



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
www.hidalgocounty.us/294/Auditors-Office

September 30, 2025

The Honorable Richard F. Cortez, Hidalgo County Judge  
 The Honorable David L. Fuentes, Commissioner Precinct No. 1  
 The Honorable Eduardo Cantu, Commissioner Precinct No. 2  
 The Honorable Everardo Villarreal, Commissioner Precinct No. 3  
 The Honorable Ellie Torres, Commissioner Precinct No. 4

Dear Judge and Commissioners:

Pursuant to Local Government Code Section 115.0035 (c), we are submitting for your review the following County Auditor reports:

Department	Description
The Hon. Toribio Palacios, Criminal District Attorney	2024 Equitable Sharing Agreement and Certification Audit No. 2025-11
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	2024 Equitable Sharing Agreement and Certification Audit No. 2025-12
The Honorable Celestino Avila, Constable Hidalgo County Precinct No. 1	2024 Equitable Sharing Agreement and Certification Audit No. 2025-13
The Honorable Martin Cantu, Constable Hidalgo County Constable Precinct No. 2	2024 Equitable Sharing Agreement and Certification Audit No. 2025-14
The Honorable Lazaro Gallardo, Constable Hidalgo County Constable Precinct No. 3	2024 Equitable Sharing Agreement and Certification Audit No. 2025-15
The Honorable Atanacio "J.R." Gaitan, Constable Hidalgo County Constable Precinct No. 4	2024 Equitable Sharing Agreement and Certification Audit No. 2025-16
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	Hidalgo Wind Farm, LLC- Phase I and Phase II 2025 Tax Abatement Report No. 2025-20 and 2025-21
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	United Parcel Service, Inc. 2025 Tax Abatement Report No. 2025-22
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	City of Alamo TIRZ No. 1 (THCAO) Report No. 2025-48
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	City of Alamo TIRZ No. 1 - Report No. 2025-48
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	April 2025 DTA Payment Request Report No. 2025-34
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	Anemoui Energy Storage, LLC 2025 Tax abatement Project No. 2025-29
Myra Ayala, City Manager, City of Edinburg	City of Edinburg TIRZ No. 3 La Sienna - Report No. 2025-50
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Cash Count Audit No. 2025-64
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Cash Count Audit No. 2025-63

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Isaac Tawil, City Manager, City of McAllen	McAllen TIRZ No. 2 Report No. 2021-37 and 2022-45
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	City of Pharr TIRZ No. 2 Report No. 2025-55
The Honorable Lazaro Gallardo, Constable Hidalgo County Constable Precinct No. 3	Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-07
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	May 2025 DTA Payment Request Report No. 2025-35
Myra Ayala, City Manager, City of Edinburg	City of Edinburg TIRZ No. 4 Entertainment Center - Report No. 2025-52
Myra Ayala, City Manager, City of Edinburg	City of Edinburg TIRZ No. 1 The Shoppes - Report No. 2025-49
The Honorable Eduardo Cantu, Commissioner Hidalgo County Precinct No. 2	Sanitation Program MFR for August 2023 through December 2024
Ms. Dairen Sarmiento Rangel, Director Hidalgo County Department of Health & Human Services	Environmental Health Division MFR for August 2023 through December 2024
Ms. Angie Chapa, Law Librarian	Cash Count Audit No. 2025-66
Erika Reyna, Director Department of Human Resources	Cash Count Report No. 2025-67
The Honorable Martin Cantu, Constable Hidalgo County Precinct No. 2	MFR for January 2024 through December 2024
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	"B" Account Financial Statements for January 2025 through March 2025
Mr. Homero Garza, Fire Marshal	MFR for January 2024 through December 2024
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Inmate Trust Financial Statements for January 2023 through December 2024
The Honorable Ellie Torres, Commissioner Hidalgo County Precinct No. 4	Sanitation Program MFR for January 2024 through March 2025
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	"D" Account MFFR for March 2023 through March 2025
The Honorable Celestino Avila, Jr., Constable Hidalgo County Precinct No. 1	Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-05
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Cash Count Audit No. 2025-62
Mr. Anthony Uresti, Director of Planning	MFR for August 2023 through December 2024
Jeff Underwood, City Manager City of Alton	City of Alton TIRZ No. 1 Report No. 2025-53
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	Alton TIRZ No. 1 (THCAN) Report No. 2025-53
The Honorable Pablo "Paul" Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Alton TIRZ No. 1 Report No. 2025-53
The Hon. Toribio Palacios, Criminal District Attorney	Hot Checks Processing Fees Report for January 2025 through March 2025
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Fee Account MFR for April 2025 through June 2025
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Regular Trust Financial Statements for January 2025 through March 2025
The Honorable Toribio "Terry" Palacios, Criminal District Attorney	Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-04
The Honorable Martin Cantu, Constable Hidalgo County Precinct No. 2	Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-06
The Honorable Toribio "Terry" Palacios, Criminal District Attorney	Hot Checks Financial Statements for January 2025 through March 2025

**HIDALGO COUNTY DISTRICT JUDGES**

The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	June 2025 DTA Payment Request Report No. 2025-36
Isaac Tawil, City Manager, City of McAllen	McAllen TIRZ No. 2 Report No. 2023-45

Respectfully,



Letty Chavez  
County Auditor

Attachments

**HIDALGO COUNTY DISTRICT JUDGES**



# HIDALGO COUNTY AUDITOR'S OFFICE

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May 22, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Criminal District Attorney's Office  
100 E. Cano, 2nd Floor  
Edinburg, TX 78539

Ref: District Attorney's Office 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-11

Dear Mr. Palacios:

We conducted a limited-scope review of the District Attorney's Office Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) the revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in LINQ, the County's financial accounting system; and 2.) the expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide).

### **Executive Summary:**

Based on the results of the review, we determined that all revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice and Treasury Fund agreed to those recorded in *LINQ*. In addition, all expenditures from the Justice Fund and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds from federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. Submitting the Equitable Sharing Agreement and Certification is a prerequisite for approving any equitable sharing request. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (District Attorney's Office) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement purposes as outlined in the *Guide*. The Equitable Sharing Agreement and Certification also stipulates that the District Attorney's Office must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of Treasury. Funds from

## HIDALGO COUNTY DISTRICT JUDGES

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state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual signatures of approval are not required to be submitted along with the Equitable Sharing Report; however, the agencies must obtain approval from the governing body. The agency must maintain the fully executed Equitable Sharing Agreement.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of allowable uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. The use of Department of Treasury funds to support community-based organizations is prohibited.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the guidelines to track equitably shared funds and tangible property. At any time, the Department of Justice and the Department of Treasury may request documents related to equitable sharing. The District Attorney’s Office has developed formal monitoring procedures to fulfill the requirement as set forth by the *Guide*.

#### **District Attorney’s Office Policy for Approved Use of Forfeited Funds**

The District Attorney’s Office is responsible for administering and expending forfeited funds, ensuring that forfeited funds are used only for authorized purposes, and complying with policy and any applicable state and federal legal requirements. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioners’ Court.

Forfeited funds received by the District Attorney’s Office through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners’ Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds; and be reviewed to ensure that the use of forfeited funds supports the District Attorney’s Office strategic plan.

#### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the District Attorney’s Office Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction.

Accordingly, the opportunities for improvement presented in this letter may not include areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the District Attorney's Office Justice and Treasury Funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the District Attorney's Office Justice and Treasury Funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that all revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice and Treasury Fund agreed to those recorded in *LINQ*. In addition, all expenditures from the Justice Fund and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

If you have any questions, please contact Karen Ramirez, Compliance Audit Supervisor, at 318-2511 ext. 4656, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Rosalinda Cantu, Assistant Chief of Staff II, District Attorney's Office



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May 23, 2025

The Honorable J.E. "Eddie" Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Road  
Edinburg, TX 78540

Ref: Sheriff's Office 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-12

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Office Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) the revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in *LINQ*, the County's financial accounting system; and 2.) the expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (*Guide*).

### **Executive Summary:**

Based on the results of the review, we determined that all revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice and Treasury Fund agreed to those recorded in *LINQ*. In addition, all expenditures from the Justice and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of the Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds from Federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. Submitting the Equitable Sharing Agreement and Certification is a prerequisite for approving equitable sharing requests. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (Sheriff's Office) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement purposes as outlined in the *Guide*. The Equitable Sharing Agreement and Certification also stipulates that the Sheriff's Office must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual signatures of approval are not required to be submitted along with the Equitable Sharing Report; however, the

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

agency must obtain approval from the governing body. The agency must maintain the fully executed Equitable Sharing Agreement.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of permissible uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. The use of Department of Treasury funds to support community-based organizations is prohibited.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in the following limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the *Guide* to track equitably shared funds and tangible property. At any time, the Department of Justice or the Department of the Treasury may request documents related to equitable sharing.

#### **Sheriff's Office Policy for Approved Use of Forfeited Funds**

The Sheriff's Office is responsible for administering and expending forfeited funds, ensuring that the forfeited funds are used only for authorized purposes, and complying with policy and any applicable state and federal legal requirements. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioner's Court.

Forfeited funds received by the Sheriff's Office through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners' Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds; and be reviewed to ensure that the use of forfeited funds supports the Sheriff's Office strategic plan.

#### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the Sheriff's Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this letter may not include areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the Sheriff's Justice and Treasury funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the Sheriff's Justice and Treasury funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, all expenditures from the Justice and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager II, Sheriff's Office



# HIDALGO COUNTY AUDITOR'S OFFICE

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May 23, 2025

The Honorable Celestino Avila, Constable  
Hidalgo County Precinct No. 1  
1902 Joe Stephens Blvd. Suite 303  
Weslaco, TX 78596

Ref: Constable Precinct No. 1 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-13

Dear Constable Avila:

We conducted a limited-scope review of the Constable Precinct No. 1 Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) the revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in *LINQ*, the County's financial accounting system; and 2.) the expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (*Guide*).

### **Executive Summary:**

Based on the results of the review, we determined that all revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. There were no revenues received to and expenditures incurred from the Constable's Treasury Fund, and no expenditures incurred from the Constable's Justice Fund.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds from federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. Submitting the Equitable Sharing Agreement and Certification is a prerequisite for approving any equitable sharing request. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (Constable Precinct No. 1) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement purposes as outlined in the *Guide*. The Equitable Sharing Agreement and Certification also stipulates that the Constable Precinct No. 1 must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of Treasury. Funds from state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual signatures of approval are not required to be submitted along with the Equitable Sharing Report;

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however, the agencies must obtain approval from the governing body. The agency must maintain the fully executed Equitable Sharing Agreement.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of permissible uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. This community-based organization provision does not apply to the Department of Treasury equitable sharing funds; therefore, agencies may not use Department of Treasury Funds to support community-based organizations.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in the following limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the guidelines to track equitably shared funds and tangible property. At any time, the Department of Justice and the Department of Treasury may request documents related to equitable sharing.

#### **Constable Precinct No. 1's Office Policy for Approved Use of Forfeited Funds**

The Hidalgo County Constable Pct. 1 is responsible for administering and expending forfeited funds, ensuring that forfeited funds are used only for authorized purposes, and complying with policy and any applicable state and federal legal requirements. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioner's Court.

Forfeited funds received by Hidalgo County Constable Pct. 1 through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners' Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds; and be reviewed to ensure that the use of forfeited funds supports the Hidalgo County Constable Pct. 1 strategic plan.

#### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the Constable Precinct No. 1 Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was not designated nor intended to be a detailed study of every relevant control system, procedure, or transaction.

Accordingly, the opportunities for improvement presented in this letter may not include areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the Constable's Justice and Treasury Funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the Constable's Justice and Treasury Funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice and Treasury Fund agreed with those recorded in *LINQ*.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Joe Espinosa, Chief Deputy, Constable Precinct No. 1



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

May 30, 2025

The Honorable Martin Cantu, Constable  
Hidalgo County Constable Precinct No. 2  
300 W. Hall Acres, Ste. E  
Pharr, TX 78577

Re: Constable Precinct No. 2 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-14

Dear Constable Cantu:

We conducted a limited scope review of the Constable Precinct No. 2 Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in *LINQ*, the County's financial accounting system; and 2.) expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (*Guide*).

### **Executive Summary:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, there were no revenues received to and expenditures incurred from the Constable's Justice and Treasury Funds.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of the Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds resulting from Federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. The submission of the Equitable Sharing Agreement and Certification is a prerequisite to the approval of any equitable sharing request. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (Constable Precinct No. 2) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement purposes as set forth in the *Guide*. The Equitable Sharing Agreement and Certification also stipulates that Constable Precinct No. 2 must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual signatures of approval are not required to be submitted along with the Equitable Sharing Report;

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

however, the agency must obtain approval from the governing body. The fully executed Equitable Sharing Agreement must be maintained by the agency.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of permissible uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. This community-based organization provision does not apply to the Department of the Treasury's equitable sharing funds; therefore, agencies may not use Department of the Treasury funds to support community-based organizations.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the guidelines to track equitably shared funds and tangible property. At any time, the Department of Justice or the Department of the Treasury may request documents related to equitable sharing.

### **Constable Precinct No. 2's Office Policy for Approved Use of Forfeited Funds**

The Hidalgo County Constable Pct. 2 is responsible for administering and expending forfeited funds, ensuring that forfeited funds are used only for authorized purposes, and complying with policy and any applicable state and federal legal requirements. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioner's Court.

Forfeited funds received by Hidalgo County Constable Pct. 2 through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners' Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; and be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds.

### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the Constable's Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was not designated nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this letter may not be all-inclusive of areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the Constable's Justice and Treasury Funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the Constable's Justice and Treasury Funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, there were no revenues received to and expenditures incurred from the Constable's Justice and Treasury Funds.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Fernando Gaitan, Chief Deputy, Constable Precinct No. 2



# HIDALGO COUNTY AUDITOR'S OFFICE

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May 30, 2025

The Honorable Lazaro Gallardo, Constable  
Hidalgo County Constable Precinct No. 3  
730 N. Breyfogle Ste. B  
Mission, TX 78572

Re: Constable Precinct No. 3 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-15

Dear Constable Gallardo:

We conducted a limited scope review of the Constable Precinct No. 3 Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in *LINQ*, the County's financial accounting system; and 2.) expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide).

### **Executive Summary:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, expenditures from the Justice and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of the Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds resulting from federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. The submission of the Equitable Sharing Agreement and Certification is a prerequisite to the approval of any equitable sharing request. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (Constable Precinct No. 3) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement as outlined in the Guide. The Equitable Sharing Agreement and Certification also stipulates that Constable Precinct No. 3 must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual local signatures of approval are not required to be submitted along with the Equitable Sharing

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Report; however, the agency must obtain approval from the governing body. The fully executed Equitable Sharing Agreement must be maintained by the agency.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of permissible uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. This community-based organization provision does not apply to the Department of Treasury equitable sharing funds; therefore, agencies may not use Department of the Treasury funds to support community-based organizations.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the guidelines to track equitably shared funds and tangible property. At any time, the Department of Justice or the Department of the Treasury may request documents related to equitable sharing.

### **Constable Precinct No. 3's Office Policy for Approved Use of Forfeited Funds**

The Hidalgo County Constable Pct. 3 is responsible for administering and expending forfeited funds, ensuring that forfeited funds are used only for authorized purposes, and complying with policy and any applicable state and federal legal requirements. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioner's Court.

Any forfeited funds received by Hidalgo County Constable Pct. 3 through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners' Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds; and be reviewed to ensure that the use of forfeited funds supports the Precinct 3 Constable's Office strategic plan.

### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the Constable's Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was not designated nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly,

the opportunities for improvement presented in this letter may not include areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the Constable's Justice and Treasury Funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the Constable's Justice and Treasury Funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, expenditures from the Justice and Treasury Fund were for permissible expenses incurred for law enforcement purposes.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Gerardo Zamora, Chief Deputy, Constable Precinct No. 3



# HIDALGO COUNTY AUDITOR'S OFFICE

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May 30, 2025

The Honorable Atanacio "J.R." Gaitan, Constable  
Hidalgo County Constable Precinct No. 4  
1212 S. 25<sup>th</sup> Ave. Suite B  
Edinburg, TX 78542

Ref: Constable Precinct No. 4 2024 Equitable Sharing Agreement and Certification  
Audit No. 2025-16

Dear Constable Gaitan:

We conducted a limited scope review of the Constable Precinct No. 4 Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The objectives of the review were to determine if: 1.) revenues and expenditures reported on the Equitable Sharing Agreement and Certification agreed to those recorded in *LINQ*, the County's financial accounting system; and 2.) expenditures were permissible and incurred for law enforcement purposes pursuant to the Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (*Guide*).

### **Executive Summary:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, no expenses were incurred from the Constable's Justice and Treasury Funds.

### **Background:**

The Equitable Sharing Program is a Department of Justice and Department of the Treasury program designed to enhance cooperation among federal, state, and local law enforcement agencies by sharing proceeds resulting from Federal forfeitures. To become eligible, state or local law enforcement agencies must submit the Equitable Sharing Agreement and Certification through the eShare portal. Submission of the Equitable Sharing Agreement and Certification is a prerequisite to the approval of any equitable sharing request. Noncompliance may result in the denial of the agency's sharing request.

### **Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies**

The Equitable Sharing Agreement and Certification bind its signatories to the statutes and guidelines that regulate the equitable sharing program and certify that the agency (Constable Precinct No. 4) will comply with said guidelines and statutes. The Equitable Sharing Agreement and Certification stipulates that shared assets shall be used for law enforcement purposes as set forth in the *Guide*. The Equitable Sharing Agreement and Certification also stipulates that Constable Precinct No. 4 must agree to account separately for Federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with Federal equitable sharing funds. Actual signatures of approval are not required to be submitted along with the Equitable Sharing Report; however, the agency must obtain approval from the governing body. The agency must maintain the fully executed Equitable Sharing Agreement.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Equitable sharing funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel, with certain exceptions. The following are examples of allowable uses of equitable sharing funds: a) law enforcement operations and investigations; b) law enforcement training and education; c) law enforcement, public safety, and detention facilities; d) law enforcement equipment; e) joint law enforcement/public safety operations; f) contracts for services; g) law enforcement travel and per diem; h) law enforcement awards and memorials; i) drug, gang, and other prevention or awareness programs; j) matching grants; and k) support of community-based organizations. This community-based organization provision does not apply to the Department of the Treasury's equitable sharing funds; therefore, agencies may not use Department of the Treasury funds to support community-based organizations.

Equitable sharing funds may not be used to pay the salaries and benefits of sworn or non-sworn law enforcement personnel. However, equitable sharing funds may be used to pay salaries and benefits of current law enforcement officers and personnel in limited situations: 1) matching federal grants; 2) overtime; 3) federal task force replacement salary; and 4) specialized programs.

Participating law enforcement agencies must implement accounting procedures and internal controls that are consistent with the guidelines to track equitably shared funds and tangible property. At any time, the Department of Justice or the Department of the Treasury may request documents related to equitable sharing.

#### **Constable Precinct No. 4's Office Policy for Approved Use of Forfeited Funds**

The Hidalgo County Constable Pct. 4 is responsible for the administration and expenditure of forfeited funds, will ensure that forfeited funds are used only for authorized purposes, and will comply with policy and any applicable state and federal legal requirements for the approved use of forfeited funds. Forfeited funds may be used only for approved statutory purposes and as budgeted and approved by the Hidalgo County Commissioner's Court.

Any forfeited funds received by Hidalgo County Constable Pct. 4 through the Equitable Sharing of Federally Forfeited Property shall be administered in accordance with applicable state and federal law and U.S. Department of Justice or U.S. Department of the Treasury guidelines as appropriate.

Unless otherwise required by law or by order of a court, all forfeited money, financial instruments including but not limited to securities, negotiable instruments, stocks, or bonds, or things of value or funds from the sale of those items, shall be deposited to the appropriate Hidalgo County Special Revenue Account designated for such purposes, and thereafter expended only for law enforcement purposes in accordance with state law and any applicable federal guidelines. Forfeited funds must be administered in accordance with accepted accounting practices and in accordance with the provisions of any local agreement regarding the sharing and use of forfeited funds entered into between the attorney representing the state and law enforcement agencies. Failure to properly account for, administer, or expend forfeited funds could result in disciplinary action, up to and including termination, and could result in civil or criminal penalties.

All requests for the expenditure of forfeited funds must be documented and approved by the Hidalgo County Commissioners' Court. All requests must document a detailed list of categories for expenditure; include backup information for expenditure, if required; and be reviewed to ensure the proposed use of funds complies with applicable state and federal requirements regarding the use of forfeited funds.

#### **Scope and Methodology:**

The scope was limited to a review of the revenues and expenditures reported on the Constable's Equitable Sharing Agreement and Certification for the year ended December 31, 2024. The review was neither designated nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this letter may not include areas where improvement could be made.

More specifically, the following procedures were performed:

1. Generated revenue and expenditure reports from *LINQ* for the Constable's Justice and Treasury Funds and compared the reports to the Equitable Sharing Agreement and Certification to determine whether the revenues and expenditures reported agreed to those recorded in *LINQ*.
2. Reviewed all expenditures from the Constable's Justice and Treasury Funds to determine if the expenditures were incurred for law enforcement purposes pursuant to the *Guide*.

**Conclusion:**

Based on the results of the review, we determined that the revenues and expenditures reported on the Equitable Sharing Agreement and Certification for the Justice Fund and Treasury Fund agreed to those recorded in *LINQ*. In addition, no expenses were incurred from the Constable's Justice and Treasury Funds.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511 ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654 or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Horaldo Sanchez, Chief Deputy, Constable Precinct No. 4



# HIDALGO COUNTY AUDITOR'S OFFICE

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May 30, 2025

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540-0208

Re: United Parcel Service, Inc. 2025 Tax Abatement Report No. 2025-22

Dear Mr. Garza:

We completed a limited-scope review of the tax abatement agreement between Hidalgo County and United Parcel Service, Inc. (UPS). The objective of the review was to determine whether UPS qualifies for a tax abatement for the 2025 tax year.

**Scope and Methodology:**

The scope of the review was limited to examining the tax abatement agreement between Hidalgo County and United Parcel Service, Inc., and correspondence received from UPS regarding compliance with its terms.

**Conclusion:**

Based on the review, we determined that United Parcel Service, Inc. qualifies for a 20% tax abatement for the 2025 tax year based on the increase in newly created value ascertained from the Hidalgo County Appraisal District tax rolls.

If you have any questions please contact Enrique Leal, Internal Auditor II, at (956) 318-2511, ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



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May 30, 2025

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540-0208

Re: Hidalgo Wind Farm, LLC- Phase I and Phase II 2025 Tax Abatement Report No. 2025-20 and 2025-21

Dear Mr. Garza:

We completed a limited-scope review of the tax abatement agreements between Hidalgo County and Hidalgo Wind Farm, LLC, Phase I and Phase II. The objective of the review was to determine whether Hidalgo Wind Farm, LLC, qualifies for a tax abatement for the 2025 tax year.

**Scope and Methodology:**

The scope of the review was limited to a review of the tax abatement agreements between Hidalgo County and Hidalgo Wind Farm, LLC, Phase I and Phase II, correspondence received from Hidalgo Wind Farm, LLC, and a compliance verification letter from Hidalgo Wind Farm, LLC regarding compliance with the terms of the tax abatement agreements.

**Conclusion:**

Based on the review, we determined that Hidalgo Wind Farm, LLC, Phase I qualifies for an 80% tax abatement, and Hidalgo Wind Farm, LLC, Phase II qualifies for a 70% tax abatement for the 2025 tax year based on the capital improvement cost.

If you have any questions, please contact Karen Ramirez, Compliance Audit Supervisor, at 318-2511 ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



# HIDALGO COUNTY AUDITOR'S OFFICE

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June 2, 2025

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540

Ref: City of Alamo TIRZ No. 1 (THCAO) Report No. 2025-48

Dear Mr. Garza:

We conducted a limited scope review of the tax year 2024 list of tax accounts coded THCAO by the Hidalgo County Appraisal District (HCAD). The objective of the review was to determine whether the list only included real property accounts located within the TIRZ boundaries.

The scope of the review was limited to randomly selected property tax accounts located within the TIRZ boundaries for the tax roll 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not include all areas where improvement could be made.

As part of the review, we reviewed the agreement between Hidalgo County and the City of Alamo TIRZ No. 1, the 2024 list of tax accounts coded THCAO by HCAD, and the TIRZ map provided by the HCAD.

The results of the review revealed the following:

- The 13 tax accounts noted below are on the 2024 list of tax accounts coded THCAO; however, the tax accounts are not located within the TIRZ boundaries.

No.	Property ID	Geographic ID
1	112206	A1800-00-038-0008-05
2	112209	A1800-00-038-0008-10
3	112426	A1800-00-040-0015-00
4	237156	M4450-00-000-0005-00
5	237157	M4450-00-000-0005-05
6	274248	R5350-00-000-0000-45
7	539986	A1800-00-038-0001-08
8	555533	M1699-00-000-0001-00
9	628879	G5627-00-000-0000-00
10	666726	R5350-00-000-0000-70
11	112146	A1800-00-037-0004-05
12	539987	A1800-00-038-0001-09
13	714334	A0630-00-000-0001-00

## HIDALGO COUNTY DISTRICT JUDGES

- 4 tax accounts noted below are located within the TIRZ boundaries; however, the tax accounts were excluded from the tax year 2024 list of tax accounts coded THCAO provided by HCAD; and

No.	Property ID	Geographic ID
1	821234	A1800-00-038-0009-15
2	1019819	A1800-00-038-0009-16
3	1380349	A1800-00-038-0009-06
4	237153	M4450-00-000-0002-00

- 1 tax account is for property partially within the TIRZ boundaries (split) and requires further action (see Exhibit A).

Please make the necessary corrections and submit the revised list of tax accounts coded THCAO by HCAD to the Hidalgo County Auditor's Office and Tax Assessor/Collector's by June 13, 2025.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

## Exhibit A

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	237154	M4450-00-000-0003-00	Needs to be split by HCAD to only include account(s) within TIRZ boundary. <b>Supplement should be processed from 2008 (base) to current year.</b>	Make changes when supplement is processed by HCAD.



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
www.hidalgocounty.us/294/Auditors-Office

June 2, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 South Business Highway 281  
Edinburg, Texas 78539

Re: City of Alamo TIRZ No. 1 - Report No. 2025-48

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of Alamo Tax Increment Reinvestment Zone (TIRZ) No. 1. The objective of the review was to determine whether the TIRZ collections reports prepared by the Tax Office included collections received for all tax accounts located within the TIRZ.

The scope of the review was limited to the tax accounts located within the TIRZ for tax roll 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not include all areas where improvements could be made. Management is responsible for sound internal controls.

In conducting the review, we reviewed the TIRZ list of accounts and TIRZ collection reports provided by the Tax Office, a list of tax accounts coded THCAO by the Hidalgo County Appraisal District (HCAD), and HCAD's TIRZ Map.

The results of the review revealed the following:

- The 13 tax accounts noted below were not located within the TIRZ boundaries; however, they were included on the tax year 2024 list of accounts provided by the Tax Office.

No.	Property ID	Geographic ID
1	112206	A1800-00-038-0008-05
2	112209	A1800-00-038-0008-10
3	112426	A1800-00-040-0015-00
4	237156	M4450-00-000-0005-00
5	237157	M4450-00-000-0005-05
6	274248	R5350-00-000-0000-45
7	539986	A1800-00-038-0001-08
8	555533	M1699-00-000-0001-00
9	628879	G5627-00-000-0000-00
10	666726	R5350-00-000-0000-70
11	112146	A1800-00-037-0004-05
12	539987	A1800-00-038-0001-09
13	714334	A0630-00-000-0001-00

## HIDALGO COUNTY DISTRICT JUDGES

- 4 tax accounts noted below were located within the TIRZ boundaries; however, they were not included on the tax year 2024 list of accounts provided by the Tax Office; and

No.	Property ID	Geographic ID
1	821234	A1800-00-038-0009-15
2	1019819	A1800-00-038-0009-16
3	1380349	A1800-00-038-0009-06
4	237153	M4450-00-000-0002-00

- 1 tax account is for property partially within the TIRZ boundaries (split) and requires further action (see Exhibit A).

Please make the necessary corrections and submit a revised tax account listing and collection report for the City of Alamo TIRZ No. 1 to the County Auditor's Office by **June 16, 2025**.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Rolando Garza, Chief Appraiser

## Exhibit A

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	237154	M4450-00-000-0003-00	Needs to be split by HCAD to only include account(s) within TIRZ boundary. <b>Supplement should be processed from 2008 (base) to current year.</b>	Make changes when supplement is processed by HCAD.



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

June 10, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 S. Business Highway 281  
Edinburg, Texas 78539

Re: April 2025 DTA Payment Request Report No. 2025-34

Dear Mr. Villarreal:

We completed a limited-scope review of the April 2025 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") and related supporting documentation. The objective of the review was to determine whether the payment request was accurate and properly authorized.

The results of the review revealed that the payment request was generally accurate and properly authorized. We will process LGBS's April 2025 DTA payment request for \$149,293.94.

The scope of the review was limited to a review of the DTA fees collected by your office on behalf of the following entities: Hidalgo County (GHD), Road District 2 (RD2), Road District 5 (RD5), Road District 7 (RD7), Road District 12 (RD12), Road District 14 (RD14), Road District 15 (RD15), State of Texas (TEX); and the payment request prepared by your office for the month ended April 30, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. The responsibility for sound internal controls rests with management.

In conducting the review, the following procedures were performed:

- Verified that the payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes, penalty, and interest collections for April 2025."
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the total DTA fees collected agreed with the amount transferred to the Hidalgo County Treasurer's Office.

Based on the review, the following was noted:

- The payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes, penalty, and interest collections for April 2025."

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Although DTA fees for 144 tax accounts were not collected at the 15% rate specified in the contract; we concluded that the differences in rates were attributed to tax deferrals (141 tax accounts) and small amounts (3 tax accounts) (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for the month of April 2025 agreed to the amount transferred to the Hidalgo County Treasurer's Office.

