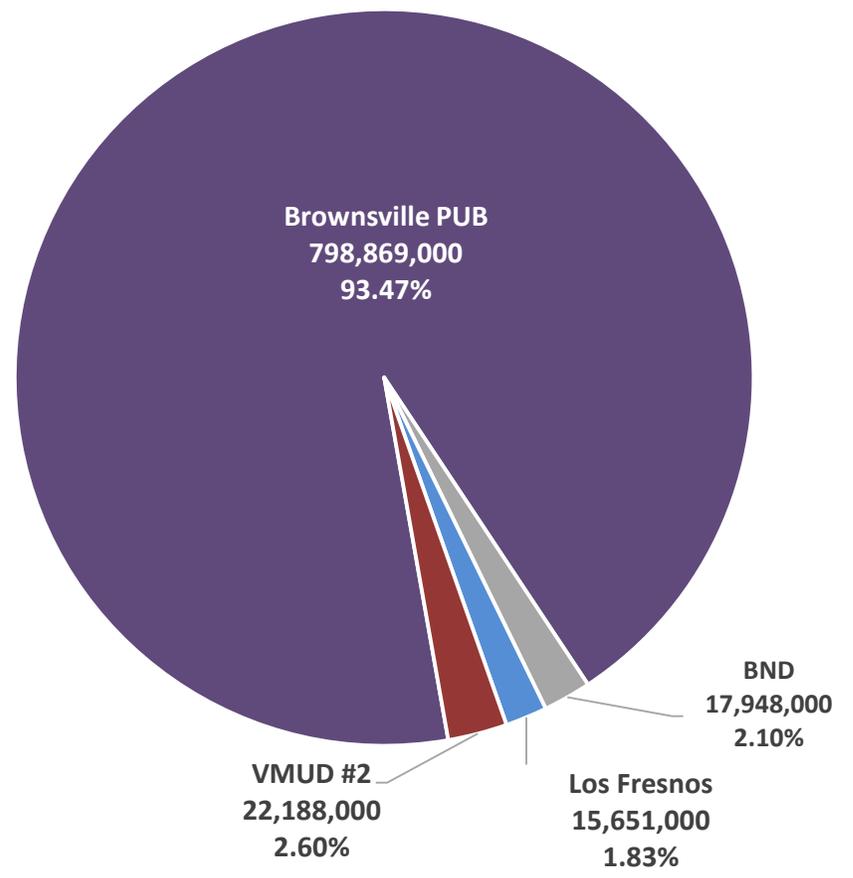
# Fiscal Year 2026 Southmost Regional Water Authority Financial Performance as of January 31, 2026 Water Plants 1 & 2 and SRWA Distribution



**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

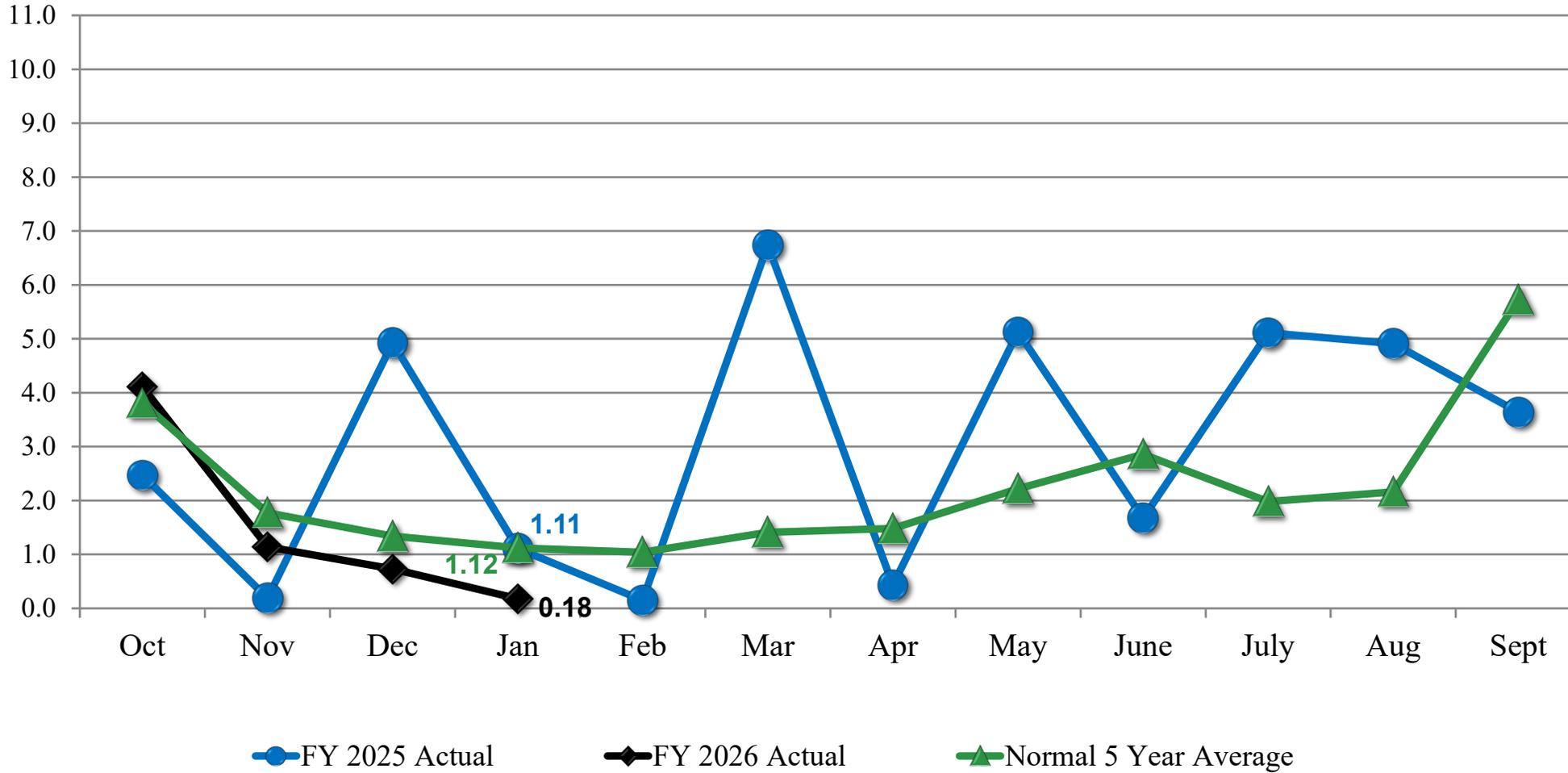
# Fiscal Year 2026 Financial Performance

