



# 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

March 31, 2026

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. Pablo "Paul" Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	October 2025 DTA Payment Request Report No. 2025-40
The Hon. Lita Leo, Hidalgo County Treasurer	Cash Count Report No. 2025-65, 2025-75, and 2025-86
The Hon. J.E. "Eddie" Guerra, Sheriff Hidalgo County Sheriff's Office	Cash Count Report No. 2025-76 and 2025-77
The Hon. Eduardo Cantu, Commissioner Precinct 2	Cash Count Audit No. 2025-81
The Hon. Everardo Villarreal, Commissioner Hidalgo County Precinct No. 3	Cash Count Report No. 2025-83
The Hon. Toribio Palacios, Criminal District Attorney	Hot Checks Cash Count Report No. 2025-84
The Hon. Toribio Palacios, Criminal District Attorney	Asset Forfeiture Cash Count Report No. 2025-85
The Hon. Atanacio Gaitan Jr., Constable Precinct 4	Cash Count Audit No. 2025-87
The Hon. Ellie Torres, Commissioner Precinct 4	Cash Count Report No. 2025-88
Ms. Dairen Sarmiento Rangel, Director, Health and Human Services Department	Cash Count Audit No. 2025-89
Mr. Anthony Uresti, Director, Planning Department	Cash Count Report No. 2025-90
Ms. Dairen Sarmiento Rangel, Director, Health and Human Services Department	Cash Count Audit No. 2025-91
Ms. Dairen Sarmiento Rangel, Director, Health and Human Services Department	Cash Count Audit No. 2025-92
The Hon. Daniel Marichalar, Constable Precinct No. 5	MFR for January 2024 through December 2024
Ms. Angie Chapa, Law Librarian	MFR for January 2025 through September 2025
The Hon. Celestino Avila, Constable Precinct No. 1	MFR for January 2024 through December 2024
The Hon. Toribio Palacios, Criminal District Attorney	HIDTA Financial Statements for July 2025 through September 2025
The Hon. David L. Fuentes, Commissioner Precinct 1	Sanitation Program MFR for January 2022 through December 2024

## 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 Hon. Toribio Palacios, Criminal District Attorney	Hot Checks Processing Fees Reports for July 2025 through September 2025
The Hon. Toribio Palacios, Criminal District Attorney	H.B.65 Financial Statements for July 2025 through September 2025
The Hon. J.E. “Eddie” Guerra, Sheriff Hidalgo County Sheriff’s Office	“B” Account Financial Statements for April 2025 through September 2025
Ms. Dairen Sarmiento Rangel, Director, Health and Human Services Department	Forensic Center MFR for September 2025 through December 2025
The Hon. J.E. “Eddie” Guerra, Sheriff Hidalgo County Sheriff’s Office	Regular Trust Financial Statements for September 2025 through December 2025
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	McAllen TIRZ No. 2 Report No. 2025-57
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	McAllen TIRZ No. 2 – Audit No. 2025-57
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	McAllen TIRZ No. 1 (Tres Lagos) Report No. 2025-56
Isaac Tawil, City Manager, City of McAllen	McAllen TIRZ No. 1 (Tres Lagos) Report No. 2025-56
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	City of Mercedes TIRZ No. 1 (THMC1) Report No. 2025-51
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Mercedes TIRZ No. 1 Report No. 2025-51
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	City of Hidalgo TIRZ No. 1 Report No. 2025-44
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	City of Hidalgo TIRZ No. 1 Report No. 2025-44
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	City of Pharr TIRZ No. 1 Report No. 2025-54
Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	City of Pharr TIRZ No. 1 Report No. 2025-54
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	November 2025 DTA Payment Request Report No. 2025-41
The Honorable Pablo “Paul” Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	December 2025 DTA Payment Request Report No. 2025-42
The Hon. J.E. “Eddie” Guerra, Sheriff Hidalgo County Sheriff’s Office	“B” Account Financial Statements for October 2025 through December 2025
The Hon. Toribio Palacios, Criminal District Attorney	HIDTA Financial Statements for October 2025 through December 2025
The Hon. Toribio Palacios, Criminal District Attorney	Hot Checks Financial Statements for July 2025 through December 2025
Andy Garcia, Co-Interim City Manager, City of Mission	City of Mission TIRZ No. 1 (THMS1 and THMS2) Report No. 2025-43
The Hon. Toribio Palacios, Criminal District Attorney	H.B.65 Financial Statements for October 2025 through December 2025
Ms. Angie Chapa, Law Librarian	MFR for October 2025 through December 2025
The Hon. J.E. “Eddie” Guerra, Sheriff Hidalgo County Sheriff’s Office	Fee Account MFR for October 2025 through December 2025

**HIDALGO COUNTY DISTRICT JUDGES**

Commissioners Court  
March 31, 2026  
Page 3 of 3

Respectfully,



Letty Chavez  
County Auditor

Attachments

**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  
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December 3, 2025

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

Re: October 2025 DTA Payment Request Report No. 2025-40

Dear Mr. Villarreal:

We completed a limited scope review of the October 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 review revealed that the payment request was generally accurate and properly authorized. We will proceed to process the October 2025 DTA payment request of \$225,488.54 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 October 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, penalty, and interest collections for October 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 and penalty and interest collections for October 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 147 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 (143 tax accounts) and small accounts (4 tax accounts) (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for October 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

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2024	H255099003001058	0.74	0.16	0.90	0.13
2	1	2024	L670000004004700	0.30	0.07	0.37	0.05
3	1	2024	B030000010002000	0.08	0.02	0.10	0.01
4	1	2024	Y250000000001000	0.03	0.00	0.03	0.01
5	1	2023	L526003000023200	619.75	164.76	784.51	113.42
6	1	2023	V055800000001700	285.86	72.65	358.51	51.45
7	1	2023	D711101000005400	20.61	5.23	25.84	3.71
8	1	2022	S107000000006800	71.21	25.39	96.60	13.78
9	1	2022	K240000000032513	57.62	19.88	77.50	10.98
10	1	2022	S477000000022800	58.33	19.45	77.78	10.94
11	1	2022	W73820300000600	51.31	15.61	66.92	9.24
12	1	2022	M355000030000800	39.80	13.74	53.54	7.58
13	1	2022	C070000099000702	41.52	12.87	54.39	7.54
14	1	2022	B216000001004000	39.09	11.72	50.81	7.03
15	1	2021	B496503000031700	77.26	27.81	105.07	14.02
16	1	2021	L205000047001000	0.46	0.27	0.73	0.09
17	1	2020	E436102000012500	1,580.45	647.98	2,228.43	286.85
18	1	2020	T544000000006500	274.65	117.42	392.07	51.09
19	1	2019	E436102000012500	1,275.55	676.04	1,951.59	254.47
20	1	2019	M355000047002700	562.79	281.86	844.65	108.06
21	1	2019	G504600000003000	30.32	17.31	47.63	6.37
22	1	2019	D680000024000700	17.95	11.00	28.95	3.96
23	1	2018	M355000047002700	619.97	384.90	1,004.87	130.19
24	1	2017	M355000047002700	615.15	455.73	1,070.88	140.25
25	1	2017	V380002010001000	6.51	3.83	10.34	1.23
26	1	2016	M355000047002700	658.61	566.95	1,225.56	162.02
27	1	2016	L110002002012601	6.24	3.77	10.01	1.10
28	1	2016	V063001000001000	1.91	1.62	3.53	0.46
29	1	2016	J570098005000205	1.33	1.01	2.34	0.29
30	1	2015	H045000099000600	56.28	45.03	101.31	12.24
31	1	2015	S160000000004815	47.19	34.21	81.40	9.20
32	1	2015	S160000000004815	47.19	34.21	81.40	9.20
33	1	2015	L110002002012601	42.25	30.64	72.89	8.24
34	1	2015	V063001000001000	27.87	27.01	54.88	7.27
35	1	2015	S160000000004815	34.81	25.24	60.05	6.79
36	1	2015	J570098005000205	13.47	11.88	25.35	3.21
37	1	2015	S160000000004815	-47.19	-34.21	-81.40	-9.20
38	1	2014	M355000047002700	619.10	681.53	1,300.63	174.59
39	1	2014	1003800000024811	177.58	139.40	316.98	33.03
40	1	2014	L110002002012601	40.26	34.02	74.28	8.58
41	1	2014	L025000021000016	28.50	31.54	60.04	8.08
42	1	2014	P310800000002300	30.13	26.15	56.28	6.69
43	1	2014	L025000021000016	19.94	22.08	42.02	5.66
44	1	2014	B403502000023600	15.37	17.53	32.90	4.49
45	1	2014	L020000000000900	10.21	11.72	21.93	3.00
46	1	2014	S160000000004815	10.44	8.82	19.26	2.22
47	1	2014	B158504000007600	0.50	0.40	0.90	0.09

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
48	1	2013	1003800000024811	177.58	160.71	338.29	36.23
49	1	2013	S520000000001100	37.61	31.92	69.53	6.72
50	1	2013	P696500000000300	19.53	18.33	37.86	4.28
51	1	2013	B158504000007600	0.38	0.35	0.73	0.08
52	1	2012	1003800000024811	12.81	13.13	25.94	2.84
53	1	2012	D460000118000700	4.10	4.97	9.07	1.17
54	1	2011	M355000047002700	594.59	868.60	1,463.19	199.78
55	1	2011	L670000004004800	165.91	168.95	334.86	30.36
56	1	2011	L110002002012601	40.36	48.64	89.00	10.78
57	1	2011	D460000118000700	1.52	2.03	3.55	0.46
58	1	2010	M355000047002700	559.85	885.03	1,444.88	198.19
59	1	2010	L670000004004800	165.91	188.86	354.77	33.35
60	1	2010	L670098004004700	132.41	150.73	283.14	26.61
61	1	2010	P640000023000500	39.87	67.45	107.32	15.25
62	1	2010	L110002002012601	40.84	54.12	94.96	11.64
63	1	2010	C655000003000400	46.64	54.65	101.29	10.07
64	1	2010	H510000001000100	24.61	26.70	51.31	4.36
65	1	2010	G040000006000100	11.44	13.52	24.96	2.52
66	1	2009	M355000047002700	579.55	985.71	1,565.26	215.59
67	1	2009	L110002002012601	225.15	325.33	550.48	68.22
68	1	2009	H090000008000900	285.96	336.95	622.91	52.33
69	1	2009	L670000004004800	165.91	208.77	374.68	36.33
70	1	2009	A180000040000712	102.60	160.16	262.76	34.48
71	1	2009	N325000000004400	69.88	91.82	161.70	17.19
72	1	2009	D320000060000202	39.50	52.59	92.09	9.95
73	1	2009	W010000023000416	34.50	47.11	81.61	9.22
74	1	2009	M167000000005600	24.97	29.85	54.82	4.76
75	1	2009	M015000062000401	16.08	21.90	37.98	4.27
76	1	2009	S525001013000200	11.45	15.40	26.85	2.95
77	1	2009	T560000000000300	5.62	8.33	13.95	1.78
78	1	2009	C655000003000400	4.76	6.15	10.91	1.11
79	1	2008	L110002002012601	236.95	370.83	607.78	76.06
80	1	2008	H090000008000900	285.96	371.27	657.23	57.48
81	1	2008	L670000004004800	104.78	144.42	249.20	24.83
82	1	2008	L631302000006000	55.29	71.99	127.28	11.20
83	1	2008	T560000000000300	12.87	20.66	33.53	4.31
84	1	2008	H365003000001100	21.82	28.04	49.86	4.25
85	1	2008	M167000000005600	17.06	22.43	39.49	3.56
86	1	2007	M355000047002700	658.61	1,278.25	1,936.86	268.71
87	1	2007	L110002002012601	285.63	481.28	766.91	96.83
88	1	2007	H090000008000900	289.84	411.09	700.93	63.48
89	1	2007	W010000030000309	111.64	165.06	276.70	27.47
90	1	2007	W380000238000005	26.91	39.35	66.26	6.42
91	1	2006	H090000008000900	167.60	257.82	425.42	39.72
92	1	2006	L670000004004800	104.78	169.57	274.35	28.61
93	1	2006	1004100010000006	45.80	68.78	114.58	10.10
94	1	2006	L025000072000000	35.19	56.36	91.55	9.34
95	1	2006	W230000052000300	8.34	13.93	22.27	2.47
96	1	2006	R225001003001900	2.47	4.37	6.84	0.84