If you have any questions please contact Alejandro Torres, Internal Auditor III, at (956) 318-2511, ext. 4644, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, Hidalgo County Executive Officer  
Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP  
Ms. Eva Mireles, Chief Deputy, Hidalgo County Tax Office

## Exhibit A

	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2024	P9100990000000E8	0.21	0.03	0.24	0.03
2	1	2023	A022500001004400	0.45	0.12	0.57	0.08
3	1	2022	W380000401000008	275.31	80.07	355.38	50.38
4	1	2022	B190043000002500	118.61	31.73	150.34	20.99
5	1	2022	L045000023000010	90.12	27.41	117.53	16.90
6	1	2022	T525002020000100	85.72	25.94	111.66	15.95
7	1	2022	K240000000032513	58.57	18.74	77.31	11.16
8	1	2022	W738203000000600	43.49	12.14	55.63	7.83
9	1	2022	S240000000001107	37.34	9.99	47.33	6.61
10	1	2022	M355000030000800	20.23	6.48	26.71	3.85
11	1	2022	D280000007000704	17.88	5.09	22.97	3.24
12	1	2021	W380000401000008	393.21	161.54	554.75	79.04
13	1	2021	W460002006001600	297.40	103.10	400.50	54.87
14	1	2021	L335400002000600	53.08	17.16	70.24	9.48
15	1	2021	C070000099000702	30.11	12.19	42.30	6.01
16	1	2021	C902000000002200	17.89	7.56	25.45	3.65
17	1	2020	T210000254001002	39.44	19.34	58.78	8.23
18	1	2020	S477000000006700	38.24	15.84	54.08	7.23
19	1	2020	T040000001001500	16.79	6.55	23.34	3.07
20	1	2018	L284000000000900	75.67	54.36	130.03	18.27
21	1	2018	O210000005000037	69.94	38.41	108.35	13.85
22	1	2018	N890001000000600	36.66	18.00	54.66	6.71
23	1	2018	C773000000000100	14.89	9.64	24.53	3.33
24	1	2017	O210000005000037	41.32	27.65	68.97	8.93
25	1	2017	T73000200C013400	40.88	21.63	62.51	7.36
26	1	2017	S095000002000400	32.26	17.82	50.08	6.00
27	1	2017	V380002010001000	3.57	2.01	5.58	0.67
28	1	2017	D680000024000700	1.20	0.99	2.19	0.31
29	1	2016	D680000024000700	15.27	14.45	29.72	4.19
30	1	2015	S295000000032765	698.45	481.93	1,180.38	133.05
31	1	2015	S265001000004100	39.94	28.86	68.80	8.15
32	1	2015	L375000006001700	0.59	0.48	1.07	0.13
33	1	2014	S295000000032765	698.45	565.75	1,264.20	145.63
34	1	2014	F766001000005600	695.32	540.03	1,235.35	134.54
35	1	2014	B190005000001500	109.36	89.30	198.66	23.13
36	1	2014	O660000000000200	55.85	42.63	98.48	10.47
37	1	2014	S160000000004815	40.31	33.05	73.36	8.58
38	1	2014	B403502000023600	23.29	25.99	49.28	6.81
39	1	2014	T527000000003500	26.04	20.56	46.60	5.19
40	1	2014	J570098005000205	13.95	13.61	27.56	3.58
41	1	2014	L020000000000900	10.32	11.58	21.90	3.03
42	1	2014	S346002005002000	2.36	2.90	5.26	0.76
43	1	2014	B158504000007600	0.29	0.24	0.53	0.06
44	1	2013	B190005000001500	132.81	124.40	257.21	30.48
45	1	2013	M490000000006401	72.66	91.13	163.79	22.89
46	1	2013	B190005000001500	99.22	92.94	192.16	22.77
47	1	2013	C112200000000400	66.85	54.84	121.69	11.84

48	1	2013	B158504000007600	0.23	0.21	0.44	0.05
49	1	2012	F766001000005600	550.45	559.62	1,110.07	126.33
50	1	2012	F766001000005600	119.62	121.60	241.22	27.45
51	1	2012	B190005000001500	65.62	69.33	134.95	16.24
52	1	2012	D460000117002000	88.86	79.97	168.83	15.73
53	1	2012	M373000000002800	55.19	50.21	105.40	10.01
54	1	2011	S295000000032765	685.83	802.42	1,488.25	180.03
55	1	2011	F766001000005600	551.36	626.71	1,178.07	136.46
56	1	2011	C880000016001200	347.98	350.29	698.27	65.77
57	1	2011	L045000211000003	222.38	223.86	446.24	42.03
58	1	2011	D460000117002000	168.51	171.88	340.39	32.86
59	1	2011	W010000023000416	9.46	10.38	19.84	2.19
60	1	2011	C005000000004905	5.90	6.04	11.94	1.16
61	1	2010	S295000000032765	521.92	673.28	1,195.20	146.40
62	1	2010	W010000029000723	157.42	176.84	334.26	32.35
63	1	2010	D460000117002000	76.89	87.65	164.54	16.38
64	1	2010	J570000001000403	56.61	64.15	120.76	11.89
65	1	2010	J570000001000403	56.61	64.15	120.76	11.89
66	1	2010	P927901000007000	13.20	15.68	28.88	3.09
67	1	2010	H510000001000100	5.84	6.19	12.03	1.03
68	1	2009	P850000000024425	129.89	178.38	308.27	36.63
69	1	2009	C902500000002900	71.82	83.55	155.37	13.47
70	1	2009	P640000023000500	28.83	51.49	80.32	11.54
71	1	2009	B157000000005500	42.20	49.65	91.85	8.16
72	1	2009	V280000002000300	26.96	32.91	59.87	5.75
73	1	2009	S477000000006600	4.94	6.25	11.19	1.16
74	1	2009	B158598000007602	0.33	0.64	0.97	0.14
75	1	2009	L045000211000003	-83.99	-103.66	-187.65	-18.90
76	1	2008	E400000011000100	74.34	107.30	181.64	20.63
77	1	2008	S350000000000200	57.85	74.25	132.10	11.89
78	1	2008	B48200000C001100	43.11	59.21	102.32	10.61
79	1	2008	D320000060000202	36.72	52.39	89.11	9.91
80	1	2008	M167000000005600	35.04	45.21	80.25	7.31
81	1	2008	M015000062000401	15.78	22.99	38.77	4.47
82	1	2008	H365003000001100	22.05	27.77	49.82	4.30
83	1	2007	S165000000002100	147.56	243.48	391.04	49.36
84	1	2007	D320000060000202	35.79	55.35	91.14	10.31
85	1	2007	P200000007001500	17.80	23.33	41.13	3.23
86	1	2007	O310009000001300	8.31	12.39	20.70	2.18
87	1	2007	M475000002001600	6.90	9.54	16.44	1.48
88	1	2007	D320000060000202	0.15	0.24	0.39	0.04
89	1	2006	S165000000002100	150.10	265.69	415.79	52.91
90	1	2006	P200000007001500	185.09	264.68	449.77	36.93
91	1	2006	V382000000016800	40.64	56.77	97.41	7.50
92	1	2006	W380000238000005	24.23	37.72	61.95	6.22
93	1	2006	W230000052000300	8.39	13.84	22.23	2.50
94	1	2006	W380000238000005	5.78	8.99	14.77	1.48
95	1	2006	L605098000001900	4.72	6.64	11.36	0.89
96	1	2006	R225001003001900	2.50	4.34	6.84	0.85
97	1	2005	S165000000002100	153.64	290.37	444.01	56.92
98	1	2005	V085000000000400	220.64	352.26	572.90	52.62

99	1	2005	P200000007001500	192.81	298.85	491.66	41.94
100	1	2005	A160003000009800	227.38	331.97	559.35	40.25
101	1	2005	W010000030000309	86.33	146.19	232.52	24.35
102	1	2005	A080000000114900	14.51	24.13	38.64	3.90
103	1	2005	C733000002002700	12.72	21.38	34.10	3.51
104	1	2004	S165000000002100	156.18	313.93	470.11	60.68
105	1	2004	P200000007001500	146.35	244.40	390.75	34.47
106	1	2004	A160003000009800	83.19	131.44	214.63	16.22
107	1	2004	V305200000005400	42.69	66.43	109.12	7.87
108	1	2004	L025000114000012	12.44	28.44	40.88	5.78
109	1	2004	W010000049001055	17.91	31.10	49.01	4.76
110	1	2004	B496504000032900	7.47	14.43	21.90	2.65
111	1	2004	C733000003001200	6.68	10.92	17.60	1.47
112	1	2003	S165000000002100	54.05	115.13	169.18	21.97
113	1	2003	B325502000002000	87.73	143.59	231.32	16.19
114	1	2003	L110002001011210	11.18	20.58	31.76	3.09
115	1	2003	C690000001000700	6.04	10.61	16.65	1.44
116	1	2003	S240000000009511	2.97	5.03	8.00	0.62
117	1	2002	S170002046001111	124.57	278.20	402.77	51.94
118	1	2002	L470000000008900	29.96	61.23	91.19	9.93
119	1	2002	L470000000008900	29.97	61.22	91.19	9.93
120	1	2002	L222500000001500	22.97	40.95	63.92	4.96
121	1	2002	S240000000009511	16.21	29.34	45.55	3.67
122	1	2002	L185002000001100	12.59	24.11	36.70	3.45
123	1	2000	E540000002002100	30.95	63.04	93.99	7.93
124	1	1998	V380002003001400	17.04	40.18	57.22	5.6
125	1	1998	A265502000002900	14.12	30.44	44.56	3.37
126	1	1998	V380002003001400	3.27	7.71	10.98	1.07
127	1	1998	F345000156000900	0.04	0.08	0.12	0.01
128	1	1997	A265502000002900	90.07	205.06	295.13	23.10
129	1	1997	V380002003001400	26.17	64.82	90.99	9.07
130	1	1996	C194000000000500	31.41	82.83	114.24	12.02
131	1	1996	S144000000005100	11.23	29.68	40.91	4.32
132	1	1996	F345000156001200	12.44	29.93	42.37	3.47
133	1	1996	A080098000111600	3.11	9.50	12.61	1.74
134	1	1995	A080000000114909	5.99	17.49	23.48	2.84
135	1	1993	L670000017000500	61.78	182.66	244.44	25.86
136	1	1982	S120000000003100	2.29	10.68	12.97	1.81
137	17	1993	L670000017000500	0.76	2.26	3.02	0.32
138	17	1982	S120000000003100	0.34	1.59	1.93	0.27
139	1	2021	T543501000000200	86.76	34.12	120.88	17.04
140	1	2021	J015000000004900	81.23	26.26	107.49	14.50
141	1	2020	L040000017000605	300.64	116.25	416.89	55.02
142	1	2020	L040000017000605	136.65	52.84	189.49	25.01
143	1	2020	T790000001001300	55.04	23.44	78.48	10.57
144	1	2012	1005900000000755	60.96	60.16	121.12	13.17



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

June 30, 2025

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540-0208

Re: Anemoi Energy Storage, LLC 2025 Tax abatement Project No. 2025-29

Dear Mr. Garza:

We completed a limited scope review of the tax abatement agreement between Hidalgo County and Anemoi Energy Storage, LLC. The objective of the review was to determine if Anemoi Energy Storage, LLC qualifies for a tax abatement for the 2025 tax year.

**Scope and Methodology:**

The scope of the review was limited to a review of the tax abatement agreement between Hidalgo County and Anemoi Energy Storage, LLC, and correspondence received from Anemoi Energy Storage regarding compliance with terms of the tax abatement agreement.

**Conclusion:**

Based on the review, we determined that Anemoi Energy Storage, LLC qualifies for 50% tax abatement for the 2025 tax year based on the increase in newly created value ascertained from the tax rolls of the Hidalgo County Appraisal District.

If you have any questions please contact Linda Vasquez, Internal Auditor III, at (956) 318-2511, ext. 4694, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Randy Perez, Economic Development Director, Hidalgo County Judge's Office  
Mr. Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District  
Mr. Troy Reed, Senior Manager- Indirect Tax Services - Property Tax, Ernst & Young

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 7, 2025

Myra Ayala, City Manager  
City of Edinburg  
415 W. University Drive  
Edinburg, Texas 78541

Re: City of Edinburg TIRZ No. 3 La Sienna - Report No. 2025-50

Dear Ms. Ayala:

We conducted a limited-scope review of the interlocal agreement between the City of Edinburg, Hidalgo County, City of Edinburg TIRZ No. 3, and Burns Brothers, Ltd. The objectives of the review were to determine the accuracy of the City of Edinburg TIRZ No. 3 2024-2025 payment request and compliance with Section IV (B)(2), Section VIII (J) of the interlocal agreement, and Tax Code §311.016.

The scope of the review was limited to the property accounts within the Edinburg TIRZ No. 3 as of January 31, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The results of the review revealed the following:

1. A payment request was submitted for \$625,261.61; however, it was determined that the payment amount should be \$702,838.59 (see Exhibit A).
2. The annual report, fact sheet, and annual financial review were submitted in compliance with Section IV (B)(2), Section VIII (J) of the interlocal agreement, and Tax Code §311.016. According to the Edinburg TIRZ No. 3, they did not have any contracts with disadvantaged businesses; therefore, the applicable report was not provided.

We will proceed to process the 2024-2025 payment in the amount of \$702,838.59.

If you have any questions, please contact Jorge Ortiz, Internal Auditor II, at 318-2511, ext. 4608; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

EXHIBIT A

6/23/25

2024 -2025 Edinburg TIRZ No. 3 - La Sienna Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Edinburg TIRZ No. 3 Calculation 2018	Edinburg TIRZ No. 3 Calculation 2019	Edinburg TIRZ No. 3 Calculation 2020	Edinburg TIRZ No. 3 Calculation 2021	Edinburg TIRZ No. 3 Calculation 2022	Edinburg TIRZ No. 3 Calculation 2023	Edinburg TIRZ No. 3 Calculation 2024	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by)</i> Hidalgo County Current (GHD) Tax Rate (.575/100)							\$ 124,495,493.00 0.00575	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ							\$ 715,849.08	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Less)</i> Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)							\$ 124,495,493.00 \$ 2,491,556.00	
Captured Appraised Value							\$ 122,003,937.00	
Captured Appraised Value <i>(multiplied by)</i> Contribution Rate (The lesser of actual tax year M&O rate or rate specified on agreement) (.5127/100)							0.005127	
Tax Levy Due to TIRZ							\$ 625,514.18	
TIRZ Collections (for February 1, 2024 through January 31, 2025) as per Collections Reports provided by Hidalgo County Tax Office							\$ 811,647.29	
<i>(divided)</i> GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ							\$ 715,849.08	
Percent Collected of Actual Levy							113.3825%	
Tax Levy Due to TIRZ <i>(Multiplied by)</i> Percent Collected of Actual Levy							\$ 625,514.18 113.3825%	
<i>(Less)</i> Administrative Cost							\$ 709,223.36	
<i>(Less)</i> Adjustments **							\$ (252.57) \$ (83,709.17)	
2024-2025 TIRZ PAYMENT AMOUNT	\$ -						\$ 625,261.61	\$ 625,261.61

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy; adjustments are made for county taxes that are delinquent for more than five years pursuant to section IV.B.9

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Auditor's Edinburg TIRZ No. 3 Calculation 2018	Auditor's Edinburg TIRZ No. 3 Calculation 2019	Auditor's Edinburg TIRZ No. 3 Calculation 2020	Auditor's Edinburg TIRZ No. 3 Calculation 2021	Auditor's Edinburg TIRZ No. 3 Calculation 2022	Auditor's Edinburg TIRZ No. 3 Calculation 2023	Auditor's Edinburg TIRZ No. 3 Calculation 2024	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by)</i> Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 41,055,343.00 0.0058	\$ 46,248,334.00 0.00575	\$ 50,493,701.00 0.00575	\$ 57,880,799.00 0.00575	\$ 75,221,040.00 0.00575	\$ 112,949,741.00 0.00575	\$ 122,377,312.00 0.00575	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 238,120.99	\$ 265,927.92	\$ 290,338.78	\$ 332,814.59	\$ 432,520.98	\$ 649,461.01	\$ 703,669.54	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Less)</i> Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 41,055,343.00	\$ 46,248,334.00	\$ 50,493,701.00	\$ 57,880,799.00	\$ 75,221,040.00	\$ 112,949,741.00	\$ 122,377,312.00	
Captured Appraised Value	\$ 2,491,556.00	\$ 2,491,556.00	\$ 2,491,556.00	\$ 2,491,556.00	\$ 2,491,556.00	\$ 2,491,556.00	\$ 2,491,556.00	
Captured Appraised Value <i>(multiplied by)</i> Contribution Rate (The lesser of actual tax year M&O rate or rate specified on agreement) (.5127/100)	\$ 38,563,787.00	\$ 43,756,778.00	\$ 48,002,145.00	\$ 55,389,243.00	\$ 72,729,484.00	\$ 110,458,185.00	\$ 119,885,756.00	
Tax Levy Due to TIRZ	\$ 196,675.31	\$ 220,359.13	\$ 242,074.82	\$ 283,980.65	\$ 372,884.06	\$ 566,208.66	\$ 614,654.27	
TIRZ Collections (for February 1, 2024 through January 31, 2025) as per Collections Reports provided by Hidalgo County Tax Office	\$ -	\$ -	\$ 3,339.30	\$ 3,337.62	\$ 5,431.95	\$ 142,389.90	\$ 657,148.52	
<i>(divided)</i> GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 238,120.99	\$ 265,927.92	\$ 290,338.78	\$ 332,814.59	\$ 432,520.98	\$ 649,461.01	\$ 703,669.54	
Percent Collected of Actual Levy	0.0000%	0.0000%	1.1501%	1.0028%	1.2559%	21.9243%	93.3888%	
Tax Levy Due to TIRZ <i>(Multiplied by)</i> Percent Collected of Actual Levy	\$ 196,675.31	\$ 220,359.13	\$ 242,074.82	\$ 283,980.65	\$ 372,884.06	\$ 566,208.66	\$ 614,654.27	
<i>(Less)</i> Administrative Cost	\$ -	\$ -	\$ 2,784.10	\$ 2,847.76	\$ 4,683.05	\$ 124,137.29	\$ 574,018.25	
<i>(Less)</i> Adjustments **	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2024-2025 TIRZ PAYMENT AMOUNT	\$ -	\$ -	\$ (2,784.10)	\$ (2,847.76)	\$ 4,683.05	\$ 124,137.29	\$ 574,018.25	\$ 702,838.59

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy; adjustments are made for county taxes that are delinquent for more than five years pursuant to section IV.B.9

\*\*\* City/County Payment Calculation Variance

\*\*\* \$ (77,576.98)



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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www.hidalgocounty.us/294/Auditors-Office

July 8, 2025

The Honorable Eddie Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count Audit No. 2025-64

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Regular Trust account on May 22, 2025, as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether the total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count.

**Scope:**

The scope of the review was limited to counting the cash on hand as of the time of the cash count. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

As part of the procedures, we verified that the cash on hand agreed with the total receipts issued up to the time of the cash count. We also reviewed the internal control structure to confirm that cash on hand was safeguarded against loss due to unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during the audit included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

**Conclusion:**

At the time of cash count, receipts had not been issued, and collections had not been made. Additionally, we observed that adequate internal controls were in place to adequately safeguard cash and ensure that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and regulations.

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Honorable Eddie Guerra  
July 8, 2025  
Page 2 of 2

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office

**HIDALGO COUNTY DISTRICT JUDGES**

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

OVERSEER



# HIDALGO COUNTY AUDITOR'S OFFICE

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PHONE: (956) 318-2511 FAX: (956) 318-2577  
www.hidalgocounty.us/294/Auditors-Office

July 8, 2025

The Honorable Eddie Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count Audit No. 2025-63

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Fee account on May 22, 2025, as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued up to the time of the cash count.

**Scope:**

The scope of our review was limited to counting the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

As part of our procedures, we verified that the cash on hand agreed with the total receipts issued up to the time of the cash count. We also reviewed the internal control structure to confirm that cash on hand was safeguarded against loss due to unauthorized use and that only authorized transactions were completed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our audit included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash count totaled \$106.00. Based on the results of the review, we determined that the total cash on hand reconciled to the total receipts issued up to the time of the cash count and the approved change fund of \$100.00. Additionally, we confirmed that adequate internal controls were in place to safeguard cash on hand appropriately and ensure that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures.

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Alejandro Torres, Internal Auditor III, at 318-2511 ext. 4644, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Honorable Eddie Guerra  
July 8, 2025  
Page 2 of 2

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager, Hidalgo County Sheriff's Office

**HIDALGO COUNTY DISTRICT JUDGES**

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OVERSEER



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July 8, 2025

Isaac Tawil, City Manager  
City of McAllen  
1300 Houston Avenue  
McAllen, TX 78501

Re: McAllen TIRZ No. 2 Report No. 2021-37 and 2022-45

Dear Mr. Tawil:

We conducted a limited scope review of the interlocal agreement between the City of McAllen, Hidalgo County, and the City of McAllen TIRZ No. 2. The objectives of the review were to determine the accuracy of the McAllen TIRZ No. 2 payment requests for tax years 2020 and 2021, compliance with Section IV (B)(2) and VII (J) of the interlocal agreement, and Tax Code § 311.016.

The scope of the review was limited to the property tax accounts within McAllen TIRZ No. 2 for tax years 2020 and 2021. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The results of the review revealed the following:

1. Payment requests were submitted for tax years 2020 and 2021 in the amounts of \$600,975.37 and \$579,298.52, respectively; however, we determined that the payment amounts should be \$714,773.32 and \$973,881.72, respectively (see Exhibit A and Exhibit B); and
2. The annual report and annual financial review were submitted in compliance with Tax Code § 311.016 and Section IV (B)(2) and VII (J) of the interlocal agreement.

We will proceed to process the 2020 and 2021 McAllen TIRZ No. 2 payment in the amount of \$1,688,655.04.

If you have any questions, please contact Karen Ramirez, Compliance Audit Supervisor, at 318-2511 ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654 or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A & Exhibit B

cc: The Honorable Richard Cortez, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

EXHIBIT A

2020-2021 McAllen TIRZ No. 2 Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	McAllenn TIRZ No. 2 Calculation 2020	McAllenn TIRZ No. 2 Calculation 2019	McAllenn TIRZ No. 2 Calculation 2018	McAllenn TIRZ No. 2 Calculation 2017	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 899,990,247.00 0.00575	\$ - 0	\$ - 0	\$ - 0	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,174,943.92	\$ -	\$ -	\$ -	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 899,990,247.00 \$ 661,253,238.00	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>Captured Appraised Value</b>	<b>\$ 238,737,009.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
Captured Appraised Value (multiplied by) 50% of M&O Rate (Per agreement s/b the lesser of .5186 or actual)	\$ 238,737,009.00 0.002522	\$ -	\$ -	\$ -	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 601,975.37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,174,943.92 \$ 5,174,943.92	\$ -	\$ -	\$ -	
<b>Percent Collected of Actual Levy</b>	<b>100.0000%</b>				
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 601,975.37 100.0000%	\$ -	\$ -	\$ -	
(Less) Administration costs **	\$ (1,000.00)	\$ -	\$ -	\$ -	
(Less) Adjustments **	\$ -	\$ -	\$ -	\$ -	
<b>2020-2021 TIRZ PAYMENT AMOUNT</b>	<b>\$ 600,975.37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,975.37</b>

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2019	County Auditor's Calculation for Tax Year 2018	County Auditor's Calculation for Tax Year 2017	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 886,843,330.00 0.00575	\$ 872,150,469.00 0.00575	\$ 780,089,277.00 0.0058	\$ 513,735,128.00 0.0058	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,099,349.15	\$ 5,014,865.20	\$ 4,524,517.81	\$ 2,979,663.74	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 886,843,330.00 \$ 488,159,495.00	\$ 872,150,469.00 \$ 488,159,495.00	\$ 780,089,277.00 \$ 488,159,495.00	\$ 513,735,128.00 \$ 488,159,495.00	
<b>Captured Appraised Value</b>	<b>\$ 398,683,835.00</b>	<b>\$ 383,990,974.00</b>	<b>\$ 291,929,782.00</b>	<b>\$ 25,575,633.00</b>	
Captured Appraised Value (multiplied by) 50% of M&O Rate (Per agreement s/b the lesser of .5186 or actual)	\$ 398,683,835.00 0.002522	\$ 383,990,974.00 0.002518	\$ 291,929,782.00 0.002550	\$ 25,575,633.00 0.002556	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 1,005,480.63</b>	<b>\$ 966,889.27</b>	<b>\$ 744,420.94</b>	<b>\$ 65,371.32</b>	
TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 3,015,666.30	\$ 592,849.91	\$ 17,809.98	\$ 1,944.08	
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,099,349.15	\$ 5,014,865.20	\$ 4,524,517.81	\$ 2,979,663.74	
<b>Percent Collected of Actual Levy</b>	<b>59.1383%</b>	<b>11.8219%</b>	<b>0.3936%</b>	<b>0.0652%</b>	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 1,005,480.63 59.1383%	\$ 966,889.27 11.8219%	\$ 744,420.94 0.3936%	\$ 65,371.32 0.0652%	
(Less) Administrative Cost	\$ 594,624.15	\$ 114,304.68	\$ 2,930.04	\$ 42.62	
(Less) Adjustments **	\$ (1,000.00)	\$ -	\$ -	\$ -	
	\$ -	\$ 4,367.88	\$ (453.58)	\$ (42.47)	
<b>2020-2021 TIRZ PAYMENT AMOUNT</b>	<b>\$ 593,624.15</b>	<b>\$ 118,672.56</b>	<b>\$ 2,476.46</b>	<b>\$ 0.15</b>	<b>\$ 714,773.32</b>

\*\* Adjustments were made to previously paid years to remove accounts account 171012 (outside TIRZ boundary) which was included in error. Also needed to add accounts within TIRZ boundary which were left off in error for year 2019.

\*\*\*City/County Payment Calculation Variance

\*\*\* \$ 113,797.95

EXHIBIT B

2021-2022 McAllen TIRZ No. 2 Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	McAllenn TIRZ No. 2 Calculation 2021	McAllenn TIRZ No. 2 Calculation 2020	McAllenn TIRZ No. 2 Calculation 2019	McAllenn TIRZ No. 2 Calculation 2018	McAllenn TIRZ No. 2 Calculation 2017	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 887,402,312.00 0.00575	\$ - 0	\$ - 0	\$ - 0	\$ - 0	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,102,563.29	\$ -	\$ -	\$ -	\$ -	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 887,402,312.00 \$ 661,253,238.00	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>Captured Appraised Value</b>	\$ 226,149,074.00	\$ -	\$ -	\$ -	\$ -	
Captured Appraised Value (multiplied by) 50% of M&O Rate (Per agreement s/b the lesser of .5186 or actual)	\$ 226,149,074.00 0.002566	\$ -	\$ -	\$ -	\$ -	
<b>Tax Levy Due to TIRZ</b>	\$ 580,298.52	\$ -	\$ -	\$ -	\$ -	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,102,563.29 \$ 5,102,563.29	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>Percent Collected of Actual Levy</b>	100.00%	0.0000%	0.0000%	0.0000%	0.0000%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 580,298.52 100.00%	\$ - 0.00%	\$ - 0.0000%	\$ - 0.0000%	\$ - 0.0000%	
(Less) Administration costs ** (Less) Adjustments **	\$ - \$ (1,000.00)	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>2021-2022 TIRZ PAYMENT AMOUNT</b>	\$ 579,298.52	\$ -	\$ -	\$ -	\$ -	\$ 579,298.52

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2021	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2019	County Auditor's Calculation for Tax Year 2018	County Auditor's Calculation for Tax Year 2017	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 880,083,954.00 0.00575	\$ 886,843,330.00 0.00575	\$ 872,150,469.00 0.00575	\$ 780,089,277.00 0.0058	\$ 513,735,128.00 0.0058	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,060,482.74	\$ 5,099,349.15	\$ 5,014,865.20	\$ 4,524,517.81	\$ 2,979,663.74	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 880,083,954.00 \$ 488,159,495.00	\$ 886,843,330.00 \$ 488,159,495.00	\$ 872,150,469.00 \$ 488,159,495.00	\$ 780,089,277.00 \$ 488,159,495.00	\$ 513,735,128.00 \$ 488,159,495.00	
<b>Captured Appraised Value</b>	\$ 391,924,459.00	\$ 398,683,835.00	\$ 383,990,974.00	\$ 291,929,782.00	\$ 25,575,633.00	
Captured Appraised Value (multiplied by) 50% of M&O Rate (Per agreement s/b the lesser of .5186 or actual)	\$ 391,924,459.00 0.002566	\$ 398,683,835.00 0.002522	\$ 383,990,974.00 0.002518	\$ 291,929,782.00 0.002550	\$ 25,575,633.00 0.002556	
<b>Tax Levy Due to TIRZ</b>	\$ 1,005,678.16	\$ 1,005,480.63	\$ 966,889.27	\$ 744,420.94	\$ 65,371.32	
TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 2,986,547.93	\$ 1,918,838.60	\$ 13,607.89	\$ 2,225.24	\$ 727.93	
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,060,482.74	\$ 5,099,349.15	\$ 5,014,865.20	\$ 4,524,517.81	\$ 2,979,663.74	
<b>Percent Collected of Actual Levy</b>	59.0171%	37.6291%	0.2714%	0.0492%	0.0244%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 1,005,678.16 59.02%	\$ 1,005,480.63 37.6291%	\$ 966,889.27 0.2714%	\$ 744,420.94 0.0492%	\$ 65,371.32 0.0244%	
(Less) Administrative Cost (Less) Adjustments **	\$ 593,522.08 \$ (1,000.00)	\$ 378,353.31 \$ -	\$ 2,624.13 \$ -	\$ 366.25 \$ -	\$ 15.95 \$ -	
<b>2021-2022 TIRZ PAYMENT AMOUNT</b>	\$ 592,522.08	\$ 378,353.31	\$ 2,624.13	\$ 366.25	\$ 15.95	\$ 973,881.72

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

\*\*\*City/County Payment Calculation Variance

\*\*\* \$ 394,583.20



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 8, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 S. Business Hwy 281  
Edinburg, Texas 78539

Re: City of Pharr TIRZ No. 2 Report No. 2025-55

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of Pharr Tax Increment Reinvestment Zone No. 2 (TIRZ). The objective of the review was to determine if TIRZ collection reports prepared by the Tax Office included collections received for all tax accounts located within the TIRZ.

The scope of the review was limited to tax accounts located within the TIRZ for the 2024 tax roll. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made. The responsibility for sound internal controls rests with management.

In conducting the review, we reviewed the TIRZ list of accounts, TIRZ collection reports provided by the Tax Office, a list of tax accounts coded THPR2 by the Hidalgo County Appraisal District (HCAD), and the TIRZ map provided by the HCAD.

The results of the review revealed that tax account number 1234876 is located within the TIRZ boundaries; however, the tax account was not included on the tax year 2024 list of tax accounts and the TIRZ collection reports provided by the Tax Office.

Please make the necessary corrections and submit a revised tax account listing and collection report for the City of Pharr TIRZ No. 2 to the County Auditor's Office by July 22, 2025.

If you have any questions, feel free to call Karen Ramirez, Compliance Audit Supervisor, at (956) 318-2511, ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MNCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



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July 8, 2025

The Honorable Lazaro Gallardo, Jr., Constable  
Hidalgo County Precinct No. 3  
730 N. Breyfogle Ste. B  
Mission, TX 78573

Re: Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-07

Dear Constable Gallardo:

We completed an audit of the Chapter 59 Asset Forfeiture Report by Law Enforcement Agency for the Year Ended December 31, 2024, pursuant to Code of Criminal Procedure §59.06 (g)(1) and Local Government Code §115.001 and §115.0035. The objective of the audit was to determine if Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

**Executive Summary:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

**Background:**

Code of Criminal Procedure (CCP) Chapter 59 "Forfeiture of Contraband" provides law enforcement agencies with the authority to confiscate, forfeit, and dispose of contraband. Chapter 59 defines "contraband" as property of any nature (including real, personal, tangible, or intangible property) that is used or intended for use in the commission of certain enumerated felonies, Class A and Class B misdemeanors, or gained, acquired, and/or used to facilitate the commission of certain enumerated felonies and misdemeanors.