## As of January 31, 2026

### Precipitation Levels



Inches



# Fiscal Year 2026 Financial Performance

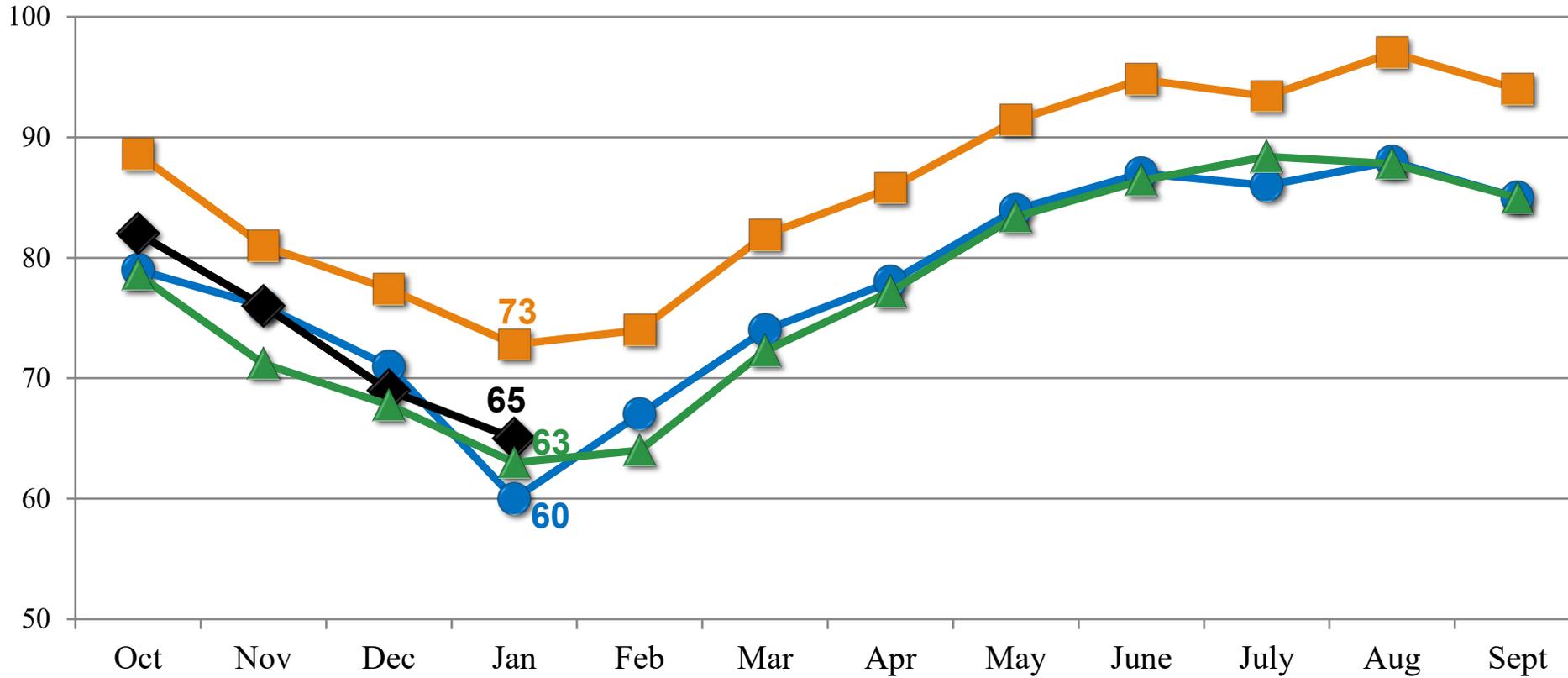
## As of January 31, 2026

### 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
		<b>SUBTOTAL</b>	<b>2,040,377</b>	<b>61,964</b>	<b>28,065</b>	<b>56,785</b>	<b>66,936</b>	<b>1,826,627</b>
<b>Subtotal O&amp;M Funds</b>			<b>2,040,377</b>	<b>61,964</b>	<b>28,065</b>	<b>56,785</b>	<b>66,936</b>	<b>1,826,627</b>
				<b>YTD</b>	<b>213,750</b>			