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
97	1	2005	L110002002012601	129.39	249.08	378.47	48.52
98	1	2005	H090000008000900	165.61	274.64	440.25	42.23
99	1	2005	L670000004004800	78.59	136.61	215.20	22.87
100	1	2005	N840000006000200	7.91	14.22	22.13	2.51
101	1	2004	M355000047002700	520.32	1,197.17	1,717.49	240.39
102	1	2004	1004100010000006	40.39	70.35	110.74	10.36
103	1	2004	G570000001002800	28.74	56.38	85.12	10.22
104	1	2004	H090000008000900	14.88	26.46	41.34	4.06
105	1	2004	G166002000001700	6.85	14.32	21.17	2.79
106	1	2004	B496504000032900	7.41	14.50	21.91	2.62
107	1	2004	E330000123000100	6.13	10.44	16.57	1.46
108	1	2004	C690000001000700	4.91	8.16	13.07	1.08
109	1	2004	C690000001000700	3.68	6.12	9.80	0.81
110	1	2004	E330000123000100	3.07	5.22	8.29	0.73
111	1	2004	E330000123000100	3.07	5.22	8.29	0.73
112	1	2004	R420000007000500	0.66	1.30	1.96	0.24
113	1	2003	M355000047002700	143.07	346.34	489.41	68.67
114	1	2003	L215500000001200	113.07	205.96	319.03	29.00
115	1	2003	L670000004004800	73.66	145.73	219.39	24.09
116	1	2003	L110001003006500	23.53	40.98	64.51	5.19
117	1	2003	S2400000000009511	19.59	33.58	53.17	4.08
118	1	2002	L215500000001200	62.40	121.16	183.56	17.13
119	1	2002	M355000073002600	13.56	29.91	43.47	5.34
120	1	2002	L222500000001500	22.75	41.22	63.97	4.91
121	1	2002	L185002000001100	12.48	24.23	36.71	3.42
122	1	2002	M550000099001208	0.49	1.04	1.53	0.17
123	1	2001	E540000002002100	19.69	38.23	57.92	4.7
124	1	2000	G205000000001600	17.93	37.69	55.62	4.92
125	1	1999	L319500000005800	16.15	42.41	58.56	7.66
126	1	1999	F345000156000900	2.15	4.42	6.57	0.46
127	1	1999	V380002003001400	1.29	2.9	4.19	0.4
128	1	1998	H347500147000007	43.01	112.16	155.17	18.51
129	1	1998	V380002003001400	22.59	53.77	76.36	7.41
130	1	1998	V380002003001400	15.69	37.37	53.06	5.15
131	1	1998	F345000156000900	6.28	13.64	19.92	1.47
132	1	1997	F345000156001200	9.97	23.08	33.05	2.61
133	1	1996	L670000017000500	71.58	187.65	259.23	26.09
134	1	1996	S144000000005100	8.94	23.81	32.75	3.43
135	1	1996	W380000465000011	9.67	23.74	33.41	2.80
136	1	1996	A080098000111600	2.58	7.94	10.52	1.44
137	1	1996	A080098000111600	2.58	7.94	10.52	1.44
138	1	1995	A080000000114909	11.89	35.08	46.97	5.66
139	1	1995	L205000048000200	2.03	5.31	7.34	0.67
140	1	1994	C470000003001400	0.41	1.18	1.59	0.16
141	1	1993	C470000003001400	19.11	56.98	76.09	8
142	1	1992	C525000000001100	23.3	73.21	96.51	10.59
143	1	1991	C525000000001100	22.06	71.95	94.01	10.42

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
144	1	1982	S120000000003100	2.29	10.69	12.98	1.8
145	12	1992	C525000000001100	1.17	3.68	4.85	0.53
146	12	1991	C525000000001100	0.58	1.9	2.48	0.27
147	17	1982	S120000000003100	0.34	1.59	1.93	0.27



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 18, 2025

The Honorable Lita Leo  
Hidalgo County Treasurer  
2810 South Business Highway 281  
Edinburg, TX 78539-6243

Re: Cash Count Report No. 2025-65, 2025-75, and 2025-86

Dear Ms. Leo:

We conducted a surprise cash count of the cash held at the County Treasurer's Office on June 26, 2025, August 14, 2025, and October 3, 2025, pursuant to Local Government Code §115.003 and §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count and with the approved change fund.

### **Executive Summary:**

Based on the cash counts, we concluded that total cash on hand reconciled with the total receipts issued up to the time of the cash count and the approved change fund of \$50.00; however, we noted that the internal controls for the collection and safeguarding of cash require improvement. More specifically, we noted that checks received were not immediately restrictedly endorsed upon receipt.

### **Scope:**

The scope of our review was limited to a count of the cash on hand as of the time of the cash counts. We also conducted a follow-up to evaluate the progress toward resolving the observation identified in the cash count conducted on March 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 that could be improved.

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 verify that cash on hand was safeguarded against loss from 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 counts totaled \$1,808,675.10 on June 26, 2025, \$453,955.43 on August 14, 2025, and \$308,178.07 on October 3, 2025. Based on the results of the cash counts, we concluded that total cash on hand reconciled to the total receipts issued up to the time of the cash count and the approved change fund of \$50.00. However, we noted that checks received were not immediately restrictedly endorsed upon receipt.

Management is responsible for establishing and maintaining a sound internal control system. The objectives of an internal control system is to provide management with reasonable, but not absolute, assurance that assets

## 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.

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 that checks received were not immediately restrictively endorsed upon receipt. According to staff, the checks were not endorsed since they were received before 5:00 p.m. on October 2, 2025, secured in the vault overnight, and retrieved just before the cash count on October 3, 2025.

The County Auditor's Office requires that all checks received be restrictively endorsed "For Deposit Only" immediately upon receipt.

Failure to restrictively endorse checks increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that all checks are restrictively endorsed immediately upon receipt.

Please provide a management response to the observation noted above by January 2, 2026. The Management Response Form should be emailed to [managmentresponse@auditor.co.hidalgo.tx.us](mailto:managmentresponse@auditor.co.hidalgo.tx.us).

If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Francisco Saenz, Internal Auditor IV, at (956) 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  
Ms. Audrey Ochoa, Chief Deputy, Hidalgo County Treasurer's Office





# 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)

December 18, 2025

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

Re: Cash Count Report No. 2025-76 and 2025-77

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Bond "B" Trust account and "D" account on August 21, 2025, as required by Local Government Code §115.0035. The objective of the cash counts was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash counts.

**Scope:**

The scope of our review was limited to a count of the cash on hand as of the time of the cash counts. 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 that could be improved.

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 verify that cash on hand was safeguarded against loss from 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 for voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash counts for the "B" account totaled \$2,450.00. No collections had been received for the "D" account. Based on the cash counts, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash counts. In addition, we noted 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 regarding 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.

## 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.

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Office  
Mr. Steve Herrera, Division Chief, Hidalgo County Sheriff's Office

**HIDALGO COUNTY DISTRICT JUDGES**



# HIDALGO COUNTY AUDITOR'S OFFICE

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November 6, 2025

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

Re: Cash Count Audit No. 2025-81

Dear Commissioner Cantu:

We conducted a surprise cash count of the cash held at your office on September 10, 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.

### **Executive Summary:**

Based on the cash counts, we concluded that 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. However, we noted that the system of internal controls for collecting and safeguarding cash requires improvement. More specifically, we noted that over-the-phone credit/debit card payments were accepted.

### **Scope:**

The scope of the review was limited to a count of 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. We also followed up to evaluate the progress toward resolving the observations identified in the cash count conducted on November 14, 2023 and May 29, 2024. 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 cash on hand agreed to 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 for 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 \$350.00. Based on the cash count, we concluded that total cash on hand reconciled to the receipts issued up to the time of the cash count and the approved change fund of \$200.00. In addition, of the two prior observations, only one had been fully resolved. The system of internal controls for the collections and safeguarding of cash requires improvement as noted in the following observation.

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

## 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.

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.

**Repeat Observation No. 1:**

We noted that over-the-phone credit/debit card payments were accepted.

The County Auditor's Office prohibits accepting credit/debit card payments by telephone. Cashiers must request identification for all credit/debit card payments processed to ensure the card belongs to the payer. This verification must be done before processing payment.

Taking credit/debit card payments over the phone increases the risk of credit card disputes, which may result in the loss of County funds.

**Recommendation:**

Management should ensure staff refrain from processing over-the-phone credit/debit card transactions. Instead, constituents should be directed to the online portal to process the payment electronically.

Please provide a management response to the observations noted above by November 21, 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 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: Management Response Form

cc: Honorable Richard Cortez, Hidalgo 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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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

December 18, 2025

The Honorable Everardo Villarreal, Commissioner  
Hidalgo County Precinct No. 3  
724 North Breyfogle  
P.O. Box 607  
Mission, TX 78574

Re: Cash Count Report No. 2025-83

Dear Commissioner Villarreal:

We conducted a surprise cash count of the cash held at the Precinct 3 Sanitation Office (Sullivan City Office) on November 13, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count, plus the approved change fund.

**Executive Summary:**

Based on the review, we concluded that cash on hand reconciled to the total receipts issued up to the time of the cash count and the approved change fund. In addition, we noted that the system of internal controls for the collecting and accounting of cash requires improvement. More specifically, we noted that the Cashier's Daily Close-Out Report/Daily Remittance Form is not correctly completed.

**Scope:**

The scope of the review was limited to a count of cash on hand at the time of the cash count. We also conducted a follow-up review to evaluate the office's progress toward resolving the observations identified during the cash count conducted on October 25, 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 that could be improved.

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 verify that cash on hand was safeguarded against loss from 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 for voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash count totaled \$150.00. Based on the results of the review, we concluded that total cash on hand reconciled with total receipts issued up to the time of the cash count, plus the approved change fund of \$50.00.

## 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.

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.

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

Enclosures: Management Response Form

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Walkiria Alvarez, Executive Assistant III, Hidalgo County Precinct No. 3



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 17, 2025

The Honorable Toribio Palacios, Criminal District Attorney  
Hidalgo County District Attorney's Office  
100 N. Closner  
Edinburg, TX 78539

Re: Hot Checks Cash Count Report No. 2025-84

Dear Mr. Palacios:

We conducted a surprise cash count of the cash held at your office on October 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 up to the time of the cash count.

**Scope:**

The scope of the review was limited to a count of cash on hand at 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 that could be improved.

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 to confirm 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. 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 Linda Vasquez, Internal Auditor III, at 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 ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Rosalinda Cantu, Assistant Chief of Staff, Hidalgo County 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.



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 17, 2025

The Honorable Toribio Palacios, Criminal District Attorney  
Hidalgo County District Attorney's Office  
100 N. Clossner  
Edinburg, TX 78539

Re: Asset Forfeiture Cash Count Report No. 2025-85

Dear Mr. Palacios:

We conducted a surprise cash count of the cash held at the District Attorney's Office – Asset Forfeiture Division on October 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.

**Scope:**

The scope of the review was limited to counting cash on hand at 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 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:**

At the time of the cash count, receipts had not been issued and collections had not been made. 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 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: 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.



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 17, 2025

The Honorable Atanacio Gaitan Jr., Constable  
Hidalgo County Precinct No. 4  
2814 S. Business Highway 281  
Edinburg, TX 78539

Re: Cash Count Audit No. 2025-87

Dear Constable Gaitan:

We conducted a surprise cash count of the cash held at your office on October 10, 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, the internal controls for collecting and safeguarding cash require improvement. More specifically, we noted that manual receipts numbers 10138 through 10287 were unaccounted for.

### **Scope:**

The scope of the review was limited to a count of cash on hand at 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. We also followed up to assess progress toward resolving the observation identified during the cash count conducted on August 20, 2024. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas that could be improved.

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 from 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:**

There were no collections during the cash counts. However, the system of internal controls for cash collection and safeguarding requires improvement, as noted in the following observation.

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.

## 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.

**Repeat Observation No. 1:**

Manual receipt numbers 10138 through 10287 were not accounted for. According to the Constable Precinct 4 Office staff, they attempted to locate the receipts but were unsuccessful.

Pursuant to the Hidalgo County Cash Handling Guidelines and Procedures, departments should designate an employee responsible for maintaining custody of unissued official forms in a secure place. Access to the safe place must be limited to as few employees as possible. A log must be used to record the sequence of official forms issued, date issued, to whom issued, and date returned. This log, along with unissued official forms, should be reviewed periodically to account for all official forms.

Failure to ensure manual receipts are properly maintained may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that, at a minimum, the procedures noted above are implemented.

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: Management Response Form

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



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 17, 2025

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

Re: Cash Count Report No. 2025-88

Dear Commissioner Torres:

We conducted a surprise cash count of the cash held at the Edinburg Sanitation Office on October 16, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count and with the approved change fund.

**Scope:**

The scope of the review was limited to a count of cash on hand at 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 that could be improved.

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 from 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 was \$550.00. Based on the results of the review, we concluded that total cash on hand reconciled with total receipts issued up to the time of the cash count, plus the approved change fund of \$200.00. In addition, we noted 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 regarding this cash count, please contact Linda Vasquez, Internal Auditor III, at 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 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, County Judge  
Mr. Valde Guerra, County Executive Officer  
Dr. Jennifer Mendoza Culbertson, Chief Administrator-Internal Affairs, Hidalgo County Precinct  
No. 4

**HIDALGO COUNTY DISTRICT JUDGES**



# 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)

December 5, 2025

Ms. Dairen Sarmiento Rangel, Director  
Hidalgo County Health and Human Services Department  
1304 S 25th Avenue  
Edinburg, Texas 78542

Re: Cash Count Audit No. 2025-89

Dear Ms. Rangel:

We conducted a surprise cash count of cash held at the Forensic Center on November 5, 2025, pursuant to Local Government Code §115.003 and 115.0035. The objective of the cash count was to determine whether the total cash on hand was 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 a count of cash on hand at 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. We also followed up to assess progress toward resolving the observation identified during the cash count conducted on September 6, 2024. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas that could be improved.

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 from 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:**

There were no collections during the cash counts. In addition, we noted that adequate internal controls were in place to safeguard cash on hand and ensure that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. Furthermore, we noted that the observation identified during the cash count conducted on September 6, 2024, has been resolved.

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.

Dairen Sarmiento Rangel  
December 5, 2025  
Page 2 of 2

Respectfully,



Letty Chavez  
County Auditor

cc: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Lourdes Acevedo, Assistant Director, Health and Human Services Department

**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)

December 18, 2025

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

Re: Cash Count Report No. 2025-90

Dear Mr. Uresti:

We conducted a surprise cash count of the cash held at the Planning Department's Edinburg Office on November 3, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count and with the approved change fund.