Local Government Code (LGC) §115.0035(b) provides that "at least once each county fiscal year, or more often if the county auditor desires, the auditor shall, without advance notice, fully examine the accounts of all precinct, county and district officials." LGC §115.0035(a) defines "accounts" as all public funds that are subject to the control of any precinct, county or district official, including the accounts of law enforcement agencies and the attorney for the state composed of money and proceeds of property seized.

Pursuant to CCP §59.05 (f), the District Clerk is entitled to court costs in forfeitures to the state of an amount greater than \$2,500 as in other civil proceedings.

Pursuant to CCP §59.06 (a), all forfeited property is administered by the District Attorney, acting as the agent of the state, in accordance with accepted accounting practices and with the provisions of any local agreement entered into between the District Attorney and law enforcement agencies (LEAs).

Pursuant to CCP §59.06 (b), if a local agreement exists between the District Attorney and the LEA, the District Attorney may transfer the property to the LEA. In addition, CCP § 59.06 (c) states, if a local agreement exists

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between the District Attorney and the LEA, all money, securities, negotiable instruments, stocks or bonds, or things of value, or proceeds from the sale of those items shall be deposited, after the deduction of court costs which the District Clerk is entitled, into one or more of the following funds: (1) a special fund in the county treasury for the benefit of the District Attorney's Office, to be used by the District Attorney solely for the official purposes of his office; or (2) a special fund in the county treasury if distributed to a county LEA, to be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

CCP §59.06 (d) states that awarded proceeds may be spent by a law enforcement agency after a detailed budget has been submitted to Commissioners Court. The Constable Precinct No. 3 Chapter 59 budget for the year ended December 31, 2024 was \$52,462.71 and expenditures totaled \$35,778.60 (i.e., equipment, supplies, training).

Pursuant to CCP §59.06 (d-3), an expenditure of proceeds received under this chapter is considered to be for a law enforcement purpose if the expenditure is made for an activity of a law enforcement agency that relates to the criminal and civil enforcement of the laws of the State, including an expenditure made for: (1) equipment, including vehicles, computers, firearms, protective body armor, furniture, software, uniforms, and maintenance equipment; (2) supplies, including office supplies, mobile phone and data account fees for employees, and internet services; (3) investigative and training-related travel expenses, including payment for hotel rooms, airfare, meals, rental of and fuel for a motor vehicle, and parking; (4) conferences and training expenses, including fees and materials; (5) investigative costs, including payments to informants and lab expenses; (6) crime prevention and treatment programs; (7) facility costs, including building purchases, lease payments, remodeling and renovating, maintenance, and utilities; (8) witness-related costs, including travel and security; and (9) audit costs and fees, including audit preparation and professional fees.

Pursuant to CCP §59.06 (t)(1), contraband for which forfeiture is authorized with respect to an offense under section 20.05, 20.06, 20.07, 43.04, or 43.05 or Chapter 20A of the Penal Code should be used to provide direct victim services or to cover the costs of a contract with a local nonprofit organization to provide direct services to crime victims.

For the year ended December 31, 2024, the Constable Precinct No. 3 had no seizures or forfeitures.

### **Local Agreement between District Attorney's Office and Constable Precinct No. 3**

On February 3, 2023, the Hidalgo County District Attorney and Constable Precinct No. 3 entered into a local agreement pursuant to CCP §59.06 (b). According to the local agreement, Constable Precinct No. 3 is responsible for paying all court costs, attorney ad-litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs in the forfeiture of vehicles and all other personal property.

*Personal Property (Vehicles, laptops, computers, cell phones, weapons, etc...)-* If personal property, including vehicles retained by Constable Precinct No. 3 are to be sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 3 and 25% to the District Attorney.

If personal property, including vehicles that are retained by the Constable for law enforcement purposes are at any time decommissioned and then sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 3 and 25% to the District Attorney.

All property seized, except for currency, bank accounts, negotiable instruments, and jewelry, shall be kept in the possession of the Constable. The Constable shall account for all seized property in his possession until the property is disposed of by court order. All other personal property, not suitable or desired for use, shall be forfeited to the District Attorney and sold at public auction. The net proceeds of said sale of said property, after deductions of sale expenses, shall be divided as follows: 60% to Constable Precinct No. 3 and 40% to the District Attorney.

Proceeds from the sale of real, personal, tangible, or intangible property subject to the agreement shall be apportioned within thirty (30) days of said sale.

### **Constable Precinct No. 3 Procedures**

All seized currency, if possible, is counted by a minimum of two (2) deputies in the presence of a witness and the respondent(s), if possible. Funds are placed in a sealed evidence bag and immediately transported to the bank by at least two deputies, if it's within the bank's normal business hours; otherwise, the funds are transported to the Constable Precinct 3 Office. The following forms are prepared to document the seized cash:

- "Itemization of Money Seizure" is a non-pre-numbered form that includes the following information: date of seizure; case file number; deputy's name; the US currency, foreign currency, and checks by denomination, quantity, and total; and the signatures of the case deputy and seizure custodian.
- "Hidalgo County Constable Precinct 3 Receipt for Cash or Other Items" is a pre-numbered form that includes the following information: the date, time, case number, description of items and signature of the seizing deputy, witness, and respondent. A copy of the completed form is provided to the respondent.

If the funds cannot be counted in the presence of the respondent, the funds are placed in a sealed evidence bag and transported to the Constable Precinct 3 Office by at least two deputies where it is placed in a safe pending transfer to the bank. In cases where currency is seized in an amount of \$25,000.00 or more, sealed evidence bags are taken and signed into the bank vault. For these seizures, the bank requires that Constable Precinct 3 schedule an appointment with the Bank Cash Vault Services Manager. The bank employees along with at least two (2) Constable Precinct 3 employees unseal the evidence bags and count the currency. The count is recorded on an "Itemization of Money Seizure" form. Once the currency is counted, pursuant to CCP §59.08, the deputy places the seized currency in a certificate of deposit at the county depository, Lone Star National Bank, under the name of the Hidalgo County Constable Precinct 3 Department pending final disposition. If currency cannot be immediately deposited, the currency is safeguarded in a safe at the Constable Precinct 3 Office. Seized proceeds are placed in a certificate of deposit within 72 hours.

Personal property is safeguarded by Constable Precinct 3 until a final judgment is rendered by the court. Vehicles are maintained at the Constable Precinct 3 Office; however, most personal property (i.e., jewelry, cell phones, guns, etc.) is maintained at the Constable Precinct 3's evidence room. Personal property of high value is placed in a safe. The Chief Deputy and two (2) Sergeants have access to the evidence room and the safe. Once the evidence is ready to be placed in the Evidence Vault, a log is filled out with the deputy's name and badge number; date and time of seizure; case file number; description of items; and the chain of custody must be filled out for placement. The evidence room is under lock and key; has 24 hour surveillance cameras outside the room. If an item needs to be removed from the evidence room, the item is requested from one of the three employees with access to the evidence room. Property maintained in the evidence room is clearly labeled with the case number. Once the items are awarded to Constable Precinct 3, the high value small items are declared surplus and auctioned by the Hidalgo County Auctioneer. For cell phones, guns and other items, Constable Precinct 3 requests that an "Order of Disposition of Gambling Paraphernalia, Prohibited Weapon, Criminal Instrument, Other Contraband, Seized Weapon, or Stolen Property" be approved and signed by the presiding District Court Judge, granting Constable Precinct 3 authorization for destruction. A copy of the destruction order and photos of destroyed items are maintained in the case file.

When property is seized under CCP Chapter 59, the deputy is required to complete a case file consisting of the following: intake sheet; Constable Precinct 3's supplement report; booking sheet; Constable Precinct 3's intake sheet; case initiation; commitment; complaint; warrants; seizure report; drug to dollar amount conversion table; evidence submission; DPS lab submission; Miranda warnings; voluntary statement of the accused; arrest report/personal history; criminal case management report (i.e, Odyssey); defendant's criminal history; affidavit of seizing deputy; asset forfeiture intake sheet; picture of the seized property; vehicle registration information and/or copy of certificate of deposit, if applicable; reports from other law enforcement agencies, etc.

If a vehicle is forfeited to Constable Precinct 3, Constable Gallardo or the designee determine whether the vehicle should be put in use for law enforcement purposes or auctioned. If the vehicle is retained for law enforcement purposes, Constable Precinct 3 submits the Application for Registration and Certificate of title issued under Alias for Use of Law Enforcement Vehicle (Form 62-G), Application for Texas Certificate of Title (Form 130-U), and a

Certificate of Origin for a Vehicle (certified copy of final judgment) to the Texas Department of Transportation. All Constable Precinct 3 court-awarded vehicles are under "Alias" and the certificate of title is not released until a formal letter is submitted to the Texas Department of Transportation requesting the deletion of said vehicle from alias registration. Constable Precinct 3 requests an asset tag from the Hidalgo County Purchasing Department and insurance from Hidalgo County Safety Division. The Purchasing Department's Fixed Asset Division requires proof of insurance from the Hidalgo County Safety Division and a copy of the judgment in order to issue an asset tag for vehicles forfeited to Constable Precinct 3.

If a vehicle is not placed in use or if a vehicle previously put to use is no longer needed, a transfer form is prepared by Chief Deputy or his designee and the vehicle is declared surplus. Until an auction is conducted, the vehicle is safeguarded at the Constable Precinct 3 Office. In addition, a certificate of title is not obtained for vehicles not placed in use.

### **Agreement for Auctioneer Services**

On September 27, 2022 the Hidalgo County Commissioners Court entered into a contract with Bond & Bond Auctioneers for the provision of auctioneer services. The contract is effective from October 1, 2022 to September 30, 2025, with an option to extend for an additional two (2) one (1) year terms. There were five auctions held for the fiscal year ending December 31, 2024. The auctions were held on February 24th, March 23rd, July 27th, August 24th, and October 11th, 2024.

### **Scope and Methodology:**

The scope of the audit was limited to a review of all seized currency and personal property for which an agent's affidavit was made available to the County Auditor's Office for review and all forfeited currency and personal property for which a final judgment was rendered and recorded in *Odyssey*, the County's justice information system, for the period of January 1, 2024 through December 31, 2024.

The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

In conducting the audit, the following procedures were performed:

1. Compared Chapter 59 revenue and expenditure reports generated from *LINQ*, the County's financial accounting system, and the "Purchasing Department/Fixed Asset Division Auction Report" to the Chapter 59 Asset Forfeiture Report to determine if all revenues and expenditures were reported.
2. Generated "Cases filed" and "Cases disposed" index reports for the period of January 1, 2024 to December 31, 2024 from *Odyssey* to determine if all seized, forfeited, and property returned to respondents was reported on the Chapter 59 Asset Forfeiture Report.
3. Reviewed expenditures from the Constable Precinct No. 3 Chapter 59 Forfeiture Fund to determine if expenditures were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. Reviewed written policies and procedures for the accounting and reporting of seizures and forfeitures. In addition, inquired whether seizures were promptly recorded and controlled by using pre-numbered official receipt forms.

### **Conclusion:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported.

1. All Chapter 59 revenues and expenditures recorded in *LINQ* and the "Purchasing Department/Fixed Asset Division Auction Report" were reported on the Chapter 59 Asset Forfeiture Report.
2. A review of the "Cases filed" and "Cases disposed" index reports generated from *Odyssey* for the period of review revealed that the Constable Precinct No. 3 had no seizures or forfeitures.

3. All expenditures from Constable Precinct No. 3 Chapter 59 Forfeiture Fund were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. Formal policies and procedures have been developed and implemented by the Constable Precinct No. 3 Office regarding Chapter 59 seizures and forfeitures. Additionally, pre-numbered official receipt forms were used to record and control seizures.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511 ext. 4656, Karen Ramirez, Compliance Audit Supervisor, ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Kent Richardson, Assistant Attorney General



# HIDALGO COUNTY AUDITOR'S OFFICE

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EDINBURG, TEXAS 78539-6243

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July 15, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 S. Business Highway 281  
Edinburg, Texas 78539

Re: May 2025 DTA Payment Request Report No. 2025-35

Dear Mr. Villarreal:

We completed a limited scope review of the May 2025 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") and related supporting documentation. The objective of the review was to determine if the payment request was accurate and properly authorized.

The results of the review revealed that the payment request was generally accurate and properly authorized. We will proceed to process the May 2025 DTA payment request of \$129,072.45 to LGBS.

The scope of the review was limited to a review of the DTA fees collected by your office on behalf of the following entities: Hidalgo County (GHD), Road District 2 (RD2), Road District 5 (RD5), Road District 7 (RD7), Road District 12 (RD12), Road District 14 (RD14), Road District 15 (RD15), State of Texas (TEX); and the payment request prepared by your office for the month ended May 31, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. The responsibility for sound internal controls rests with management.

In conducting the review, the following procedures were performed:

- Verified that the payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes and penalty and interest collections for the month of May 2025."
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the total amount of DTA fees collected agreed to the amount transferred to the Hidalgo County Treasurer's Office.

Based on the review, the following was noted:

- The payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes and penalty and interest collections for the month of May 2025."

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Although DTA fees for 141 tax accounts were not collected at the 15% rate specified in the contract, we concluded that the differences in rates were attributed to tax deferrals (140 tax accounts) and small amounts (1 tax account) (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for May 2025 agreed to the amount transferred to the Hidalgo County Treasurer's Office.

If you have any questions, please contact Alejandro Torres, Internal Auditor III, at (956) 318-2511, ext. 4644; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, Hidalgo County Executive Officer  
Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP  
Ms. Eva Mireles, Chief Deputy, Hidalgo County Tax Office

## Exhibit A

	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2022	H490000477000602	106.17	33.80	139.97	20.06
2	1	2022	H383000000014700	86.03	26.89	112.92	16.13
3	1	2022	T525002020000100	81.22	24.91	106.13	15.11
4	1	2022	T525002020000100	71.26	21.85	93.11	13.25
5	1	2022	S477000000022800	59.13	18.49	77.62	11.09
6	1	2022	K240000000032513	57.78	18.74	76.52	11.01
7	1	2022	D280000007000704	17.82	5.15	22.97	3.23
8	1	2022	C070000099000702	10.66	3.08	13.74	1.94
9	1	2021	M18450000001400	749.47	262.95	1,012.42	138.28
10	1	2021	G166003000004100	147.41	53.43	200.84	27.64
11	1	2021	C070000099000702	22.46	9.19	31.65	4.48
12	1	2021	L335400002000600	20.90	6.84	27.74	3.73
13	1	2021	C902000000002200	17.97	7.67	25.64	3.67
14	1	2020	B190018000000400	387.37	153.01	540.38	70.89
15	1	2020	L284503000001400	164.91	92.08	256.99	37.10
16	1	2020	G166003000004100	171.98	82.98	254.96	35.34
17	1	2020	C715002006002300	175.21	73.30	248.51	33.12
18	1	2020	S477000000006700	38.15	15.96	54.11	7.21
19	1	2020	T040000001001500	16.74	6.61	23.35	3.06
20	1	2019	L590000002000700	291.68	129.80	421.48	53.38
21	1	2019	C715002006002300	93.48	50.32	143.80	19.35
22	1	2018	C773000000000100	14.70	9.58	24.28	3.28
23	1	2018	W010098042000206	11.68	7.41	19.09	2.56
24	1	2017	P350000000004000	328.36	198.12	526.48	65.02
25	1	2017	K867001000003100	66.16	37.60	103.76	12.50
26	1	2017	T73000200C013400	40.84	21.78	62.62	7.35
27	1	2017	D680000024000700	16.87	14.02	30.89	4.32
28	1	2016	E650000006001000	56.97	33.66	90.63	10.25
29	1	2016	R080002000010302	34.89	20.39	55.28	6.18
30	1	2016	B505197000004300	3.07	2.22	5.29	0.66
31	1	2015	R284805000001000	87.51	70.22	157.73	19.56
32	1	2015	W250000156000910	15.11	10.44	25.55	2.85
33	1	2015	L583003000012100	11.47	8.48	19.95	2.38
34	1	2015	E470000003001700	9.90	6.97	16.87	1.93
35	1	2015	C030000196002300	4.97	3.45	8.42	0.95
36	1	2014	E470000003001700	48.75	40.18	88.93	10.38
37	1	2014	O660000000000200	53.22	40.85	94.07	9.98
38	1	2014	E330000124000300	41.60	37.41	79.01	9.80
39	1	2014	E330000124000300	41.60	37.41	79.01	9.80
40	1	2014	J570098005000205	13.92	13.65	27.57	3.57
41	1	2014	L020000000000900	10.28	11.61	21.89	3.03
42	1	2014	E015700000009800	12.88	11.21	24.09	2.94
43	1	2014	B403502000023600	7.75	8.68	16.43	2.27
44	1	2014	H347500177000007	6.85	5.25	12.10	1.28
45	1	2014	S957581747519900	0.27	0.36	0.63	0.10
46	1	2013	H185000180001000	78.59	67.91	146.50	15.33
47	1	2013	L165001001000200	34.20	29.90	64.10	6.82

48	1	2013	C112200000000400	33.37	27.51	60.88	5.91
49	1	2013	P696500000000300	26.30	24.13	50.43	5.76
50	1	2013	P696500000000300	13.14	12.07	25.21	2.88
51	1	2013	C112200000000400	4.92	4.05	8.97	0.87
52	1	2011	S005000002000600	218.16	239.43	457.59	49.74
53	1	2011	J570000008002056	170.17	183.92	354.09	37.52
54	1	2011	O810002000000700	160.87	161.01	321.88	29.68
55	1	2011	W010000023000416	55.31	61.08	116.39	12.78
56	1	2011	A370000027001500	1.98	3.06	5.04	0.72
57	1	2010	P550000002002000	246.82	269.26	516.08	46.65
58	1	2010	J570000008002056	170.17	204.34	374.51	40.59
59	1	2010	S477000000036200	84.73	94.90	179.63	17.28
60	1	2010	O810002000000700	73.99	82.94	156.93	14.98
61	1	2010	J570000001000403	56.51	64.28	120.79	11.87
62	1	2010	J570000001000403	56.51	64.27	120.78	11.86
63	1	2010	E330000124000300	20.06	27.68	47.74	6.17
64	1	2010	T525000019005000	20.96	27.79	48.75	6.16
65	1	2010	P550000002002000	32.28	35.21	67.49	6.10
66	1	2010	H510000001000100	24.84	26.44	51.28	4.40
67	1	2009	S005000002000600	220.43	294.83	515.26	58.19
68	1	2009	P550000002002000	215.83	261.35	477.18	44.68
69	1	2009	S477000000036200	167.47	207.67	375.14	37.18
70	1	2009	P640000023000500	28.78	51.53	80.31	11.53
71	1	2009	S477000000006600	48.25	61.33	109.58	11.29
72	1	2009	S477000000006600	41.59	52.85	94.44	9.73
73	1	2009	E330000124000300	25.10	37.63	62.73	8.17
74	1	2009	B157000000005500	42.11	49.74	91.85	8.15
75	1	2009	S350000000000200	32.56	38.02	70.58	6.11
76	1	2009	M015000062000401	3.10	4.15	7.25	0.82
77	1	2008	S477000000036200	110.16	149.82	259.98	26.44
78	1	2008	D320000060000202	36.81	52.68	89.49	9.94
79	1	2008	M167000000005600	40.78	52.78	93.56	8.50
80	1	2008	M167000000005600	40.79	52.77	93.56	8.50
81	1	2008	S350000000000200	26.52	34.14	60.66	5.45
82	1	2008	H365003000001100	22.00	27.82	49.82	4.29
83	1	2008	M015000062000401	12.75	18.63	31.38	3.62
84	1	2007	S477000000036200	115.13	170.38	285.51	29.70
85	1	2007	W380000238000005	27.12	39.09	66.21	6.47
86	1	2007	C730000021000800	5.64	10.82	16.46	2.30
87	1	2007	M475000002001600	2.39	3.32	5.71	0.51
88	1	2006	S477000000036200	80.39	128.63	209.02	22.19
89	1	2006	L43500000G000502	86.84	125.97	212.81	17.97
90	1	2006	W010000030000309	15.29	24.11	39.40	4.04
91	1	2006	W230000052000300	8.39	13.86	22.25	2.49
92	1	2006	C730000021000800	4.17	8.48	12.65	1.77
93	1	2006	R225001003001900	2.48	4.35	6.83	0.85
94	1	2005	W010000030000309	72.32	122.76	195.08	20.39
95	1	2005	A080000000114900	14.49	24.16	38.65	3.89
96	1	2005	G805000000013100	5.38	8.19	13.57	1.09
97	1	2004	S477000000036200	112.66	207.29	319.95	35.15
98	1	2004	G805000000013100	94.68	155.35	250.03	20.88

99	1	2004	L025000114000012	12.42	28.46	40.88	5.78
100	1	2004	V305200000005400	27.14	42.35	69.49	5.01
101	1	2004	B496504000032900	7.47	14.44	21.91	2.64
102	1	2004	S725002008000200	6.73	12.01	18.74	1.92
103	1	2003	S240000000009511	19.72	33.42	53.14	4.11
104	1	2002	S240000000013410	51.53	103.44	154.97	16.16
105	1	2002	L470000000008900	29.92	61.27	91.19	9.92
106	1	2002	L185002000001100	12.56	24.13	36.69	3.45
107	1	2002	S477000000036200	0.67	1.39	2.06	0.23
108	1	2001	T527000000008800	40.93	90.88	131.81	15.29
109	1	2001	E540000002002100	31.85	61.17	93.02	7.60
110	1	2001	M167000000002200	27.83	52.88	80.71	6.38
111	1	2000	M167000000002200	125.27	253.15	378.42	31.01
112	1	2000	F345000156000900	2.94	5.59	8.53	0.58
113	1	2000	E540000002002100	1.11	2.27	3.38	0.29
114	1	1999	S165000000001600	8.85	18.34	27.19	2.08
115	1	1997	M368000000004100	18.85	56.05	74.90	10.38
116	1	1997	G230000003000500	9.12	28.59	37.71	5.40
117	1	1996	G230000003000500	113.97	371.26	485.23	69.58
118	1	1996	S144000000005100	11.23	29.70	40.93	4.31
119	1	1996	S144000000005100	11.23	29.69	40.92	4.31
120	1	1996	F345000156001200	8.55	20.61	29.16	2.39
121	1	1996	A080098000111600	2.59	7.92	10.51	1.45
122	1	1994	L670000017000500	65.11	184.94	250.05	26.07
123	1	1994	L670000017000500	54.44	154.64	209.08	21.8
124	1	1993	L670000017000500	10.11	29.94	40.05	4.23
125	1	1982	S120000000003100	2.29	10.68	12.97	1.81
126	1	1982	S120000000003100	2.29	10.68	12.97	1.81
127	1	1982	S120000000003100	-2.29	-10.68	-12.97	-1.81
128	17	1993	L670000017000500	0.13	0.38	0.51	0.05
129	17	1982	S120000000003100	0.34	1.59	1.93	0.27
130	17	1982	S120000000003100	0.34	1.59	1.93	0.27
131	17	1982	S120000000003100	-0.34	-1.59	-1.93	-0.27
132	1	2012	W010098049001060	5.71	7.91	13.62	1.92
133	1	1987	S525001043003500	2.02	7.45	9.47	1.07
134	1	1986	S525001043003500	8.59	32.65	41.24	4.68
135	12	1987	S525001043003500	0.29	1.08	1.37	0.15
136	12	1986	S525001043003500	1.59	6.04	7.63	0.87
137	1	2022	T543501000000200	118.99	33.02	152.01	21.24
138	1	2022	T543501000000200	26.97	7.49	34.46	4.81
139	1	2021	T543501000000200	66.85	26.57	93.42	13.14
140	1	2017	O300095007000001	79.39	67.81	147.20	20.84
141	1	2016	O300095007000001	39.40	38.39	77.79	11.06



# HIDALGO COUNTY AUDITOR'S OFFICE

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July 18, 2025

Myra Ayala, City Manager  
City of Edinburg  
415 W. University Drive  
Edinburg, Texas 78541

Re: City of Edinburg TIRZ No. 4 Entertainment Center - Report No. 2025-52

Dear Ms. Ayala:

We conducted a limited-scope review of the interlocal agreement between the City of Edinburg, Hidalgo County, and the City of Edinburg TIRZ No. 4. The objectives of the review were to determine the accuracy of the Edinburg TIRZ No. 4 2024-2025 payment request and compliance with Sections IV (B)(2) and VII (J) of the interlocal agreement and Tax Code § 311.016.

The scope of the review was limited to the property accounts within Edinburg TIRZ No. 4 as of January 31, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The results of the review revealed the following:

1. A payment request was submitted for \$93,658.98; however, it was determined that the payment amount should be \$110,217.20 (see Exhibit A); and
2. The annual report and annual financial review were submitted in compliance with Tax Code §311.016 and Sections IV (B)(2) and VII (J) of the interlocal agreement.

We will process the 2024-2025 Edinburg TIRZ No. 4 payment of \$110,217.20.

If you have any questions, please contact Jorge Ortiz, Internal Auditor II, at 318-2511, ext. 4608; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: The Honorable Richard Cortez, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

EXHIBIT A

2024-2025 Edinburg TIRZ No. 4 - Entertainment Center

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Edinburg TIRZ No. 4 Calculation 2024	Edinburg TIRZ No. 4 Calculation 2023	Edinburg TIRZ No. 4 Calculation 2022	Edinburg TIRZ No. 4 Calculation 2021	Edinburg TIRZ No. 4 Calculation 2020	Edinburg TIRZ No. 4 Calculation 2019	Edinburg TIRZ No. 4 Calculation 2018	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.5750/100)</i>	\$ 25,396,335.00 0.00575							
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 146,028.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 25,396,335.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i>	2,340,271.00	-	-	-	-	-	-	
<b>Captured Appraised Value</b>	<b>\$ 23,056,064.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
Captured Appraised Value <i>(multiplied by) Contribution Rate (80% of the lesser of agreement M&amp;O rate [0.5225] or actual tax year M&amp;O rate).</i>	\$ 23,056,064.00 0.0041056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 94,658.98</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i>	\$ 157,019.51 \$ 146,028.93							
<b>Percent Collected of Actual Levy</b>	<b>107.5263%</b>							
Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i>	\$ 94,658.98 107.5263%							
<i>(Less) Adjustments **</i>	\$ 101,783.30 \$ (7,124.32)							
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	<b>\$ (1,000.00)</b> <b>\$ 93,658.98</b>							<b>\$ 93,658.98</b>

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2024	County Auditor's Calculation for Tax Year 2023	County Auditor's Calculation for Tax Year 2022	County Auditor's Calculation for Tax Year 2021	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2019	County Auditor's Calculation for Tax Year 2018	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.5750/100)</i>	\$ 25,396,335.00 0.00575	\$ 25,372,667.00 0.00575	\$ 24,939,103.00 0.00575	\$ 24,585,289.00 0.00575	\$ 24,064,445.00 0.00575	\$ 23,901,923.00 0.00575	\$ 23,259,100.00 0.0058	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 146,028.93	\$ 145,892.84	\$ 143,399.84	\$ 141,365.41	\$ 138,370.56	\$ 137,436.06	\$ 134,902.78	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 25,396,335.00	\$ 25,372,667.00	\$ 24,939,103.00	\$ 24,585,289.00	\$ 24,064,445.00	\$ 23,901,923.00	\$ 23,259,100.00	
<i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i>	\$ 444,933.00	\$ 444,933.00	\$ 444,933.00	\$ 444,933.00	\$ 444,933.00	\$ 444,933.00	\$ 444,933.00	
<b>Captured Appraised Value</b>	<b>\$ 24,951,402.00</b>	<b>\$ 24,927,734.00</b>	<b>\$ 24,494,170.00</b>	<b>\$ 24,140,356.00</b>	<b>\$ 23,619,512.00</b>	<b>\$ 23,456,990.00</b>	<b>\$ 22,814,167.00</b>	
Captured Appraised Value <i>(multiplied by) Contribution Rate (80% of the lesser of agreement M&amp;O rate [0.5225] or actual tax year M&amp;O rate).</i>	\$ 24,951,402.00 0.004150	\$ 24,927,734.00 0.004101	\$ 24,494,170.00 0.004138	\$ 24,140,356.00 0.004106	\$ 23,619,512.00 0.004034	\$ 23,456,990.00 0.004029	\$ 22,814,167.00 0.004080	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 103,548.32</b>	<b>\$ 102,228.64</b>	<b>\$ 101,356.88</b>	<b>\$ 99,120.30</b>	<b>\$ 95,281.11</b>	<b>\$ 94,508.21</b>	<b>\$ 93,081.80</b>	
TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i>	\$ 142,171.69 \$ 146,028.93	\$ 14,847.82 \$ 145,892.84	\$ - \$ 143,399.84	\$ - \$ 141,365.41	\$ - \$ 138,370.56	\$ - \$ 137,436.06	\$ - \$ 134,902.78	
<b>Percent Collected of Actual Levy</b>	<b>97.3586%</b>	<b>10.1772%</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.0000%</b>	
Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i>	\$ 103,548.32 97.3586%	\$ 102,228.64 10.1772%	\$ 101,356.88 0.0000%	\$ 99,120.30 0.0000%	\$ 95,281.11 0.0000%	\$ 94,508.21 0.0000%	\$ 93,081.80 0.0000%	
<i>(Less) Administrative Cost</i>	\$ 100,813.19	\$ 10,404.01	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>(Less) Adjustments **</i>	\$ (1,000.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	<b>\$ 99,813.19</b>	<b>\$ 10,404.01</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,217.20</b>

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

\*\*\* City/County Payment Calculation Variance

\*\*\*

\$ (16,558.22)



# HIDALGO COUNTY AUDITOR'S OFFICE

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July 22, 2025

Myra Ayala, City Manager  
City of Edinburg  
415 W. University Drive  
Edinburg, Texas 78541

Re: City of Edinburg TIRZ No. 1 The Shoppes - Report No. 2025-49

Dear Ms. Ayala:

We conducted a limited scope review of the interlocal agreement between the City of Edinburg, Hidalgo County, and City of Edinburg TIRZ No. 1. The objectives of the review were to determine the accuracy of the City of Edinburg TIRZ No. 1 2024-2025 payment request and compliance with Section 3 (b) of the interlocal agreement and Tax Code §311.016.

The scope of the review was limited to the property accounts within Edinburg TIRZ No. 1 as of January 31, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The results of the review revealed the following:

1. A payment request was submitted for \$248,021.28; however, it was determined that the payment amount should be \$247,674.84 (see Exhibit A).
2. The annual report was submitted in compliance with Tax Code §311.016 and Section 3 (b) of the interlocal agreement.

We will proceed to process the 2024-2025 Edinburg TIRZ No. 1 payment of \$247,674.84.