**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	-
<b>Subtotal Capital Funds</b>			<b>2,700,000</b>	<b>57,696</b>	<b>82,312</b>	<b>100,362</b>	<b>(162,023)</b>	<b>2,621,653</b>
				<b>YTD</b>	<b>78,348</b>			
<b>Grand Total</b>			<b>4,740,377</b>	<b>119,660</b>	<b>110,377</b>	<b>157,147</b>	<b>(95,087)</b>	<b>4,448,280</b>

\*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)
<b>Subtotal O&amp;M Budget</b>	<b>\$ 566,000</b>	<b>\$ 44,656</b>	<b>\$ 16,072</b>	<b>\$ 22,284</b>	<b>\$ -</b>	<b>482,988</b>								

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] 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
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
	<b>Grand Total</b>		<b>\$ 89,706,170</b>	<b>\$ -</b>	<b>\$ 89,706,170</b>	<b>\$ 17,875,669</b>	<b>\$ (251,216)</b>	<b>\$ 72,081,717</b>

**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		<b>ELECTRIC PROJECTS</b>								
2		<b>DEPARTMENT 2120 - SUBSTATIONS &amp; RELAYING</b>								
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		<b>Total for Dept. 2120</b>	<b>5,783,946</b>	<b>(1,095)</b>	<b>5,782,851</b>	<b>629,371</b>	<b>-</b>	<b>5,153,480</b>	<b>10.88%</b>	<b>2,237,772</b>
19		<b>DEPARTMENT 2130 - ELEC T&amp;D CONSTRUCTION &amp; MAINTENANCE</b>								
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		<b>Total for Dept. 2130</b>	<b>2,763,405</b>	<b>-</b>	<b>2,763,405</b>	<b>1,082,706</b>	<b>-</b>	<b>1,680,699</b>	<b>39.18%</b>	<b>1,875,632</b>

**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	<b>DEPARTMENT 2410 - ELECTRIC ENGINEERING</b>									
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		<b>Total for Dept. 2410</b>	<b>2,118,000</b>	<b>-</b>	<b>2,118,000</b>	<b>560,105</b>	<b>-</b>	<b>1,557,895</b>	<b>26.44%</b>	<b>-</b>
47	<b>DEPARTMENT 2420 - ELECTRICAL SYSTEM PLANNING</b>									
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		<b>Total for Dept. 2420</b>	<b>13,455,204</b>	<b>1,095</b>	<b>13,456,299</b>	<b>2,474,915</b>	<b>-</b>	<b>10,981,384</b>	<b>18.39%</b>	<b>5,184,085</b>
69		<b>DEPARTMENT 7130 - ENTERPRISE SOLUTIONS</b>								
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		<b>Total for Dept. 7130</b>	<b>4,523,102</b>	<b>-</b>	<b>4,523,102</b>	<b>3,528,051</b>	<b>-</b>	<b>995,051</b>	<b>78.00%</b>	<b>2,197,505</b>
72		<b>DEPARTMENT 7190 - SCADA</b>								
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		<b>Total for Dept. 7190</b>	<b>1,396,920</b>	<b>74,702</b>	<b>1,471,622</b>	<b>231,219</b>	<b>-</b>	<b>1,240,403</b>	<b>15.71%</b>	<b>678,300</b>

**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		<b>ELECTRIC TRANS. &amp; DIST. PROJECT TOTAL:</b>	<b>\$ 30,040,577</b>	<b>\$ 74,702</b>	<b>\$ 30,115,279</b>	<b>\$ 8,506,367</b>	<b>\$ -</b>	<b>\$ 21,608,912</b>	<b>28.25%</b>	<b>\$ 12,173,294</b>
82		<b>DEPARTMENT 2220 - POWER PRODUCTION</b>								
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		<b>Total for Dept. 2220</b>	<b>6,760,500</b>	<b>-</b>	<b>6,760,500</b>	<b>433,301</b>	<b>-</b>	<b>6,327,199</b>	<b>6.41%</b>	<b>105,274</b>
88		<b>DEPARTMENT 7125 - REAL ESTATE</b>								
89	Under Construction	Cross Valley Pipeline Project	5,090	-	5,090	84,960	-	(79,870)	1669.16%	5,082
90		<b>Total for Dept. 7125</b>	<b>5,090</b>	<b>-</b>	<b>5,090</b>	<b>84,960</b>	<b>-</b>	<b>(79,870)</b>	<b>1669.16%</b>	<b>5,082</b>
91		<b>ELECTRIC GENERATION PROJECT TOTAL:</b>	<b>\$ 6,765,590</b>	<b>\$ -</b>	<b>\$ 6,765,590</b>	<b>\$ 518,261</b>	<b>\$ -</b>	<b>\$ 6,247,329</b>	<b>7.66%</b>	<b>\$ 110,356</b>
92		<b>ADD ESTIMATED CAPITAL EQUIPMENT BUDGET</b>								
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		<b>ESTIMATED EQUIPMENT TOTAL - ELECTRIC</b>	<b>\$ 2,053,948</b>	<b>\$ -</b>	<b>\$ 2,053,948</b>	<b>\$ 535,664</b>	<b>\$ -</b>	<b>\$ 1,518,284</b>	<b>26.08%</b>	<b>\$ 665,386</b>
96		<b>ESTIMATED PLAN TOTAL - ELECTRIC</b>	<b>\$38,860,115</b>	<b>\$ 74,702</b>	<b>\$38,934,817</b>	<b>\$ 9,560,292</b>	<b>\$ -</b>	<b>\$29,374,525</b>	<b>24.55%</b>	<b>\$ 12,949,036</b>
97		<b>GENERAL &amp; ADMINISTRATIVE PROJECTS</b>								
98		<b>DEPARTMENT 1135 - COMMUNICATIONS &amp; PUBLIC RELATIONS</b>								
99	Contract Development	BPUB Billboard Construction	473,000	-	473,000	-	-	473,000	0.00%	-
100		<b>Total for Dept. 1135</b>	<b>473,000</b>	<b>-</b>	<b>473,000</b>	<b>-</b>	<b>-</b>	<b>473,000</b>	<b>0.00%</b>	<b>-</b>
101		<b>DEPARTMENT 1165 - RECORDS MANAGEMENT</b>								
102	Under Construction	Implementation of an Enterprise Content Management (ECM) System	118,963	-	118,963	-	-	118,963	0.00%	-
103		<b>Total for Dept. 1165</b>	<b>118,963</b>	<b>-</b>	<b>118,963</b>	<b>-</b>	<b>-</b>	<b>118,963</b>	<b>0.00%</b>	<b>-</b>