**Executive Summary:**

Based on the cash count, we concluded that cash on hand did not generally reconcile with the total receipts issued for the day up to the time of the cash count, nor with the approved change fund. In addition, we noted that the system of internal controls for cash collection and safeguarding requires improvement.

**Scope:**

The scope of the review was limited to a count of cash on hand at 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 that could be improved.

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 to confirm 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 \$325.00. Based on the cash count, we concluded that total cash on hand did not reconcile to the total receipts issued up to the time of the cash count and the approved change fund of \$300.00. There was a \$25.00 overage that was deposited on November 4, 2025. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

## 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:**

At the time of the cash count, cash on hand did not reconcile with the total receipts issued. An overage of \$25.00 was identified and subsequently deposited on November 4, 2025. According to staff, the overage resulted from an incorrect change given to a constituent on October 31, 2025. A refund request has not yet been submitted to the County Auditor's Office.

The County Auditor's Office requires that all cash received be promptly recorded and controlled using pre-numbered official receipt forms or a computer-generated receipt. Payments that are not immediately identifiable should be receipted and deposited in the bank or with the County Treasurer daily. All reasonable attempts should be made to identify the payer and the correct account to which funds should be credited.

Failure to ensure that payments received are properly receipted and collected may result in the loss of County revenue.

**Recommendation:**

Management should implement formal monitoring procedures to ensure that payments received are correctly collected and receipted. Additionally, management should monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action. Lastly, a refund request for the identified overage should be submitted to the Auditor's Office as soon as possible to ensure the constituent is reimbursed promptly.

Please provide a written management response to the observation noted above on the attached Management Response Form by January 2, 2026. 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, 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

Enclosure: Management Response Form

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





# 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)

December 29, 2025

Ms. Dairen Sarmiento Rangel, Director  
Hidalgo County Department of Health and Human Services  
Environmental Health Division  
2804 S. Business Hwy 281  
Edinburg, Texas 78539

Re: Cash Count Audit No. 2025-91

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Environmental Health Division-Restaurant Health Permit Section on November 14, 2025, as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count and with the approved change fund.

**Scope:**

The scope of the review was limited to a count of cash on hand at 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 that could be improved.

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 verify that cash on hand was safeguarded against loss from 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:**


At the time of the cash count, receipts had not been issued, and collections had not been made. Based on the results of the review, we concluded that the total cash on hand reconciled with the approved change fund of \$25.00. In addition, we noted that adequate internal controls were in place to 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 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: Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Diana Cortes, Program Manager, Environmental Health



# 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)

December 18, 2025

Ms. Dairen Sarmiento Rangel, Director  
Hidalgo County Department of Health and Human Services  
Environmental Health Division  
2804 S. Business Hwy 281  
Edinburg, Texas 78539

Re: Cash Count Audit No. 2025-92

Dear Ms. Rangel:

We conducted a surprise cash count of the cash held at the Environmental Health Division - On-Site Sewage Facilities - Edinburg location on November 14, 2025, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled with the total receipts issued for the day up to the time of the cash count and with the approved change fund.

**Scope:**

The scope of the review was limited to a count of cash on hand at 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 that could be improved.

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 verify that cash on hand was safeguarded against loss from 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 \$25.00. Based on the results of the review, we concluded that no receipts were issued and the total cash on hand reconciled with the approved change fund of \$25.00. In addition, we noted that adequate internal controls were in place to 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.

## 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.

Respectfully,



Letty Chavez  
County Auditor

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



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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PHONE: (956) 318-2511 FAX: (956) 318-2577  
[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

December 4, 2025

The Honorable Daniel Marichalar, Constable  
Hidalgo County Precinct No. 5  
P.O. Box 1279  
Elsa, TX 78543

Re: MFR for January 2024 through December 2024

Dear Constable Marichalar:

We conducted a limited scope review of the Constable Precinct No. 5 *Monthly Fees Report* (MFR) and supporting documentation for 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 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 the fees collected were properly accounted for and reported; however, the internal controls for their accounting and reporting require improvement. More specifically, the following was noted:

- Monthly Fees Reports were not always submitted to the Auditor's Office as required by Local Government Code §114.001 (b).
- Cash receipts over \$100.00 are not deposited with the County's depository daily.
- The Close-out Reports are not submitted to the Treasurer's Office within five (5) business days.
- Not all collections received through mail were promptly recorded using a computer-generated receipt.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for 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 that could be improved.

### **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).

## 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 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 followed correctly.
- 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 on time.
- 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 completed correctly.

**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 January 2024 through December 2024 were as follows:

<b>Month Ended</b>	<b>Amount</b>
January 2024	\$ 200.00
February 2024	\$ 3,762.00
March 2024	NO ACTIVITY
April 2024	\$ 4,720.00
May 2024	NO ACTIVITY
June 2024	\$ 3,723.00
July 2024	\$ 3,434.00
August 2024	\$ 6,468.00
September 2024	\$ 4,126.00
October 2024	NO ACTIVITY
November 2024	\$ 4,224.00
December 2024	\$ 4,422.00

**Observation No. 1:**

The January 2024 through September 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 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 cash receipts over \$100 were deposited with the County’s depository daily. More specifically, checks received from the Office of the Attorney General were held and receipted over multiple months rather than being recorded in a single session. As a result, these funds were not deposited promptly at the County’s depository on time.

In addition, it was noted that Close-out Reports are not submitted to the Treasurer's Office for remittance within five (5) business days. In three instances, remittances were posted by the Treasurer's Office 58 days late (August 20, 2024, collections remitted by the Treasurer's Office on November 12, 2024), 55 days late (August 30, 2024, collections remitted on November 12, 2024), and 40 days late (September 26, 2024, collections remitted on November 22, 2024)

Pursuant to the Cash Handling Guidelines and Procedures, cash receipts over \$100.00 must be deposited intact daily. Collections less than \$100.00 must be deposited by the end of the work week. Additionally, Pursuant to Local Government Code §113.022, a county officer or other person who receives money shall deposit the funds 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 ensure collections are deposited daily may increase the risk of loss or misuse of County funds. In addition, failure to ensure that Close-out Reports are remitted timely to the Treasurer's Office may result in the improper reporting of County funds. It will cause issues when reconciling receipts to bank deposits. In addition, discrepancies between actual cash collected and deposited amounts will not be addressed on time.

**Recommendation:**

Management should ensure that cash receipts over \$100.00 are deposited daily, and the Close-out Reports are remitted within five business days to the County Treasurer.

**Observation No. 3:**

It was noted that not all collections received by mail were recorded promptly with a computer-generated receipt. More specifically, checks received from the Office of the Attorney General were received over multiple months rather than being recorded in a single, timely session.

The Auditor's Office requires that all cash received be promptly recorded and controlled using a pre-numbered official receipt form or a computer-generated receipt.

Failure to ensure that all collections received are promptly recorded and controlled using a pre-numbered official receipt may result in loss or misuse of county funds.

**Recommendation:**

Management should ensure that all collections received are promptly recorded and controlled using a pre-numbered official receipt form or a computer-generated receipt.

Please provide a written management response to the observations noted above by December 19, 2025, using the attached Management Response Form. 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

Honorable Daniel Marichalar  
December 4, 2025  
Page 4 of 4

Enclosure: Management Response Forms

cc: Mr. Valde Guerra, County Executive Officer  
Mr. Diomar Galvan, Chief Deputy Constable

**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  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

<b>AUDITEE:</b>	<u>The Honorable Daniel Marichalar, Constable Pct. 5 MFR for January 2024 through December 2024</u>	<b>AUDIT NO.:</b>	<u>N/A</u>
<b>AUDIT:</b>		<b>MANAGEMENT RESPONSE DUE:</b>	<u>December 19, 2025</u>
<b>FINDING No.:</b>	<u>1</u>	<b>RECOMMENDATION:</b>	<u>1</u>

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):**

---

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

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

<b>AUDITEE:</b>	<u>The Honorable Daniel Marichalar, Constable Pct. 5</u>	<b>AUDIT NO.:</b>	<u>N/A</u>
	<u>MFR for January 2024</u>	<b>MANAGEMENT</b>	
<b>AUDIT:</b>	<u>through December 2024</u>	<b>RESPONSE DUE:</b>	<u>December 19, 2025</u>
<b>FINDING No.:</b>	<u>2</u>	<b>RECOMMENDATION:</b>	<u>2</u>

Management should ensure that cash receipts over \$100.00 are deposited daily and the Close-out Reports are remitted within five business days to the County Treasurer.

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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**

<b>AUDITEE:</b>	<u>The Honorable Daniel Marichalar, Constable Pct. 5 MFR for January 2024 through December 2024</u>	<b>AUDIT NO.:</b>	<u>N/A</u>
<b>AUDIT:</b>		<b>MANAGEMENT RESPONSE DUE:</b>	<u>December 19, 2025</u>
<b>FINDING No.:</b>	<u>3</u>	<b>RECOMMENDATION:</b>	<u>3</u>

Management should ensure that all collections received be promptly recorded and controlled using a pre-numbered official receipt form or a computer-generated receipt.

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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)

December 5, 2025

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

Re: MFR for January 2025 through September 2025

Dear Ms. Chapa:

We conducted a limited-scope review of the Monthly Fees Report (MFR) and supporting documentation for January 2025 through September 2025, pursuant to Local Government Code §115.002(a) and (b). The objective of the review was to determine if 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:**

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

- Several receipts, the amount collected did not match the cost for the quantity of copies provided; and
- The Monthly Fees Reports were not always submitted to the Auditor's Office as required by Local Government Code §114.001 (b).

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for January 2025 through September 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 that could be improved.

### **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 receipts were issued in sequential order.
- Verified that procedures for voiding receipts were followed correctly.

## 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.

- 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 or before the fifth business day after the day on which the funds were received pursuant to Local Government Code §113.022.
- Verified that the collections per the MFR agreed to 1) total receipts issued by the Law Library; 2) total deposits made with the financial institution; and 3) total deposits made with the County Treasurer.
- Verified that receipts, *Daily Remittance/Close-out Forms*, and the MFR were completed correctly.

**Conclusion:**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported. However, the internal control system for accounting and reporting fees requires improvement as noted in the observations below. Total collections for January 2025 through September 2025 were as follows:

Month	Amount
January 2025	\$ 994.00
February 2025	\$ 1,095.25
March 2025	\$ 864.75
April 2025	\$ 1,318.00
May 2025	\$ 1,291.00
June 2025	\$ 827.50
July 2025	\$ 798.00
August 2025	\$ 1,189.50
September 2025	\$ 1,243.00

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 correctly.

**Observation 1:**

We noted that the amount collected did not match the number of copies shown on the receipt. According to the Law Library staff, these inaccuracies stemmed from unintentional errors in completing the relevant fields.

The Hidalgo County Commissioners Court approved a fee schedule. The Law Library is required to collect fees in accordance with the fee schedule and to ensure that receipts are issued correctly.

Failure to ensure that the proper fee is collected and receipts are issued correctly may increase the risk of loss of County funds.

**Recommendation:**

Management should ensure that fees are collected in accordance with the fee schedule and that receipts are issued correctly. The amount collected should match the cost of the quantity of copies provided.

**Observation 2:**

The January 2025 through May 2025, July 2025, and August 2025 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.

Ms. Angie Chapa  
December 5, 2025  
Page 3 of 3

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.

Please provide a written management response to the observations noted above on the attached Management Response Forms by December 19, 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 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  
Hidalgo County Auditor

Enclosure: Management Response Forms

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





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

**AUDITEE:** Law Library                      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Law Library MFR for                      **MANAGEMENT**  
January 2025 through                      **RESPONSE DUE:** December 19, 2025  
September 2025  
**FINDING No.:** 2                      **RECOMMENDATION:** 2

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)

December 5, 2025

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

Re: MFR for January 2024 through December 2024

Dear Constable Avila:

We conducted a limited scope review of the Constable Precinct No. 1 *Monthly Fees Report* (MFR) and supporting documentation for 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 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 fees collected were properly accounted for and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement. More specifically, the following was noted:

- Monthly Fees Reports were not always submitted to the Auditor's Office as required by Local Government Code §114.001(b); and
- The Close-out Reports are not submitted to the Treasurer's Office within five (5) business days.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for 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 that could be improved.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the MFR and supporting 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."

## HIDALGO COUNTY DISTRICT JUDGES

- 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 followed correctly.
- 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 completed correctly.

**Conclusion:**

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

Month Ended	Amount
January 2024	\$400.00
February 2024	\$11,048.00
March 2024	\$23,625.00
April 2024	\$20,780.00
May 2024	\$21,852.00
June 2024	\$17,911.00
July 2024	\$1,025.00
August 2024	\$15,520.00
September 2024	\$450.00
October 2024	\$700.00
November 2024	\$12,528.00
December 2024	\$6,479.00

The responsibility for establishing and maintaining a sound internal control system rest 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 January 2024, February 2024, April 2024, June 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. 2:**

We noted that Close-out Reports are not submitted to the Treasurer's Office for remittance within five (5) business 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 the improper reporting of County Funds and cause issues when reconciling receipts to 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.