If you have any questions, please contact Jake Solis, Internal Auditor II, at (956) 318-2511, ext. 4656; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

EXHIBIT A

2024-2025 Edinburg TIRZ No. 1 - The Shoppes Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Edinburg TIRZ No. 1 Calculation 2024	Edinburg TIRZ No. 1 Calculation 2023	Edinburg TIRZ No. 1 Calculation 2022	Edinburg TIRZ No. 1 Calculation 2021	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 60,628,419.00 0.00575				
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 348,613.41				
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 60,628,419.00 \$ 1,495,937.00				
<b>Captured Appraised Value</b>	\$ 59,132,482.00				
Captured Appraised Value (multiplied by) Contribution Rate ( Per agreement s/b the lesser of current M&O Rate or 88% of County Rate)	\$ 59,132,482.00 0.005060				
<b>Tax Levy Due to TIRZ</b>	\$ 299,210.36				
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 288,972.43 \$ 348,613.41				
<b>Percent Collected of Actual Levy</b>	82.8919%				
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 299,210.36 82.8919%				
(Less) Adjustments **	\$ 248,021.28				
<b>2023-2024 TIRZ PAYMENT AMOUNT</b>	\$ 248,021.28	\$ -			\$ 248,021.28

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2024	County Auditor's Calculation for Tax Year 2023	County Auditor's Calculation for Tax Year 2022	County Auditor's Calculation for Tax Year 2021	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 60,569,433.00 0.00575	\$ 60,665,984.00 0.00575	63,046,364.00 0.00575	63,148,066.00 0.00575	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 348,274.24	\$ 348,829.41	\$ 362,516.59	\$ 363,101.38	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 60,569,433.00 \$ 1,577,021.00	\$ 60,665,984.00 \$ 1,577,021.00	\$ 63,046,364.00 \$ 1,577,021.00	\$ 63,148,066.00 \$ 1,577,021.00	
<b>Captured Appraised Value</b>	\$ 58,992,412.00	\$ 59,088,963.00	\$ 61,469,343.00	\$ 61,571,045.00	
Captured Appraised Value (multiplied by) Contribution Rate ( Per agreement s/b the lesser of current M&O Rate or 88% of County Rate)	\$ 58,992,412.00 0.005060	\$ 59,088,963.00 0.005060	\$ 61,469,343.00 0.005060	\$ 61,571,045.00 0.005060	
<b>Tax Levy Due to TIRZ</b>	\$ 298,501.60	\$ 298,990.15	\$ 311,034.88	\$ 311,549.49	
TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 288,972.43 \$ 348,274.24	\$ - \$ 348,829.41	\$ - \$ 362,516.59	\$ - \$ 363,101.38	
<b>Percent Collected of Actual Levy</b>	82.9727%	0.0000%	0.0000%	0.0000%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 298,501.60 82.9727%	\$ 298,990.15 0.0000%	\$ 311,034.88 0.0000%	\$ 311,549.49 0.0000%	
(Less) Administrative Cost	\$ 247,674.84	\$ -	\$ -	\$ -	
(Less) Adjustments **		\$ -	\$ -	\$ -	
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	\$ 247,674.84	\$ -	\$ -	\$ -	\$ 247,674.84

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

\*\* \$ 346.44

\*\*\* City/County Payment Calculation Variance



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 22, 2025

The Honorable Eduardo Cantu, Commissioner  
Hidalgo County Precinct No. 2  
300 W. Hall Acres Suite G  
Pharr, Texas 78577

Re: Sanitation Program MFR for August 2023 through December 2024

Dear Commissioner Cantu:

We conducted a limited-scope review of the Sanitation Program Monthly Fee Report (MFR) and supporting documentation for the months of August 2023 through December 2024, pursuant to Local Government Code §115.002(a) and (b). The objective of the review was to determine if fees collected were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Based on the review, we concluded that fees collected were generally properly accounted and reported.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months of August 2023 through December 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits were issued in sequential order.
- Verified that procedures for voiding receipts and permits were properly followed.
- Reviewed *Cashier's Daily Close-out Report/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Verified that the collections per the MFR agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that receipts, Close-out Reports, and the MFR were properly completed.

**Conclusion:**

Based on the review, we concluded that fees collected were generally properly accounted and reported. Total collections for the months of August 2023 through December 2024 were as follows:

<b>Month Ended</b>	<b>Amount</b>
August 2023	\$ 6,375.00
September 2023	\$ 6,400.00
October 2023	\$ 6,200.00
November 2023	\$ 7,525.00
December 2023	\$ 7,125.00
January 2024	\$ 7,975.00
February 2024	\$ 6,950.00
March 2024	\$ 7,500.00
April 2024	\$ 8,150.00
May 2024	\$ 9,425.00
June 2024	\$ 7,075.00
July 2024	\$ 9,100.00
August 2024	\$ 8,325.00
September 2024	\$ 7,650.00
October 2024	\$ 6,500.00
November 2024	\$ 7,475.00
December 2024	\$ 9,025.00

If you have any questions, please contact Jorge Ortiz, Internal Auditor II, at 318-2511, ext. 4608, Karen Ramirez, Audit Compliance Supervisor, at ext. 4656, Yvonne Torres, Director of Audit Division at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654 or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Erika Zamora, Director of Administration, Hidalgo County Precinct No. 2



# HIDALGO COUNTY AUDITOR'S OFFICE

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July 22, 2025

Ms. Dairen Sarmiento Rangel, Director  
Hidalgo County Department of Health & Human Services  
1304 S. 25th Street  
Edinburg, Texas 78539

Re: Environmental Health Division MFR for August 2023 through December 2024

Dear Ms. Sarmiento:

We conducted a limited-scope review of the Environmental Health Division Monthly Fees Report (MFR) and supporting documentation for the months of August 2023 through December 2024, pursuant to Local Government Code §115.002(a) and (b). The objective of the review was to determine if fees collected were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary**

Based on the review, we concluded that fees collected were properly accounted and reported.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months of August 2023 through December 2024. The review was not intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts were issued in sequential order.
- Verified that procedures for voiding receipts were properly followed.
- Reviewed *Daily Remittance/Close-out Reports* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Verified that the collections per the MFR agreed to: 1.) total receipts issued by the Environmental Health Division; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that receipts, Close-out Reports, and the MFR were properly completed.

**Conclusion:**

Based on the review, we concluded that fees collected were generally properly accounted and reported. Total collections for the months of August 2023 through December 2024 were as follows:

<b>Month Ended</b>	<b>Amount</b>
August 2023	\$ 28,540.00
September 2023	\$ 27,695.00
October 2023	\$ 29,670.00
November 2023	\$ 48,265.00
December 2023	\$ 44,770.00
January 2024	\$ 33,315.00
February 2024	\$ 22,445.00
March 2024	\$ 29,470.00
April 2024	\$ 32,085.00
May 2024	\$ 28,900.00
June 2024	\$ 20,965.00
July 2024	\$ 32,930.00
August 2024	\$ 33,540.00
September 2024	\$ 31,510.00
October 2024	\$ 17,885.00
November 2024	\$ 22,185.00
December 2024	\$ 21,015.00

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez,  
County Auditor

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Diana Cortes, Program Manager III



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 22, 2025

Ms. Angie Chapa, Law Librarian  
Hidalgo County Law Library  
100 N. Closner Blvd.  
Edinburg, Texas 78539

Re: Cash Count Audit No. 2025-66

Dear Ms. Chapa:

We conducted a surprise cash count of the cash held at your office on June 27, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

**Scope:**

The scope of the review was limited to counting the cash on hand as of the time of the cash count. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

As part of the procedures, we verified that collections on hand agreed with the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during the cash count included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash count totaled \$300.00. Based on the results of the review, we determined that total cash on hand reconciled to the approved change fund of \$300.00. There were no collections at the time of the cash count. In addition, we determined that adequate internal controls were in place to properly safeguard cash on hand and ensure that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures.

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Jake Solis, Internal Auditor II, at 318-2511 ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Ms. Angie Chapa  
July 22, 2025  
Page 2 of 2

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE CONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

OVERSEER



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 22, 2025

Erika Reyna, Director  
Department of Human Resources  
505 S. McColl Rd., Suite A  
Edinburg, Texas 78539

Re: Cash Count Report No. 2025-67

Dear Ms. Reyna:

We conducted a surprise cash count of the cash held at the Department of Human Resources Employee Benefits Division on July 8, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

### **Executive Summary:**

There were no collections at the time of the cash count; however, we noted that the system of internal controls for collecting and safeguarding cash requires improvement. More specifically, we noted that cash collections are transported and delivered to the County Treasurer's Office in an unsecured interdepartmental envelope.

### **Scope:**

The scope of the review was limited to counting the cash on hand as of the time of the cash count. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

As part of the procedures, we verified that collections on hand agreed with the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during the cash count included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

### **Conclusion:**

There were no collections at the time of the cash count; however, the system of internal controls for the collection and safeguarding of cash requires improvement, as noted in the observation below.

Management is responsible for establishing and maintaining a sound internal control system. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft and that transactions are executed in accordance with management's authorization and recorded properly.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

**Observation No. 1:**

We noted that deposits were transported to the County Treasurer’s Office in an interdepartmental envelope. According to staff, they have a locked cash bag; however, they do not use it when transporting deposits.

Pursuant to the Cash Handling Guidelines, when transporting deposits to the bank or the County Treasurer’s Office, as applicable, cash must be secured in a locked cash bag. The courier should exercise caution when transporting deposits by not taking the key to the cash bag and varying the time and route.

Failure to ensure that collections are secured in a locked cash bag during transportation increases the risk of loss or misuse of County revenues.

**Recommendation:**

Management should ensure that a locked cash bag is used when transporting deposits.

Please provide a management response to the observation noted above on the attached Management Response Form by August 6, 2025. The Management Response Form should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Enrique Leal IV, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

<b>AUDITEE:</b>	<u>Department of Human Resources Employee Benefits Division</u>	<b>AUDIT NO.:</b>	<u>2025-67</u>
<b>AUDIT:</b>	<u>Cash Count</u>	<b>MANAGEMENT RESPONSE DUE:</b>	<u>August 6, 2025</u>
<b>REPEAT AUDIT OBSERVATION No.:</b>	<u>1</u>	<b>RECOMMENDATION:</b>	<u>1</u>

Management should ensure that a locked cash bag is used when transporting deposits.

---

**Management Response (Choose One):**

                     **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
                     **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
                     **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

---

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

---



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 22, 2025

The Honorable Martin Cantu, Constable  
Hidalgo County Precinct No. 2  
300 W. Hall Acres, Ste. E  
Pharr, TX 78577

Re: MFR for January 2024 through December 2024

Dear Constable Cantu:

We conducted a limited scope review of the Constable Precinct No. 2 *Monthly Fees Report* (MFR) and supporting documentation for the months of January 2024 through December 2024 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Base on the review, we concluded that fees collected were generally properly accounted and reported.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months January 2024 through December 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts were issued in sequential order.
- Verified that procedures for voiding receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Report/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the MFR agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that receipts, Close-out Reports, and the MFR were properly completed.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

**Conclusion:**

Base on the review, we concluded that fees collected were generally properly accounted and reported. Total collections for the months of January 2024 through December 2024 were as follows:

<b>Month Ended</b>	<b>Amount</b>
January 2024	\$ 11,933.00
February 2024	\$ 12,854.00
March 2024	\$ 7,468.00
April 2024	\$ 10,100.00
May 2024	\$ 15,767.00
June 2024	\$ 17,406.00
July 2024	\$ 16,642.00
August 2024	\$ 22,271.00
September 2024	\$ 6,170.00
October 2024	\$ 15,021.00
November 2024	\$ 12,047.00
December 2024	\$ 9,843.00

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511 ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Fernando Gaitan, Chief Deputy, Hidalgo County Precinct No. 2



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 22, 2025

The Honorable J.E. "Eddie" Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: "B" Account Financial Statements for January 2025 through March 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the months ended January 2025 through March 2025 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for preparing the financial statements, including the design, implementation, and maintenance of internal controls relevant to this. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

Based on our review, nothing came to our attention that led us to believe the financial statements contained any material misstatement.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at (956) 318-2511, ext. 4641; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



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July 22, 2025

Mr. Homero Garza, Fire Marshal  
Hidalgo County Fire Marshal's Office  
2814 S Business Hwy 281  
Edinburg, Texas 78539

Re: MFR for January 2024 through December 2024

Dear Mr. Garza:

We conducted a limited scope review of the Fire Marshal's *Monthly Fees Report* (MFR) and supporting documentation for the months of January 2024 through December 2024 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fees collected were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Based on the review, we concluded that fees were generally properly accounted and reported. However, the system of internal controls for accounting, reporting, receipting, and collection of proper fees requires improvement. More specifically, we noted that:

- Fees were not collected in accordance with the fee schedule approved by Commissioners Court; and
- Not all checks accepted for payment contained the required information.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months of January 2024 through December 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts were issued in sequential order.
- Verified that procedures for voiding receipts were properly followed.

## HIDALGO COUNTY DISTRICT JUDGES

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- Reviewed *Daily Remittance* forms to determine if fees collected were properly accounted and deposited with the County Treasurer on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the MFR agreed to total receipts issued and the deposits made with the County Treasurer.
- Verified that receipts, *Daily Remittance* forms, and the MFR were properly completed.

**Conclusion:**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported; however, the system of internal controls for accounting, reporting, receipting, and collection of proper fees requires improvement, as noted in the observations below. Total collections for the months of January 2024 through December 2024 were as follows:

Month Ended	Amount
January 2024	\$ 12,010.00
February 2024	\$ 11,465.75
March 2024	\$ 10,215.00
April 2024	\$ 16,914.69
May 2024	\$ 9,811.25
June 2024	\$ 11,334.50
July 2024	\$ 16,631.75
August 2024	\$ 20,087.50
September 2024	\$ 23,765.50
October 2024	\$ 45,156.32
November 2024	\$ 8,304.50
December 2024	\$ 15,819.85

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management’s authorization and recorded properly.

**Observation No. 1:**

We noted shortages and overages were incurred totaling \$663.50 and \$75.00, respectively, as follows:

**Shortages:**

- Collections were short \$73.50 on April 29, 2024 (Receipt No. 32880). The amount collected was \$200.00 instead of \$273.50 for a building permit fee for a project with a valuation of \$270,000.
- Collections were short \$440.00 on August 28, 2024 (Receipt No. 33623). The amount collected was \$1,040.00 instead of \$1,480.00 for a building permit fee for a project with a valuation of \$1,800,000. The \$440.00 shortage was later collected on April 22, 2025 (Receipt No. 35083) after the shortage was brought to the attention of the Fire Marshal’s Office.
- Collections were short \$75.00 on November 27, 2024 (Receipt No. 34183). The amount collected was \$151.50 instead of \$226.50 for a fire alarm system permit for over 200 devices (303 devices).
- Collections were short \$75.00 on December 12, 2024 (Receipt No. 34307). The amount collected was \$160.50 instead of \$235.50 for a fire alarm system permit for over 200 devices (321 devices).

**Overages:**

- Collections were over \$75.00 on November 6, 2024 (Receipt No. 34068). The amount collected was \$380.00 instead of \$305.00 for a building permit fee for a project with a valuation of \$300,000. A refund request has not been submitted to the County Auditor’s Office.

The Fire Marshall's Office did not provide an explanation for the shortages and overages.

Pursuant to Local Government Code §352.016, Commissioners Court of a County shall prescribe a reasonable fee for an inspection performed by the County Fire Marshal. According to the fee schedule approved by the Commissioners Court on May 27, 2014:

- A \$200.00 fee for the first \$200,000 valuation, plus \$1.05 per \$1,000 or fraction of value over \$200,000, must be collected on a building permit with a project valuation exceeding \$200,000 but not exceeding \$1,000,000.
- A \$1,040.00 fee for the first \$1,000,000 valuation plus \$0.55 per \$1,000 or fraction of value over \$1,000,000 must be collected on a building permit with a project valuation over \$1,000,000 up to \$5,000,000.
- A fee of \$100.00 for the first 50 devices plus \$0.50 per device must be collected on a fire alarm system permit.

The County Auditor's Office requires that cash receipts be deposited intact on a daily basis. A county officer is personally liable for the loss of funds (e.g., shortage, acceptance of counterfeit bill, hot check, credit card charges back, etc.) while in his/her possession in the performance of official duties. All shortages must be replenished and overages must be deposited.

Failure to ensure that fees are properly collected may result in the loss of County revenue.

**Recommendation:**

Management should monitor all shortages and overages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action. Management should replenish the \$223.50 shortage or request indemnification from Commissioners Court pursuant to Local Government Code §157.903. In addition, a refund request should be submitted to the Auditor's Office as soon as possible for the overcollection of funds that have not been reimbursed to the constituent.

**Observation No. 2:**

We noted that not all checks accepted for payment contained the required information. In some cases, checks were missing the date, the purpose of the payment, or were not made payable to Hidalgo County or the appropriate County official's title. Additionally, we noted that a temporary check was accepted.

According to the Cash Handling Guidelines, before accepting a check as payment, the cashier must verify that the date on the check matches the date when payment is presented. Stale-dated or post-dated checks should not be accepted. The payer's name, address, driver's license number, date of birth, and phone number are pre-printed on the face of the check. If any of this information is missing, the cashier must request this information and record it on the check. Temporary checks should not be accepted. The cashier must request identification to verify the information on the check. Third-party checks are not allowed. The check must be payable to Hidalgo County or a County official's title. The memo line should include sufficient details to identify the purpose of the payment. The check's numeric and written dollar amounts must agree and reflect the exact amount due.

Failure to ensure that checks contain the required information before accepting them for payment could lead to the loss or misuse of County funds.

**Recommendation:**

Management should ensure that cashiers verify checks contain all required information before accepting them for payment. At a minimum, the procedures noted above should be implemented.

Please provide a written management response to the observations noted above on the attached Management Response Forms by August 6, 2025. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Management Response Forms

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Eric Sanchez, Chief Deputy Fire Marshal







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July 24, 2025

The Honorable J.E “Eddie” Guerra, Sheriff  
Hidalgo County Sheriff’s Office  
711 El Cibolo Rd.  
Edinburg, Texas 78540

Re: Inmate Trust Financial Statements for January 2023 through December 2024

Dear Sheriff Guerra:

We conducted a limited-scope review of the Inmate Trust financial statements and their supporting documentation for January 2023 through December 2024 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for preparing financial statements and for designing, implementing, and maintaining internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

## Executive Summary

Based on the results of the audit, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements. However, we noted that the system of internal controls for the accounting of inmate trust funds requires improvement. More specifically, we noted the following:

- The amounts on the “Inmate Account Journal” and “Commissary Sales” reports generated from *Odyssey* do not agree.
- The amounts on the “Inmate with Account Balances” report from *Odyssey* and the “Held in Trust” report from *QuickBooks* do not agree.
- Checks, receipts, and deposit slips were not always properly voided or submitted.
- Not all checks were accurately and properly recorded in *Odyssey*.
- The amount due from inmates totaled \$3,392.70 at the end of December 2024.
- 125 checks were issued without the department head’s signature.
- Checks no. 359647, 369465, and 377572 were out of sequence and unaccounted for.
- Unauthorized transactions were posted to the Inmate Trust bank account.
- We noted shortages and overages were incurred, totaling \$0.36 (shortage) and \$0.72 (overage).

## HIDALGO COUNTY DISTRICT JUDGES

**Repeat Observation No. 1:**

The totals on the "Inmate Account Journal" and the "Commissary Sales" reports generated from *Odyssey* do not agree.

Month Ended	Inmate Account Journal	Commissary Sales Report	Variance
January 2023	\$ 168,400.65	\$ 168,400.66	\$ (0.01)
February 2023	\$ 159,764.64	\$ 159,764.64	No Variance
March 2023	\$ 193,746.96	\$ 193,746.95	\$ 0.01
April 2023	\$ 165,511.14	\$ 165,500.33	\$ 10.81
May 2023	\$ 191,564.97	\$ 191,564.97	No Variance
June 2023	\$ 191,531.13	\$ 191,519.48	\$ 11.65
July 2023	\$ 197,410.32	\$ 197,367.65	\$ 42.67
August 2023	\$ 198,649.27	\$ 198,691.93	\$ (42.66)
September 2023	\$ 185,980.01	\$ 185,980.01	No Variance
October 2023	\$ 196,476.69	\$ 196,476.71	\$ (0.02)
November 2023	\$ 185,363.12	\$ 185,363.14	\$ (0.02)
December 2023	\$ 167,180.22	\$ 167,180.22	No Variance
January 2024	\$ 188,886.56	\$ 188,797.91	\$ 88.65
February 2024	\$ 188,913.43	\$ 188,913.86	\$ (0.43)
March 2024	\$ 192,918.14	\$ 192,837.41	\$ 80.73
April 2024	\$ 229,875.14	\$ 229,851.04	\$ 24.10
May 2024	\$ 219,300.82	\$ 219,300.82	No Variance
June 2024	\$ 189,919.21	\$ 189,919.20	\$ 0.01
July 2024	\$ 225,232.40	\$ 225,158.15	\$ 74.25
August 2024	\$ 201,921.77	\$ 201,921.80	\$ (0.03)
September 2024	\$ 187,808.93	\$ 187,808.89	\$ 0.04
October 2024	\$ 217,524.98	\$ 217,524.98	No Variance
November 2024	\$ 190,880.89	\$ 190,880.94	\$ (0.05)
December 2024	\$ 215,955.13	\$ 215,955.20	\$ (0.07)

The "Inmate Account Journal" indicates the amount deducted from each inmate for Commissary purchases. The "Commissary Sales" report indicates the amount of purchases made during the month. The totals on the "Inmate Account Journal" and the "Commissary Sales" reports should agree. The Sheriff's Office could not provide a reason for the variance. Tyler Technologies (*Odyssey*) has been made aware of the issue; however, the issue has not been resolved.

Failure to ensure that the totals on the "Inmate Account Journal" and the "Commissary Sales" report agree may result in the loss of County funds.

**Recommendation:**

We recommend that the Sheriff's Office continue to communicate with Tyler Technologies and the Information Technology Department to ensure that the issue is resolved.

**Repeat Observation No. 2:**

The totals on the "Inmate with Account Balances" report from *Odyssey* and the "Held in Trust" report from *QuickBooks* do not agree. The unidentified variances ranged from (\$12.99) to \$938.85.

Month Ended	Held in Trust (QB)	Inmate Accounts with Balances (Odyssey)	Variance
January 2023	\$ 61,166.71	\$ 61,067.33	\$ 99.38
February 2023	\$ 74,362.38	\$ 74,223.93	\$ 138.45
March 2023	\$ 56,204.27	\$ 56,065.11	\$ 139.16
April 2023	\$ 77,804.56	\$ 77,796.66	\$ 7.90
May 2023	\$ 72,997.69	\$ 72,962.79	\$ 34.90
June 2023	\$ 69,176.43	\$ 69,189.42	\$ (12.99)
July 2023	\$ 64,230.95	\$ 64,201.27	\$ 29.68
August 2023	\$ 57,739.12	\$ 57,344.45	\$ 394.67
September 2023	\$ 59,006.08	\$ 58,966.74	\$ 39.34
October 2023	\$ 67,627.76	\$ 67,242.07	\$ 385.69
November 2023	\$ 48,970.96	\$ 48,490.31	\$ 480.65
December 2023	\$ 67,258.70	\$ 66,778.05	\$ 480.65
January 2024	\$ 53,241.78	\$ 52,667.18	\$ 574.60
February 2024	\$ 61,849.71	\$ 60,910.86	\$ 938.85
March 2024	\$ 88,837.83	\$ 87,898.98	\$ 938.85
April 2024	\$ 74,382.07	\$ 73,679.98	\$ 702.09
May 2024	\$ 80,726.22	\$ 80,090.37	\$ 635.85
June 2024	\$ 90,205.06	\$ 89,646.88	\$ 558.18
July 2024	\$ 69,734.60	\$ 69,157.27	\$ 577.33
August 2024	\$ 59,845.08	\$ 59,373.23	\$ 471.85
September 2024	\$ 76,212.37	\$ 75,748.65	\$ 463.72
October 2024	\$ 58,013.20	\$ 57,570.26	\$ 442.94
November 2024	\$ 73,951.41	\$ 73,559.21	\$ 392.20
December 2024	\$ 80,349.29	\$ 80,014.09	\$ 335.20

The “Inmate Account with Balances” report indicates the amount of funds held in trust for each inmate. The “Held in Trust” report indicates the total funds held in trust for each inmate on the Sheriff’s Inmate Trust Financial Statement. The totals on the “Inmate account with Balances” and “Held in Trust” reports should agree. The Sheriff’s Office could not provide a reason for the variances. Tyler Technologies (*Odyssey*) has been made aware of the issue; however, the issue has not been resolved.

Failure to ensure that the “Inmate Account with Balances” and “Held in Trust” reports agree may result in the loss of County funds.

**Recommendation:**

We recommend that the Sheriff’s Office continue to work with Tyler Technologies to determine the reason for the variances.

**Repeat Observation No. 3:**

We noted that at times, voided checks, receipts, and deposit slips did not contain an explanation for the void, the date the receipt was void, the cashier’s signature, or the supervisor’s signature of approval. In addition, voided checks, receipts, and deposit slips were not always submitted to the County Auditor’s Office.

The County Auditor’s Office requires that approval of voided checks, receipts, and deposit slips be obtained before voiding. Approval of void checks, receipts, and deposit slips should be limited to supervisors. The supervisor should ensure that the original and all copies of the void checks, receipts, and deposit slips contain on the face of the receipt the word “void”, an explanation for the void, the date of voided, the cashier’s signature, and the supervisor’s signature of approval. In addition, the supervisor should ensure that if a new

check, receipt, and/or deposit slip is issued, the voided number and the new number are cross-referenced. All copies of the voided checks, receipts, and deposit slips must be submitted to the Auditor's Office.

Failure to properly void checks, receipts, and deposit slips and submit them to the County Auditor's Office may result in the loss or misuse of County funds.

**Recommendation:**

Management should train staff regarding the proper procedures for voiding checks, receipts, and deposit slips. At a minimum, the procedures listed above should be implemented.

**Repeat Observation No. 4:**

We noted that not all checks were accurately and properly recorded in *Odyssey*. More specifically, the following was noted:

- Not all checks recorded on the Inmate Trust Financial Statements were posted in *Odyssey*.
- Check numbers are entered manually in *Odyssey*.
- Checks are not properly voided in *Odyssey*.
- Not all checks recorded in *Odyssey* were disbursed to inmates.

According to staff, the discrepancies are attributed to incorrect data entered into *Odyssey* by staff at the jail.

The "Inmate Account Journal" report generated from *Odyssey* reports the total disbursements issued to inmates. Similarly, the Inmate Trust Financial Statements record all checks issued during the month. The amount on the "Inmate Account Journal" report and the Inmate Trust Financial Statements should agree.

Failure to ensure that all checks are accurately and properly recorded in *Odyssey* may result in the loss of County funds.

**Recommendation:**

Management should ensure that all checks are accurately and properly recorded in *Odyssey*. Additionally, management should communicate with Tyler Technologies and the Information Technology Department to ensure that the sequence of checks and the check date are automated in *Odyssey*.

**Repeat Observation No. 5:**

We noted that the amount due from inmates totaled \$3,392.70 at the end of December 2024. The outstanding receivable balance is due to the following:

- 4 checks totaling \$178.83 cleared the bank twice in February 2021, October 2023, and January 2024.
- 3 inmates requested replacement checks totaling \$233.30 after claiming they lost the initial check; however, in all three instances, both the initial check and replacement check cleared the bank.
- 5 inmate accounts reflected duplicate deposits totaling \$140.10. The inmates were released before the duplicate deposits were corrected in *Odyssey*. According to Sheriff's Office staff, the duplicate deposits are a result of a glitch in *Odyssey*.
- 9 inmates were issued a check for the wrong amount, in error, totaling \$547.55.
- 1 unauthorized ACH transfer for \$200.00 cleared the bank in July 2023.
- 1 check was fraudulently altered to increase the amount by \$1,999.92. The check cleared the bank in March 2024.
- 2 inmates were transferred from different detention centers (Webb County Sheriff's Office and TDCJ) with checks totaling \$93.00. The deposits were reflected on the inmate's accounts; however, the bank charged back both checks. The inmates were released with checks before the deposits were corrected in *Odyssey*.

According to Sheriff's Office staff, attempts to collect from inmates are made if a phone number is on file. However, the phone call is not formally documented, and inmates are not contacted more than twice; the inmate's account will reflect a negative balance to ensure that the funds are collected if the inmate is rebooked at the jail. These procedures have not been formalized or approved by the Department Head.

The County Auditor's Office requires that formal procedures be implemented for collecting funds owed to the Inmate Trust account. Additionally, staff must verify that checks have not cleared the bank and place a stop payment before issuing replacement checks.

Failure to ensure that formal procedures are implemented for collecting funds owed to the Inmate Trust account will result in the loss of County funds.

**Recommendation:**

Management should implement formal procedures for collecting funds owed to the Inmate Trust Account. At a minimum, the procedures should ensure that staff, before issuing replacement checks, verify that the checks have not cleared the bank and that a stop payment has been placed. Additionally, management should communicate with Tyler Technologies and the Information Technology Department (IT) to discuss why duplicate deposits are posted in *Odyssey* and ensure all duplicate deposits are reversed in a timely manner to avoid over-disbursements to inmates.

The \$3,392.70 should be replenished or a request for indemnification from the Commissioners Court pursuant to Local Government Code §157.903.

**Repeat Observation No. 6:**

We noted that 125 cleared checks were missing the department head's signature. According to staff, the checks were issued without a signature in error.

The County Auditor's Office requires that proper procedures be implemented for issuing checks. At a minimum, a supervisor should verify that all checks are made for the correct amount, contain the payee name, date, and include the department head or designee's signature.

Failure to verify that checks are properly issued may result in the loss or misuse of County funds.

**Recommendation:**

Management should train staff regarding the proper procedures for issuing checks. At a minimum, the procedures listed above should be implemented.

**Repeat Observation No. 7:**

We noted that checks No. 359647, 369465, and 377572 were out of sequence and unaccounted for in *QuickBooks* and *Odyssey*. The Sheriff's Office was unable to explain the reason for the missing checks. As of the date of this letter, the checks had not cleared the bank.

Persons who accept accountable forms (i.e., permits, receipts, etc.) become responsible, upon receipt, for the accountability and safeguarding of such forms. Loss or theft of accountable forms must be promptly reported to the County Auditor's Office. The written notification should include a statement of the circumstances concerning the loss. Accountable forms reported lost or stolen must be marked "Void" in the electronic application system. Management must also monitor all missing accountable forms to determine if there is a pattern meriting further investigation, modification of procedures, retraining of personnel, or disciplinary action.

Failure to ensure that all checks are properly accounted for and safeguarded may result in the loss of County funds.

**Recommendation:**

Management should ensure that all checks are properly accounted for and safeguarded. At a minimum, the procedures noted above should be implemented.

**Observation No. 8:**

Twenty-six (26) unauthorized ACH electronic transfers (\$9,458.54) and fourteen (14) fraudulent checks (\$18,769.50) totaling \$28,228.04 cleared the bank during FY 2023 and 2024.

ACH Electronic Transfers:

- 8 transfers totaling \$5,397.73 were disputed, and credit was provided by the bank.
- 18 transfers (\$4,060.81) were not disputed within the 24-hour "dispute" period; therefore, credit was not provided by the bank.