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104		<b>DEPARTMENT 3110 - W/WW ENGINEERING &amp; CAPITAL PLANNING</b>								
105	Completed	Administration Building Remodeling - Design	-	-	-	-	(251,216)	251,216	0.00%	-
106		Total for Dept. 3110	-	-	-	-	(251,216)	251,216	0.00%	-
107		<b>DEPARTMENT 4115 - ASSET MANAGEMENT &amp; CIP DELIVERY</b>								
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		<b>DEPARTMENT 5110 - FINANCE</b>								
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		<b>DEPARTMENT 6110 - CUSTOMER SERVICE</b>								
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		<b>DEPARTMENT 6125 - CALL CENTER</b>								
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		<b>DEPARTMENT 6135 - CIS SUPPORT</b>								
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		<b>DEPARTMENT 6160 - CASHIERS</b>								
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		<b>DEPARTMENT 7131 - IT HARDWARE, CYBER, &amp; NETWORK MGMNT</b>								
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		<b>DEPARTMENT 7135 - GEOGRAPHIC INFORMATION SYSTEMS</b>								
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		<b>DEPARTMENT 7160 - FACILITY MAINTENANCE</b>								
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		<b>DEPARTMENT 7170 - WAREHOUSE</b>								
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		<b>ESTIMATED TOTAL BY CATEGORY:</b>								
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		<b>ESTIMATED PLAN TOTAL - GEN. &amp; ADMIN.</b>	<b>\$ 7,077,547</b>	<b>\$ -</b>	<b>\$ 7,077,547</b>	<b>\$ 155,630</b>	<b>\$ (251,216)</b>	<b>\$ 7,173,133</b>	<b>2.20%</b>	<b>\$ 820,890</b>
154		<b>WATER PROJECTS</b>								
155		<b>DEPARTMENT 3120 - WATER PLANT I</b>								
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		<b>Total for Dept. 3120</b>	<b>1,225,696</b>	<b>-</b>	<b>1,225,696</b>	<b>22,706</b>	<b>-</b>	<b>1,202,990</b>	<b>1.85%</b>	<b>106,339</b>
168		<b>DEPARTMENT 3130 - WATER PLANT II</b>								
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		<b>Total for Dept. 3130</b>	<b>1,505,679</b>	<b>-</b>	<b>1,505,679</b>	<b>117,747</b>	<b>-</b>	<b>1,387,932</b>	<b>7.82%</b>	<b>113,160</b>
181		<b>DEPARTMENT 3135 - RESACA MAINTENANCE</b>								
182	Contract Development	Water Plant I Resaca Maintenance Office Renovation	-	41,500	41,500	-	-	41,500	0.00%	-
183		<b>Total for Dept. 3135</b>	<b>-</b>	<b>41,500</b>	<b>41,500</b>	<b>-</b>	<b>-</b>	<b>41,500</b>	<b>-</b>	<b>-</b>
184		<b>DEPARTMENT 3140 - RAW WATER SUPPLY</b>								
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		<b>Total for Dept. 3140</b>	<b>300,000</b>	<b>(41,500)</b>	<b>258,500</b>	-	-	<b>258,500</b>	<b>0.00%</b>	-
189		<b>DEPARTMENT 3150 - W/WW OPERATIONS &amp; CONSTRUCTION</b>								
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		<b>Total for Dept. 3150</b>	<b>150,000</b>	-	<b>150,000</b>	-	-	<b>150,000</b>	<b>0.00%</b>	-
192		<b>DEPARTMENT 3155 - W/WW OPERATIONS &amp; MAINTENANCE</b>								
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		<b>Total for Dept. 3155</b>	<b>1,365,400</b>	-	<b>1,365,400</b>	<b>1,036,664</b>	-	<b>328,736</b>	<b>75.92%</b>	<b>63,858</b>
198		<b>DEPARTMENT 3310 - WATER &amp; WASTEWATER ENGINEERING</b>								
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		<b>Total for Dept. 3310</b>	<b>8,922,421</b>	<b>-</b>	<b>8,922,421</b>	<b>1,235,526</b>	<b>-</b>	<b>7,686,895</b>	<b>13.85%</b>	<b>3,828,299</b>
228		<b>DEPARTMENT 7125 - REAL ESTATE</b>								
229	Proposed Projects	16-inch Waterline Loop from Lago Vista to W. Alton Gloor Blvd	-	-	-	-	-	-	0.00%	-
230		<b>Total for Dept. 7125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>