Please provide a written management response to the observations noted above on the attached Management Response Forms by December 19, 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: The 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  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Constable Precinct No.1      **AUDIT NO.:** \_\_\_\_\_

**AUDIT:** MFR for January 2024 through  
December 2024      **MANAGEMENT  
RESPONSE DUE:** December 19, 2025

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

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  
INTERNAL AUDIT DIVISION  
MANAGEMENT RESPONSE FORM**

**AUDITEE:** Constable Precinct No.1      **AUDIT NO.:** \_\_\_\_\_

**AUDIT:** MFR for January 2024 through  
December 2024      **MANAGEMENT  
RESPONSE DUE:** December 19, 2025

**FINDING No.:** 2      **RECOMMENDATION:** 2

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

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

December 8, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of the Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, TX 78539

Re: HIDTA Financial Statements for July 2025 through September 2025

Dear Mr. Palacios:

We conducted a limited scope review of the HIDTA financial statements for July 2025 through September 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 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.

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

If you have any questions, please contact Linda Vasquez, Internal Auditor III, at 318-2511 ext. 4694, 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: 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.



# HIDALGO COUNTY AUDITOR'S OFFICE

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December 5, 2025

The Honorable David L. Fuentes, Commissioner  
Hidalgo County Precinct No. 1  
1902 Joe Stephens Suite 101  
Weslaco, Texas 78596

Re: Sanitation Program MFR for January 2022 through December 2024

Dear Commissioner Fuentes:

We conducted a limited-scope review of the Precinct 1 Sanitation Program Monthly Fee Report (MFR) and supporting documentation for January 2022 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 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:

Fees collected were generally properly accounted for and reported; however, the internal controls for fee accounting and reporting require improvement. More specifically, the following was noted:

- Monthly Fees Reports were not always submitted to the Auditor's Office as required by Local Government Code §114.001(b).
- Permits were out of sequence and unaccounted for.
- 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.
- Void permits were not always documented on the Void Permit Log.
- The Close-out Reports are not always properly prepared and completed.
- 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 1 staff.

### Scope:

The scope of the review was limited to collections reported by Precinct 1 on the MFR for January 2022 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 that could be improved.

## HIDALGO COUNTY DISTRICT JUDGES

**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 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 daily.
- 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 completed correctly.
- Verified that the weekly remittance report is being submitted to the Treasurer's on a timely basis (next working day following the end of the week).

**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 January 2022 through December 2024 were as follows:

Month Ended	Amount	Month Ended	Amount	Month Ended	Amount
January 2022	\$ 46,255.00	January 2023	\$ 42,005.00	January 2024	\$ 42,940.00
February 2022	\$ 35,185.00	February 2023	\$ 36,180.00	February 2024	\$ 40,185.00
March 2022	\$ 46,760.00	March 2023	\$ 49,575.00	March 2024	\$ 45,805.00
April 2022	\$ 44,220.00	April 2023	\$ 38,425.00	April 2024	\$ 45,745.00
May 2022	\$ 40,360.00	May 2023	\$ 43,755.00	May 2024	\$ 42,002.50
June 2022	\$ 42,980.00	June 2023	\$ 45,652.50	June 2024	\$ 37,142.50
July 2022	\$ 34,985.00	July 2023	\$ 36,737.50	July 2024	\$ 40,665.00
August 2022	\$ 37,175.00	August 2023	\$ 36,410.00	August 2024	\$ 36,355.00
September 2022	\$ 34,560.00	September 2023	\$ 33,525.00	September 2024	\$ 34,220.00
October 2022	\$ 33,615.00	October 2023	\$ 38,845.00	October 2024	\$ 45,822.50
November 2022	\$ 35,190.00	November 2023	\$ 38,095.00	November 2024	\$ 38,882.50
December 2022	\$ 39,190.00	December 2023	\$ 39,345.00	December 2024	\$ 41,885.00

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 January 2022 through January 2023, March 2023 through September 2023, and November 2023 through 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. 2:**

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

Month Ended	Permit Number
August 2022	108001
April 2023	114954
May 2023	115137
September 2024	129601
October 2024	129701
November 2024	129801
December 2024	130736

Precinct 1 staff were unable to explain the unaccounted permits.

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 the 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 \$175.00 (7 permits x \$25.00) shortage or request indemnification from the Commissioners Court pursuant to Local Government Code §157.903.

**Observation No. 3:**

We noted that voided receipts did not always 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 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. 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. 4:**

We noted that void permits were not always documented on the *Void Permit Log*. In addition, *Void Permit Logs* were not always submitted to the County Auditor's Office.

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. 5:**

We noted that not all Close-Out Reports were properly prepared and completed. At times, the Close-out Reports did not contain all approval signatures.

The County Auditor's Office requires that collections be reconciled to receipts on a daily basis. The reconciliation must be documented on the Daily Close-out Reports prior to making a deposit. Both the cashier and the witness must verify that the Daily Close-out Report is completed in its entirety. After the deposit has been made, the County official or his/her designee must verify that the total amount on the bank validated deposit and County Treasurer receipt agrees to the total amount on the Daily Close-out Report. The County official or his/her designee must sign the Daily Close-out Report to document responsibility for reviewing and approving the Daily Close-Out Report.

Failure to ensure that the Close-out Reports are properly prepared and completed may increase the risk of loss of County funds.

**Recommendation:**

Management should ensure that Close-out Reports are properly prepared and completed in their entirety. At a minimum, the procedures noted above should be implemented.

**Observation No. 6:**

We noted that Close-out Reports are not submitted to the Treasurer’s Office for remittance within five (5) business 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 it is received.

Failure to submit the Close-out Reports to the County Treasurer’s Office within five (5) business days may result in the improper reporting of County Funds and cause issues when reconciling receipts to 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. 7:**

Hamer refunds credit card transactions upon request from Precinct 1 staff. According to the Hamer online credit card payment report, the credit card transaction was reversed/refunded on November 1, 2023, for \$25.00, respectively. In addition, on September 27, 2023, a \$25.00 cash refund was issued to a constituent without the Auditor’s Office approval.

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 cash and credit card transactions are not reversed or refunded after processing, and that all refund requests are submitted to the County Auditor. 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 December 19, 2025. The Management Response Forms should be emailed to [managementresponse@auditor.co.hidalgo.tx.us](mailto:managementresponse@auditor.co.hidalgo.tx.us).

The Honorable David L. Fuentes  
December 5, 2025  
Page 6 of 6

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: Management Response Forms

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Mr. David Suarez, Chief Administrator, Hidalgo County Precinct No. 1  
Ms. Erica Espinosa, Hidalgo County Precinct No. 1

**HIDALGO COUNTY DISTRICT JUDGES**









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

<b>AUDITEE:</b>	The Honorable David L. Fuentes, Commissioner 1	<b>AUDIT NO.:</b>	
<b>AUDIT:</b>	Sanitation Program MFR for January 2022 through December 2024	<b>MANAGEMENT RESPONSE DUE:</b>	December 19, 2025
<b>FINDING No.:</b>	4	<b>RECOMMENDATION:</b>	4

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

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)

December 17, 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 Reports for July 2025 through September 2025

Dear Mr. Palacios:

We conducted a limited scope review of the Hot Checks Processing Fees Report (*Processing Fees Report*) and supporting documentation for July 2025 through September 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 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 July 2025 through September 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 that could be improved.

### **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 for and reported. Collections for July 2025 through September 2025 totaled the following:

Month Ended	Amount
July 2025	\$ 45,024.45
August 2025	\$ 33,836.74
September 2025	\$ 23,389.34

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

December 18, 2025

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of the Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, TX 78539

Re: H.B.65 Financial Statements for July 2025 through September 2025

Dear Mr. Palacios:

We conducted a limited scope review of the H.B. 65 financial statements for July 2025 through September 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 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.

Based on the review, nothing came to our attention that would lead us to believe the financial statements contained any material misstatements.

If you have any questions, please contact Linda Vasquez Internal Auditor III, at 318-2511 ext. 4694, 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: 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.



# 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)

December 29, 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 April 2025 through September 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the months ended April 2025 through September 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 the review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatement.

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, 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  
Mr. Gerardo Beltran, Accountant IV, 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.



# HIDALGO COUNTY AUDITOR'S OFFICE

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

January 8, 2026

Ms. Dairen Sarmiento Rangel, Director  
Hidalgo County Health and Human Services Department  
1304 S 25th Avenue  
Edinburg, Texas 78542

Re: Forensic Center MFR for September 2025 through December 2025

Dear Ms. Rangel:

We conducted a limited-scope review of the Forensic Center Monthly Fees Report (MFR) and supporting documentation for September 2025 through December 2025, pursuant to Local Government Code §115.002(a) and (b). The objective of the review was to determine if the 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:**

There were no collections for the months of September 2025 through December 2025.

### **Scope:**

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for September 2025 through December 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 that could be improved.

### **Methodology:**

In conducting the review, the following procedures were performed:

- Verified that the *Monthly Fees Report* 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 *Monthly Fees Report* was signed by an authorized signatory as documented on the "Authorized Signatories Form."

### **Conclusion:**

There were no collections for the months of September 2025 through December 2025.

## HIDALGO COUNTY DISTRICT JUDGES

Ms. Dairen Sarmiento Rangel  
January 8, 2026  
Page 2 of 2

If you have any questions, please contact Jorge Ortiz, Internal Auditor II, at (956) 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

cc: The Honorable Richard Cortez, County Judge  
Mr. Valde Guerra, County Executive Officer  
Ms. Darlene Villareal, Human Services Division Manager

**HIDALGO COUNTY DISTRICT JUDGES**



# 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)

January 8, 2026

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 September 2025 through December 2025

Dear Sheriff Guerra:

We conducted a limited-scope review of the Regular Trust Fund financial statements for September 2025 through December 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 would lead us to believe the financial statements contained any material misstatements. However, we noted that the internal control system relevant to the preparation of financial statements requires improvement. More specifically, we noted that not all checks issued are listed in the *Odyssey/Civil Serve* "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/Civil Serve* "Check Register" report. The *Odyssey/Civil Serve* "Check Register" report and the checks recorded in the Regular Trust financial statements should agree.

Failure to ensure that the *Odyssey/Civil Serve* "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

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.

Please provide a management response to the observations noted above by Friday, January 23, 2026. 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 September 2025  
through December 2025      **MANAGEMENT  
RESPONSE DUE:** January 23, 2026  
**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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[www.hidalgocounty.us/294/Auditors-Office](http://www.hidalgocounty.us/294/Auditors-Office)

January 12, 2026

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78539

Re: McAllen TIRZ No. 2 Report No. 2025-57

Dear Mr. Garza:

We conducted a limited-scope review of the 2024 tax year list of tax accounts coded THML2 by the Hidalgo County Appraisal District (HCAD). The objective of the review was to determine whether the list of tax accounts coded THML2 included only real property tax accounts located within the TIRZ boundaries, as noted on the TIRZ map provided by HCAD.

The scope of the review was limited to tax accounts 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.

In conducting the review, we examined the agreement between Hidalgo County and the City of McAllen TIRZ No. 2, the list of tax accounts coded THML2, and the TIRZ map provided by the HCAD.

The results of the review revealed the following:

- 33 tax accounts are located within the TIRZ boundaries; however, the tax accounts were excluded from the tax year 2024 list of tax accounts coded THML2 provided by HCAD (see Exhibit A);
- Tax account 1180729 is on the 2024 list of tax accounts coded THML2; however, the tax account became inactive as of March 23, 2023.
- Tax account 509982 is on the 2024 list of tax accounts coded THML2; however, the tax account is not located within the TIRZ boundaries.
- 6 tax accounts are for properties 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 THML2 by HCAD to the Hidalgo County Auditor's Office and the Tax Assessor/Collector's Office by January 12, 2026.

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

## 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  
January 7, 2026  
Page 2 of 2

Enclosure: Exhibit A and Exhibit B

cc: The Honorable Richard F. Cortez, Hidalgo County Judge  
The Honorable Pablo Villarreal, Hidalgo County Tax Assessor-Collector  
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	189404	H2550-00-006-0016-01
2	227963	M1680-00-000-0001-00
3	280915	S2950-00-000-0177-10
4	280920	S2950-00-000-0178-00
5	280996	S2950-00-000-0187-00
6	280997	S2950-00-000-0187-05
7	281000	S2950-00-000-0187-20
8	281003	S2950-00-000-0187-45
9	281005	S2950-00-000-0187-55
10	281006	S2950-00-000-0188-00
11	281008	S2950-00-000-0188-10
12	281011	S2950-00-000-0188-25
13	281012	S2950-00-000-0188-30
14	281013	S2950-00-000-0188-35
15	346137	S2950-00-000-0178-03
16	346139	S2950-00-000-0188-27
17	536368	U0450-00-000-0001-00
18	550530	S2950-00-000-0187-06
19	605874	M0132-01-000-0001-00
20	638620	B2830-00-000-0001-00
21	641105	S2950-00-000-0187-57
22	821392	S2950-00-000-0177-01
23	827742	S2950-00-000-0177-43
24	840441	D0442-00-000-0002-00
25	840442	D0442-00-000-0001-00
26	840443	D0442-00-000-0007-00
27	840444	D0442-00-000-0003-00
28	840445	D0442-00-000-0006-00
29	840446	D0442-00-000-0004-00
30	847084	S2950-00-000-0177-45
31	943750	S2950-00-000-0177-47
32	1311155	T6813-00-000-0001-00
33	1311163	T6813-00-000-0002-00

## Exhibit B

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	281014	S2950-00-000-0188-40	Needs to be split by HCAD to only include account(s) within TIRZ boundary. <b>Supplement should be processed from 2016 (base) to current year.</b>	Make changes when supplement is processed by HCAD. Note: HCTO did have account in base year 2016, 2017, and 2018; however once corrected by HCAD, the account must be removed on TIRZ account listing (if determined by HCAD to be outside TIRZ boundary).
2	281015	S2950-00-000-0188-45	Needs to be split by HCAD to only include account(s) within TIRZ boundary. <b>Supplement should be processed from 2016 (base) to current year.</b>	Make changes when supplement is processed by HCAD. Note: HCTO did have account in base year 2016, 2017, and 2018; however once corrected by HCAD, the account must be removed on TIRZ account listing (if determined by HCAD to be outside TIRZ boundary).
3	189405	H2550-00-006-0016-02	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2018 and 2019. <b>Need HCAD to process supplement to split values for 2016(base) and 2017 year.</b>	Make changes when supplement is processed by HCAD.
4	508865	C7883-01-000-0003-00	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2018 and 2019. <b>Need HCAD to process supplement to split values for 2016(base) and 2017 year.</b>	Make changes when supplement is processed by HCAD.
5	508903	C7883-02-000-0004-00	Originally account was partially within TIRZ boundary and was later split; however, the supplement to adjust values are only for tax years 2018 and 2019. Need HCAD to process supplement to split values for 2016(base) and 2017 year. Also, we noted that the HCAD Appraisal values are inconsistent between split accounts. <b>Need HCAD to clarify the value inconsistencies within the account</b>	Make changes when supplement is processed by HCAD.
6	189392	H2550-00-006-0010-05	Originally account was partially within TIRZ boundary and was later split correctly; however, supplement to adjust values are only for tax years 2018 and 2019. <b>Need HCAD to process supplement to split values for 2016(base) and 2017 year.</b>	Make changes when supplement is processed by HCAD. Note: HCTO did not have account in base year 2016, 2017, and 2018; however once corrected by HCAD, the account must be included on TIRZ account listing for year 2016-2019.