Fraudulent Checks:

- 11 checks totaling \$15,668.67 were flagged by *Positive Pay*, and the Sheriff's Office staff responded to the flag and credit was provided.
- 3 checks totaling \$3,100.83 were flagged by *Positive Pay*; however, the checks cleared the bank since staff did not respond to the flag. Additionally, the transactions were not disputed within the 90-day "dispute" period.

*Positive Pay* is a service provided by the bank to help detect fraud by matching the checks issued by the Sheriff's Office against checks presented for payment. If the account number, check number, and/or dollar amount of a check presented for payment do not match against a list of checks previously authorized and issued by the Sheriff's Office, the bank will flag the check to require additional review and confirmation from the Sheriff's Office. If a response is not provided, the check will proceed to clear the bank. Additionally, fraudulent check transactions have a 90-day dispute period to be resolved by the bank. ACH transactions have a 24-hour dispute period to ensure that unauthorized ACH transactions are "returned"/credited.

**Recommendation:**

Management should develop and implement formal procedures to ensure that only authorized transactions are processed and posted to the Inmate Trust bank account. Management should replenish the \$6,961.64 or request indemnification from Commissioners Court pursuant to Local Government Code §157.903.

**Observation No. 9:**

We noted shortages and overages were incurred, totaling \$0.36 and \$0.72, respectively, as follows:

**Shortages:**

- Deposits were short \$0.06 on April 15, 2024 (Deposit slip 73002885).
- Deposits were short \$0.06 on April 16, 2024 (Deposit slip 73002886).
- Deposits were short \$0.24 on October 8, 2024 (Deposit slip 73003012).

**Overages:**

- Deposits were over \$0.52 on December 7, 2023 (Deposit slip 73002790).
- Deposits were over \$0.10 on April 15, 2024 (Deposit slip 73002882).
- Deposits were over \$0.10 on October 7, 2024 (Deposit slip 73003011).

According to staff, the cause of the overage and shortages could not be determined.

The County Auditor's Office requires that the cashier reconcile the cash drawer against receipts issued and the change fund, if any, using the *Cashier's Daily Close-Out Report* (the Close-Out Report) daily. The reconciliation must be witnessed by another person. The witness must confirm that the amount recorded by the

cashier on *Part II Cash on Hand by Actual Count* agrees with the receipts issued and the change fund, if any. Any variances must be noted in the *Comments Section* with a detailed explanation.

Management should monitor all overage and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action. A county officer is personally liable for the loss of funds (e.g., shortage, acceptance of counterfeit bill, hot check, credit card charge back, etc.) while in his/her possession in the performance of official duties.

Failure to ensure that funds deposited with the County's financial institution agree with the amounts received in *Odyssey* software may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that funds deposited with the County's financial institution agree with the amounts received in *Odyssey*.

Please provide a written management response to the abovementioned observations on the attached Management Response Forms by **August 8, 2025**. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Francisco Saenz, Internal Auditor IV, at 318-2511, ext. 4667, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,



Letty Chavez,  
County Auditor

Enclosure: Management Response Form

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Daniel Salinas, Director, Information Technology Department  
Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office  
Gerardo Beltran, Accountant IV, Hidalgo County Sheriff's Office



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025  
**FINDING No.:** 1      **RECOMMENDATION:** 1

We recommend that the Sheriff's Office continue to communicate with Tyler Technologies and the Information Technology Department to ensure that the issue is resolved.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025  
**FINDING No.:** 2      **RECOMMENDATION:** 2

We recommend that the Sheriff's Office continue to work with Tyler Technologies to determine the reason for the variances.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_

**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025

**FINDING No.:** 3      **RECOMMENDATION:** 3

Management should train staff regarding the proper procedures for voiding checks, receipts, and deposit slips. At a minimum, the procedures listed above should be implemented.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025  
**FINDING No.:** 4      **RECOMMENDATION:** 4

Management should ensure that all checks are accurately and properly recorded in *Odyssey*. Additionally, management should communicate with Tyler Technologies and the Information Technology Department to ensure that the sequence of checks and the check date are automated in *Odyssey*.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

AUDITEE: Sheriff's Office      AUDIT NO.: \_\_\_\_\_  
Inmate Trust Financial  
AUDIT: Statements for January 2023      MANAGEMENT  
through December 2024      RESPONSE DUE: August 8, 2025  
FINDING No.: 6      RECOMMENDATION: 6

Management should train staff regarding the proper procedures for issuing checks. At a minimum, the procedures listed above should be implemented.

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Management Response (Choose One):

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

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Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025  
**FINDING No.:** 7      **RECOMMENDATION:** 7

Management should ensure that all checks are properly accounted for and safeguarded. At a minimum, the procedures noted above should be implemented.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Inmate Trust Financial  
Statements for January 2023  
through December 2024      **MANAGEMENT  
RESPONSE DUE:** August 8, 2025  
**FINDING No.:** 8      **RECOMMENDATION:** 8

Management should develop and implement formal procedures to ensure that only authorized transactions are processed and posted to the Inmate Trust bank account. Management should replenish the \$6,961.64 or request indemnification from Commissioners Court pursuant to Local Government Code §157.903.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

AUDITEE: Sheriff's Office      AUDIT NO.: \_\_\_\_\_  
Inmate Trust Financial  
AUDIT: Statements for January 2023      MANAGEMENT  
through December 2024      RESPONSE DUE: August 8, 2025  
FINDING No.: 9      RECOMMENDATION: 9

Management should ensure that funds deposited with the County's financial institution agree with the amounts received in *Odyssey*.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 28, 2025

The Honorable Ellie Torres, Commissioner  
Hidalgo County Precinct No. 4  
1051 N. Doolittle Rd.  
Edinburg, Texas 78542

Re: Sanitation Program MFR for January 2024 through March 2025

Dear Commissioner Torres:

We conducted a limited-scope review of the Sanitation Program Monthly Fee Report (MFR) and supporting documentation for the period from January 2024 to March 2025, pursuant to Local Government Code §115.002(a) and (b). The objective of the review was to determine if fees collected were properly accounted for and reported. The audit observations noted below were addressed to Precinct 4 via email as the MFRs were reviewed.

The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Based on the results of the review, fees and permits were not properly accounted for and reported. More specifically, the following was noted:

- Permits were out of sequence and unaccounted for.
- Shortages and overages were incurred, totaling \$75.00 (shortage) and \$753.50 (overage).
- Void permits were not always documented on the *Void Permit Log*.
- The Close-out Reports and MFRs are not always properly prepared and reconciled to receipts, permits, in-person and online credit card payments, and bank deposits.
- The Close-out Reports are not submitted to the Treasurer's Office within five (5) business days.
- Credit card transactions are refunded by Hamer upon request by Precinct 4 staff.
- Voided receipts did not contain an explanation for the void, the date the receipt was void, the cashier's signature, and/or the supervisor's signature of approval.
- Monthly Fees Reports were not always submitted to the Auditor's Office as required by Local Government Code §114.001 (b).
- Not all online credit card transactions were promptly receipted into the Solid Waste Disposal Program.

### **Scope:**

The scope of the review was limited to collections reported by Precinct 4 on the MFR for January 2024 through March 2025. The review was neither designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

**Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor’s Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the “Authorized Signatories Form.”
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits were issued in sequential order.
- Verified that procedures for voiding receipts and permits were properly followed.
- Reviewed *Cashier’s Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the MFR agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that receipts, Close-out Reports, and the MFR were properly completed.

**Conclusion:**

Based on the review, we concluded that the fees collected were not properly accounted for and reported. The system of internal controls for accounting, reporting, and fee collection requires improvement, as noted in the observations below. Total collections for January 2024 through March 2025 were as follows:

<b>Month Ended</b>	<b>Amount</b>
January 2024	\$ 57,875.00
February 2024	\$ 49,377.50
March 2024	\$ 53,607.50
April 2024	\$ 57,967.50
May 2024	\$ 54,495.00
June 2024	\$ 49,292.00
July 2024	\$ 55,487.50
August 2024	\$ 49,822.50
September 2024	\$ 45,130.00
October 2024	\$ 50,602.50
November 2024	\$ 45,237.50
December 2024	\$ 55,292.50
January 2025	\$ 54,155.00
February 2025	\$ 48,695.00
March 2025	\$ 62,470.00

**Observation No. 1:**

We noted that the following permit numbers were out of sequence and unaccounted for:

<b>Month Ended</b>	<b>Permit Numbers (s)</b>	<b>Month Ended</b>	<b>Permit Numbers (s)</b>
January 2024	122286	October 2024	128998
February 2024	123456	November 2024	130170, 130267
March 2024	124808	December 2024	131254, 131478
June 2024	126048, 126088, 126571	January 2025	132251, 132282, 132355
July 2024	126662	February 2025	132872
August 2024	127896, 127897, 128220, 128387	March 2025	133229
September 2024	128422, 128440		

Precinct 4 staff were unable to provide an explanation for the unaccounted permits.

Of the 23 permit numbers listed above, only permit number 128440 was recorded as reissued in the Solid Waste Sanitation Program during January 2025.

Persons who accept accountable forms (i.e., permits, receipts, etc.) become responsible, upon receipt, for the accountability and safeguarding of such forms. Loss or theft of accountable forms must be promptly reported to the County Auditor's Office. The written notification should include a statement of the circumstances concerning the loss. Accountable forms reported lost or stolen must be marked "Void" in the Solid Waste Disposal Program. Management must also monitor all missing accountable forms to determine if there is a pattern meriting further investigation, modification of procedures, retraining of personnel, or disciplinary action.

Failure to ensure that all permits are properly accounted for and safeguarded may result in the loss of county revenue.

**Recommendation:**

Management should ensure that permits are properly accounted for and safeguarded. At a minimum, the procedures noted above should be implemented. In addition, management should replenish the \$575.00 (23 permits x \$25.00) shortage or request indemnification from the Commissioners Court pursuant to Local Government Code §157.903.

**Observation No. 2:**

We noted that shortages and overages were incurred, totaling \$50.00 and \$753.50, respectively, as follows:

**Shortages:**

- On January 23, 2024, collections were short by \$25.00 (receipt 242-144710). A constituent paid \$25.00 with a credit card for a 180-day permit, instead of the \$50.00 fee. On May 24, 2024, after the Auditor's Office raised the concern, the Sanitation Precinct 4 Office contacted the Information Technology (IT) Department to correct the receipt; however, the permit had already been used five times outside the 90-day period.
- On June 21, 2024, collections were short by \$25.00 (receipt 242-152493). A constituent was charged \$25.00 via online credit card for a 180-day permit instead of the \$50.00 fee. We were informed by Precinct 4 staff that the IT Department had corrected the receipt; however, as of the date of this letter, the permit still displayed an expiration date of October 19, 2024. The permit was used twice outside the intended 90-day permit range.

**Overages:**

- On January 2, 2024, collections exceeded \$10.00 (receipt 242-143467). A constituent was charged \$100.00 on their credit card for a 365-day permit instead of \$90.00, as they qualified for the 10% veteran's discount. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- Collections on February 27, 2024, and February 28, 2024, exceeded \$5.00 and \$1.00, respectively. The cause of the cash overages could not be determined. The funds were remitted to the County Treasurer.
- On March 25, 2024, collections exceeded \$25.00 (Reference no. 100007268). A constituent was charged \$25.00 via an online credit card; however, a receipt was not issued from the Solid Waste Disposal Program. According to staff, the payment was made into the GAPS Renewal App (Sanitation Program Online renewal) testing account, and at that time, no permit was linked to the payment. As a result, a receipt could not be issued from the Solid Waste Disposal Program. The funds were remitted to the County Treasurer on March 12, 2025, 352 days after the collection occurred.
- On April 19, 2024, collections exceeded \$100.00 (receipt 242-149314). A constituent was charged \$100.00 on a credit card for a 365-day permit instead of \$25.00 for a 90-day permit. The receipt was

voided, and the \$100.00 payment was refunded on May 1, 2024, without the County Auditor's approval. A new payment and receipt (242-149350) were issued for the correct permit and amount.

- On April 29, 2024, collections exceeded \$50.00 (Receipt 242-149704). A constituent was correctly charged; however, the permit was applied to the wrong vehicle. The receipt was voided, and a new payment and receipt (242-1149717) were issued for the correct vehicle. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- On May 3, 2024, collections exceeded \$100.00 (Receipt 242-150019). A constituent was charged \$100.00 and \$90.00 (credit card) for a 365-day permit, including a 10% discount for veterans. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- On August 12, 2024, collections exceeded \$75.00 (Receipt 242-155117). A constituent was charged \$100.00 on their credit card for a 90-day permit instead of the standard \$25.00 fee. A refund request has not been submitted to the County Auditor's Office.
- On September 16, 2024, collections exceeded \$2.50 (Receipt 242-156822). A constituent was charged \$25.00 (credit card) for a 90-day permit instead of \$22.50 because the constituent qualified for the 10% veteran's discount. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- On October 4, 2024, collections exceeded \$45.00 (Receipt 242-157776). A constituent was charged \$45.00 twice on their credit card for a 180-day permit, which included a 10% veteran's discount. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- On December 16, 2024, collections exceeded \$25.00 (Reference 100018980). A constituent was charged \$25.00 via online credit card; however, no receipt was issued. According to staff, the online credit card payment was processed through the GAPS Renewal App (Sanitation Program Online renewal), and no permit was linked to the payment. A refund request has not been submitted to the County Auditor's Office.
- On December 18, 2024, collections exceeded \$100.00 (Reference 38042). A constituent was charged via credit card for a 365-day permit; however, since the constituent already had an active permit on the same account, a receipt could not be issued from the Solid Waste Disposal System. A refund request was submitted to the County Auditor's Office and was subsequently approved.
- On January 27, 2025, collections exceeded \$25.00 (receipt 242-163507). A constituent was charged twice via credit card for the same permit (54215) (ref. 38701 and 38702). The second payment was not applied to another receipt. A refund request has not been submitted to the Auditor's Office.
- On January 27, 2025, collections exceeded \$25.00 (receipt 242-163485). The constituent disputed the charge with their bank. Staff voided the permit. Documentation was requested from Precinct 4 staff to verify whether the funds had been returned.
- On March 10, 2025, collections exceeded \$25.00 (void receipt 242-165716). The permit was sold to a commercial business for personal use. Refund request was submitted to the Auditor's Office.
- On March 12, 2025, collections exceeded \$50.00 (receipt 242,165834). The permit was void because the double-axle trailer did not meet the size requirements. A refund request was submitted to the Auditor's Office.

The County Auditor's Office requires that cash receipts be deposited intact on a daily basis. A county officer is personally liable for the loss of funds (e.g., shortage, acceptance of counterfeit bill, hot check, credit card charge back, etc.) while in his/her possession in the performance of official duties. All shortages must be replenished, and overages must be deposited.

Failure to ensure that fees are properly collected may result in the loss of County revenue.

**Recommendation:**

Management should ensure that fees are properly collected and monitor shortages and overages to determine if a pattern exists that warrants further investigation, modification of collection procedures, retraining of personnel,

or disciplinary action. Additionally, a refund request should be submitted to the Auditor's Office as soon as possible for the overages that have not been reimbursed to the constituent.

**Observation No. 3:**

We noted that void permits were not always documented on the *Void Permit Log*.

The County Auditor's Office requires that a *Void Permit Log* be maintained to document the issuance of a new permit to replace an active permit (void permit). The *Void Permit Log* requires the date the permit was voided, void permit number, reason for void, new permit number, the name of the individual requesting the new permit, employee's signature, and the supervisor's signature of approval. The supervisor's signature must be obtained before voiding the permit. In addition, before issuing a replacement permit, the voided permit must be obtained from the constituent, marked void, and submitted to the County Auditor's Office along with the MFR. If the void permit cannot be provided by the constituent because the vehicle was stolen or involved in an accident, a police report must be obtained before replacing the permit. Void permits should not be reactivated in the Solid Waste Disposal Program.

Failure to ensure that the *Void Permit Log* is properly completed may result in the loss of County revenue.

**Recommendation:**

Management should ensure that the *Void Permit Log* is properly completed, and a copy is submitted to the County Auditor's Office. At a minimum, the procedures noted above should be implemented.

**Observation No. 4:**

The Close-out Reports and MFRs are not always properly prepared and reconciled to receipts, permits, in-person and online credit card payments, and bank deposits. According to Precinct 4 staff, not all online credit card renewal transactions appear on the payment report generated in EZNetPay; however, we have confirmed that all online credit card renewal transactions are indeed reflected on the payment report.

The County Auditor's Office requires that the cashier reconcile receipts, permits issued, credit card payments, and bank deposits using the Close-out Report. In addition, monthly, the department must prepare an MFR. Total collection on the MFR must be reconciled to receipts issued, Close-Out Reports, credit card reports, permits issued, and deposits. The Close-out Reports must be signed by the cashier, a witness, and the County official or his/her designee to document their responsibility for verifying the amounts reported on the Close-out Report. The MFR must be signed by the preparer and the department head or their designee.

Failure to ensure that the Close-out Reports and MFRs are properly completed and/or reconciled may result in the loss of County funds.

**Recommendation:**

Management should ensure that Close-out Reports and MFRs are properly prepared and reconciled to - receipts and permits issued, credit card payments, and deposits. At a minimum, the procedures noted above should be implemented.

**Observation No. 5:**

We noted that Close-out Reports are not submitted to the Treasurer's Office for remittance within five (5) business days. In four instances, remittances for January 2024 collections were posted by the Treasurer's Office in March 2024, resulting in delays of 74 to 77 days.

Pursuant to Local Government Code §113.022, a county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If the next regular business day deadline is not met, the officer must deposit the money, without exception, on or before the fifth business day after the day on which the money is received.

Failure to submit the Close-out Reports to the County Treasurer's Office within five (5) business days may result in improper reporting of County Funds and cause issues when reconciling receipts with bank deposits. In addition, discrepancies between actual cash collected and deposited amounts will not be addressed promptly.

**Recommendation:**

Management should ensure that the Close-out Reports are submitted to the County Treasurer within five (5) business days.

**Observation No. 6:**

Credit card transactions are refunded by Hamer upon request by Precinct 4 staff. According to the Hamer online credit card payment report, credit card transactions were reversed/refunded on February 9, 2024, and September 13, 2024, each in the amount of \$25.00, respectively.

Pursuant to the Cash Handling Guidelines and Procedures, refunds using the credit card terminal may not be processed by departments. Refunds must be immediately requested from the County Auditor. The County Auditor must review and approve all refund requests. Refund requests must be provided to the County Auditor's Office on letterhead signed by the County Officer or designee. The request must include the following information:

- Payee name and address;
- Refund amount;
- General ledger account number to be used to process the refund;
- Receipt number and date; and
- Reason for refund.

Failure to ensure that all refund requests are properly requested from the County Auditor may increase the risk of loss of County funds.

**Recommendation:**

Management should ensure that credit card transactions are not reversed/refunded after the transaction has been processed and that all refund requests are submitted to the County Auditor. At a minimum, the procedures noted above should be implemented.

**Observation No. 7:**

We noted that voided receipts did not contain an explanation for the void, the date the receipt was void, the cashier's signature, and/or the supervisor's signature of approval. In addition, voided receipts were not always submitted to the County Auditor's Office.

The County Auditor's Office requires that approval of a void receipt be obtained before voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisor should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, the cashier's signature, and the supervisor's signature of approval. In addition, the supervisor should ensure that if a new receipt is issued, the voided receipt number and the new receipt number are cross-referenced. All voided receipts must be submitted to the County Auditor's Office.

Failure to properly void receipts and submit them to the County Auditor's Office may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that receipts are properly voided. At a minimum, the procedures listed above should be implemented.

**Observation No. 8:**

The January 2024 through February 2024, June 2024, August 2024, October 2024, and December 2024 MFRs and applicable supporting documentation were not submitted to the County Auditor's Office within five days after the last day of the month.

Local Government Code §114.001 (b) requires monthly reports to be submitted to the County Auditor's Office within five days after the last day of each month.

Failure to ensure that the MFR is submitted to the County Auditor's Office within five days after the last day of the month may result in the improper reporting of County funds.

**Recommendation:**

Management should develop and implement formal procedures to ensure that MFR and applicable supporting documentation are submitted to the County Auditor's Office within five days after the last day of the month.

**Observation No. 9:**

We noted that not all online credit card transactions were promptly receipted into the Solid Waste Disposal Program. Online credit card transactions were receipted 2 to 458 days after the transaction date (See Exhibit A).

The County Auditor's Office requires that all collections (i.e., cash, checks, credit card payments, etc.) received be promptly recorded with the correct payment method and controlled using pre-numbered official County receipts.

Failure to ensure that credit card transactions are promptly receipted may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that credit card transactions are promptly receipted.

Please provide a management response to the observations noted above on the attached Management Response Forms by **August 12, 2025**. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Francisco Saenz, Internal Auditor IV, at 318-2511 ext. 4667, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Management Response Forms

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Dr. Jennifer Mendoza Culbertson, Chief of Staff for Internal Affairs, Hidalgo County Precinct No.4

## Exhibit A

Reference No.	Amount	Date Collected	Date Received	Diff	Comments
100007087	\$ 25.00	3/13/2024	4/10/2024	28	
100007170	\$ 25.00	3/15/2024	4/3/2024	19	Collections were reported to the County Treasurer on November 12, 2024
100007173	\$ 100.00	3/15/2024	3/26/2024	11	
100007270	\$ 100.00	3/25/2024	4/10/2024	16	
100007843	\$ 25.00	4/9/2024	7/11/2025	458	Receipt was backdated to April 9, 2024
100008131	\$ 25.00	4/24/2024	7/11/2025	443	Receipt was backdated to April 24, 2024
100008589	\$ 50.00	5/10/2024	5/24/2024	14	
100009670	\$ 25.00	6/10/2024	6/13/2024	3	
100009690	\$ 100.00	6/11/2024	6/25/2024	14	
100009980	\$ 50.00	6/30/2024	7/12/2024	12	
100010788	\$ 25.00	8/5/2024	8/13/2024	8	
100011571	\$ 25.00	9/3/2024	9/16/2024	13	
100015616	\$ 50.00	11/1/2024	11/13/2024	12	
100018097	\$ 25.00	12/2/2024	12/30/2024	28	
100018695	\$ 25.00	12/11/2024	12/23/2024	12	
100021978	\$ 25.00	1/13/2025	1/15/2025	2	
100021810	\$ 100.00	1/15/2025	1/17/2025	2	
100022337	\$ 100.00	1/22/2025	2/3/2025	12	
100022718	\$ 25.00	1/27/2025	1/30/2025	3	
100023504	\$ 100.00	2/6/2025	2/10/2025	4	
100025265	\$ 25.00	2/18/2025	3/3/2025	13	
100025301	\$ 25.00	2/19/2025	3/26/2025	35	
100025510	\$ 25.00	2/24/2025	3/11/2025	15	
100025842	\$ 25.00	2/26/2025	4/9/2025	42	
100026914	\$ 25.00	3/10/2025	N/A		Has not been receipted
100027095	\$ 50.00	3/12/2025	3/26/2025	14	



**HIDALGO COUNTY AUDITOR'S OFFICE**

**INTERNAL AUDIT DIVISION**

**MANAGEMENT RESPONSE FORM**

<b>AUDITEE:</b>	<u>Commissioner Precinct 4</u>	<b>AUDIT NO.:</b>	_____
<b>AUDIT:</b>	<u>Sanitation Program Monthly Fee Report for January 2024 through March 2025</u>	<b>MANAGEMENT RESPONSE DUE:</b>	<u>August 12, 2025</u>
<b>FINDING No.:</b>	<u>1</u>	<b>RECOMMENDATION:</b>	<u>1</u>

Management should ensure that permits are properly accounted for and safeguarded. At a minimum, the procedures noted above should be implemented. In addition, management should replenish the \$425.00 (17 permits x \$25.00) shortage or request indemnification from the Commissioners Court pursuant to Local Government Code §157.903.

**Management Response (Choose One):**

- \_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**
- \_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**
- \_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

---

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

---



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

AUDITEE: Commissioner Precinct 4      AUDIT NO.: \_\_\_\_\_  
Sanitation Program Monthly  
Fee Report for January 2024  
AUDIT: through March 2025      MANAGEMENT RESPONSE DUE: August 12, 2025  
FINDING No.: 2      RECOMMENDATION: 2

Management should ensure that fees are properly collected and monitor shortages and overages to determine if a pattern exists that warrants further investigation, modification of collection procedures, retraining of personnel, or disciplinary action. Additionally, a refund request should be submitted to the Auditor's Office as soon as possible for the overages that have not been reimbursed to the constituent.

---

Management Response (Choose One):

\_\_\_\_\_ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)  
\_\_\_\_\_ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION  
\_\_\_\_\_ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

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Signature: \_\_\_\_\_ Date: \_\_\_\_\_

---



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Commissioner Precinct 4      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Sanitation Program Monthly  
Fee Report for January 2024  
through March 2025      **MANAGEMENT  
RESPONSE DUE:** August 12, 2025  
**FINDING No.:** 3      **RECOMMENDATION:** 3

Management should ensure that the Void Permit Log is properly completed, and a copy is submitted to the County Auditor's Office. At a minimum, the procedures noted above should be implemented.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

AUDITEE: Commissioner Precinct 4      AUDIT NO.: \_\_\_\_\_  
Sanitation Program Monthly  
Fee Report for January 2024  
AUDIT: through March 2025      MANAGEMENT RESPONSE DUE: August 12, 2025  
FINDING No.: 4      RECOMMENDATION: 4

Management should ensure that Close-out Reports and MFRs are properly prepared and reconciled to - receipts and permits issued, credit card payments, and deposits. At a minimum, the procedures noted above should be implemented.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

AUDITEE: Commissioner Precinct 4      AUDIT NO.: \_\_\_\_\_  
Sanitation Program Monthly  
Fee Report for January 2024  
AUDIT: through March 2025      MANAGEMENT RESPONSE DUE: August 12, 2025  
FINDING No.: 5      RECOMMENDATION: 5

Management should ensure that the Close-out Reports are submitted to the County Treasurer in a timely manner.

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Management Response (Choose One):

\_\_\_\_\_ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)  
\_\_\_\_\_ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION  
\_\_\_\_\_ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

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Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Commissioner Precinct 4      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Sanitation Program Monthly  
Fee Report for January 2024  
through March 2025      **MANAGEMENT  
RESPONSE DUE:** August 12, 2025  
**FINDING No.:** 7      **RECOMMENDATION:** 7

Management should ensure that receipts are properly voided. At a minimum, the procedures listed above should be implemented.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Commissioner Precinct 4      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Sanitation Program Monthly  
Fee Report for January 2024  
through March 2025      **MANAGEMENT  
RESPONSE DUE:** August 12, 2025  
**FINDING No.:** 8      **RECOMMENDATION:** 8

Management should develop and implement formal procedures to ensure that MFR and applicable supporting documentation are submitted to the County Auditor's Office within five days after the last day of the month.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 29, 2025

The Honorable J.E. "Eddie" Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78540

Re: "D" Account MFFR for March 2023 through March 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the Discharge "D" Account *Monthly Fines and Fees Report* (MFFR) for March 2023 through March 2025 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fines and fees collected were accounted for correctly and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Based on the review, we concluded that fines and fees were generally properly accounted for and reported; however, the system of internal controls for accounting and reporting fees requires improvement. More specifically, we noted that:

- The *Monthly Fee Reports* and supporting documentation were not filed with the County Auditor's Office within five days after the last day of the month; and
- Procedures for voiding receipts were not always properly followed.

### **Scope:**

The scope of the review was limited to collections reported by your office on the "D" *MFFR* for March 2023 through March 2025. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the "D" MFFR and supporting documentation were submitted to the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001(b).
- Verified that the "D" MFFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the "D" MFFR by footing and cross-footing the report.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the "D" MFFR agreed to: 1.) total receipts issued per the Receipt Journal Report generated from *Odyssey*; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.

## HIDALGO COUNTY DISTRICT JUDGES

**Conclusion:**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported; however, the system of internal controls requires improvement, as noted in the observations below. Total collections for the months of March 2023 through March 2025 were as follows:

Month Ended	Amount	Month Ended	Amount
March 2023	\$ 0.00	February 2024	\$ 0.00
April 2023	\$ 0.00	March 2024	\$ 0.00
May 2023	\$ 0.00	April 2024	\$ 0.00
June 2023	\$ 50.00	May 2024	\$ 0.00
July 2023	\$ 0.00	June 2024	\$ 0.00
August 2023	\$ 250.00	July 2024	\$ 0.00
September 2023	\$ 0.00	August 2024	\$ 0.00
October 2023	\$ 0.00	September 2024	\$ 0.00
November 2023	\$ 50.00	October 2024	\$ 550.00
December 2023	\$ 400.00	November 2024	\$ 0.00
January 2024	\$ 0.00	December 2024	\$ 0.00

Month Ended	Amount
January 2025	\$ 0.00
February 2025	\$ 600.00
March 2025	\$ 0.00

**Observation No. 1:**

The MFR and applicable supporting documentation for the months noted below were not filed with the County Auditor's Office within five days after the last day of the month. The reports were submitted within 1 to 218 days late, as noted below:

Month Ended	Days Late	Month Ended	Days Late
March 2023	5	February 2024	36
April 2023	10	March 2024	26
May 2023	0	April 2024	16
June 2023	1	May 2024	7
July 2023	218	June 2024	5
August 2023	189	July 2024	1
September 2023	159	August 2024	4
October 2023	128	September 2024	1
November 2023	56	October 2024	8
December 2023	17	November 2024	7
January 2024	65	December 2024	8

Month Ended	Days Late
January 2025	7
February 2025	14
March 2025	0

Local Government Code §114.001 (b) requires monthly reports to be submitted to the County Auditor's Office within five days after the last day of each month.

Failure to ensure that the monthly report is submitted to the County Auditor's Office within five days after the last day of the month may result in the improper reporting of County funds.

**Recommendation:**

Management should ensure that the *Monthly Fees Report* and supporting documentation are filed with the County Auditor's Office within five days after the last day of the month, as required by Local Government Code §114.001(b).

**Observation No. 2**

We noted that procedures for voiding receipts were not properly followed. At times, voided receipts did not contain an explanation for the void, the date the receipt was void, the cashier's signature, or the supervisor's signature of approval. In addition, the void receipt number and the new receipt number were not cross-referenced.

The County Auditor's Office requires that approval of a void receipt be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisor should ensure that the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date the receipt was voided, the cashier's signature, and the supervisor's signature of approval. In addition, the supervisor should ensure that if a new receipt is issued, the voided receipt number and the new receipt number are cross-referenced.

Failure to properly void receipts may result in the loss or misuse of County funds.

**Recommendation:**

Management should train staff regarding the proper procedures for voiding receipts. At a minimum, the procedures listed above should be implemented.

Please provide a management response to the observations noted above by August 12, 2025. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Enrique Leal, Internal Auditor II, at (956) 318-2511, ext. 4641; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Management Response Forms

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** The Honorable J.E. "Eddie" Guerra, Sheriff      **AUDIT NO.:** \_\_\_\_\_

**AUDIT:** "D" Account MFFR for March 2023 through March 2025      **MANAGEMENT RESPONSE DUE:** August 12, 2025

**FINDING No.:** 1      **RECOMMENDATION:** 1

Management should ensure that the Monthly Fees Report and supporting documentation are filed with the County Auditor's Office within five days after the last day of the month as required by Local Government Code §114.001 (b).