**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
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		<b>ESTIMATED PLAN TOTAL - WATER</b>	<b>\$23,546,174</b>	<b>\$ (75,000)</b>	<b>\$23,471,174</b>	<b>\$ 5,428,411</b>	<b>\$ -</b>	<b>\$18,042,763</b>	<b>23.13%</b>	<b>\$ 7,008,067</b>
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

**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
257		Total for Dept. 3155	500,000	-	500,000	139,217	-	360,783	27.84%	30,062
258		<b>DEPARTMENT 3210 - SOUTH WASTEWATER TREATMENT PLANT</b>								
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		<b>DEPARTMENT 3220 - ROBINDALE WASTEWATER TREATMENT PLANT</b>								
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		<b>DEPARTMENT 3230 - WASTEWATER LIFT STATIONS</b>								
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		<b>Total for Dept. 3230</b>	<b>2,878,947</b>	<b>-</b>	<b>2,878,947</b>	<b>149,821</b>	<b>-</b>	<b>2,729,126</b>	<b>5.20%</b>	<b>1,913,963</b>
310		<b>DEPARTMENT 3310 - W/WW ENGINEERING</b>								
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  
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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
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		<b>Total for Dept. 3310</b>	<b>12,040,695</b>	<b>-</b>	<b>12,040,695</b>	<b>1,698,123</b>	<b>-</b>	<b>10,342,572</b>	<b>14.10%</b>	<b>6,630,809</b>
333		<b>DEPARTMENT 7125 - REAL ESTATE</b>								
334	Under Construction	Lift Station No. 121 land purchase	-	75,643	75,643	77,143	-	(1,500)	101.98%	-
335		<b>Total for Dept. 7125</b>	<b>-</b>	<b>75,643</b>	<b>75,643</b>	<b>77,143</b>	<b>-</b>	<b>(1,500)</b>	<b>101.98%</b>	<b>-</b>
336		<b>DEPARTMENT 7190 - SUPV CONTROL &amp; DATA ACQ (SCADA)</b>								

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

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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		<b>ESTIMATED PLAN TOTAL - WASTEWATER</b>	<b>\$20,222,334</b>	<b>\$ 298</b>	<b>\$20,222,632</b>	<b>\$ 2,731,336</b>	<b>\$ -</b>	<b>\$17,491,296</b>	<b>13.51%</b>	<b>\$ 10,193,156</b>
346		<b>CAPITAL IMPROVEMENT PLAN - GRAND TOTAL</b>	<b>\$89,706,170</b>	<b>\$ -</b>	<b>\$89,706,170</b>	<b>\$17,875,669</b>	<b>\$ (251,216)</b>	<b>\$72,081,717</b>	<b>19.93%</b>	<b>\$ 30,971,149</b>

**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 Improvements	2,352	1,493	1	-	-	-	-	-	-	2,888	2,873	1	-	-	-	-	-	-
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
<b>Grand Total</b>	<b>\$ 121,929</b>	<b>\$ 275,424</b>	<b>15</b>	<b>\$ 165,270</b>	<b>\$ 11,073,358</b>	<b>23</b>	<b>\$ 47,903</b>	<b>\$ 28,340</b>	<b>6</b>	<b>\$ 4,836</b>	<b>\$ 3,626</b>	<b>3</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 339,938</b>	<b>\$ 11,380,748</b>	<b>47</b>

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 Improvements	23,631	-	(23,631)	-	-	-	-	-	-	-	-	-	-	(23,631)	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>\$ 264,859</b>	<b>\$ -</b>	<b>\$ (260,498)</b>	<b>\$ -</b>	<b>\$ (260,498)</b>	<b>\$ 4,360</b>	<b>\$ -</b>	<b>\$ 4,360</b>									

**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
<b>Grand Total</b>	<b>\$ 5,512,301</b>	<b>\$ 12,477,802</b>	<b>\$ 17,990,103</b>	<b>\$ 6,053,425</b>	<b>\$ 12,055,925</b>	<b>\$ 18,109,350</b>	<b>\$ 6,089,411</b>	<b>\$ 11,393,548</b>	<b>\$ 17,482,959</b>	<b>\$ 4,894,364</b>	<b>\$ 12,427,626</b>	<b>\$ 17,321,990</b>	<b>\$ 1,513,292</b>	<b>\$ 4,036,306</b>	<b>\$ 5,549,598</b>

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.



# Public Utilities Board of the City of Brownsville, Texas

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FINANCIAL REPORTING AUDIT – GOVERNANCE COMMUNICATIONS – FY 2025

# Engagement team

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**Ben Peña, CPA, CVA, CFE**

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



**• Jose Diaz, CPA, CVA**

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

## **STAFF**

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

# Communications to Governance

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## 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

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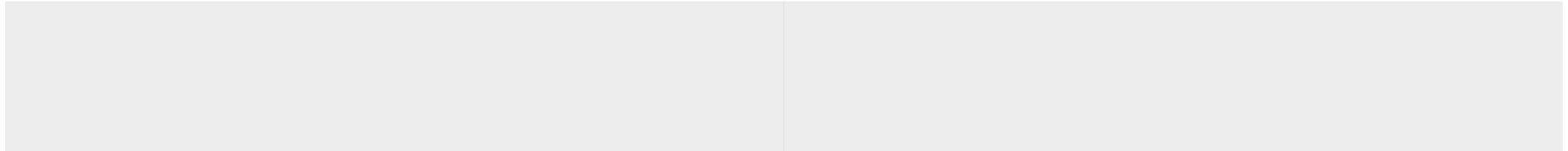
## AREA