# 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)

January 12, 2026

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

Re: McAllen TIRZ No. 2 – Audit No. 2025-57

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of McAllen 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 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 that could be improved. The responsibility for sound internal controls rests with management.

In conducting the review, we reviewed TIRZ collection reports; the City of McAllen TIRZ No. 2 list of accounts provided by the Tax Office; the list of tax accounts coded THML2; and the TIRZ map provided by the Hidalgo County Appraisal District (HCAD). The review revealed that 22 tax accounts are located within the TIRZ boundaries; however, they were not included on the 2024 tax account list provided by the Tax Office (see Exhibit A).

Please submit a revised tax account listing and collection report for the City of McAllen TIRZ No. 2 to the County Auditor's Office by January 23, 2026.

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: Exhibit A

cc: The Honorable Richard F. 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

No.	Property ID	Geographic ID
1	189404	H2550-00-006-0016-01
2	227963	M1680-00-000-0001-00
3	280920	S2950-00-000-0178-00
4	281003	S2950-00-000-0187-45
5	281005	S2950-00-000-0187-55
6	281006	S2950-00-000-0188-00
7	281008	S2950-00-000-0188-10
8	281011	S2950-00-000-0188-25
9	536368	U0450-00-000-0001-00
10	605874	M0132-01-000-0001-00
11	638620	B2830-00-000-0001-00
12	821392	S2950-00-000-0177-01
13	840441	D0442-00-000-0002-00
14	840442	D0442-00-000-0001-00
15	840443	D0442-00-000-0007-00
16	840444	D0442-00-000-0003-00
17	840445	D0442-00-000-0006-00
18	840446	D0442-00-000-0004-00
19	943750	S2950-00-000-0177-47
20	167673	E4680-04-006-0010-00
21	167691	E4680-04-007-0012-00
22	189404	H2550-00-006-0016-01



# HIDALGO COUNTY AUDITOR'S OFFICE

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January 11, 2026

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

Re: McAllen TIRZ No. 1 (Tres Lagos) Report No. 2025-56

Dear Mr. Villarreal:

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

The scope of the review was limited to the tax accounts 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 that could be improved. The responsibility for sound internal controls rests with management.

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 THML1 by the Hidalgo County Appraisal District (HCAD), and the TIRZ map provided by the HCAD.

The results of the review revealed that the 3 tax account numbers 224751, 546126, and 1639668 are located within the TIRZ boundaries; however, they were not included in the TIRZ collection reports or list of accounts provided by the Tax Office. The HCAD has been notified of the needed corrections for the tax account noted above.

Please submit a revised tax account listing and collection report for the City of McAllen TIRZ No. 1 to the County Auditor's Office by January 23, 2026.

If you have any questions, please contact Linda Vasquez, Internal Auditor III, at 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 ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

cc: The Honorable Richard Cortez, Hidalgo County Judge  
Ms. Evangelina Mireles, Chief Deputy, Hidalgo County Tax 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. RENE 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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January 27, 2026

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

Re: McAllen TIRZ No. 1 (Tres Lagos) Report No. 2025-56

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. 1. The objectives of the review were to determine the accuracy of the McAllen TIRZ No. 1 2024 payment request, compliance with Section IV (B)(2) and VIII (J) of the interlocal agreement, and Tax Code § 311.016.

The scope of the review was limited to the property tax accounts located within McAllen TIRZ No. 1 for 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 that could be improved.

The results of the review revealed the following:

1. A payment request was submitted in the amount of \$1,537,870.68; however, we determined that the payment amount should be \$1,526,590.54 (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 VIII (J) of the interlocal agreement.

We will proceed to process the 2024 McAllen TIRZ No. 1 payment in the amount of \$1,526,590.54.

If you have any questions, please contact Linda Vasquez, Internal Auditor III, at 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 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 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

2024-2025 McAllen TIRZ 1 Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	McAllen TIRZ Calculation for Tax Year 2024	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))	\$ 298,134,648 0.00575	
<b>GHD Actual Tax Levy for all real property tax accounts located within the TIRZ</b>	<b>\$ 1,714,274.23</b>	
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) <b>Captured Appraised Value</b>	\$ 298,134,648 \$ 1,063,713 <b>\$ 297,070,935</b>	
Captured Appraised Value (Multiplied by) Contribution Rate ( Per agreement s/b the lesser of 67% of .5308 or 67% of current M&O plus(if applicable) 33% of .5308 or 33% of current M&O)	\$ 297,070,935 0.005168	
<b>Tax Levy Due to TIRZ</b>	<b>\$ 1,541,204.01</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	\$ 1,714,274.23 <b>\$ 1,714,274.23</b>	
<b>Percent Collected of Actual Levy</b>	<b>100.0000%</b>	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 1,541,204.01 100.00%	
(Less) Administrative Cost (Less) Adjustments **	\$ 1,541,204.01 \$ (3,333.33)	
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	<b>\$ 1,537,870.68</b>	<b>\$ 1,537,870.68</b>

Year 2024 Payment Calculation

City's Net Amount Due	\$ 1,537,870.68
County's Net Amount Due	\$ 1,526,590.54
<b>Variance</b>	<b>\$ (11,280.14)</b>

\* City/County Payment Calculation Variance

\*\* 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 2019	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2021	County Auditor's Calculation for Tax Year 2022	County Auditor's Calculation for Tax Year 2023	County Auditor's Calculation for Tax Year 2024	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)	\$ 63,548,142.00 0.00575	\$ 91,546,273.00 0.00575	\$ 126,958,855.00 0.00575	\$ 184,685,093.00 0.00575	\$ 248,409,100.00 0.00575	\$ 298,259,282.00 0.00575		
<b>GHD Actual Tax Levy for all real property tax accounts located within the TIRZ</b>	<b>\$ 365,401.82</b>	<b>\$ 526,391.07</b>	<b>\$ 730,013.42</b>	<b>\$ 1,061,939.28</b>	<b>\$ 1,428,352.33</b>	<b>\$ 1,714,990.87</b>		
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) <b>Captured Appraised Value</b>	\$ 63,548,142.00 \$ 1,063,713.00 <b>\$ 62,484,429.00</b>	\$ 91,546,273.00 \$ 1,063,713.00 <b>\$ 90,482,560.00</b>	\$ 126,958,855.00 \$ 1,063,713.00 <b>\$ 125,895,142.00</b>	\$ 184,685,093.00 \$ 1,063,713.00 <b>\$ 183,621,380.00</b>	\$ 248,409,100.00 \$ 1,063,713.00 <b>\$ 247,345,387.00</b>	\$ 298,259,282.00 \$ 1,063,713.00 <b>\$ 297,195,569.00</b>		
Captured Appraised Value (Multiplied by) Contribution Rate ( Per agreement s/b the lesser of 67% of .5308 or 67% of current M&O)	\$ 62,484,429.00 0.003374	\$ 90,482,560.00 0.003379	\$ 125,895,142.00 0.003438	\$ 183,621,380.00 0.003465	\$ 247,345,387.00 0.003434	\$ 297,195,569.00 0.003478		
<b>Tax Levy Due to TIRZ</b>	<b>\$ 210,822.46</b>	<b>\$ 305,740.57</b>	<b>\$ 432,827.50</b>	<b>\$ 636,248.08</b>	<b>\$ 849,384.06</b>	<b>\$ 1,033,051.80</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	\$ - \$ 365,401.82	\$ - \$ 526,391.07	\$ 1,518.00 \$ 730,013.42	\$ 2,609.83 \$ 1,061,939.28	\$ 133,480.91 \$ 1,428,352.33	\$ 1,565,842.45 \$ 1,714,990.87		
<b>Percent Collected of Actual Levy</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.2079%</b>	<b>0.2458%</b>	<b>0.3451%</b>	<b>0.3033%</b>		
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 210,822.46 0.0000%	\$ 305,740.57 0.0000%	\$ 432,827.50 0.2079%	\$ 636,248.08 0.2458%	\$ 849,384.06 0.3451%	\$ 1,033,051.80 0.3033%		
(Less) Administrative Cost (Less) Adjustments ** (Add/Less) PY Adjustments***	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ 943,210.38 \$ (3,333.33)	
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 899.85</b>	<b>\$ 1,563.90</b>	<b>\$ 79,375.79</b>	<b>\$ 939,877.05</b>	<b>\$ 1,021,716.59</b>	

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy; adjustments needed for prior year corrections

\*\*\* Adjustments made in accordance to AI-95157

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2019	County Auditor's Calculation for Tax Year 2020	County Auditor's Calculation for Tax Year 2021	County Auditor's Calculation for Tax Year 2022	County Auditor's Calculation for Tax Year 2023	County Auditor's Calculation for Tax Year 2024	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)	\$ 63,548,142.00 0.00575	\$ 91,546,273.00 0.00575	\$ 126,958,855.00 0.00575	\$ 184,685,093.00 0.00575	\$ 248,409,100.00 0.00575	\$ 298,259,282.00 0.00575		
<b>GHD Actual Tax Levy for all real property tax accounts located within the TIRZ</b>	<b>\$ 365,401.82</b>	<b>\$ 526,391.07</b>	<b>\$ 730,013.42</b>	<b>\$ 1,061,939.28</b>	<b>\$ 1,428,352.33</b>	<b>\$ 1,714,990.87</b>		
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) <b>Captured Appraised Value</b>	\$ 63,548,142.00 \$ 1,063,713.00 <b>\$ 62,484,429.00</b>	\$ 91,546,273.00 \$ 1,063,713.00 <b>\$ 90,482,560.00</b>	\$ 126,958,855.00 \$ 1,063,713.00 <b>\$ 125,895,142.00</b>	\$ 184,685,093.00 \$ 1,063,713.00 <b>\$ 183,621,380.00</b>	\$ 248,409,100.00 \$ 1,063,713.00 <b>\$ 247,345,387.00</b>	\$ 298,259,282.00 \$ 1,063,713.00 <b>\$ 297,195,569.00</b>		
Captured Appraised Value (Multiplied by) Contribution Rate ( Per agreement s/b the lesser of 33% of 5308 or 33% of current M&O)	\$ 62,484,429.00 0.001662	\$ 90,482,560.00 0.001664	\$ 125,895,142.00 0.001694	\$ 183,621,380.00 0.001707	\$ 247,345,387.00 0.001692	\$ 297,195,569.00 0.001712		
<b>Tax Levy Due to TIRZ</b>	<b>\$ 103,849.12</b>	<b>\$ 150,562.98</b>	<b>\$ 213,266.37</b>	<b>\$ 313,441.70</b>	<b>\$ 418,508.39</b>	<b>\$ 508,798.81</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	\$ - \$ 365,401.82	\$ - \$ 526,391.07	\$ 1,518.00 \$ 730,013.42	\$ 2,609.83 \$ 1,061,939.28	\$ 133,480.91 \$ 1,428,352.33	\$ 1,565,842.45 \$ 1,714,990.87		
<b>Percent Collected of Actual Levy</b>	<b>0.0000%</b>	<b>0.0000%</b>	<b>0.2079%</b>	<b>0.2458%</b>	<b>0.3451%</b>	<b>0.3033%</b>		
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 103,849.12 0.0000%	\$ 150,562.98 0.0000%	\$ 213,266.37 0.2079%	\$ 313,441.70 0.2458%	\$ 418,508.39 0.3451%	\$ 508,798.81 0.3033%		
(Less) Administrative Cost (Less) Adjustments ** (Add/Less) PY Adjustments	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ - \$ - \$ -	\$ 464,550.10 \$ (3,333.33)	
<b>2024-2025 TIRZ PAYMENT AMOUNT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 443.38</b>	<b>\$ 770.44</b>	<b>\$ 39,110.03</b>	<b>\$ 464,550.10</b>	<b>\$ 504,873.95</b>	



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
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January 12, 2026

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

Re: City of Mercedes TIRZ No. 1 (THMC1) Report No. 2025-51

Dear Mr. Garza:

We conducted a limited-scope review of the 2024 tax year list of tax accounts coded THMC1 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 tax accounts within the TIRZ boundaries 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.