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_      **Date:** \_\_\_\_\_

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# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 29, 2025

The Honorable Celestino Avila, Jr., Constable  
Hidalgo County Precinct No. 1  
1902 Joe Stephens  
Weslaco, TX 78596

Re: Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-05

Dear Constable Avila:

We completed an audit of the Chapter 59 Asset Forfeiture Audit Report by Law Enforcement Agency for the Year Ended December 31, 2024, pursuant to Code of Criminal Procedure §59.06 (g)(1) and Local Government Code §115.001 and §115.0035. The objective of the audit was to determine if Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

### **Executive Summary:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported; however, improvements could be made to the system of internal controls for the accounting and reporting of Chapter 59 seizures, forfeitures, receipts, and expenditures. More specifically, we noted that the policies and procedures regarding Chapter 59 seizures and forfeitures do not include procedures for determining when a forfeited vehicle or property will be put to use.

### **Background:**

The Code of Criminal Procedure (CCP) Chapter 59, "Forfeiture of Contraband," provides law enforcement agencies with the authority to confiscate, forfeit, and dispose of contraband. Chapter 59 defines "contraband" as property of any nature (including real, personal, tangible, or intangible property) that is used or intended for use in the commission of certain enumerated felonies, Class A and Class B misdemeanors, or gained, acquired, and/or used to facilitate the commission of certain enumerated felonies and misdemeanors.

Local Government Code (LGC) §115.0035(b) provides that "at least once each county fiscal year, or more often if the county auditor desires, the auditor shall, without advance notice, fully examine the accounts of all precinct, county and district officials." LGC §115.0035(a) defines "accounts" as all public funds that are subject to the control of any precinct, county or district official, including the accounts of law enforcement agencies and the attorney for the state composed of money and proceeds of property seized.

Pursuant to CCP §59.05 (f), the District Clerk is entitled to court costs in forfeitures to the state of an amount greater than \$2,500 as in other civil proceedings.

Pursuant to CCP §59.06 (a), all forfeited property is administered by the District Attorney, acting as the agent of the state, in accordance with accepted accounting practices and with the provisions of any local agreement entered into between the District Attorney and law enforcement agencies (LEAs).

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Pursuant to CCP §59.06 (b), if a local agreement exists between the District Attorney and the LEA, the District Attorney may transfer the property to the LEA. In addition, CCP § 59.06 (c) states, if a local agreement exists between the District Attorney and the LEA, all money, securities, negotiable instruments, stocks or bonds, or things of value, or proceeds from the sale of those items shall be deposited, after the deduction of court costs which the District Clerk is entitled, into one or more of the following funds: (1) a special fund in the county treasury for the benefit of the District Attorney's Office, to be used by the District Attorney solely for the official purposes of his office; or (2) a special fund in the county treasury if distributed to a county LEA, to be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

CCP §59.06 (d) states that awarded proceeds may be spent by a law enforcement agency after a detailed budget has been submitted to Commissioners Court. The Constable Precinct No. 1 Chapter 59 budget for the year ended December 31, 2024 was \$67,286.00 and expenditures totaled \$22,206.38 (i.e., equipment, & supplies).

Pursuant to CCP §59.06 (d-3), an expenditure of proceeds received under this chapter is considered to be for a law enforcement purpose if the expenditure is made for an activity of a law enforcement agency that relates to the criminal and civil enforcement of the laws of the State, including an expenditure made for: (1) equipment, including vehicles, computers, firearms, protective body armor, furniture, software, uniforms, and maintenance equipment; (2) supplies, including office supplies, mobile phone and data account fees for employees, and internet services; (3) investigative and training-related travel expenses, including payment for hotel rooms, airfare, meals, rental of and fuel for a motor vehicle, and parking; (4) conferences and training expenses, including fees and materials; (5) investigative costs, including payments to informants and lab expenses; (6) crime prevention and treatment programs; (7) facility costs, including building purchases, lease payments, remodeling and renovating, maintenance, and utilities; (8) witness-related costs, including travel and security; and (9) audit costs and fees, including audit preparation and professional fees.

Pursuant to CCP §59.06 (t)(1), contraband for which forfeiture is authorized with respect to an offense under section 20.05, 20.06, 20.7, 43.04, or 43.05 or Chapter 20A of the Penal Code should be used to provide direct victim services or to cover the costs of a contract with local nonprofit organization to provide direct services to crime victims.

For the year ended December 31, 2024, Constable Precinct No. 1 seized 6 motor vehicles and 2 motor vehicles were returned to the respondent. In addition, 3 motor vehicles were forfeited (awarded) to the Constable Precinct 1 Office.

### **Local Agreement Between District Attorney's Office and Constable Precinct No. 1**

On July 21, 2023, the Hidalgo County District Attorney and Constable Precinct No. 1 entered into a local agreement pursuant to CCP §59.06 (b). According to the local agreement, Constable Precinct No. 1 is responsible for paying all court costs, attorney ad-litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs in the forfeiture of vehicles and all other personal property.

*Personal Property (Vehicles, laptops, computers, cell phones, weapons, etc...)-* If personal property, including vehicles retained by Constable Precinct No. 1 are to be sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 1 and 25% to the District Attorney.

If personal property, including vehicles that are retained by the Constable for law enforcement purposes are at any time decommissioned and then sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 1 and 25% to the District Attorney.

All property seized, except for currency, bank accounts, negotiable instruments, and jewelry, shall be kept in the possession of the Constable. The Constable shall account for all seized property in his possession until the property is disposed of by court order. All other personal property, not suitable or desired for use, shall be

forfeited to the District Attorney and sold at public auction. The net proceeds of said sale of said property, after deductions of sale expenses, shall be divided as follows: 60% to Constable Precinct No. 1 and 40% to the District Attorney.

Proceeds from the sale of real, personal, tangible, or intangible property subject to the agreement shall be apportioned within thirty (30) days of said sale.

### **Constable Precinct No. 1 Procedures**

The Constable Precinct No. 1 Office has established formal procedures for accounting and reporting seizures and forfeitures. Seized funds are counted and confirmed by the seizing deputy and a credible witness. Funds are placed in the Constable Precinct No. 1 vault until deposited. A copy of the bank receipt is submitted to the District Attorney's Office along with the Asset Forfeiture Intake Sheet.

Deputy Constables are required to call a towing company to tow vehicles and/or property pending forfeiture proceedings to the County's storage site. Before releasing vehicle(s) and or property to towing company, Deputy Constables conduct a full inspection and inventory of the seized vehicle(s) and/or property. Deputy Constables are required to include photographs with seizure documents.

The following documents must be turned in to the District Attorney's Office before the 30<sup>th</sup> day after the date of the offense: Asset Forfeiture Intake Sheet, Officer Sworn Affidavit, Vehicle Registration Form, Preliminary Offense Report, Detailed Report, Complete Wrecker Inventory Form, and Intake Sheet Receipt.

Upon disposition, if the vehicle and/or property are not forfeited, the owner of the vehicle and/or property will be responsible for any and all fees accrued by the towing company. If the vehicle and/or property are awarded to the Constable, an original judgment from the Hidalgo County District Attorney's Office will be received. A second original judgment should be obtained for the purpose of the auction of each vehicle. A log of all seized property is maintained by the Constable Precinct No. 1 Office, detailing the status, location, and condition of the property.

### **Agreement for Auctioneer Services**

On September 27, 2022, the Hidalgo County Commissioners Court entered into a contract with Bond & Bond Auctioneers for the provision of auctioneer services. The contract is effective from October 1, 2022, to September 30, 2025, with an option to extend for an additional two (2) one (1) year terms. Five auctions were held during the fiscal year ending December 31, 2024. The auctions were held on February 24, March 23, July 27, August 24, and October 11, 2024.

### **Scope and Methodology:**

The scope of the audit was limited to a review of all seized currency and personal property for which an agent's affidavit was made available to the County Auditor's Office for review and all forfeited currency and personal property for which a final judgment was rendered and recorded in *Odyssey*, the County's justice information system, for the period of January 1, 2024 through December 31, 2024.

The review was neither designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

In conducting our review, the following procedures were performed:

1. Compared Chapter 59 revenue and expenditure reports generated from *LINQ*, the County's financial accounting system, and the "Purchasing Department/Fixed Asset Division Auction Report" to the Chapter 59 Asset Forfeiture Report to determine if all revenues and expenditures were reported.
2. Generated "Cases filed" and "Cases disposed" index reports for the period of January 1, 2024, to December 31, 2024, from *Odyssey* to determine if all seized, forfeited, and property returned to respondents were reported on the Chapter 59 Asset Forfeiture Report.
3. Reviewed expenditures from the Constable Precinct No. 1 Chapter 59 Forfeiture Fund to determine if expenditures were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).

4. Selected 4 vehicles that were seized and/or forfeited during the reporting period and not sold for physical identification.
5. Reviewed the petitions and judgments for property forfeited to Constable Precinct No. 1 to determine if property with respect to an offense under section 20.05, 20.06, 20.7, 43.04, or 43.05 or Chapter 20A of the Penal Code was properly accounted for.
6. Reviewed written policies and procedures for the accounting and reporting of seizures and forfeitures. Additionally, I inquired whether seizures were promptly recorded and controlled using pre-numbered official receipt forms.

**Conclusion:**

Based on the results of our audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported; however, improvements could be made to the system of internal controls for the accounting and reporting of Chapter 59 seizures, forfeitures, receipts, and expenditures, as noted below.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft and that transactions are executed in accordance with management's authorization and recorded properly.

1. All Chapter 59 revenues and expenditures recorded in *LINQ* and the "Purchasing Department/Fixed Asset Division Auction Report" were reported on the Chapter 59 Asset Forfeiture Report.
2. A review of the "Cases filed" and "Cases disposed" index reports generated from *Odyssey* for the period of review revealed that the Constable Precinct No. 1 seized 6 motor vehicles. In addition, 3 motor vehicles were forfeited (awarded) to the Constable Precinct No. 1, and 2 motor vehicles were returned to the respondent. All items were properly reported on the Chapter 59 Asset Forfeiture Report.
3. All expenditures from Constable Precinct No. 1 Chapter 59 Forfeiture Fund were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. The 4 motor vehicles selected were physically located.
5. All petitions or judgments filed for property related to an offense under section 20.05, 20.06, 20.7, 43.04, or 43.05, or Chapter 20A of the Penal Code were properly accounted for.
6. The Constable Precinct No. 1 Office policies and procedures regarding Chapter 59 seizures and forfeitures do not include procedures for determining when a forfeited vehicle or property will be put to use. Additionally, pre-numbered official receipt forms were used to record and control seizures.

**Recommendation:**

In our opinion, the issues noted in finding 6 can be addressed by revising the policies and procedures to address when a forfeited vehicle or property will be put to use.

Please provide a management response to the finding noted above by August 12, 2025. The Management Response Form should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511 ext. 4656, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

The Honorable Celestino Avila Jr.  
July 29, 2025  
Page 5 of 5

Enclosure: Management Response Form

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Kent Richardson, Assistant Attorney General  
Mr. Joe Espinosa, Chief Deputy, Constable Precinct No. 1

**HIDALGO COUNTY DISTRICT JUDGES**

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

OVERSEER





# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 29, 2025

The Honorable Eddie Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count Audit No. 2025-62

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Investigative Fund account on May 22, 2025, as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether the total cash on hand reconciled with the approved petty cash fund, less total outstanding expenditure vouchers, as of the time of the cash count.

**Scope:**

The scope of the review was limited to counting the cash on hand and totaling outstanding vouchers as of the time of the cash count. The review was neither designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

As part of the procedures, we verified that the cash on hand agreed with the total vouchers issued up to the time of the cash count. We also reviewed the internal control structure to verify that cash on hand was safeguarded against loss due to unauthorized use and that only authorized transactions were completed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during the audit included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash count totaled \$9,760.00. Based on the review, we concluded that the total cash on hand reconciled to the approved petty cash fund of \$10,000.00, less total outstanding vouchers. Additionally, we observed that adequate internal controls were in place to safeguard cash on hand properly and ensure that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures.

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Alejandro Torres, Internal Auditor III, at 318-2511 ext. 4644, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Respectfully,



Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office

**HIDALGO COUNTY DISTRICT JUDGES**



# HIDALGO COUNTY AUDITOR'S OFFICE

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July 29, 2025

Mr. Anthony Uresti, Director of Planning  
Hidalgo County Planning Department  
2818 S. Business Hwy 281  
Edinburg, Texas 78539

Re: MFR for August 2023 through December 2024

Dear Mr. Uresti:

We conducted a limited-scope review of the *Monthly Fees Report* (MFR) and supporting documentation for the months of August 2023 through December 2024, in accordance with Local Government Code §115.002(a) and (b). The objective of the review was to determine if collections were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

## **Executive Summary**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported; however, the system of internal controls for accounting and reporting fees requires improvement. More specifically, we noted that:

- The *Monthly Fee Reports* and supporting documentation were not filed with the County Auditor's Office within five days after the last day of the month.
- Receipts were not always properly voided.

## **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months of August 2023 through December 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

## **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.

## HIDALGO COUNTY DISTRICT JUDGES

- Verified that receipts were issued in sequential order.
- Verified that procedures for voiding receipts were properly followed.
- Reviewed the *Revenue Detail Report by Account* generated from *LINQ* to determine if fees collected were properly accounted and deposited with the financial institution on or before the fifth business day after the day on which the funds were received.
- Verified that the collections per the MFR agreed to: 1.) total receipts issued by the department; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that receipts and the MFR were properly completed.

**Conclusion:**

Based on the review, we concluded that fees collected were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement as noted in the observations below. Total collections for the months of August 2023 through December 2024 were as follows:

Month Ended	Amount
August 2023	\$ 209,650.37
September 2023	\$ 254,914.49
October 2023	\$ 52,174.50
November 2023	\$ 457,070.45
December 2023	\$ 121,790.00
January 2024	\$ 160,291.16
February 2024	\$ 417,220.23
March 2024	\$ 213,484.19
April 2024	\$ 57,796.07
May 2024	\$ 71,282.78
June 2024	\$ 75,243.61
July 2024	\$ 139,309.38
August 2024	\$ 192,919.10
September 2024	\$ 263,604.18
October 2024	\$ 148,340.97
November 2024	\$ 137,865.11
December 2024	\$ 55,158.50

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management’s authorization and recorded properly.

**Observation No. 1:**

The MFR and applicable supporting documentation for the months noted below were not filed with the County Auditor’s Office within five days after the last day of the month. The reports were submitted within 1 to 16 days late, as noted below:

Month Ended	Days Late
August 2023	13
September 2023	1
November 2023	9
December 2023	5
January 2024	2
February 2024	7

Month Ended	Days Late
March 2024	5
April 2024	2
May 2024	9
June 2024	11
July 2024	16
August 2024	13
September 2024	1
October 2024	13
November 2024	2
December 2024	8

Local Government Code §114.001 (b) requires monthly reports to be submitted to the County Auditor’s Office within five days after the last day of each month.

Failure to ensure that the monthly report is submitted to the County Auditor’s Office within five days after the last day of the month may result in the improper reporting of County funds.

**Recommendation:**

Management should ensure that the *Monthly Fees Report* and supporting documentation are filed with the County Auditor’s Office within five days after the last day of the month, as required by Local Government Code §114.001(b).

**Observation No. 2:**

We noted that not all voided receipts contained an explanation for void, the date the receipt was void, the cashier’s signature, and/or the supervisor’s signature of approval. In addition, voided receipts were not always submitted to the County Auditor’s Office.

The County Auditor’s Office requires that approval of a void receipt be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisor should ensure that the original and all copies of the void receipt contain on the face of the receipt the word “void”, an explanation for the void, the date the receipt was voided, the cashier’s signature, and the supervisor’s signature of approval. Furthermore, all copies of the voided receipt must be securely attached together and submitted to the Auditor’s Office.

Failure to properly void receipts and submit them to the County Auditor’s Office may result in the loss or misuse of County funds.

**Recommendation:**

Management should train staff regarding the proper procedures for voiding receipts. At a minimum, the procedures listed above should be implemented.

Please provide a written management response to the observations noted above on the attached Management Response Forms by Tuesday, August 12, 2025. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511, ext. 4641; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Mr. Anthony Uresti  
July 29, 2025  
Page 4 of 4

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Management Response Forms

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Alexis Rodriguez, GIS and Community Coordinator II, Subdivision, Planning Department

**HIDALGO COUNTY DISTRICT JUDGES**





**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

<b>AUDITEE:</b>	<u>Hidalgo County Planning Department</u>	<b>AUDIT NO.:</b>	
	<u>MFR for August 2023 through December 2024</u>	<b>MANAGEMENT RESPONSE DUE:</b>	<u>August 12, 2025</u>
<b>AUDIT:</b>		<b>RECOMMENDATION:</b>	<u>2</u>
<b>FINDING No.:</b>	<u>2</u>		

Management should train staff regarding the proper procedures for voiding receipts. At a minimum, the procedures listed above should be implemented.

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**Management Response (Choose One):**

                     **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
                      **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
                      **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

---

---

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

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# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 29, 2025

Jeff Underwood, City Manager  
City of Alton  
509 S. Alton Blvd.  
Alton, Texas 78573

Re: City of Alton TIRZ No. 1 Report No. 2025-53

Dear Mr. Underwood:

We conducted a limited scope review of the interlocal agreement between the City of Alton, Hidalgo County, and the City of Alton TIRZ No. 1. The objectives of the review were to verify the accuracy of the payment request for Alton TIRZ No. 1 2024-2025 and to ensure compliance with Section IV (B)(2), Section VII (J), and Tax Code §311.016.

The scope of the review was limited to the property accounts within Alton TIRZ No. 1 as of January 31, 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The results of the review revealed the following:

1. A payment request was submitted in the amount of \$559,801.48; however, it was determined that the payment amount should be \$556,626.68 (see Exhibit A), and
2. The annual report, fact sheet, and annual financial review were submitted in compliance with Sections IV (B)(2) and VII (J) of the interlocal agreement and Tax Code §311.016.

A check for the 2024-2025 Alton TIRZ review year will be processed on August 5, 2025, in the amount of \$556,626.68.

If you have any questions please contact Enrique Leal, Internal Auditor II, at 318-2511, ext. 4641; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, Hidalgo County Executive Officer

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

EXHIBIT A

2024-2025 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Alton TIRZ Calculation for Tax Year 2024	Alton TIRZ Calculation for Tax Year 2023	Alton TIRZ Calculation for Tax Year 2022	Alton TIRZ Calculation for Tax Year 2021	Alton TIRZ Calculation for Tax Year 2020	Alton TIRZ Calculation for Tax Year 2019	Alton TIRZ Calculation for Tax Year 2018	Alton TIRZ Calculation for Tax Year 2017	Alton TIRZ Calculation for Tax Year 2016	Alton TIRZ Calculation for Tax Year 2015	Alton TIRZ Calculation for Tax Year 2014	Alton TIRZ Calculation for Tax Year 2013	Alton TIRZ Calculation for Tax Year 2012	Alton TIRZ Calculation for Tax Year 2011	Alton TIRZ Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 145,135,994.00 0.00575	\$ 128,718,253.00 0.00575	\$ 111,496,088.00 0.00575	\$ 90,222,872.00 0.00575	\$ 82,768,030.00 0.00575	\$ 75,281,915.00 0.00575	\$ 64,396,527.00 0.0058	\$ 60,797,157.00 0.0058	\$ 56,420,937.00 0.0059	\$ 50,361,508.00 0.0059	\$ 46,149,907.00 0.0059	\$ 41,787,288.00 0.0059	\$ 35,622,484.00 0.0059	\$ 35,281,063.00 0.0059	\$ 35,062,809.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 834,531.97	\$ 740,129.95	\$ 641,102.51	\$ 518,781.51	\$ 475,916.17	\$ 432,871.01	\$ 373,499.86	\$ 352,623.51	\$ 332,883.53	\$ 297,132.90	\$ 272,284.45	\$ 246,545.00	\$ 210,172.66	\$ 208,158.27	\$ 206,870.57	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value	\$ 145,135,994.00 \$ 28,638,666.00 \$ 116,497,328.00	\$ 128,718,253.00 \$ 28,638,666.00 \$ 100,079,587.00	\$ 111,496,088.00 \$ 28,638,666.00 \$ 82,857,422.00	\$ 90,222,872.00 \$ 28,638,666.00 \$ 61,584,206.00	\$ 82,768,030.00 \$ 28,638,666.00 \$ 54,129,364.00	\$ 75,281,915.00 \$ 28,638,666.00 \$ 46,434,249.00	\$ 64,396,527.00 \$ 28,638,666.00 \$ 35,757,861.00	\$ 60,797,157.00 \$ 28,638,666.00 \$ 32,158,491.00	\$ 56,420,937.00 \$ 28,638,666.00 \$ 27,782,271.00	\$ 50,361,508.00 \$ 28,638,666.00 \$ 21,722,842.00	\$ 46,149,907.00 \$ 28,638,666.00 \$ 17,511,241.00	\$ 41,787,288.00 \$ 28,638,666.00 \$ 13,148,622.00	\$ 35,622,484.00 \$ 28,638,666.00 \$ 6,983,818.00	\$ 35,281,063.00 \$ 28,638,666.00 \$ 6,642,397.00	\$ 35,062,809.00 \$ 28,638,666.00 \$ 6,424,143.00	
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b the lesser of .5107 or actual M&O) (.5107/100)	\$ 116,497,328.00 0.005107	\$ 100,079,587.00 0.005107	\$ 82,857,422.00 0.005172	\$ 61,584,206.00 0.005107	\$ 54,129,364.00 0.005043	\$ 46,434,249.00 0.005036	\$ 35,757,861.00 0.005100	\$ 32,158,491.00 0.005107	\$ 27,782,271.00 0.005107	\$ 21,722,842.00 0.005107	\$ 17,511,241.00 0.005107	\$ 13,148,622.00 0.005107	\$ 9,983,818.00 0.005107	\$ 6,642,397.00 0.005107	\$ 6,424,143.00 0.005107	
Tax Levy Due to TIRZ	\$ 594,951.85	\$ 511,106.45	\$ 428,538.59	\$ 314,510.54	\$ 272,974.38	\$ 234,895.40	\$ 182,365.09	\$ 164,233.41	\$ 141,884.06	\$ 110,938.55	\$ 89,429.91	\$ 67,150.01	\$ 35,666.36	\$ 33,922.72	\$ 32,808.10	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 648,871.63	\$ 131,420.68	\$ 8,335.63	\$ 3,107.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 791,735.33
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 834,531.97	\$ 740,129.95	\$ 641,102.51	\$ 518,781.51	\$ 475,916.17	\$ 432,871.01	\$ 373,499.86	\$ 352,623.51	\$ 332,883.53	\$ 297,132.90	\$ 272,284.45	\$ 246,545.00	\$ 210,172.66	\$ 208,158.27	\$ 206,870.57	
Percent Collected of Actual Levy	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	77.7528%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 594,951.85 77.7528%	\$ 511,106.45 77.7528%	\$ 428,538.59 77.7528%	\$ 314,510.54 77.7528%	\$ 272,974.38 77.7528%	\$ 234,895.40 77.7528%	\$ 182,365.09 77.7528%	\$ 164,233.41 77.7528%	\$ 141,884.06 77.7528%	\$ 110,938.55 77.7528%	\$ 89,429.91 77.7528%	\$ 67,150.01 77.7528%	\$ 35,666.36 77.7528%	\$ 33,922.72 77.7528%	\$ 32,808.10 77.7528%	
(Less) Administrative Cost (Less) Adjustments **	\$ 462,591.48	\$ 90,754.27	\$ 5,571.87	\$ 1,883.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 560,801.48 (1,000.00)
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>																\$ 559,801.48

\*\* Adjustments are made in order to prevent an overpayment. Delinquent taxes not due according to Section B.9; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2024	County Auditor's Calculation for Tax Year 2023	County Auditor's Calculation for Tax Year 2022	County Auditor's Calculation for Tax Year 2021	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2019	County Auditor's Calculation for Tax Year 2018	County Auditor's Calculation for Tax Year 2017	County Auditor's Calculation for Tax Year 2016	County Auditor's Calculation for Tax Year 2015	County Auditor's Calculation for Tax Year 2014	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	\$ 145,920,917.00 0.00575	\$ 128,718,253.00 0.00575	\$ 111,496,088.00 0.00575	\$ 90,222,872.00 0.00575	\$ 82,768,030.00 0.00575	\$ 75,281,915.00 0.00575	\$ 64,396,527.00 0.0058	\$ 60,797,157.00 0.0058	\$ 56,420,937.00 0.0059	\$ 50,361,508.00 0.0059	\$ 46,149,907.00 0.0059	\$ 41,787,288.00 0.0059	\$ 35,622,484.00 0.0059	\$ 35,281,063.00 0.0059	\$ 35,062,809.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 839,045.27	\$ 740,129.95	\$ 641,102.51	\$ 518,781.51	\$ 475,916.17	\$ 432,871.01	\$ 373,499.86	\$ 352,623.51	\$ 332,883.53	\$ 297,132.90	\$ 272,284.45	\$ 246,545.00	\$ 210,172.66	\$ 208,158.27	\$ 206,870.57	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value	\$ 145,920,917.00 \$ 28,638,666.00 \$ 117,282,251.00	\$ 128,718,253.00 \$ 28,638,666.00 \$ 100,079,587.00	\$ 111,496,088.00 \$ 28,638,666.00 \$ 82,857,422.00	\$ 90,222,872.00 \$ 28,638,666.00 \$ 61,584,206.00	\$ 82,768,030.00 \$ 28,638,666.00 \$ 54,129,364.00	\$ 75,281,915.00 \$ 28,638,666.00 \$ 46,434,249.00	\$ 64,396,527.00 \$ 28,638,666.00 \$ 35,757,861.00	\$ 60,797,157.00 \$ 28,638,666.00 \$ 32,158,491.00	\$ 56,420,937.00 \$ 28,638,666.00 \$ 27,782,271.00	\$ 50,361,508.00 \$ 28,638,666.00 \$ 21,722,842.00	\$ 46,149,907.00 \$ 28,638,666.00 \$ 17,511,241.00	\$ 41,787,288.00 \$ 28,638,666.00 \$ 13,148,622.00	\$ 35,622,484.00 \$ 28,638,666.00 \$ 6,983,818.00	\$ 35,281,063.00 \$ 28,638,666.00 \$ 6,642,397.00	\$ 35,062,809.00 \$ 28,638,666.00 \$ 6,424,143.00	
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b the lesser of .5107 or actual M&O) (.5107/100)	\$ 117,282,251.00 0.005107	\$ 100,079,587.00 0.005107	\$ 82,857,422.00 0.005107	\$ 61,584,206.00 0.005043	\$ 54,129,364.00 0.005036	\$ 46,434,249.00 0.005100	\$ 35,757,861.00 0.005107	\$ 32,158,491.00 0.005107	\$ 27,782,271.00 0.005107	\$ 21,722,842.00 0.005107	\$ 17,511,241.00 0.005107	\$ 13,148,622.00 0.005107	\$ 9,983,818.00 0.005107	\$ 6,642,397.00 0.005107	\$ 6,424,143.00 0.005107	
Tax Levy Due to TIRZ	\$ 598,960.46	\$ 511,106.45	\$ 423,152.85	\$ 314,510.54	\$ 272,974.38	\$ 234,895.40	\$ 182,365.09	\$ 164,233.41	\$ 141,884.06	\$ 110,938.55	\$ 89,429.91	\$ 67,150.01	\$ 35,666.36	\$ 33,922.72	\$ 32,808.10	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 646,841.85	\$ 129,272.68	\$ 7,761.87	\$ 2,438.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 786,315.10
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 839,045.27	\$ 740,129.95	\$ 641,102.51	\$ 518,781.51	\$ 475,916.17	\$ 432,871.01	\$ 373,499.86	\$ 352,623.51	\$ 332,883.53	\$ 297,132.90	\$ 272,284.45	\$ 246,545.00	\$ 210,172.66	\$ 208,158.27	\$ 206,870.57	
Percent Collected of Actual Levy	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	77.0926%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 598,960.46 77.0926%	\$ 511,106.45 77.0926%	\$ 423,152.85 77.0926%	\$ 314,510.54 77.0926%	\$ 272,974.38 77.0926%	\$ 234,895.40 77.0926%	\$ 182,365.09 77.0926%	\$ 164,233.41 77.0926%	\$ 141,884.06 77.0926%	\$ 110,938.55 77.0926%	\$ 89,429.91 77.0926%	\$ 67,150.01 77.0926%	\$ 35,666.36 77.0926%	\$ 33,922.72 77.0926%	\$ 32,808.10 77.0926%	
(Less) Administrative Cost (Less) Adjustments *** Net Adjustments ***	\$ 461,754.19	\$ 89,270.87	\$ 5,123.11	\$ 1,478.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557,626.68 (1,000.00)
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>																\$ 556,626.68

\*\* Adjustments are made in order to prevent an overpayment. Delinquent taxes not due according to Section B.9; the adjustment limits payments to 100% allowable TIRZ levy

\*\*\* Adjustments made to account for corrections to prior years (2017-2021) payment amounts.

\*\*\*\* City/County Payment Calculation Variance

\*\*\* \$ 3,174.80



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 29, 2025

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540

Re: Alton TIRZ No. 1 (THCAN) Report No. 2025-53

Dear Mr. Garza:

We conducted a limited scope review of the tax year 2024 list of tax accounts coded THCAN by Hidalgo County Appraisal District (HCAD). The objective of the review was to determine whether the list only included real property accounts located within the TIRZ boundaries.

The scope of the review was limited to tax accounts located within the TIRZ boundaries for the tax roll 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction.

In conducting the review, we examined the agreement between Hidalgo County and the City of Alton TIRZ No. 1, the list of property accounts coded THCAN, and the TIRZ map provided by the HCAD.

The results of the review revealed the following:

- 25 tax accounts included on the tax year 2024 list of accounts coded THCAN by HCAD were not located within the TIRZ boundaries (see Exhibit A).
- 5 tax accounts are for properties that are partially within the TIRZ boundaries (split) and require further action (see Exhibit B).

Please make the necessary corrections and submit the revised list of tax accounts coded THCAN by HCAD to the Hidalgo County Auditor's Office and Tax Assessor/Collector's by August 8, 2025.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosures: Exhibit A and Exhibit B

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

Mr. Rolando Garza  
July 29, 2025  
Page 2 of 2

cc: Honorable Richard Cortez, Hidalgo County Judge  
Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

**HIDALGO COUNTY DISTRICT JUDGES**

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

OVERSEER

## EXHIBIT A

No.	Property ID	Geographic ID
1	691308	T0945-13-000-0001-00
2	691309	T0945-13-000-0002-00
3	691310	T0945-13-000-0003-00
4	691311	T0945-13-000-0004-00
5	691312	T0945-13-000-0005-00
6	691313	T0945-13-000-0006-00
7	691314	T0945-13-000-0007-00
8	691315	T0945-13-000-0008-00
9	691316	T0945-13-000-0009-00
10	691317	T0945-13-000-0010-00
11	691318	T0945-13-000-0011-00
12	709040	T0945-15-000-0001-00
13	710128	T0945-15-000-0002-00
14	710129	T0945-15-000-0003-00
15	710130	T0945-15-000-0004-00
16	710131	T0945-15-000-0005-00
17	710132	T0945-15-000-0006-00
18	710133	T0945-15-000-0007-00
19	710134	T0945-15-000-0008-00
20	710135	T0945-15-000-0009-00
21	710136	T0945-15-000-0010-00
22	710137	T0945-15-000-0011-00
23	814893	W0100-00-040-0012-25
24	1557707	P1000-00-000-0015-00
25	528281	W0100-00-043-0005-12

## Exhibit B

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	1469106	M1883-00-000-0083-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
2	1469107	M1883-00-000-0084-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
3	1469109	M1883-00-000-0086-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
4	1469110	M1883-00-000-0087-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
5	1469108	M1883-00-000-0085-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.