**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.**



# 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 <b>Compliance Requirements</b> under the Uniform Guidance <b>and</b> Controls over Financial Reporting</p>	<p>U.S. Dept of Interior – US Bureau of Reclamation</p> <p><b>WaterSMART</b> Advance Metering Infrastructure <b>\$2,364,417</b></p>	<p>U.S Dept of Treasury – Through the City of Brownsville, Texas</p> <p>American Rescue Plan Act (ARPA) Downtown Water/Wastewater Improvements <b>\$7,719,421</b></p>
<p>What we audit:</p>	<p>Internal Controls over Financial Reporting (ICFR)</p> <p>Findings: <b>NONE</b></p>	<p>Internal Controls over Compliance (ICOC)</p> <p>Findings: <b>NONE</b></p>	<p>Compliance (C)</p> <p>Findings: <b>NONE</b></p>

# AUDITORS' OPINIONS & FINDINGS

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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

# Presentation, Discussion, and Possible Recommendation to Review and Update the Finance Committee Charter

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● ● ● FINANCE COMMITTEE | February 25, 2026

Miguel A. Perez

Chief Financial Officer

Finance

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



**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

# Presentation, Discussion and Possible Recommendation on the Brownsville Public Utilities Board Property Insurance

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● ● ● FINANCE COMMITTEE | February 25, 2026

Estrella Solorzano

Director of Customer and Support Services

Dept. 1130

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy shapes in shades of blue and green, creating a modern, abstract look.

# Background

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1. Advertisement to submit proposals ran in the Brownsville Herald on December 13 and 20, 2025 and on the BPUB website; available for 6.5 weeks.
2. The invitation to submit proposals was sent to 6 vendors.
3. The current policy expires on April 1, 2026.
4. The request for proposals included a 3.65% increase in the BPUB schedule of values and requested coverage for an additional 20% in policy limits.
5. One broker/agency, Marsh USA, submitted a proposal for consideration with a not to exceed policy premium of \$2,600,000 for policy year 2026 to 2027.
6. The initial program proposed by Marsh shows a potential decrease in premiums of 4.48% or \$115,956 and is included in your packet.
7. BPUB property and liability consultant Arthur J. Gallagher Risk Management Services, Inc conducted an analysis of the proposal and is recommending the approval of the program and the not to exceed premium amount as ongoing negotiations to improve the terms of the program and overall premium continue.

# BPUB Finance Committee Meeting

Property Insurance

Arthur J Gallagher Risk Management Services, Inc.  
February 12, 2026



**Gallagher**

Insurance | Risk Management | Consulting

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# 2026 Property Market

## Overall Market Conditions

Property market remains favorable to insureds, driven by strong financial results and positive reinsurance renewals.



Rate decreases expected across the board, with improvement in coverage terms.



Carriers widening appetites and participating on programs in different ways



## Reinsurance

Reinsurance Renewals predicted to be positive through H1 2026.



## Capacity

Capacity for Catastrophe exposed portfolios remains plentiful with carriers expanding existing lines and new entrants



Broker-led automatic capacity platforms continued to expand, giving clients competitive advantages



Capacity broadened for mid-sized property placements, including the introduction of new facilities and increased non-admitted alternatives



# 2026 Property Market

## Capacity – MGA's

Rapid growth could test underwriting discipline. While the capacity that MGAs bring to the market is very beneficial, the appetite for growth could lead to inadequate pricing and poor risk selection.



Capacity contracted considerably when the property market hardened. It's an important consideration when choosing a carrier.



## Severe Convective Storms (SCS)

Continue to be the top peril in terms of balance-sheet impact.



Most severe convective storm losses do not trigger catastrophe reinsurance program and primary insurers continue to absorb substantial losses from frequent SCS events.



## CAT Uncertainty

While the market remains favorable, a major U.S. hurricane landfall or significant convective storm year could disrupt the softening trend.