In conducting the review, we examined the agreement between Hidalgo County and the City of Mercedes TIRZ No. 1, the list of property accounts coded THMC1, and the TIRZ map provided by the HCAD.

The results of the review revealed the following:

- 34 tax accounts were located within the TIRZ boundaries; however, the tax accounts were not included on the 2024 list of tax accounts coded THMC1 by HCAD (see Exhibit A).
- 8 tax accounts were not located within the TIRZ boundaries; however, the tax account numbers were included on the tax year 2024 list of accounts coded THMC1 by HCAD (see Exhibit B).
- 3 tax accounts are for properties located within the TIRZ boundaries; however, require further action/clarification (see Exhibit C)

Please make the necessary corrections and submit the revised list of tax accounts coded THMC1 by HCAD to the Hidalgo County Auditor's Office and Tax Assessor/Collector's by January 23, 2026.

If you have any questions, please contact Linda Vasquez, Internal Auditor III, at 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 ext. 4651.

Respectfully,

Letty Chavez  
County Auditor

Enclosure: Exhibit A through C

## 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  
January 23, 2026  
Page 2 of 2

cc: The Honorable Richard F. Cortez, Hidalgo County Judge  
The Honorable Pablo Villarreal, Hidalgo County Tax Assessor-Collector  
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	691626	L3196-00-000-0002-00
2	131610	C1400-00-065-0010-05
3	131612	C1400-00-065-0010-07
4	20405484	D7116-00-000-0001-00
5	20405485	D7116-00-000-0002-00
6	20405486	D7116-00-000-0003-00
7	20405488	D7116-00-000-0005-00
8	20405489	D7116-00-000-0006-00
9	20405490	D7116-00-000-0007-00
10	20405491	D7116-00-000-0008-00
11	20405492	D7116-00-000-0009-00
12	20405493	D7116-00-000-0010-00
13	20405494	D7116-00-000-0011-00
14	131669	C1400-00-066-0005-01
15	899496	C1400-00-066-0006-16
16	131668	C1400-00-066-0005-00
17	131672	C1400-00-066-0005-04
18	131731	C1400-00-066-0012-00
19	234135	M3550-00-031-0000-00
20	234619	M3550-00-101-0045-00
21	234616	M3550-00-101-0016-00
22	150188	C6650-00-006-0001-00
23	150189	C6650-00-007-0011-00
24	150190	C6650-00-009-0001-00
25	150191	C6650-00-010-0001-00
26	271613	R3550-00-002-0022-00
27	234604	M3550-00-075-0000-30
28	796349	C0700-00-103-0009-04
29	1242504	S3550-00-000-0014-00
30	1242501	S3550-00-000-0014-05
31	132067	C1400-00-080-0004-00
32	131627	C1400-00-065-0015-01
33	131626	C1400-00-065-0015-00
34	131683	C1400-00-066-0006-10

## EXHIBIT B

<b>No.</b>	<b>Property ID</b>	<b>Geographic ID</b>
1	129970	C0700-00-103-0009-20
2	131221	C1400-00-041-0001-05
3	131578	C1400-00-065-0002-30
4	131735	C1400-00-066-0012-05
5	132071	C1400-00-080-0005-05
6	342176	C1400-00-065-0009-03
7	344524	M3550-00-034-0010-00
8	183684	G8700-00-000-0011-00

### Exhibit C

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	20827745	P9265-00-000-0000-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131713. 131713 is a Base Year account, 730292 is not a base year account, it's parent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 131713 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827745 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>
2	20827551	P9265-00-000-0001-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131723. 131723 is a Base Year account, 730292 is not a base year account, it's oarent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 730292 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827551 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>
3	20827552	P9265-00-000-0002-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131723. 131723 is a Base Year account, 730292 is not a base year account, it's oarent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 730292 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827552 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>



# 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)

January 12, 2026

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

Re: Mercedes TIRZ No. 1 Report No. 2025-51

Dear Mr. Villarreal:

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

The scope of the review was limited to the tax accounts 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 that could be improved. The responsibility for sound internal controls rests with management.

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 THMC1 by the Hidalgo County Appraisal District (HCAD), and the TIRZ map provided by the HCAD.


The results of the review revealed the following:

- 34 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).
- 8 tax accounts were not located within the TIRZ boundaries; however, they were included in the TIRZ collection reports or list of accounts provided by the Tax Office (see Exhibit B).
- 3 tax accounts are for properties located within the TIRZ boundaries; however, require further action/clarification (see Exhibit C)

Please submit a revised tax account listing and collection report for the City of Mercedes TIRZ No. 1 to the County Auditor's Office by January 23, 2026.

If you have any questions, please contact Linda Vasquez, Internal Auditor III, at 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 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.

The Honorable Pablo "Paul" Villarreal, Jr.  
November 19, 2025  
Page 2 of 2

Enclosure: Exhibit A through C

cc: The Honorable Richard F. Cortez, Hidalgo County Judge  
Ronaldo Garza, Chief Appraiser, 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

<b>No.</b>	<b>Property ID</b>	<b>Geographic ID</b>
1	691626	L3196-00-000-0002-00
2	131610	C1400-00-065-0010-05
3	131612	C1400-00-065-0010-07
4	20405484	D7116-00-000-0001-00
5	20405485	D7116-00-000-0002-00
6	20405486	D7116-00-000-0003-00
7	20405488	D7116-00-000-0005-00
8	20405489	D7116-00-000-0006-00
9	20405490	D7116-00-000-0007-00
10	20405491	D7116-00-000-0008-00
11	20405492	D7116-00-000-0009-00
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17	131672	C1400-00-066-0005-04
18	131731	C1400-00-066-0012-00
19	234135	M3550-00-031-0000-00
20	234619	M3550-00-101-0045-00
21	234616	M3550-00-101-0016-00
22	150188	C6650-00-006-0001-00
23	150189	C6650-00-007-0011-00
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27	234604	M3550-00-075-0000-30
28	796349	C0700-00-103-0009-04
29	1242504	S3550-00-000-0014-00
30	1242501	S3550-00-000-0014-05
31	132067	C1400-00-080-0004-00
32	131627	C1400-00-065-0015-01
33	131626	C1400-00-065-0015-00
34	131683	C1400-00-066-0006-10

## EXHIBIT B

<b>No.</b>	<b>Property ID</b>	<b>Geographic ID</b>
1	129970	C0700-00-103-0009-20
2	131221	C1400-00-041-0001-05
3	131578	C1400-00-065-0002-30
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6	342176	C1400-00-065-0009-03
7	344524	M3550-00-034-0010-00
8	183684	G8700-00-000-0011-00

### Exhibit C

No.	Property ID	Geographic ID	HCAD Action Needed	HCTO Action Needed
1	20827745	P9265-00-000-0000-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131713. 131713 is a Base Year account, 730292 is not a base year account, it's parent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 131713 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827745 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>
2	20827551	P9265-00-000-0001-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131723. 131723 is a Base Year account, 730292 is not a base year account, it's oarent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 730292 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827551 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>
3	20827552	P9265-00-000-0002-00	<p>It was previously noted by HCAD that the parent accounts were 730292 and 131723. 131723 is a Base Year account, 730292 is not a base year account, it's oarent account 131723 would be the base year account; however, the Auditor's Office determined that parent account 131723 is not within the TIRZ boundary, while 730292 falls within the TIRZ boundaries.</p> <ul style="list-style-type: none"> <li>• Could you please clarify whether both 730292 and 131723 fall within the TIRZ zones? If yes, then the account no. 20827552 should be coded under the TIRZ zone.</li> <li>• If 131723 does not fall within the TIRZ, a supplement be processed for the period from 2008 (base year) to the current year.</li> </ul>	<p style="text-align: center;">Make changes when clarification is provided by HCAD.</p>



# HIDALGO COUNTY AUDITOR'S OFFICE

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January 12, 2026

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

Re: City of Hidalgo TIRZ No. 1 Report No. 2025-44

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of Hidalgo Tax Increment Reinvestment Zone No. 1 (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 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 that could be improved. The responsibility for sound internal controls rests with management.

As part of the review, we reviewed TIRZ collection reports, the City of Hidalgo TIRZ No. 1 list of accounts provided by the Tax Office, a list of tax accounts coded THCHD, and the TIRZ map provided by the Hidalgo County Appraisal District. The results of the review revealed that tax account numbers 1351801 and 1412791 are not located within the TIRZ boundaries; however, they were included in the City of Hidalgo TIRZ No. 1 list of accounts and collections report for tax roll 2024, provided by the Tax Office.

Please make the necessary corrections and submit a revised list of tax accounts and collections report to the County Auditor's Office by January 23, 2026.

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, 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.



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January 12, 2026

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

Re: City of Hidalgo TIRZ No. 1 Report No. 2025-44

Dear Mr. Garza:

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

The scope of the review was limited to tax accounts 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.

In conducting the review, we examined the agreement between Hidalgo County and the City of Hidalgo TIRZ No. 1, the list of tax accounts coded THCHD, and the TIRZ map provided by the HCAD.

The results of the review revealed that tax account number 1351801 is not located within the TIRZ boundaries; however, the tax account was included in the tax year 2024 list of tax accounts coded THCHD by HCAD.

Please make the necessary correction and submit a revised list of tax accounts for the year 2024, coded THCHD, to the Hidalgo County Auditor's Office and Tax Assessor-Collector's Office by January 23, 2026.

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, 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.



# HIDALGO COUNTY AUDITOR'S OFFICE

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www.hidalgocounty.us/294/Auditors-Office

January 12, 2026

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. 1 Report No. 2025-54

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of Pharr Tax Increment Reinvestment Zone No. 1 (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 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 that could be improved.

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 THPR1 by the Hidalgo County Appraisal District (HCAD), and the TIRZ map provided by the HCAD.

The results of the review revealed that 13 tax accounts listed below were located within the TIRZ boundaries; however, they were not included on the tax year 2024 list of tax accounts provided by the Tax Office.

No.	Property ID	Geographic ID
1	203417	K2400-00-000-0368-00
2	1185467	K2400-00-000-0370-02
3	895244	E6636-00-000-0001-00
4	203425	K2400-00-000-0375-00
5	203426	K2400-00-000-0375-10
6	203428	K2400-00-000-0375-20
7	711186	K3353-00-000-0015-00
8	231363	M2650-00-013-0006-02
9	1307563	T0610-00-000-0001-05
10	693459	K2400-00-000-0362-02
11	717529	P5324-01-000-000A-00
12	693467	P5324-01-000-0008-00
13	203422	K2400-00-000-0372-00

## 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.  
January 12, 2026  
Page 2 of 2

Please make the necessary corrections and submit a revised tax account listing and collection report for the City of Pharr TIRZ No. 1 to the County Auditor's Office by January 12, 2026.

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  
Rolando Garza, Chief Appraiser, Hidalgo County Appraisal District  
Ms. Evangelina Mireles, Chief Deputy, Tax Office  
Ms. Angelica Vela, Accountant IV, Tax Office

#### HIDALGO COUNTY DISTRICT JUDGES



# HIDALGO COUNTY AUDITOR'S OFFICE

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January 12, 2026

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

Re: City of Pharr TIRZ No. 1 Report No. 2025-54

Dear Mr. Garza:

We conducted a limited-scope review of the 2024 tax year list of tax accounts coded THPR1 by the Hidalgo County Appraisal District (HCAD). The objective of the review was to determine whether the list included only real property tax accounts located within the TIRZ boundaries.

The scope of the review was limited to randomly selected tax accounts within the TIRZ boundaries 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 that could be improved.

As part of the review, we reviewed the agreement between Hidalgo County and the City of Pharr TIRZ No. 1, the 2024 list of tax accounts coded THPR1 by HCAD, and the TIRZ map provided by the HCAD.

The results of the review revealed that 13 tax accounts listed below were located within the TIRZ boundaries; however, they were not included on the 2024 list of tax accounts coded THPR1 by HCAD.

No.	Property ID	Geographic ID
1	203417	K2400-00-000-0368-00
2	1185467	K2400-00-000-0370-02
3	895244	E6636-00-000-0001-00
4	203425	K2400-00-000-0375-00
5	203426	K2400-00-000-0375-10
6	203428	K2400-00-000-0375-20
7	711186	K3353-00-000-0015-00
8	231363	M2650-00-013-0006-02
9	1307563	T0610-00-000-0001-05
10	693459	K2400-00-000-0362-02
11	717529	P5324-01-000-000A-00
12	693467	P5324-01-000-0008-00
13	203422	K2400-00-000-0372-00

## 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.

Mr. Rolando Garza  
January 12, 2026  
Page 2 of 2

Please make the necessary corrections and submit the tax year 2024 revised list of tax accounts coded THPR1 by HCAD to the Hidalgo County Auditor's Office and Tax Assessor/Collector's Office by January 23, 2026.

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  
The Honorable Pablo Villarreal, Hidalgo County Tax Assessor-Collector  
Javier Gonzalez, Supervisor - Property Records, Hidalgo County Appraisal District

**HIDALGO COUNTY DISTRICT JUDGES**



# HIDALGO COUNTY AUDITOR'S OFFICE

2808 SOUTH BUSINESS HIGHWAY 281  
EDINBURG, TEXAS 78539-6243

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January 13, 2026

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

Re: November 2025 DTA Payment Request Report No. 2025-41

Dear Mr. Villarreal:

We completed a limited scope review of the November 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 November 2025 DTA payment request of \$177,947.49 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 November 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 the month of November 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.