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July 29, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 South Business Highway 281  
Edinburg, Texas 78539

Re: Alton TIRZ No. 1 Report No. 2025-53

Dear Mr. Villarreal:

We conducted a limited scope review of the City of Alton Tax Increment Reinvestment Zone (TIRZ) No. 1. The objective of the review was to determine if the City of Alton TIRZ collection reports prepared by the Tax Office included collections for all tax accounts located within the TIRZ.

The scope of the review was limited to the tax accounts located within the TIRZ for the tax roll 2024. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction.

In conducting the review, we reviewed the TIRZ collection reports provided by the Tax Office, City of Alton TIRZ No. 1 list of tax accounts provided by the Tax Office, a list of tax accounts coded THCAN by the Hidalgo County Appraisal District (HCAD), and the TIRZ map provided by the HCAD.

The results of the review revealed the following:

- 86 tax accounts were located within the TIRZ boundaries; however, the tax accounts were not included on the tax year 2024 list of tax accounts provided by the Tax Office (see Exhibit A).
- 25 tax accounts included in the TIRZ collection reports or list of accounts provided by the Tax Office were not located within the TIRZ boundaries (see Exhibit B).
- 6 tax accounts included in the TIRZ collection reports provided by the Tax Office were not located within the TIRZ boundaries and were not included in the TIRZ list of accounts provided by the Tax Office (see Exhibit C).
- 5 tax accounts are for properties that are partially within the TIRZ boundaries (split) and require further action (see Exhibit D).

Please submit a revised tax account listing and collection report for the City of Alton TIRZ No. 1 to the County Auditor's Office by August 8, 2025.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

The Honorable Pablo "Paul" Villarreal, Jr.  
July 29, 2025  
Page 2 of 2

Respectfully,



Letty Chavez  
County Auditor

Enclosures: Exhibit A through Exhibit D

cc: Honorable Richard Cortez, Hidalgo County Judge  
Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

**HIDALGO COUNTY DISTRICT JUDGES**

# EXHIBIT A

No.	Property ID	Geographic ID
1	1463896	A3510-00-000-001A-00
2	1464039	A3510-00-000-001A-05
3	1464040	A3510-00-000-002A-00
4	1469087	M1883-00-000-0017-00
5	1469088	M1883-00-000-0018-00
6	1469089	M1883-00-000-0019-00
7	1469091	M1883-00-000-0021-00
8	1469092	M1883-00-000-0022-00
9	1469093	M1883-00-000-0023-00
10	1469094	M1883-00-000-0024-00
11	1469096	M1883-00-000-0026-00
12	1469097	M1883-00-000-0027-00
13	1469098	M1883-00-000-0028-00
14	1469099	M1883-00-000-0029-00
15	1469100	M1883-00-000-0030-00
16	1469101	M1883-00-000-0031-00
17	1469102	M1883-00-000-0032-00
18	1469103	M1883-00-000-0033-00
19	1469104	M1883-00-000-0034-00
20	1469105	M1883-00-000-0035-00
21	1469111	M1883-00-000-0088-00
22	1469113	M1883-00-000-0090-00
23	1469114	M1883-00-000-0091-00
24	1469128	M1883-00-000-0092-00
25	1469129	M1883-00-000-0093-00
26	1469130	M1883-00-000-0094-00
27	1469131	M1883-00-000-0095-00
28	1469132	M1883-00-000-0096-00
29	1469133	M1883-00-000-0097-00
30	1469134	M1883-00-000-0098-00
31	1471123	L1025-00-000-000A-00
32	1471124	L1025-00-000-000B-00
33	1471125	L1025-00-000-000C-00
34	1471126	L1025-00-000-000D-00
35	1471127	L1025-00-000-0001-00
36	1471128	L1025-00-000-0002-00
37	1471129	L1025-00-000-0003-00
38	1471130	L1025-00-000-0004-00

# EXHIBIT A

No.	Property ID	Geographic ID
39	1471131	L1025-00-000-0005-00
40	1471132	L1025-00-000-0006-00
41	1471133	L1025-00-000-0007-00
42	1471134	L1025-00-000-0008-00
43	1471135	L1025-00-000-0009-00
44	1471136	L1025-00-000-0010-00
45	1471137	L1025-00-000-0011-00
46	1471138	L1025-00-000-0012-00
47	1471139	L1025-00-000-0013-00
48	1471140	L1025-00-000-0014-00
49	1471141	L1025-00-000-0015-00
50	1471143	L1025-00-000-0017-00
51	1471144	L1025-00-000-0018-00
52	1471145	L1025-00-000-0019-00
53	1471146	L1025-00-000-0020-00
54	1471147	L1025-00-000-0021-00
55	1471148	L1025-00-000-0022-00
56	1471149	L1025-00-000-0023-00
57	1471150	L1025-00-000-0024-00
58	1471151	L1025-00-000-0025-00
59	1471152	L1025-00-000-0026-00
60	1471153	L1025-00-000-0027-00
61	1471154	L1025-00-000-0028-00
62	1471155	L1025-00-000-0029-00
63	1471156	L1025-00-000-0030-00
64	1471157	L1025-00-000-0031-00
65	1471158	L1025-00-000-0032-00
66	1471159	L1025-00-000-0033-00
67	1471160	L1025-00-000-0034-00
68	1471161	L1025-00-000-0035-00
69	1471162	L1025-00-000-0036-00
70	1471163	L1025-00-000-0037-00
71	1471164	L1025-00-000-0038-00
72	1471165	L1025-00-000-0039-00
73	1471166	L1025-00-000-0040-00
74	1471167	L1025-00-000-0041-00
75	1471168	L1025-00-000-0042-00
76	1471169	L1025-00-000-0043-00

## EXHIBIT A

<b>No.</b>	<b>Property ID</b>	<b>Geographic ID</b>
77	1471170	L1025-00-000-0044-00
78	1471171	L1025-00-000-0045-00
79	1471172	L1025-00-000-0046-00
80	1471173	L1025-00-000-0047-00
81	1471174	L1025-00-000-0048-00
82	1471175	L1025-00-000-0049-00
83	1471176	L1025-00-000-0050-00
84	1471177	L1025-00-000-0051-00
85	1469090	M1883-00-000-0020-00
86	1471142	L1025-00-000-0016-00

## EXHIBIT B

No.	Property ID	Geographic ID
1	691308	T0945-13-000-0001-00
2	691309	T0945-13-000-0002-00
3	691310	T0945-13-000-0003-00
4	691311	T0945-13-000-0004-00
5	691312	T0945-13-000-0005-00
6	691313	T0945-13-000-0006-00
7	691314	T0945-13-000-0007-00
8	691315	T0945-13-000-0008-00
9	691316	T0945-13-000-0009-00
10	691317	T0945-13-000-0010-00
11	691318	T0945-13-000-0011-00
12	709040	T0945-15-000-0001-00
13	710128	T0945-15-000-0002-00
14	710129	T0945-15-000-0003-00
15	710130	T0945-15-000-0004-00
16	710131	T0945-15-000-0005-00
17	710132	T0945-15-000-0006-00
18	710133	T0945-15-000-0007-00
19	710134	T0945-15-000-0008-00
20	710135	T0945-15-000-0009-00
21	710136	T0945-15-000-0010-00
22	710137	T0945-15-000-0011-00
23	814893	W0100-00-040-0012-25
24	1557707	P1000-00-000-0015-00
25	528281	W0100-00-043-0005-12

## EXHIBIT C

<b>No.</b>	<b>Property ID</b>	<b>Geographic ID</b>
1	710395	L5860-00-000-0025-00
2	710367	L5860-00-000-0011-00
3	710429	L5860-00-000-0052-00
4	710418	L5860-00-000-0041-00
5	710417	L5860-00-000-0040-00
6	710409	L5860-00-000-0032-00

## Exhibit D

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	1469106	M1883-00-000-0083-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
2	1469107	M1883-00-000-0084-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
3	1469109	M1883-00-000-0086-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
4	1469110	M1883-00-000-0087-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.
5	1469108	M1883-00-000-0085-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2023 and 2024. <b>Need HCAD to process supplement to split values for 2009 (base) to 2022.</b>	Make changes when supplement is processed by HCAD.



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

July 30, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, Texas 78539

Re: Hot Checks Processing Fees Report for January 2025 through March 2025

Dear Mr. Palacios:

We conducted a limited scope review of the Hot Checks Processing Fees Report (*Processing Fees Report*) and supporting documentation for the months of January 2025 through March 2025 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if collections were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary:**

Based on the review, we concluded that collections were properly accounted for and reported.

### **Scope:**

The scope of the review was limited to collections reported by your office on the *Processing Fees Report* for the months of January 2025 through March 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the *Processing Fees Report* and supporting documentation were submitted to the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified that the *Processing Fees Report* was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Processing Fees Report* by footing and cross-footing the report.
- Verified that the sequence of receipts and checks issued per the *Processing Fees Report* agreed to *Odyssey's DA Receipt Journal Report* and *Check Transaction Register Report*. In addition, verified that receipts and checks were issued in sequential order.
- Verified collections and disbursements per the *Processing Fees Report* agreed to *Odyssey's Hot Checks Receipt Journal Report*.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Verified that collections received from the Community Supervision and Corrections Department were receipted and included on the *Processing Fees Report*.
- Verified that the collections per the *Processing Fees Report* agreed to total receipts issued and the deposits made to the Hot Check bank account.
- Verified that the processing fees per the *Processing Fees Report* were remitted to the County Treasurer's Office in a timely manner.
- Verified that procedures for voiding receipts and checks were properly followed.
- Randomly selected receipts to determine if court costs were remitted to the applicable Justice of the Peace courts.
- Randomly selected receipts to determine if the restitution, processing fee, and merchant fee were properly collected and reported as required by Code of Criminal Procedures §102.007 and Business and Commerce Code §3.506 (b).

**Conclusion:**

Based on the review, we concluded that collections were generally properly accounted and reported. Collections for the months of January 2025 through March 2025 totaled the following:

Month Ended	Amount
January 2025	\$ 34,196.56
February 2025	\$ 49,809.41
March 2025	\$ 67,688.79

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Valde Guerra, County Executive Office  
Rosalinda Cantu, Assistant Chief of Staff II, District Attorney's Office



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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www.hidalgocounty.us/294/Auditors-Office

July 30, 2025

The Honorable J.E. "Eddie" Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Fee Account MFR for April 2025 through June 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the Fee Account *Monthly Fees Report* (MFR) for the months of April 2025 through June 2025 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fees collected were properly accounted for and reported. The purpose of this report is to furnish management with independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

### **Executive Summary**

Based on the review, we concluded that collections were generally properly accounted for and reported.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for the months of April 2025 through June 2025. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting documentation were submitted to the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001(b).
- Verified that the MFR was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the MFR by footing and cross-footing the report.
- Reviewed receipts to determine if proper fee amounts were collected and reported.
- Verified that procedures for voiding receipts were properly followed.
- Verified that the collections per the MFR agreed to: 1.) total receipts issued per the Receipt Journal Report generated from *Odyssey*; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Verified that receipts were issued in sequential order.
- Verified that receipts and the MFR were properly completed.

**Conclusion:**

Total collections for the months of April 2025 through June 2025 were as follows:

Month Ended	Amount
April 2025	\$ 29,310.73
May 2025	\$ 22,256.39
June 2025	\$ 23,922.50

Based on the review, we concluded that the fees collected were generally properly accounted for and reported.

If you have any questions, please contact Alejandro Torres, Internal Auditor III, at 318-2511, ext. 4644; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez,  
County Auditor

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office



# HIDALGO COUNTY AUDITOR'S OFFICE

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July 31, 2025

The Honorable J.E. "Eddie" Guerra, Sheriff  
Hidalgo County Sheriff's Office  
711 El Cibolo Rd.  
Edinburg, Texas 78540

Re: Regular Trust Financial Statements for January 2025 through March 2025

Dear Sheriff Guerra:

We conducted a limited-scope review of the Regular Trust Fund financial statements for the months of January 2025 through March 2025 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for preparing the financial statements, including the design, implementation, and maintenance of internal controls relevant to this. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatements.

### **Executive Summary:**

Based on the review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements. However, we noted that the internal control system relevant to preparing financial statements requires improvement. More specifically, we noted that not all checks are listed in the Odyssey "Check Register" report.

### **Repeat Observation No. 1**

We noted that the checks recorded on the Regular Trust Fund financial statements were not on the Odyssey "Check Register" report. According to staff, the issue is caused by the Odyssey system. Multiple attempts have been made to resolve the issue with the Information Technology Department (IT) or Tyler Technology, but to no avail.

All checks should be posted in the Odyssey "Check Register" report. The Odyssey "Check Register" report and the checks recorded in the Regular Trust financial statements should agree.

Failure to ensure that the Odyssey "Check Register" report includes all issued and voided checks may result in improper reporting and loss of County funds.

### **Recommendation:**

We recommend that the Sheriff's Office continue communicating with the IT Department and Tyler Technologies to ensure that the issue is resolved.

## HIDALGO COUNTY DISTRICT JUDGES

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Please provide a management response to the observation noted above by August 15, 2025. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

If you have any questions, please contact Alejandro Torres, Internal Auditor III, at 318-2511, ext. 4644, Karen Ramirez, Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez,  
County Auditor

Enclosure: Management Response Form

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Myra Montoya, Budget Manager II, Hidalgo County Sheriff's Office  
Daniel Salinas, Director of Information Technology



**HIDALGO COUNTY AUDITOR'S OFFICE  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Sheriff's Office **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Regular Trust Financial  
Statements for January 2025  
through March 2025 **MANAGEMENT  
RESPONSE DUE:** August 15, 2025  
**FINDING No.:** 1 **RECOMMENDATION:** 1

We recommend that the Sheriff's Office continue communicating with the IT Department and Tyler Technologies to ensure that the issue is resolved.

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**Management Response (Choose One):**

\_\_\_\_\_ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**  
\_\_\_\_\_ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**  
\_\_\_\_\_ **DISAGREE THAT RISK EXISTS (Specify below)**

**Management Comments (Attach additional page(s) if necessary):**

**Specify Target Date of Remedial Action (if any):**

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**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

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# HIDALGO COUNTY AUDITOR'S OFFICE

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August 4, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County District Attorney's Office  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, Texas 78541

Re: Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-04

Dear Mr. Palacios:

We completed an audit of HIDTA's Chapter 59 Asset Forfeiture Report by Law Enforcement Agency for the Year Ended December 31, 2024, pursuant to Code of Criminal Procedure §59.06 (g)(1) and Local Government Code §115.001 and §115.0035. The objective of the audit was to determine if Chapter 59 seizures, forfeitures, receipts, and expenditures were accounted correctly and reported.

**Executive Summary:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

**Background:**

Code of Criminal Procedure (CCP) Chapter 59 "Forfeiture of Contraband" provides law enforcement agencies with the authority to confiscate, forfeit, and dispose of contraband. Chapter 59 defines "contraband" as property of any nature (including real, personal, tangible, or intangible property) that is used or intended for use in the commission of certain enumerated felonies, Class A and Class B misdemeanors, or gained, acquired, and/or used to facilitate the commission of certain enumerated felonies and misdemeanors.

Local Government Code (LGC) §115.0035(b) provides that "at least once each county fiscal year, or more often if the county auditor desires, the auditor shall, without advance notice, fully examine the accounts of all precinct, county and district officials." LGC §115.0035(a) defines "accounts" as all public funds that are subject to the control of any precinct, county or district official, including the accounts of law enforcement agencies and the attorney for the state composed of money and proceeds of property seized.

Pursuant to CCP §59.03 (c), a peace officer having custody of property must provide to the District Attorney a sworn statement that contains a schedule of the property seized, an acknowledgment that the officer has seized the property, and a list of the officer's reasons for the seizure. In addition, "not later than 72 hours after the seizure, the peace officer shall: (1) place the property under seal; (2) remove the property to a place ordered by the court; or (3) require a law enforcement agency of the state or a political subdivision to take custody of the property and move it to a proper location."

Pursuant to CCP §59.04 (a) and (b), the District Attorney must commence forfeiture proceedings by filing a notice of the seizure and intended forfeiture (petition) with the District Clerk's Office not later than the 30th day after the date of the seizure.

## HIDALGO COUNTY DISTRICT JUDGES

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Pursuant to CCP §59.05 (f), the District Clerk is entitled to court costs in forfeitures to the state of an amount greater than \$2,500 as in other civil proceedings.

Pursuant to CCP §59.06 (a), all forfeited property is administered by the District Attorney, acting as the agent of the state, in accordance with accepted accounting practices and with the provisions of any local agreement entered into between the District Attorney and law enforcement agencies (LEAs).

Pursuant to CCP §59.06 (b), if a local agreement exists between the District Attorney and the LEA, the District Attorney may transfer the property to the LEA. In addition, CCP § 59.06 (c) states, if a local agreement exists between the District Attorney and the LEA, all money, securities, negotiable instruments, stocks or bonds, or things of value, or proceeds from the sale of those items shall be deposited, after the deduction of court costs which the District Clerk is entitled, into one or more of the following funds: (1) a special fund in the county treasury for the benefit of the District Attorney's Office, to be used by the District Attorney solely for the official purposes of his office; or (2) a special fund in the county treasury if distributed to a county LEA, to be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

CCP §59.06 (d) states that awarded proceeds may be spent by a law enforcement agency after a detailed budget has been submitted to Commissioners Court. HIDTA's Chapter 59 budget for the year ended December 31, 2024 was \$589,858.88 and expenditures totaled \$562,708.10 (i.e., salaries, supplies, training, investigative costs, facility costs, and transferred funds to County LEAs).

Pursuant to CCP §59.06 (d-3), an expenditure of proceeds received under this chapter is considered to be for a law enforcement purpose if the expenditure is made for an activity of a law enforcement agency that relates to the criminal and civil enforcement of the laws of the State, including an expenditure made for: (1) equipment, including vehicles, computers, firearms, protective body armor, furniture, software, uniforms, and maintenance equipment; (2) supplies, including office supplies, mobile phone and data account fees for employees, and internet services; (3) investigative and training-related travel expenses, including payment for hotel rooms, airfare, meals, rental of and fuel for a motor vehicle, and parking; (4) conferences and training expenses, including fees and materials; (5) investigative costs, including payments to informants and lab expenses; (6) crime prevention and treatment programs; (7) facility costs, including building purchases, lease payments, remodeling and renovating, maintenance, and utilities; (8) witness-related costs, including travel and security; and (9) audit costs and fees, including audit preparation and professional fees.

Pursuant to CCP §59.06 (t)(1), contraband for which forfeiture is authorized with respect to an offense under Section 20.05, 20.06, 20.07, 43.04, or 43.05 or Chapter 20A of the Penal Code should be used to provide direct victim services or to cover the costs of a contract with a local nonprofit organization to provide direct services to crime victims.

For the year ended December 31, 2024, HIDTA seized cash totaling \$223,907.00; 10 motor vehicles; 12 jewelry; & 1 piece of equipment. In addition, cash totaling \$72,447.60; and 3 motor vehicles were forfeited (awarded) to HIDTA.

### **Local Agreement between District Attorney's Office and HIDTA**

On February 23, 2023, the Hidalgo County District Attorney and HIDTA entered into a local agreement pursuant to CCP §59.06 (b). According to the local agreement, HIDTA is responsible for paying all court costs, attorney ad-litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs in the forfeiture of vehicles and all other personal property.

Real Estate - Upon the sale of real estate, all costs are to be paid from the final sum received with the remaining amount to be paid 100% to HIDTA.

Personal Property (Vehicles, jewelry, phones, etc.) - All property is to be forfeited to HIDTA. If property is sold, proceeds from the sale of property are to be disbursed 100% to HIDTA, except for passenger vehicles

(i.e., pick-up trucks, sport utility vehicles, vans, tractor trailers, etc.) that are to be used for law enforcement purposes. HIDTA is responsible for the use and upkeep of the vehicles and obtaining a certificate of title. All other seized vehicles, except those mentioned above and not used for law enforcement purposes, are to be sold and proceeds disposed of in accordance with Chapter 59 of the Texas Code of Criminal Procedure.

All property seized, except for currency, bank accounts, and negotiable instruments, shall be kept in the possession of HIDTA. HIDTA will account for all seized property in its possession until the property is disposed of by court order. Currency, bank accounts, and negotiable instruments shall be held and maintained by the District Attorney until a final disposition is ordered. All other personal property not suitable or desired for use shall be forfeited to the District Attorney and shall be sold at public auction. The proceeds after deduction of sale expenses shall be paid 100% to HIDTA. Proceeds from the sale of real, personal, tangible or intangible property shall be apportioned within thirty (30) days of sale.

Currency - Currency, bank accounts, and negotiable instruments are to be distributed 100% to HIDTA, after all costs have been paid.

Proceeds or property which has been awarded to the State via court order, and thereafter disbursed and divided in accordance with the agreement, may be transferred from the LEA to the State attorney upon request, for the State utilizing proceeds.

### **HIDTA's Procedures**

A HIDTA agent counts seized currency under \$5,000.00 in the presence of a witness and the respondent(s). Funds are placed in a sealed evidence bag and immediately transported to the bank by at least two agents, if it's within the bank's regular business hours; otherwise, the funds are transported to the HIDTA Office. The following non-pre-numbered forms are prepared to document the seized cash:

- "Itemization of Money Seizure" form includes the following information: date of seizure; case file number; agent's name; the US currency, foreign currency, and checks by denomination, quantity, and total; and the signatures of the case agent and seizure custodian.
- "Hidalgo County HIDTA Task Force Receipt for Cash or Other Items" form includes the following information: the date, time, case number, description of items, and signature of the seizing agent, witness, and respondent. A copy of the completed form is provided to the respondent.

If the funds cannot be counted in the presence of the respondent, the funds are placed in a sealed evidence bag and transported to HIDTA by at least two agents, where it is placed in a safe pending transfer to the bank. In cases where currency is seized for \$25,000.00 or more, sealed evidence bags are taken and signed into the bank vault. For these seizures, the bank requires that HIDTA schedule an appointment with the Bank Cash Vault Services Manager. The bank employees, along with at least 2 HIDTA employees, unseal the evidence bags and count the currency. The count is recorded on an "Itemization of Money Seizure" form. Once the currency is counted, pursuant to CCP §59.08, the agent places the seized currency in a certificate of deposit at the county depository, Lone Star National Bank, under the name of the District Attorney's Office pending final disposition. If currency cannot be immediately deposited, the currency is safeguarded in a safe at the HIDTA Office. Seized currency is placed in a certificate of deposit within 72 hours.

Personal property is safeguarded by HIDTA until a final judgment is rendered by the court. Vehicles are maintained at Hidalgo County Sheriff's Office or other County approved location; however, most personal property (i.e., jewelry, cell phones, guns, etc.) is maintained at HIDTA's evidence room. Personal property of high value is placed in a safe. The Commander and Assistant Commander have access to the evidence room and the safe. The evidence room is under lock and key; an alarm must be deactivated to access it, and it has 24-hour surveillance cameras inside and outside. If an item needs to be removed from the evidence room, the item is requested from one of the three employees with access to the evidence room. Property maintained in the evidence room is clearly labeled with the case number. Once the items are awarded to HIDTA, the high-value small items are declared surplus and auctioned by the assigned auctioneer. For cell phones, guns and

### **HIDALGO COUNTY DISTRICT JUDGES**

other items, HIDTA requests that an “Order of Disposition of Gambling Paraphernalia, Prohibited Weapon, Criminal Instrument, Other Contraband, Seized Weapon, or Stolen Property” be approved and signed by the presiding District Court Judge, granting HIDTA authorization for destruction. A copy of the destruction order and photos of destroyed items are maintained in the case file.

When property is seized under CCP Chapter 59, the agent is required to complete a case file consisting of the following: intake sheet; DA’s supplement report; booking sheet; DA’s intake sheet; case initiation; commitment; complaint; warrants; seizure report; drug to dollar amount conversion table; evidence submission; DPS lab submission; Miranda warnings; voluntary statement of the accused; arrest report/personal history; criminal case management report (i.e., Odyssey); defendant’s criminal history; affidavit of seizing officer; asset forfeiture intake sheet; picture of the seized property; vehicle registration information and/or copy of certificate of deposit, if applicable; reports from other law enforcement agencies, etc. The agent inputs the entry of incident, arrest, and related data information into the Cardinal Tracking Badge System under a pre-assigned task force case number.

If a vehicle is forfeited to HIDTA, HIDTA’s Commander determines whether the vehicle should be retained for use or auctioned. If the vehicle is retained for use, HIDTA submits the Application for Registration and Certificate of title issued under Alias for Use of Law Enforcement Vehicle (Form 62-G), Application for Texas Title and/or Registration (Form 130-U), and a Certificate of Origin for a Vehicle (certified copy of final judgment) to the Texas Department of Transportation. All HIDTA vehicles are under “Alias” and the certificate of title is not released until a formal letter is submitted to the Texas Department of Transportation requesting the deletion of said vehicle from alias registration. HIDTA requests an asset tag from the Hidalgo County Purchasing Department and insurance from Hidalgo County Safety Division. The Purchasing Department’s Fixed Asset Division requires proof of insurance from the Hidalgo County Safety Division and a copy of the judgment in order to issue an asset tag for vehicles forfeited to HIDTA.

If a vehicle is not retained for use or if a vehicle previously retained for use is no longer needed, it is entered into the Asset to Surplus System by HIDTA Division Manager and the vehicle is declared surplus. Until the auction is conducted, the vehicle is safeguarded at a County approved location. In addition, a certificate of title is not obtained for vehicles not retained for use.

The Purchasing Department is responsible for conducting the sale of assets. The Purchasing Department receives the proceeds from the sale of assets from the assigned auctioneer at time of sale and prepares a “Purchasing Department/Fixed Asset Division Auction Report” that details the manner in which the auction proceeds will be distributed. The proceeds are then deposited with the Hidalgo County Treasurer.

HIDTA maintains the BADGE and the Performance Management Process (PMP). BADGE is a police records management system, used by HIDTA to document when assets are placed and removed from the evidence room. BADGE is used to document the chain of custody for items seized and maintained as evidence. The Performance Management Process (PMP) system is utilized to identify and track information about HIDTA-funded training, information and intelligence sharing, drug and asset seizures, and case support. The PMP database and BADGE work hand in hand in cooperation and synchronize the activity of the other. The Criminal Research Specialist inputs information obtained from the Badge System into the PMP database. The PMP database is reviewed monthly and randomly audited by HIDTA’s Regional Office for accuracy. The Criminal Research Specialist provides monthly PMP reports and Badge System reports to HIDTA’s Division Manager, who creates a schedule of seized items based on said reports/information. In addition, on a monthly basis, HIDTA’s Division Manager, receives a copy of the HIDTA HB65 bank statement and balance sheet from the District Attorney’s Budget Manager. Once a case has been disposed, the District Attorney’s Legal Assistant from the Asset Forfeiture and Expunction Section provides a copy of the judgment to HIDTA’s Division Manager, who is responsible for the preparation of the Chapter 59 Asset Forfeiture Report.

### **Agreement for Auctioneer Services**

On September 27, 2022 the Hidalgo County Commissioners Court entered into a contract with Bond & Bond Auctioneers for the provision of auctioneer services. The contract is effective from October 1, 2022 to

September 30, 2025, with an option to extend for an additional two (2) one (1) year terms. There were five auctions held for the fiscal year ending December 31, 2024. The auctions were held on February 24th, March 23rd, July 27th, August 24th, and October 11th, 2024.

### **Scope and Methodology:**

The scope of the audit was limited to a review of all seized currency and personal property for which an agent's affidavit was made available to the County Auditor's Office for review and all forfeited currency and personal property for which a final judgment was rendered and recorded in Odyssey, the County's justice information system, for the period of January 1, 2024 through December 31, 2024.

The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

In conducting the review, the following procedures were performed:

1. Compared Chapter 59 revenue and expenditure reports generated from *LINQ*, the County's financial accounting system, and the "Purchasing Department/Fixed Asset Division Auction Report" to the Chapter 59 Asset Forfeiture Report to determine if all revenues and expenditures were reported.
2. Generated "Cases filed" and "Cases disposed" index reports for the period of January 1, 2024 to December 31, 2024 from *Odyssey* to determine if all seized, forfeited, and property were returned to respondents was reported on the Chapter 59 Asset Forfeiture Report.
3. Reviewed expenditures from HIDTA's Chapter 59 Forfeiture Fund to determine if expenditures were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. Reviewed the affidavit prepared by the seizing officer and the certificate of deposit receipt to determine if a certificate of deposit was opened within 72 hours of seizure for the amount seized and if a petition was filed within 30 days after the date of seizure.
5. Verified on *Odyssey* if court costs were paid to the District Clerk for forfeitures to the state of an amount greater than \$2,500.00.
6. Reviewed the petitions and judgements for property related to an offense under Section 20.05, 20.06, 20.07, 43.04, or 43.05 or Chapter 20A of the Penal Code to determine if the forfeited property was properly accounted for.
7. Selected 9 vehicles, 6 jewelry, and 1 piece of equipment that were seized and/or forfeited and not sold as of December 31, 2024 for physical identification.
8. Verified that the 6 motor vehicles forfeited and put to use by HIDTA are properly insured.

### **Conclusion:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported.

1. All Chapter 59 revenues and expenditures recorded in *LINQ* and the "Purchasing Department/Fixed Asset Division Auction Report" were reported on the Chapter 59 Asset Forfeiture Report.
2. A review of the "Cases filed" and "Cases disposed" index reports generated from Odyssey for the period of review revealed that HIDTA had seized cash totaling \$223,907.00, 10 motor vehicles, 12 jewelry, and 1 piece of equipment. In addition, cash totaling \$72,447.60 and 3 motor vehicles were forfeited (awarded) to HIDTA. All items were properly reported on the Chapter 59 Asset Forfeiture Report.
3. All expenditures from the HIDTA Chapter 59 Forfeiture Fund were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. All certificates of deposit, with the exception of one, were opened for the amount seized within 72 hours of seizure. In addition, all petitions were filed with the District Clerk's Office on or before the 30<sup>th</sup> day after the date of seizure as required by CCP §59.04(a) and (b).
  - A certificate of deposit for cash seized on November 8, 2024 was deposited on November 12, 2024, exceeding the 72 hours requirement pursuant to CCP §59.03 (c). According to staff, the seizure was executed late on Friday, which prevented them from making the deposit on the same day.