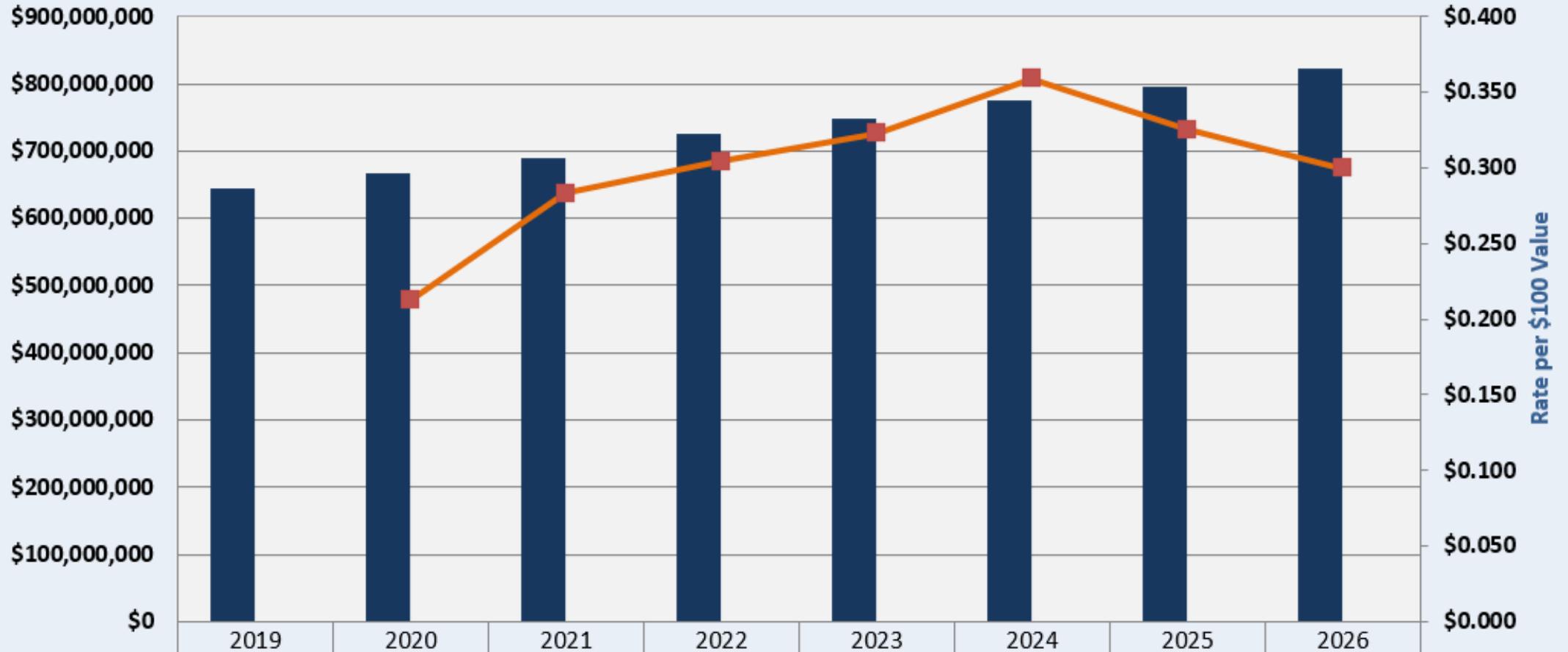
# Property Historical Review

*\*2025-2026 Property Renewal Not to Exceed Premium: \$2,600,000*

 Marsh	Brownsville Public Utilities Board						
	2020	2021	2022	2023	2024	2025	2026
Total Insurable Values	\$666,419,669	\$688,426,022	\$724,847,978	\$748,758,966	\$775,957,444	\$794,458,441	<b>\$823,477,795</b>
<b>Property</b>							
Program Premium	\$1,395,944	\$1,930,139	\$2,189,813	\$2,397,396	\$2,761,839	\$2,565,368	<b>\$2,451,042</b>
Program Composite Rate	\$0.209	\$0.280	\$0.302	\$0.320	\$0.356	\$0.323	<b>\$0.298</b>
Annual Incurred Loss	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Loss Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	<b>0.00%</b>
Total Limit	\$400,000,000	\$400,000,000	\$400,000,000	\$400,000,000	\$400,000,000	\$400,000,000	<b>\$500,000,000</b>
<b>Terrorism</b>							
Program Premium	\$19,688	\$17,706	\$16,031	\$20,365	\$21,424	\$20,059	<b>\$18,429</b>
Program Composite Rate	\$0.003	\$0.003	\$0.002	\$0.003	\$0.003	\$0.003	<b>\$0.002</b>
Annual Incurred Loss	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Loss Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	<b>0.00%</b>
Total Limit	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	<b>\$100,000,000</b>
<b>TOTAL PREMIUM</b>	<b>\$1,415,632</b>	<b>\$1,947,845</b>	<b>\$2,205,844</b>	<b>\$2,417,761</b>	<b>\$2,783,263</b>	<b>\$2,585,427</b>	<b>\$2,469,471</b>
<b>TOTAL RATE</b>	<b>\$0.212</b>	<b>\$0.283</b>	<b>\$0.304</b>	<b>\$0.323</b>	<b>\$0.359</b>	<b>\$0.325</b>	<b>\$0.300</b>
<b>YoY Total Rate Change</b>	<b>42.82%</b>	<b>33.20%</b>	<b>7.56%</b>	<b>6.11%</b>	<b>11.08%</b>	<b>-9.27%</b>	<b>-7.85%</b>
<b>YoY Total Premium Change</b>	<b>48.74%</b>	<b>38.27%</b>	<b>13.45%</b>	<b>9.48%</b>	<b>15.20%</b>	<b>-7.11%</b>	<b>-4.48%</b>



## Insurable Values, Incurred Losses & Property Composite Rate



■ Total Insurable Values	\$644,769,630	\$666,419,669	\$688,426,022	\$724,847,978	\$748,758,966	\$775,957,444	\$794,458,441	\$823,477,795
■ Annual Incurred Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
—■ Program Composite Rate		\$0.212	\$0.283	\$0.304	\$0.323	\$0.359	\$0.325	\$0.300

# Next Steps

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1. SRWA Board Meeting: March 2, 2026
2. BPUB Board Meeting: March 9, 2026

Staff Recommendation: BPUB staff recommends approval of the SRWA / BPUB property insurance as recommended by insurance consultant Arthur J. Gallagher Risk Management Services, Inc for a prorated premium amount not to exceed \$2,600,000 for policy year 2026-2027 for an annual term with the Board's option to renew for two additional consecutive 1-year periods.