## 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.

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 November 2025."
- Although DTA fees for 71 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 (69 tax accounts) and small accounts (2 tax accounts) (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for November 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

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2024	C900000000000900	0.30	0.07	0.37	0.05
2	1	2024	C295003002000100	0.19	0.04	0.23	0.04
3	1	2023	C953901000002700	1,250.37	337.60	1,587.97	228.82
4	1	2023	C602000000003900	361.17	89.09	450.26	63.93
5	1	2023	L670000016000400	24.14	6.66	30.80	4.45
6	1	2023	D711101000005400	20.55	5.30	25.85	3.70
7	1	2023	L185000000000100	10.72	2.82	13.54	1.94
8	1	2023	C035000000001801	0.07	0.02	0.09	0.01
9	1	2022	L045000023000010	176.30	59.50	235.80	33.06
10	1	2022	L670000022000300	117.42	42.37	159.79	22.72
11	1	2022	L165002005002000	70.96	21.46	92.42	12.67
12	1	2022	L165002005002000	66.71	20.18	86.89	11.90
13	1	2022	V305301000003200	0.07	0.03	0.10	0.02
14	1	2021	L284503000001400	131.41	60.89	192.30	27.20
15	1	2021	L165002005002000	137.67	58.17	195.84	27.05
16	1	2021	S050000000000700	70.12	32.49	102.61	14.52
17	1	2021	I223000001046100	60.84	22.87	83.71	11.23
18	1	2021	S544001000001200	36.28	14.90	51.18	7.02
19	1	2020	F435000000000202	1,229.10	566.41	1,795.51	237.83
20	1	2020	I223000001046100	248.77	123.35	372.12	50.38
21	1	2020	L165002005002000	74.45	40.39	114.84	15.97
22	1	2020	D680000024000700	14.05	6.98	21.03	2.85
23	1	2019	S397510000005000	5.21	3.10	8.31	1.13
24	1	2019	D680000024000700	4.47	2.75	7.22	0.99
25	1	2019	G504600000003000	0.33	0.19	0.52	0.07
26	1	2018	T525002018003900	6.81	3.58	10.39	1.26
27	1	2018	M480000114000900	3.75	2.35	6.10	0.79
28	1	2017	S073000000001500	39.70	27.72	67.42	8.58
29	1	2017	B355003000007400	35.72	19.75	55.47	6.38
30	1	2017	J183502000001300	26.02	15.89	41.91	5.04
31	1	2017	B355003000007400	14.21	7.85	22.06	2.54
32	1	2017	T525002018003900	10.29	6.64	16.93	2.08
33	1	2016	J570098005000205	15.70	12.01	27.71	3.46
34	1	2014	B158504000007600	0.50	0.40	0.90	0.09
35	1	2013	B158504000007600	0.37	0.36	0.73	0.08
36	1	2012	T130000001000100	827.00	776.69	1,603.69	150.10
37	1	2012	W689601000002800	94.37	88.94	183.31	17.27
38	1	2012	D460000118000700	4.06	4.94	9.00	1.16
39	1	2011	T130000001000100	692.10	733.05	1,425.15	138.07
40	1	2010	S525001013000200	10.90	13.40	24.30	2.62
41	1	2009	D320000060000202	39.71	53.04	92.75	10.00
42	1	2009	M015000062000401	12.85	17.54	30.39	3.41
43	1	2009	S525001013000200	0.92	1.23	2.15	0.24
44	1	2008	H365003000001100	21.78	28.09	49.87	4.25
45	1	2007	W010000030000309	111.48	165.27	276.75	27.42
46	1	2007	C875000014001100	20.60	32.11	52.71	5.78
47	1	2007	C875000014001100	-20.60	-32.11	-52.71	-5.78

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
48	1	2006	P550000002002000	115.24	183.89	299.13	30.07
49	1	2006	E660000001001300	55.80	82.54	138.34	11.64
50	1	2006	P550000002002000	43.24	69.01	112.25	11.28
51	1	2006	W230000052000300	8.32	13.95	22.27	2.47
52	1	2005	P550000002002000	252.90	433.93	686.83	70.56
53	1	2004	B496504000032900	7.39	14.52	21.91	2.62
54	1	2004	S445000001002300	8.50	13.82	22.32	1.72
55	1	2004	C690000001000700	6.12	10.21	16.33	1.35
56	1	2003	L110001003006500	23.50	41.02	64.52	5.18
57	1	2003	M355000073002600	11.17	23.31	34.48	4.18
58	1	2003	S240000000009511	19.55	33.62	53.17	4.08
59	1	2002	A130000001003700	36.51	68.23	104.74	8.76
60	1	2002	S240000000013410	20.19	41.02	61.21	6.33
61	1	2002	M355000073002600	2.66	5.87	8.53	1.05
62	1	2001	E540000002002100	13.11	25.51	38.62	3.13
63	1	2000	P370000003000800	45.64	91.09	136.73	10.27
64	1	1998	H347500147000007	42.96	112.22	155.18	18.49
65	1	1996	S144000000005100	5.58	14.90	20.48	2.14
66	1	1996	P640000064001400	3.08	7.63	10.71	0.92
67	1	1995	A080000000114909	11.90	35.11	47.01	5.65
68	1	1995	J570000001001034	12.75	33.19	45.94	4.06
69	1	1995	W380000524000001	8.60	25.11	33.71	3.97
70	1	1982	S120000000003100	2.28	10.69	12.97	1.80
71	17	1982	S120000000003100	0.34	1.59	1.93	0.27



# HIDALGO COUNTY AUDITOR'S OFFICE

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January 21, 2026

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

Re: December 2025 DTA Payment Request Report No. 2025-42

Dear Mr. Villarreal:

We completed a limited scope review of the December 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 review revealed that the payment request was generally accurate and properly authorized. We will proceed to process the December 2025 DTA payment request of \$161,643.41 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 December 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, penalty, and interest collections for the month of December 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 the month of December 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 97 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 (94 tax accounts) and small accounts (3 tax accounts) (see Exhibit A).
- The total amount of DTA fees collected on the "Hidalgo County Tax Office Collection Reports" for December 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	S592000000004300	85.56	24.46	110.02	15.92
2	1	2023	L370002006001000	31.82	7.99	39.81	5.64
3	1	2023	L185000000000100	21.35	5.73	27.08	3.87
4	1	2023	E468001000001500	15.71	4.50	20.21	2.92
5	1	2022	F749503000020500	221.27	80.77	302.04	42.82
6	1	2022	L668000000000B00	103.63	41.45	145.08	20.99
7	1	2022	T32000000A030800	82.79	29.39	112.18	15.90
8	1	2022	T094309000007900	61.38	20.62	82.00	11.42
9	1	2022	C070000099000702	41.30	13.14	54.44	7.49
10	1	2022	B216000001004000	38.75	12.11	50.86	6.98
11	1	2022	T210000239001112	28.20	11.28	39.48	5.71
12	1	2021	B255000000028801	31.12	14.90	46.02	6.53
13	1	2020	L025000114000012	400.10	160.38	560.48	70.82
14	1	2020	D680000024000700	5.35	2.68	8.03	1.08
15	1	2019	L025000114000012	217.54	113.30	330.84	42.42
16	1	2018	C687000000005200	73.51	39.82	113.33	13.78
17	1	2017	L025000114000012	266.76	202.96	469.72	61.62
18	1	2017	C687000000005200	64.49	42.67	107.16	13.25
19	1	2017	R284805000001000	49.84	29.49	79.33	9.34
20	1	2016	L025000114000012	203.73	179.45	383.18	50.73
21	1	2016	C687000000005200	179.75	140.51	320.26	40.17
22	1	2016	R284805000001000	46.21	32.89	79.10	9.50
23	1	2016	J570098005000205	15.64	12.05	27.69	3.45
24	1	2015	L025000114000012	214.26	214.44	428.70	57.21
25	1	2015	C687000000005200	183.59	165.54	349.13	44.34
26	1	2015	W293000000004400	230.18	167.26	397.44	44.19
27	1	2014	C687000000005200	190.73	194.86	385.59	49.49
28	1	2013	P033500000001700	257.88	226.07	483.95	48.35
29	1	2013	L165001001000200	31.62	28.56	60.18	6.31
30	1	2012	B158504000006100	149.77	147.77	297.54	30.10
31	1	2011	L025000114000012	272.87	404.08	676.95	92.50
32	1	2011	C687000000005200	200.83	277.48	478.31	62.96
33	1	2011	B158504000006100	149.77	165.74	315.51	32.80
34	1	2011	G080000008002300	13.71	20.55	34.26	4.71
35	1	2010	L025000114000012	300.99	481.84	782.83	107.45
36	1	2010	C687000000005200	232.91	349.75	582.66	77.21
37	1	2010	B158504000006100	83.79	102.79	186.58	19.86
38	1	2010	P640000023000500	49.71	84.49	134.20	19.01
39	1	2010	T525000019005000	20.72	28.10	48.82	6.09
40	1	2009	L025000114000012	336.68	579.37	916.05	126.26
41	1	2009	C687000000005200	159.71	258.99	418.70	55.82
42	1	2009	H47000000L000108	252.14	300.04	552.18	46.52
43	1	2009	D320000060000202	39.63	53.11	92.74	9.99
44	1	2009	W010000023000416	19.18	26.34	45.52	5.12
45	1	2008	L025000114000012	267.17	491.82	758.99	105.00
46	1	2008	W010000030000309	96.47	131.82	228.29	21.99
47	1	2008	H365003000001100	21.75	28.13	49.88	4.24

No.	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
48	1	2007	L025000114000012	194.42	381.22	575.64	79.91
49	1	2007	H47000000L000108	114.83	164.20	279.03	25.32
50	1	2007	L43500000G000502	82.65	112.40	195.05	15.62
51	1	2007	W010000030000309	16.25	24.16	40.41	4.00
52	1	2007	O310009000001300	8.29	12.64	20.93	2.18
53	1	2006	1004100010000006	63.92	96.53	160.45	14.10
54	1	2006	L43500000G000502	12.63	18.69	31.32	2.61
55	1	2006	W230000052000300	8.31	13.96	22.27	2.47
56	1	2005	L025000114000012	252.07	554.77	806.84	112.68
57	1	2004	L025000114000012	108.20	251.11	359.31	50.31
58	1	2004	T210000235000409	103.36	172.29	275.65	22.64
59	1	2004	1004100010000006	56.40	98.69	155.09	14.46
60	1	2004	G166002000001700	6.83	14.34	21.17	2.79
61	1	2004	B496504000032900	7.38	14.53	21.91	2.61
62	1	2004	B505000015000600	7.40	11.77	19.17	1.36
63	1	2003	W220000006000600	55.03	104.91	159.94	16.01
64	1	2003	T210000235000409	60.67	108.40	169.07	14.38
65	1	2003	L110001003006500	46.92	82.12	129.04	10.35
66	1	2003	W220000006000600	6.94	13.22	20.16	2.02
67	1	2002	W220000006000600	51.85	105.09	156.94	16.02
68	1	2002	W220000006000600	45.31	91.83	137.14	14.00
69	1	2002	W220000006000600	39.78	80.60	120.38	12.29
70	1	2002	L470000000003000	31.76	61.97	93.73	8.86
71	1	2002	L470000000003000	11.81	23.15	34.96	3.29
72	1	2002	M550000099001208	0.94	1.97	2.91	0.32
73	1	2001	E540000002002100	16.59	32.36	48.95	3.96
74	1	2001	W220000006000600	11.18	24.00	35.18	3.66
75	1	2001	E540000002002100	13.09	25.53	38.62	3.12
76	1	2001	W380000399000009	10.48	20.54	31.02	2.55
77	1	2001	M655000006000200	0.17	0.34	0.51	0.04
78	1	2001	E540000002002100	-16.59	-32.36	-48.95	-3.96
79	1	2000	S165000000001600	9.88	19.56	29.44	2.13
80	1	1999	V380002003001400	26.75	60.72	87.47	8.30
81	1	1999	V380002003001400	10.20	23.15	33.35	3.17
82	1	1998	H347500147000007	42.91	112.28	155.19	18.47
83	1	1998	H347500147000007	27.71	72.41	100.12	11.93
84	1	1997	C070000101001409	47.63	152.54	200.17	28.66
85	1	1997	S144000000005100	1.92	4.91	6.83	0.70
86	1	1996	A080098000111600	3.09	9.53	12.62	1.73
87	1	1996	S144000000005100	3.69	9.87	13.56	1.42
88	1	1995	J570000001001034	12.74	33.21	45.95	4.05
89	1	1995	L205000048000200	2.03	5.31	7.34	0.66
90	1	1994	A555002000000200	66.44	185.38	251.82	24.22
91	1	1994	C470000003001400	21.35	61.18	82.53	8.55
92	1	1993	A555002000000200	56.26	163.71	219.97	21.52
93	1	1982	S120000000003100	2.28	10.69	12.97	1.80
94	17	1982	S120000000003100	0.34	1.59	1.93	0.27
95	1	2024	R320003142001400	0.19	0.04	0.23	0.04
96	1	2024	J273000000000200	0.24	0.06	0.30	0.04
97	1	2023	T823000000004400	0.02	0.01	0.03	0.01



# 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)

January 21, 2026

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 October 2025 through December 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the months of October 2025 through December 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 the review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatement.

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, 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  
Mr. Gerardo Beltran, Accountant IV, 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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January 21, 2026

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of the Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, TX 78539

Re: HIDTA Financial Statements for October 2025 through December 2025

Dear Mr. Palacios:

We conducted a limited scope review of the HIDTA financial statements for October 2025 through December 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 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.