Furthermore, the subsequent Monday, November 11, 2024, was designated as a County Holiday, making November 12, 2024, the earliest possible deposit date.

5. Court costs were assessed on 4 cases. Of the 4 cases:
  - 3 cases resulted in forfeitures in amounts greater than \$2,500.00
    - Court costs were paid to the District Clerk for 2 cases.
    - HIDTA did not pay court costs to the District Clerk for 1 case; however, court costs were due by the defendant.
  - 1 case did not generate forfeitures in amounts greater than \$2,500.00 resulted in forfeitures in amounts less than \$2,500.00.
6. All petitions or judgments filed for property related to an offense under section 20.05, 20.06, 20.07, 43.04, or 43.05 or Chapter 20A of the Penal Code were properly accounted for.
7. All selected vehicles (9), jewelry (6), and equipment (1) were physically located.
8. All vehicles retained for use by HIDTA were adequately insured.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Kent Richardson, Assistant Attorney General  
Mr. Juan Sifuentes, HIDTA Commander, HIDTA Task Force  
Ms. Rosie Gonzalez, Division Manager, HIDTA Task Force



# HIDALGO COUNTY AUDITOR'S OFFICE

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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

August 4, 2025

The Honorable Martin Cantu, Constable  
Hidalgo County Precinct No. 2  
300 W. Hall Acres  
Pharr, TX 78577

Re: Chapter 59 Asset Forfeiture Report YE 12-31-24 Audit No. 2025-06

Dear Constable Cantu:

We completed an audit of the Chapter 59 Asset Forfeiture Audit Report by Law Enforcement Agency for the Year Ended December 31, 2024, pursuant to Code of Criminal Procedure §59.06 (g)(1) and Local Government Code §115.001 and §115.0035. The objective of the audit was to determine if Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

**Executive Summary:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

**Background:**

Code of Criminal Procedure (CCP) Chapter 59 "Forfeiture of Contraband" provides law enforcement agencies with the authority to confiscate, forfeit, and dispose of contraband. Chapter 59 defines "contraband" as property of any nature (including real, personal, tangible, or intangible property) that is used or intended for use in the commission of certain enumerated felonies, Class A and Class B misdemeanors, or gained, acquired, and/or used to facilitate the commission of certain enumerated felonies and misdemeanors.

Local Government Code (LGC) §115.0035(b) provides that "at least once each county fiscal year, or more often if the county auditor desires, the auditor shall, without advance notice, fully examine the accounts of all precinct, county and district officials." LGC §115.0035(a) defines "accounts" as all public funds that are subject to the control of any precinct, county or district official, including the accounts of law enforcement agencies and the attorney for the state composed of money and proceeds of property seized.

Pursuant to CCP §59.05 (f), the District Clerk is entitled to court costs in forfeitures to the state of an amount greater than \$2,500 as in other civil proceedings.

Pursuant to CCP §59.06 (a), all forfeited property is administered by the District Attorney, acting as the agent of the state, in accordance with accepted accounting practices and with the provisions of any local agreement entered into between the District Attorney and law enforcement agencies (LEAs).

Pursuant to CCP §59.06 (b), if a local agreement exists between the District Attorney and the LEA, the District Attorney may transfer the property to the LEA. In addition, CCP § 59.06 (c) states, if a local agreement exists between the District Attorney and the LEA, all money, securities, negotiable instruments, stocks or bonds, or

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

things of value, or proceeds from the sale of those items shall be deposited, after the deduction of court costs which the District Clerk is entitled, into one or more of the following funds: (1) a special fund in the county treasury for the benefit of the District Attorney's Office, to be used by the District Attorney solely for the official purposes of his office; or (2) a special fund in the county treasury if distributed to a county LEA, to be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

CCP §59.06 (d) states that awarded proceeds may be spent by a law enforcement agency after a detailed budget has been submitted to Commissioners Court. A budget was not submitted to Commissioners Court and expenditures were not incurred for the year ended December 31, 2024.

Pursuant to CCP §59.06 (d-3), an expenditure of proceeds received under this chapter is considered to be for a law enforcement purpose if the expenditure is made for an activity of a law enforcement agency that relates to the criminal and civil enforcement of the laws of the State, including an expenditure made for: (1) equipment, including vehicles, computers, firearms, protective body armor, furniture, software, uniforms, and maintenance equipment; (2) supplies, including office supplies, mobile phone and data account fees for employees, and internet services; (3) investigative and training-related travel expenses, including payment for hotel rooms, airfare, meals, rental of and fuel for a motor vehicle, and parking; (4) conferences and training expenses, including fees and materials; (5) investigative costs, including payments to informants and lab expenses; (6) crime prevention and treatment programs; (7) facility costs, including building purchases, lease payments, remodeling and renovating, maintenance, and utilities; (8) witness-related costs, including travel and security; and (9) audit costs and fees, including audit preparation and professional fees.

Pursuant to CCP §59.06 (t)(1), contraband for which forfeiture is authorized with respect to an offense under section 20.05, 20.06, 20.7, 43.04, or 43.05 or Chapter 20A of the Penal Code should be used to provide direct victim services or to cover the costs of a contract with local nonprofit organization to provide direct services to crime victims.

For the year ended December 31, 2024, the Constable Precinct No. 2 Office had no seizures or forfeitures.

### **Local Agreement Between District Attorney's Office and Constable Precinct No. 2**

On January 17, 2023, the Hidalgo County District Attorney and Constable Precinct No. 2 entered into a local agreement pursuant to CCP §59.06 (b). According to the local agreement, Constable Precinct No. 2 is responsible for paying all court costs, attorney ad-litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs in the forfeiture of vehicles and all other personal property.

*Personal Property (Vehicles, laptops, computers, cell phones, weapons, etc...)-* If personal property, including vehicles retained by Constable Precinct No. 2 are to be sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 2 and 25% to the District Attorney.

If personal property, including vehicles that are retained by the Constable for law enforcement purposes are at any time decommissioned and then sold, net proceeds from the sale of said property, after deduction of costs, are to be divided as follows: 75% to Constable Precinct No. 2 and 25% to the District Attorney.

All property seized, except for currency, bank accounts, negotiable instruments, and jewelry, shall be kept in the possession of the Constable. The Constable shall account for all seized property in his possession until the property is disposed of by court order.

All other personal property, not suitable or desired for use, shall be forfeited to the District Attorney and sold at public auction. The net proceeds of said sale of said property, after deductions of sale expenses, shall be divided as follows: 60% to Constable Precinct No. 2 and 40% to the District Attorney.

Proceeds from the sale of real, personal, tangible, or intangible property subject to the agreement shall be apportioned within thirty (30) days of said sale.

### **Constable Precinct No. 2 Procedures**

The Constable Precinct No. 2 Office has formal procedures for the accounting and reporting of seizures and forfeitures. Deputies requesting to initiate seizure and forfeiture of vehicles, property, and/or currency will forward all required documents to the designated Supervisor for review and approval. Once approved, the deputy submits the file to the District Attorney's Office Civil Forfeiture Division.

Due to the expenses related to forfeiture proceedings, the following values of the described property and types are used as a guideline when considering seizure: vehicles \$5,000, currency \$5,000, and real property \$20,000. Items such as jewelry, household items, electronics, etc., shall be in an aggregate amount value not less than \$3,000 per case.

Motor vehicles seized will be treated as evidence. The vehicles are towed to a designated storage facility. All currency seized is deposited into the designated account set forth by the Hidalgo County District Attorney's Office on the same day of seizure, if possible. In the event this is not possible, the currency is properly sealed and secured in a safe designated by the Supervisor and deposited on the next business day.

The following documents are used by the Constable Precinct No. 2 Office to document seizures: 1.) a detailed report describing the circumstances of the seizure, 2.) asset forfeiture cover sheet, 3.) offense report, 4.) affidavits and search warrants, 5.) vehicle impound sheet, if applicable, 6.) DMV vehicle registration, 7.) arrest probable cause affidavit, 8.) receipt of property seizure, 9.) bank deposit slip, if applicable, 10.) seizure affidavit, 11.) criminal history of all parties claiming interest in item, 12.) mechanic vehicle review sheet, 13.) NADAR or Kelly Blue Book value, and 14.) photographs of items. A pre-numbered receipt/form "Receipts for Cash or Other items" was implemented by Constable Precinct No. 2.

### **Scope and Methodology:**

The scope of the audit was limited to a review of all seized currency and personal property for which an agent's affidavit was made available to the County Auditor's Office for review and all forfeited currency and personal property for which a final judgment was rendered and recorded in *Odyssey*, the County's justice information system, for the period of January 1, 2024 through December 31, 2024.

The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

In conducting the review, the following procedures were performed:

1. Compared Chapter 59 revenue and expenditure reports generated from *LINQ*, the County's financial accounting system, and the "Purchasing Department/Fixed Asset Division Auction Report" to the Chapter 59 Asset Forfeiture Report to determine if all revenues and expenditures were reported.
2. Generated "Cases filed" and "Cases disposed" index reports for the period of January 1, 2024 to December 31, 2024 from *Odyssey* to determine if all seized, forfeited, and property returned to respondents was reported on the Chapter 59 Asset Forfeiture Report.
3. Reviewed expenditures from the Constable Precinct No. 2 Chapter 59 Forfeiture Fund to determine if expenditures were incurred for law enforcement purposes pursuant to CCP §59.06 (d-3).
4. Reviewed written policies and procedures for the accounting and reporting of seizures and forfeitures. In addition, inquired whether seizures were promptly recorded and controlled by using pre-numbered official receipt forms.

### **Conclusion:**

Based on the results of the audit, we determined that Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted for and reported.

1. All Chapter 59 revenues and expenditures recorded in *LINQ* and the “Purchasing Department/Fixed Asset Division Auction Report” were reported on the Chapter 59 Asset Forfeiture Report.
2. A review of the “Cases filed” and “Cases disposed” index reports generated from Odyssey for the period of review revealed that the Constable Precinct No. 2 had no seizures or forfeitures.
3. There were no expenditures incurred from the Constable Precinct No. 2 Chapter 59 Forfeiture Fund.
4. Formal policies and procedures have been developed and implemented by the Constable Precinct No. 2 Office regarding Chapter 59 seizures and forfeitures. In addition, pre-numbered official receipt forms were utilized to record and control seizures.

If you have any questions, please contact Jake Solis, Internal Auditor II, at 318-2511, ext. 4656; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. Kent Richardson, Assistant Attorney General  
Mr. Fernando Gaitan, Chief Deputy, Constable Precinct No. 2



# HIDALGO COUNTY AUDITOR'S OFFICE

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August 4, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, Texas 78539

Re: Hot Checks Financial Statements for January 2025 through March 2025

Dear Mr. Palacios:

We conducted a limited scope review of the Hot Checks financial statements for January 2025 through March 2025 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements, including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

Based on the review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-2511 ext. 4641, Karen Ramirez, Compliance Audit Supervisor, at ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Rosalinda Cantu, Assistant Chief of Staff II, District Attorney's Office

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C.    FERNANDO MANCIAS JUDGE, 93RD D.C.    J. R. "BOBBY" FLORES JUDGE, 139TH D.C.    ROSE GUERRA REYNA JUDGE, 206TH D.C.    MARLA CUELLAR JUDGE, 275TH D.C.    JUAN R. ALVAREZ JUDGE, 332ND D.C.    NOE GONZALEZ JUDGE, 370TH D.C.    LETICIA LOPEZ JUDGE, 389TH D.C.    L. KENO VASQUEZ JUDGE, 398TH D.C.    ORLANDO ESQUIVEL JUDGE, 430TH D.C.    RENEE R. BETANCOURT JUDGE, 449TH D.C.    JOSE "JOE" RAMIREZ JUDGE, 464TH D.C.    NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



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August 20, 2025

The Honorable Pablo "Paul" Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 S. Business Highway 281  
Edinburg, Texas 78539

Re: June 2025 DTA Payment Request Report No. 2025-36

Dear Mr. Villarreal:

We completed a limited scope review of the June 2025 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") and related supporting documentation. The objective of the review was to determine if the payment request was accurate and properly authorized.

The results of the review revealed that the payment request was generally accurate and properly authorized. We will proceed to process the June 2025 DTA payment request of \$128,880.99 to LGBS.

The scope of the review was limited to a review of the DTA fees collected by your office on behalf of the following entities: Hidalgo County (GHD), Road District 2 (RD2), Road District 5 (RD5), Road District 7 (RD7), Road District 12 (RD12), Road District 14 (RD14), Road District 15 (RD15), State of Texas (TEX); and the payment request prepared by your office for the month ended June 30, 2025. The review was neither designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. The responsibility for sound internal controls rests with management.

In conducting the review, the following procedures were performed:

- Verified that the payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes, penalty, and interest collections for June 2025."
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Collection Reports" to determine if the total amount of DTA fees collected agreed with the amount transferred to the Hidalgo County Treasurer's Office.

Based on the review, the following was noted:

- The payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes, penalty, and interest collections for June 2025."

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

- Although DTA fees for 135 tax accounts were not collected at the 15% rate specified in the contract, we concluded that the differences in rates were attributed to tax deferrals (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for June 2025 agreed with the amount transferred to the Hidalgo County Treasurer's Office.

If you have any questions, please contact Alejandro Torres, Internal Auditor III, at (956) 318-2511, ext. 4644; Karen Ramirez, Compliance Audit Supervisor, at ext. 4606; Yvonne Torres, Director of Audit Division, at ext. 4642; Reynaldo Cantu III, First Assistant Auditor, at ext. 4654; or me at ext. 4651.

Respectfully,



Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, Hidalgo County Executive Officer  
Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP  
Ms. Eva Mireles, Chief Deputy, Hidalgo County Tax Office

## Exhibit A

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2023	C602000000003900	22.20	4.92	27.12	3.93
2	1	2022	C750007009002900	725.47	246.66	972.13	140.38
3	1	2022	L045000023000010	178.74	56.60	235.34	33.51
4	1	2022	M355000151001700	139.63	39.33	178.96	24.92
5	1	2022	L670000022000300	121.13	41.19	162.32	23.44
6	1	2022	T094309000007900	62.42	19.40	81.82	11.61
7	1	2022	K240000000032513	58.24	19.13	77.37	11.10
8	1	2022	W738203000000600	51.89	14.92	66.81	9.34
9	1	2022	C070000099000702	41.98	12.32	54.30	7.62
10	1	2022	B152000000001100	27.66	9.08	36.74	5.27
11	1	2022	E700002000004800	20.30	6.43	26.73	3.81
12	1	2022	D280000007000704	10.38	3.04	13.42	1.88
13	1	2021	W460002006001600	410.61	144.06	554.67	75.76
14	1	2021	M184500000001400	149.49	53.08	202.57	27.58
15	1	2021	M355000151001700	35.12	14.11	49.23	6.90
16	1	2021	C902000000002200	17.93	7.72	25.65	3.66
17	1	2021	B2550000000028801	15.79	7.17	22.96	3.32
18	1	2020	B476000000001100	61.48	33.15	94.63	13.46
19	1	2020	S477000000006700	1.52	0.65	2.17	0.29
20	1	2019	S477000000006700	14.64	7.95	22.59	3.03
21	1	2019	B476000000001100	8.45	5.59	14.04	2.01
22	1	2018	C980000004000610	160.33	76.55	236.88	28.62
23	1	2018	C980000004000610	160.33	76.55	236.88	28.62
24	1	2018	P776002000004400	14.88	10.76	25.64	3.60
25	1	2018	C773000000000100	10.27	6.74	17.01	2.30
26	1	2018	S100000030003000	5.86	3.54	9.40	1.23
27	1	2018	C980000004000610	-160.33	-76.55	-236.88	-28.62
28	1	2017	G590001003002900	84.55	67.13	151.68	20.79
29	1	2017	S073000000001500	48.17	32.63	80.80	10.40
30	1	2017	T73000200C013400	31.31	16.83	48.14	5.64
31	1	2017	J183502000001300	26.02	15.35	41.37	5.04
32	1	2017	F766501000004500	18.40	9.68	28.08	3.26
33	1	2017	V380002010001000	7.10	4.06	11.16	1.34
34	1	2017	D680000024000700	1.58	1.32	2.90	0.41
35	1	2016	E650000006001000	21.82	12.98	34.80	3.93
36	1	2015	B190005000001500	132.37	93.32	225.69	25.62
37	1	2015	R420000009000600	125.66	84.82	210.48	22.62
38	1	2015	R284805000001000	87.33	70.44	157.77	19.52
39	1	2015	J570098005000205	4.17	3.60	7.77	0.99
40	1	2014	L205000042001300	134.32	105.89	240.21	26.19
41	1	2014	B190005000001500	122.27	100.87	223.14	25.86
42	1	2014	S160000000004815	40.22	33.15	73.37	8.57
43	1	2014	J570098005000205	9.98	9.83	19.81	2.56
44	1	2014	B403502000023600	7.73	8.70	16.43	2.26
45	1	2014	O660000000000200	9.15	7.06	16.21	1.72
46	1	2013	L205000042001300	14.30	12.98	27.28	3.04
47	1	2012	D460000120000100	12.40	12.47	24.87	2.74

48	1	2011	A320000000001800	144.65	166.58	311.23	36.23
49	1	2011	R365000000003900	67.75	66.97	134.72	11.99
50	1	2011	W010000023000416	27.60	30.60	58.20	6.38
51	1	2011	W74000010A000700	17.21	19.59	36.80	4.21
52	1	2011	W010000023000416	18.07	20.03	38.10	4.17
53	1	2010	D460000120000100	70.27	87.48	157.75	18.02
54	1	2010	J941000000000100	71.73	78.55	150.28	13.56
55	1	2010	J941000000000100	71.73	78.55	150.28	13.56
56	1	2010	J570000001000403	56.39	64.40	120.79	11.85
57	1	2010	H510000001000100	24.79	26.50	51.29	4.39
58	1	2010	H302000000000700	23.49	25.49	48.98	4.34
59	1	2010	P927901000007000	13.16	15.73	28.89	3.08
60	1	2010	W010000023000416	9.04	11.12	20.16	2.25
61	1	2010	G040000006000100	3.46	4.02	7.48	0.76
62	1	2009	S356700000009600	177.02	208.00	385.02	33.46
63	1	2009	A180000040000712	30.87	47.68	78.55	10.37
64	1	2009	B157000000005500	42.05	49.82	91.87	8.14
65	1	2009	P640000023000500	10.72	19.20	29.92	4.29
66	1	2009	P640000023000500	10.72	19.20	29.92	4.29
67	1	2009	P640000023000500	-10.72	-19.20	-29.92	-4.29
68	1	2008	V365000001000100	55.65	70.59	126.24	10.85
69	1	2008	D320000060000202	36.76	52.75	89.51	9.92
70	1	2008	H305000000000100	38.25	48.99	87.24	7.74
71	1	2007	S216000000001300	194.82	258.14	452.96	35.94
72	1	2007	V365000001000100	55.86	77.55	133.41	11.90
73	1	2007	S016000000003600	43.27	58.91	102.18	8.70
74	1	2007	W380000238000005	27.08	39.14	66.22	6.46
75	1	2007	C730000021000800	9.99	19.17	29.16	4.06
76	1	2007	C730000021000800	9.98	19.17	29.15	4.06
77	1	2006	S216000000001300	191.09	276.12	467.21	38.70
78	1	2006	W010000030000309	94.70	149.78	244.48	25.00
79	1	2006	V365000001000100	13.68	20.64	34.32	3.16
80	1	2006	R382500008000500	10.54	15.47	26.01	2.24
81	1	2006	R225001003001900	2.48	4.35	6.83	0.85
82	1	2006	L670000017000300	1.87	3.09	4.96	0.55
83	1	2005	S216000000001300	183.48	287.16	470.64	40.46
84	1	2005	R382500008000500	3.92	6.23	10.15	0.91
85	1	2004	S216000000001300	175.64	295.96	471.60	41.89
86	1	2004	C175000000001200	82.53	129.14	211.67	15.23
87	1	2004	L025000114000012	12.40	28.49	40.89	5.77
88	1	2004	G570000001002800	14.45	28.09	42.54	5.14
89	1	2004	B505000015000600	26.29	41.14	67.43	4.85
90	1	2004	B496504000032900	7.47	14.44	21.91	2.64
91	1	2003	S216000000001300	168.13	303.47	471.60	43.13
92	1	2003	S240000000009511	19.69	33.45	53.14	4.11
93	1	2003	S525001012001100	13.99	23.02	37.01	2.58
94	1	2003	C690000001000700	6.03	10.63	16.66	1.44
95	1	2003	C690000001000700	4.82	8.50	13.32	1.15
96	1	2003	I200001000010500	1.19	2.41	3.60	0.43
97	1	2002	S170002046001111	140.66	315.31	455.97	58.65
98	1	2002	M355000073002600	13.63	29.83	43.46	5.36

99	1	2002	L222500000001500	22.88	41.07	63.95	4.94
100	1	2002	L185002000001100	12.55	24.16	36.71	3.44
101	1	2001	E540000002002100	32.99	63.51	96.50	7.87
102	1	2000	S216000000001300	106.12	229.76	335.88	32.95
103	1	2000	G205000000001600	45.04	93.93	138.97	12.37
104	1	1998	V380002003001400	28.35	67.04	95.39	9.31
105	1	1998	V380002003001400	17.01	40.22	57.23	5.59
106	1	1998	F345000156000900	9.42	20.32	29.74	2.21
107	1	1998	L135000003000600	2.24	5.60	7.84	0.87
108	1	1998	F345000156000900	2.51	5.42	7.93	0.59
109	1	1997	H347500147000007	42.22	114.51	156.73	18.94
110	1	1997	F345000156001200	10.03	23.02	33.05	2.62
111	1	1997	M190001000003300	6.28	14.85	21.13	1.84
112	1	1996	M015000076001500	16.77	48.31	65.08	8.20
113	1	1996	A080098000111600	5.17	15.85	21.02	2.89
114	1	1996	A080098000111600	2.59	7.92	10.51	1.45
115	1	1996	M355000046001700	4.26	10.44	14.70	1.26
116	1	1996	A080098000111600	-5.17	-15.85	-21.02	-2.89
117	1	1995	J570000001001034	12.82	33.10	45.92	4.08
118	1	1995	H120000095001700	4.14	12.11	16.25	1.96
119	1	1995	L205000048000200	2.85	7.42	10.27	0.94
120	1	1995	L205000048000200	2.04	5.30	7.34	0.67
121	1	1989	W380000597000000	84.75	316.00	400.75	52.38
122	1	1989	W380000597000000	-84.75	-316	-400.75	-52.38
123	1	1988	W380000597000000	127.71	491.47	619.18	81.22
124	1	1988	P640000006000100	16.07	67.76	83.83	12.1
125	1	1988	W380000597000000	-127.71	-491.47	-619.18	-81.22
126	1	1987	W380000597000000	98.14	389.45	487.59	64.18
127	1	1987	W380000597000000	-98.14	-389.45	-487.59	-64.18
128	1	1982	S120000000003100	2.29	10.68	12.97	1.81
129	12	1997	M190001000003300	0.52	1.23	1.75	0.15
130	17	1982	S120000000003100	0.34	1.59	1.93	0.27
131	1	2022	P670000006000200	8.69	2.90	11.59	1.67
132	1	2021	P670000006000200	3.40	1.54	4.94	0.71
133	1	2012	L065002006000600	32.48	32.11	64.59	6.92
134	1	2011	L065002006000600	15.82	17.53	33.35	3.65
135	1	1994	F225001001001300	3.16	9.55	12.71	1.52



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

PHONE: (956) 318-2511 FAX: (956) 318-2577  
www.hidalgocounty.us/294/Auditors-Office

August 21, 2025

Isaac Tawil, City Manager  
City of McAllen  
1300 Houston Avenue  
McAllen, TX 78501

Re: McAllen TIRZ No. 2 Report No. 2023-45

Dear Mr. Tawil:

We conducted a limited scope review of the interlocal agreement between the City of McAllen, Hidalgo County, and the City of McAllen TIRZ No. 2. The objectives of the review were to determine the accuracy of the McAllen TIRZ No. 2 payment request for tax year 2022, compliance with Section IV (B)(2) and VII (J) of the interlocal agreement, and Tax Code § 311.016.

The scope of the review was limited to the property tax accounts within McAllen TIRZ No. 2 for tax year 2022. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The results of the review revealed the following:

1. A payment request was submitted for tax year 2022 in the amount of \$756,174.09; however, we determined that the payment amount should be \$1,426,666.04 (see Exhibit A), and
2. The annual report and annual financial review were submitted in compliance with Tax Code § 311.016 and Section IV (B)(2) and VII (J) of the interlocal agreement.

We will proceed to process the 2022 McAllen TIRZ No. 2 payment in the amount of \$1,426,666.04.

If you have any questions, please contact Karen Ramirez, Compliance Audit Supervisor, at 318-2511 ext. 4606, Yvonne Torres, Director of Audit Division, at ext. 4642, Reynaldo Cantu III, First Assistant Auditor, at ext. 4654, or me at ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A

cc: The Honorable Richard Cortez, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92ND D.C. FERNANDO MANCIAS JUDGE, 93RD D.C. J. R. "BOBBY" FLORES JUDGE, 139TH D.C. ROSE GUERRA REYNA JUDGE, 206TH D.C. MARLA CUELLAR JUDGE, 275TH D.C. JUAN R. ALVAREZ JUDGE, 332ND D.C. NOE GONZALEZ JUDGE, 370TH D.C. LETICIA LOPEZ JUDGE, 389TH D.C. L. KENO VASQUEZ JUDGE, 398TH D.C. ORLANDO ESQUIVEL JUDGE, 430TH D.C. RENEE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.

**EXHIBIT A**  
**2022-2023 McAllen TIRZ No. 2 Payment**

<b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>	<b>McAllen TIRZ No. 2 Calculation 2022</b>	<b>McAllen TIRZ No. 2 Calculation 2021</b>	<b>McAllen TIRZ No. 2 Calculation 2020</b>	<b>McAllen TIRZ No. 2 Calculation 2019</b>	<b>McAllen TIRZ No. 2 Calculation 2018</b>	<b>McAllen TIRZ No. 2 Calculation 2017</b>	<b>Total</b>
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)</i>	\$ 954,050,644.00 0.00575		\$ - 0	\$ - 0	\$ - 0	\$ - 0	
<b>GHD Actual Tax Levy for all real property tax accounts located within the TIRZ</b>	<b>\$ 5,485,791.20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i>	\$ 954,050,644.00 \$ 661,253,238.00	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>Captured Appraised Value</b>	<b>\$ 292,797,406.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
Captured Appraised Value <i>(multiplied by) 50% of M&amp;O Rate (Per agreement s/b the lesser of .5186 or actual)</i>	\$ 292,797,406.00 0.002586	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 757,174.09</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i>	\$ 5,485,791.20 \$ 5,485,791.20	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	
<b>Percent Collected of Actual Levy</b>	<b>100.00%</b>	<b>0.00%</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.0000%</b>	
Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i>	\$ 757,174.09 100.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.0000%	\$ - 0.0000%	\$ - 0.0000%	
<i>(Less) Administration costs **</i>	\$ (1,000.00)	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>(Less) Adjustments **</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>2021-2022 TIRZ PAYMENT AMOUNT</b>	<b>\$ 756,174.09</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 756,174.09</b>

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

<b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>	<b>County Auditor's Calculation for Tax Year 2022</b>	<b>County Auditor's Calculation for Tax Year 2021</b>	<b>County Auditor's Calculation for Tax Year 2020</b>	<b>County Auditor's Calculation for Tax Year 2019</b>	<b>County Auditor's Calculation for Tax Year 2018</b>	<b>County Auditor's Calculation for Tax Year 2017</b>	<b>Total</b>
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)</i>	\$ 942,709,240.00 0.00575	\$ 880,083,954.00 0.00575	\$ 886,843,330.00 0.00575	\$ 872,150,469.00 0.00575	\$ 780,089,277.00 0.0058	\$ 513,735,128.00 0.0058	
<b>GHD Actual Tax Levy for all real property tax accounts located within the TIRZ</b>	<b>\$ 5,420,578.13</b>	<b>\$ 5,060,482.74</b>	<b>\$ 5,099,349.15</b>	<b>\$ 5,014,865.20</b>	<b>\$ 4,524,517.81</b>	<b>\$ 2,979,663.74</b>	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i>	\$ 942,709,240.00 \$ 488,159,495.00	\$ 880,083,954.00 \$ 488,159,495.00	\$ 886,843,330.00 \$ 488,159,495.00	\$ 872,150,469.00 \$ 488,159,495.00	\$ 780,089,277.00 \$ 488,159,495.00	\$ 513,735,128.00 \$ 488,159,495.00	
<b>Captured Appraised Value</b>	<b>\$ 454,549,745.00</b>	<b>\$ 391,924,459.00</b>	<b>\$ 398,683,835.00</b>	<b>\$ 383,990,974.00</b>	<b>\$ 291,929,782.00</b>	<b>\$ 25,575,633.00</b>	
Captured Appraised Value <i>(multiplied by) 50% of M&amp;O Rate (Per agreement s/b the lesser of .5186 or actual)</i>	\$ 454,549,745.00 0.002586	\$ 391,924,459.00 0.0026	\$ 398,683,835.00 0.0025	\$ 383,990,974.00 0.0025	\$ 291,929,782.00 0.0026	\$ 25,575,633.00 0.002586	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 1,175,465.64</b>	<b>\$ 1,005,678.16</b>	<b>\$ 1,005,480.63</b>	<b>\$ 966,889.27</b>	<b>\$ 744,420.94</b>	<b>\$ 65,371.32</b>	
TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i>	\$ 4,699,051.72 \$ 5,420,578.13	\$ 2,030,555.54 \$ 5,060,482.74	\$ 19,956.02 \$ 5,099,349.15	\$ 4,732.01 \$ 5,014,865.20	\$ 1,564.53 \$ 4,524,517.81	\$ 1,154.32 \$ 2,979,663.74	
<b>Percent Collected of Actual Levy</b>	<b>86.6891%</b>	<b>40.1257%</b>	<b>0.3913%</b>	<b>0.0944%</b>	<b>0.0346%</b>	<b>0.0387%</b>	
Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i>	\$ 1,175,465.64 86.6891%	\$ 1,005,678.16 40.1257%	\$ 1,005,480.63 0.3913%	\$ 966,889.27 0.0944%	\$ 744,420.94 0.0346%	\$ 65,371.32 0.0387%	
<i>(Less) Administrative Cost</i>	\$ 1,019,000.58	\$ 403,535.40	\$ 3,934.45	\$ 912.74	\$ 257.57	\$ 25.30	
<i>(Less) Adjustments **</i>	\$ (1,000.00)	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>(Less) Adjustments **</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>2021-2022 TIRZ PAYMENT AMOUNT</b>	<b>\$ 1,018,000.58</b>	<b>\$ 403,535.40</b>	<b>\$ 3,934.45</b>	<b>\$ 912.74</b>	<b>\$ 257.57</b>	<b>\$ 25.30</b>	<b>\$ 1,426,666.04</b>

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

\*\*\*City/County Payment Calculation Variance

\*\*\* \$ 670,491.95