# Thank You!

Paul D. Pousson, ARM, DRM  
Area Executive Vice President  
Managing Director – Higher Education Practice  
paul\_pousson@ajg.com | 512.844.8087

Cheryl Kelley| Area Vice President  
cheryl\_kelley@ajg.com | 512.652.2461



**Gallagher**

Insurance | Risk Management | Consulting

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# Your Team

*Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.*

Name/Title	Phone	Email	Role
<b>Primary Service Team</b>			
<b>Paul D. Pousson, ARM, DRM</b> Managing Director – Higher Education Practice	512.652.2443 (o) 512.844.8087 (c)	Paul_Pousson@ajg.com	Team Lead
<b>Austin Stubbs</b> Risk & Insurance Consultant	832.535.9124 (d)	Austin_Stubbs1@ajg.com	Account Executive
<b>Cheryl Kelley, CISR</b> Area Vice President	512.652.2461 (o)	Cheryl_Kelley@ajg.com	Client Service Executive
<b>Daniel Pugliano</b> Client Service Manager	512.652.2528 (o)	Daniel_Pugliano@ajg.com	Client Service Manager



# Continuation of Commercial Deposit Collections

FEBRUARY 25, 2026

• • • F I N A N C E C O M M I T T E E

# **COB Code of Ordinances & BPUB Policy**

## **Code of Ordinances: Sec. 102-106; Sec. 102-147; Sec. 102-191 - Deposit.**

The deposit for nonresidential services shall be an amount equal to the charges for an average two-month period unless the applicant complies with rules and regulations concerning credit as established by the public utilities board. The minimum deposit for nonresidential electric service shall be \$200.00. The minimum deposit for nonresidential water service shall be \$50.00. The minimum deposit for nonresidential wastewater services shall be \$50.00.

(Code 1971, § 34-82; Ord. No. 94-983-J, § 12, 11-2-1994; Code 1971, § 34-41; Ord. No. 94-983-J, § 1, 11-2-1994; Code 1971, § 34-69; Ord. No. 94-983-J, § 8, 11-2-1994)

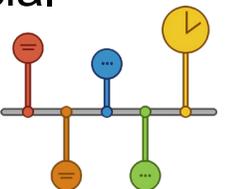
## **BPUB Deposit & Credit Policy: CSR-1000**

The Brownsville Public Utilities Board (BPUB) Deposit and Credit Policy establishes the standards to comply with City of Brownsville Code of Ordinances regarding deposits for residential and non-residential customers requesting Water, Wastewater or Electric services by establishing and implementing Credit Rules and Regulations concerning initial deposit amounts, acceptable forms of deposit for non-residential customers, reduced deposit requirements based on payment method and refunding of deposits.

(BPUB Board Adopted June 13, 2019)

# Commercial Deposit Collection Timeline

- **2019-** Staff began an internal review of commercial deposits and identified accounts with inadequate deposits or no deposit; letters were developed and sent to impacted customers
- **March 2020-** BPUB halted the collection of deposits for commercial accounts in an attempt to ease the financial impacts that the pandemic had on many businesses
- **March 2021-** IA audit of the Customer Service Department identified active commercial accounts that did not have a deposit on file
- **July 2024-** IA department identified the same finding
- **August 2024-** Customer Service Department staff sought to resume the collection of deposits from commercial customers with no deposit on file
- **May 2025-** A legal opinion from Spencer Fane was received that confirmed that BPUB had an obligation to seek the collection of deposits from existing commercial customers
- **Current-** BPUB staff is now in the process of resuming the collection of deposits for commercial customers with no deposit





February 11, 2026

██████████  
55 BPUB Drive  
Brownsville, Texas 78521

Re: BPUB Account Number(s): 55555

Dear Sir or Madam:

A review of our records indicates we currently do not have a security deposit for your account. In response to these findings, we calculated a deposit in the amount of \$700.00 is required to meet the City of Brownsville Ordinance.

**CITY OF BROWNSVILLE ORDINANCE SEC. 102-106 – DEPOSIT**

(b) The deposit for nonresidential services shall be an amount equal to the charges for an average two-month period unless the applicant complies with rules and regulations concerning credit as established by the public utilities board. The minimum deposit for nonresidential water service shall be \$50.00.

In consideration of the long-time history with your company and as long as your accounts remain on automatic payments (ACH), we can offer a reduced deposit amount from a two month average to a one month average which is \$350.00. The security deposit may be submitted in Cash or a Surety Bond. Please respond to this letter within 45 days to avoid a cash deposit from being billed to your account.

If you should have any questions please feel free to contact us at (956) 983-6121.

Sincerely,

Marly Marin  
Customer Service Supervisor

cc: File

Notifying customers in writing when a deposit is required and explaining the basis for the amount.

Offering reduced deposit options for qualifying long-standing customers enrolled in ACH payments.  
Providing flexible payment options (cash or surety bond).

Calculating required deposits in accordance with applicable ordinances and account usage history.

Allowing a response period before any deposit is billed to the account.

# Available Options & Next Steps

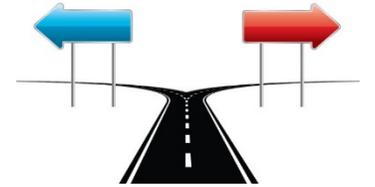
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## Deposit Types

- Surety Bond
- Irrevocable Letter of Credit (ILOC)
- Cash

## Next Steps

- Monday March 2, 2026: Resume the collection of required deposits for impacted commercial accounts.
- Customer Service Staff will exercise the Installment Plan Policy, CSR-1101 Exception, for impacted customers who request it: “Commercial accounts may be eligible for an installment plan on a case by case basis, in the sole determination by BPUB, for a substantial water leak, back billing issue, or other situation”



# Questions?

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**BROWNSVILLE**  
**PUBLIC UTILITIES BOARD**

# Adjournment

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