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

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 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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January 21, 2026

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 July 2025 through December 2025

Dear Mr. Palacios:

We conducted a limited scope review of the Hot Checks financial statements for the months July 2025 through December 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 their preparation. 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 would lead us to believe 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. RENE R. BETANCOURT JUDGE, 449TH D.C. JOSE "JOE" RAMIREZ JUDGE, 464TH D.C. NEREIDA LOPEZ-SINGLETERRY JUDGE, 476TH D.C.



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www.hidalgocounty.us/294/Auditors-Office

January 27, 2026

Andy Garcia, Co-Interim City Manager  
City of Mission  
1201 E. 8<sup>th</sup> Street  
Mission, Texas 78572

Re: City of Mission TIRZ No. 1 (THMS1 and THMS2) Report No. 2025-43

Dear Mr. Garcia:

We conducted a limited-scope review of the interlocal agreement between the City of Mission, Hidalgo County, and the City of Mission TIRZ No. 1. The objectives of the review were to determine the accuracy of the City of Mission TIRZ 2024-2025 payment request and compliance with Tax Code §311.016 regarding the completion of the annual audit report.

The scope of the review was limited to the Mission TIRZ property accounts 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.

The results of the review revealed the following:

1. A payment request in the amount of \$4,247,154.23 was received from the City of Mission on behalf of the Mission TIRZ; however, it was determined that the payment amount should be \$4,247,282.20 (see Exhibit A).
2. The Mission TIRZ annual audit report included the required information pursuant to Tax Code §311.016.

We will proceed to process the 2024 City of Mission TIRZ payment in the amount of \$4,247,282.20.

If you have any questions, please contact Enrique Leal, Internal Auditor II, at 318-5844, 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

## 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 Mission TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Mission TIRZ Calculation for Tax Year 2024	Mission TIRZ Calculation for Tax Year 2023	Mission TIRZ Calculation for Tax Year 2022	Mission TIRZ Calculation for Tax Year 2021	Mission TIRZ Calculation for Tax Year 2020	Mission TIRZ Calculation for Tax Year 2019	Mission TIRZ Calculation for Tax Year 2018	Mission TIRZ Calculation for Tax Year 2017	Mission TIRZ Calculation for Tax Year 2016	Mission TIRZ Calculation for Tax Year 2015	Mission TIRZ Calculation for Tax Year 2014	Mission TIRZ Calculation for Tax Year 2013	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 963,288,403.00	\$ 904,182,869.00	\$ 797,203,947.00	\$ 703,570,341.00	\$ 647,108,856.00	\$ 610,304,182.00	\$ 583,346,714.00	\$ 567,543,508.00	\$ 547,533,165.00	\$ 510,391,050.00	\$ 88,566,173.00	\$ 59,848,437.00	
(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	0.0057500	0.0057500	0.0057500	0.0057500	0.0057500	0.0057500	0.0058000	0.0058000	0.0059000	0.0059000	0.0059000	0.0059000	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,538,908.32	\$ 5,199,051.50	\$ 4,583,922.70	\$ 4,045,529.46	\$ 3,720,875.92	\$ 3,509,249.05	\$ 3,383,410.94	\$ 3,291,752.35	\$ 3,230,445.67	\$ 3,011,307.20	\$ 522,540.42	\$ 353,105.78	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 963,288,403.00	\$ 904,182,869.00	\$ 797,203,947.00	\$ 703,570,341.00	\$ 647,108,856.00	\$ 610,304,182.00	\$ 583,346,714.00	\$ 567,543,508.00	\$ 547,533,165.00	\$ 510,391,050.00	\$ 88,566,173.00	\$ 59,848,437.00	
(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,186,713.00	\$ 29,186,713.00	
Captured Appraised Value	\$ 934,067,801.00	\$ 874,962,267.00	\$ 767,983,345.00	\$ 674,349,739.00	\$ 617,888,254.00	\$ 581,083,580.00	\$ 554,126,112.00	\$ 538,322,906.00	\$ 518,312,563.00	\$ 481,170,448.00	\$ 59,379,460.00	\$ 30,661,724.00	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the lesser of .5095 or actual M&O) (.5095/100)	0.005095	0.005095	0.005095	0.005095	0.005043	0.005036	0.005095	0.005095	0.005095	0.005095	0.005095	0.005095	
Tax Levy Due to TIRZ	\$ 4,769,075.45	\$ 4,457,932.75	\$ 3,912,875.14	\$ 3,435,811.92	\$ 3,116,010.46	\$ 2,926,336.91	\$ 2,823,272.54	\$ 2,742,755.21	\$ 2,640,802.51	\$ 2,451,563.43	\$ 302,538.35	\$ 156,221.48	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 4,379,184.85	\$ 536,831.59	\$ 20,645.15	\$ 4,260.58	\$ 1,359.43	\$ 1,922.30	\$ 95.29	\$ 45.89	\$ 82.08	\$ 31.19	\$ 44.45	\$ 5.74	
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,538,908.32	\$ 5,199,051.50	\$ 4,583,922.70	\$ 4,045,529.46	\$ 3,720,875.92	\$ 3,509,249.05	\$ 3,383,410.94	\$ 3,291,752.35	\$ 3,230,445.67	\$ 3,011,307.20	\$ 522,540.42	\$ 353,105.78	
Percent Collected of Actual Levy	79.0622%	10.3256%	0.4504%	0.1053%	0.0365%	0.0548%	0.0028%	0.0014%	0.0025%	0.0010%	0.0085%	0.0016%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 4,759,075.45	\$ 4,457,932.75	\$ 3,912,875.14	\$ 3,435,811.92	\$ 3,116,010.46	\$ 2,926,336.91	\$ 2,823,272.54	\$ 2,742,755.21	\$ 2,640,802.51	\$ 2,451,563.43	\$ 302,538.35	\$ 156,221.48	
(Less) Administrative Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(Less) Adjustments **	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2024-2025 TIRZ PAYMENT AMOUNT	\$ 3,762,629.75	\$ 460,308.30	\$ 17,623.59	\$ 3,617.91	\$ 1,137.34	\$ 1,603.63	\$ 79.05	\$ 38.40	\$ 66.02	\$ 24.52	\$ 25.72	\$ -	\$ 4,247,154.23

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

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	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 964,310,115.00	\$ 904,182,869.00	\$ 797,203,947.00	\$ 703,570,341.00	\$ 647,108,856.00	\$ 610,304,182.00	\$ 583,346,714.00	\$ 567,543,508.00	\$ 547,533,165.00	\$ 510,391,050.00	\$ 88,566,173.00	\$ 59,848,437.00	
(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.575/100)	0.00575	0.00575	0.00575	0.00575	0.00575	0.00575	0.0058	0.0058	0.0059	0.0059	0.0059	0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 5,544,783.16	\$ 5,199,051.50	\$ 4,583,922.70	\$ 4,045,529.46	\$ 3,720,875.92	\$ 3,509,249.05	\$ 3,383,410.94	\$ 3,291,752.35	\$ 3,230,445.67	\$ 3,011,307.20	\$ 522,540.42	\$ 353,105.78	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 964,310,115.00	\$ 904,182,869.00	\$ 797,203,947.00	\$ 703,570,341.00	\$ 647,108,856.00	\$ 610,304,182.00	\$ 583,346,714.00	\$ 567,543,508.00	\$ 547,533,165.00	\$ 510,391,050.00	\$ 88,566,173.00	\$ 59,848,437.00	
(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,220,602.00	\$ 29,186,713.00	\$ 29,186,713.00	
Captured Appraised Value	\$ 935,089,513.00	\$ 874,962,267.00	\$ 767,983,345.00	\$ 674,349,739.00	\$ 617,888,254.00	\$ 581,083,580.00	\$ 554,126,112.00	\$ 538,322,906.00	\$ 518,312,563.00	\$ 481,170,448.00	\$ 59,379,460.00	\$ 30,661,724.00	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the lesser of .5095 or actual M&O) (.5095/100)	0.005095	0.005095	0.005095	0.005095	0.005043	0.005036	0.005095	0.005095	0.005095	0.005095	0.005095	0.005095	
Tax Levy Due to TIRZ	\$ 4,764,281.07	\$ 4,457,932.75	\$ 3,912,875.14	\$ 3,435,811.92	\$ 3,116,010.46	\$ 2,926,336.91	\$ 2,823,272.54	\$ 2,742,755.21	\$ 2,640,802.51	\$ 2,451,563.43	\$ 302,538.35	\$ 156,221.48	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office	\$ 4,379,184.85	\$ 536,831.59	\$ 20,645.15	\$ 4,260.58	\$ 1,359.43	\$ 1,922.30	\$ 95.29	\$ 45.89	\$ 82.08	\$ 31.19	\$ 44.45	\$ 5.74	
(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 5,544,783.16	\$ 5,199,051.50	\$ 4,583,922.70	\$ 4,045,529.46	\$ 3,720,875.92	\$ 3,509,249.05	\$ 3,383,410.94	\$ 3,291,752.35	\$ 3,230,445.67	\$ 3,011,307.20	\$ 522,540.42	\$ 353,105.78	
Percent Collected of Actual Levy	78.9785%	10.3256%	0.4504%	0.1053%	0.0365%	0.0548%	0.0028%	0.0014%	0.0025%	0.0010%	0.0085%	0.0016%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 4,764,281.07	\$ 4,457,932.75	\$ 3,912,875.14	\$ 3,435,811.92	\$ 3,116,010.46	\$ 2,926,336.91	\$ 2,823,272.54	\$ 2,742,755.21	\$ 2,640,802.51	\$ 2,451,563.43	\$ 302,538.35	\$ 156,221.48	
(Less) Administrative Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(Less) Adjustments **	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2024-2025 TIRZ PAYMENT AMOUNT	\$ 3,762,757.72	\$ 460,308.30	\$ 17,623.59	\$ 3,617.91	\$ 1,137.34	\$ 1,603.63	\$ 79.05	\$ 38.40	\$ 66.02	\$ 24.52	\$ 25.72	\$ -	\$ 4,247,282.20

\*City/County Payment Calculation Variance

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



# HIDALGO COUNTY AUDITOR'S OFFICE

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January 28, 2026

The Honorable Toribio "Terry" Palacios, Criminal District Attorney  
Hidalgo County Office of the Criminal District Attorney  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, TX 78539

Re: H.B.65 Financial Statements for October 2025 through December 2025

Dear Mr. Palacios:

We conducted a limited scope review of the H.B. 65 financial statements for October 2025 through December 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 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.

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 Linda Vasquez, Internal Auditor III, at 318-2511 ext. 4694, 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: 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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February 4, 2026

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

Re: MFR for October 2025 through December 2025

Dear Ms. Chapa:

We conducted a limited scope review of the Monthly Fees Report (MFR) and supporting documentation for the months of October 2025 through December 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 the fees collected were generally properly accounted for and reported; however, the internal controls for fee accounting and reporting require improvement. More specifically, we noted that the amount collected did not match the cost for the quantity of copies shown on the receipt.

### **Scope:**

The scope of the review was limited to collections reported by your office on the MFR for October 2025 through December 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.

### **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 receipts were issued in sequential order.
- Verified that procedures for voiding receipts were followed correctly.
- 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 or before the fifth business day after the day on which the funds were received pursuant to Local Government Code §113.022.

## HIDALGO COUNTY DISTRICT JUDGES

- Verified that the collections per the MFR agreed to 1) total receipts issued by the Law Library; 2) total deposits made with the financial institution; and 3) total deposits made with the County Treasurer.
- Verified that receipts, *Daily Remittance/Close-out Forms*, and the MFR were completed correctly.

**Conclusion:**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported. However, the internal control system for accounting and reporting fees requires improvement, as noted in the observation below. Total collections for October 2025 through December 2025 were as follows:

Month	Amount
October 2025	\$ 1,140.75
November 2025	\$ 819.25
December 2025	\$ 875.50

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 correctly.

**Repeat Observation 1:**

We noted that the amount collected did not match the number of copies shown on the receipt. According to the Law Library staff, these inaccuracies stemmed from unintentional errors in completing the relevant fields.

The Hidalgo County Commissioners Court approved a fee schedule. The Law Library is required to collect fees in accordance with the fee schedule and to ensure that receipts are issued correctly.

Failure to ensure that the proper fee is collected and receipts are issued correctly may increase the risk of loss of County funds.

**Recommendation:**

Management should ensure that fees are collected in accordance with the fee schedule and that receipts are issued correctly. The amount collected should match the cost of the quantity of copies provided.

Please provide a written management response to the observation noted above on the attached Management Response Form by February 18, 2026. 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 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: Management Response Form

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



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

**AUDITEE:** Law Library                      **AUDIT NO.:** \_\_\_\_\_  
**AUDIT:** Law Library MFR for  
October 2025 through  
December 2025                      **MANAGEMENT  
RESPONSE DUE:** February 18, 2026  
**FINDING No.:** 1                      **RECOMMENDATION:** 1

Management should ensure that fees are collected in accordance with the fee schedule and that receipts are issued correctly. The amount collected should match the cost of the quantity of copies provided.

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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

February 13, 2026

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

Re: Fee Account MFR for October 2025 through December 2025

Dear Sheriff Guerra:

We conducted a limited scope review of the Fee Account *Monthly Fees Report* (MFR) for the months of October 2025 through December 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 October 2025 through December 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 for improvement.

### **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:**

Based on the review, we concluded that the fees collected were generally properly accounted for and reported. Total collections for October 2025 through December 2025 were as follows:

Month Ended	Amount
October 2025	\$ 28,158.60
November 2025	\$ 23,580.53
December 2025	\$ 23,743.73

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