THE STATE OF TEXAS §
CITY OF BROWNSVILLE§
COUNTY OF CAMERON §

MINUTES of a **Regular Meeting** of the Audit and Oversight Committee of the City of Brownsville, Texas, held on **Friday, July 10, 2026, at 12:15 P.M.,** with the following members present in person at City Hall, Second Floor, Commission Chambers, located at 1001 East Elizabeth, Brownsville, Cameron County, Texas, 78520 or **via Webex Teleconference Meeting by logging on at:**

https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting
Meeting ID: 292 962 218 238
Passcode: EP2UB9pT

COMMISSIONERS/COMMITTEE MEMBERS PRESENT:

FRANCISCO J. OROZCO	)	**CHAIR**
HERMINIO GUAJARDO	)	**VICE CHAIR**
MAYOR JOHN F. COWEN, JR.	)	**COMMITTEE MEMBER**
COMMISSIONER NURITH GALONSKY	)	**COMMITTEE MEMBER**
SUSAN RUVALCABA	)	**COMMITTEE MEMBER**

OTHERS PRESENT:

ARNOLDO PÉREZ	)	**CITY AUDITOR**
LUIS SALINAS	)	**DEPUTY CITY AUDITOR**
VENUS FRIAS	)	**ASSISTANT CITY AUDITOR**
WILL TREVIÑO	)	**CITY ATTORNEY**
JENNIFER AVENDAÑO	)	**FIRST ASSISTANT CITY ATTORNEY**

CALL TO ORDER

a) ROLL CALL

Venus Frias, Assistant City Auditor and Board Liaison, read the call to consider the following matters as posted and filed for the record in the Office of the City Secretary on July 6, 2026. The meeting was called to order at 12:18 p.m. by Francisco J. Orozco, Chair.

Mrs. Frias took a roll call of Committee members and established that a quorum was present. Francisco J. Orozco, Herminio Guajardo, Mayor John F. Cowen Jr., Commissioner Nurith Galonsky, and Susan Ruvalcaba were in attendance in person.

PUBLIC COMMENT PERIOD

No public comment.

ITEMS FOR INDIVIDUAL CONSIDERATION(S)

1) *Consideration of approval of Minutes from the Audit and Oversight Committee Regular meeting held on May 01, 2026*

Upon motion by Commissioner Nurith Galonsky, Committee Member, seconded by Herminio Guajardo, Vice Chair, and carried unanimously, the minutes for May 01, 2026, Regular Meeting were approved.

2) *City Auditor's Office Update on:*

a) *Professional Development*

Mr. Pérez shared the office's current completion progress percentage of 87% towards the 40-hour Continuing Professional Education requirements for the year. The office had several professional development opportunities: the Association of Local Government Auditors National Conference in Cleveland, OH, the 2026 Texas Digital Government Summit in Austin, TX, and the City's WebEOC Training. The City Auditor and Deputy City Auditor also attended the Director and Assistant Director Management Retreats hosted by the Office of the City Manager. The office is on track to reach 100% completion of the CPE requirements by December.

b) *Update on FY27 Budget Request for Personnel and Technology Needs*

Mr. Pérez updated the Committee on the Office of the City Auditor's budget request and the tentative approval of a .5 position, which will convert the office's part-time position into full-time. Additional funds were also provided for technology needs.

c) *City of Brownsville One City Information and All-Hazards Preparedness Fair, held on May 21, 2026*

Mr. Pérez shared his appreciation for the fair and its organization by the City Manager's Office and the Office of Emergency Management. It was a great opportunity for the department to meet with and answer questions from the citizens.

d) *Update on Charter Amendment*

Jennifer Avendaño, First Assistant City Attorney, presented the Committee with charter amendment propositions, previously discussed and approved by the Charter Review Committee, that pertain to the Office of the City Auditor under 21-C. - Office of the City Auditor (the proposed addition to the Charter's Article V., Administrative Provisions). She informed the Committee that propositions C, D, and E would require a vote and would be taken to the City Commission with any agreements or requested changes prior to the first reading of the Ordinance at the next City Commission meeting.

Mrs. Avendaño began by showcasing subsections (a) and (b) of proposition C, explaining that the texts presented contained language that the City Commission approved, and language that she, as legal liaison to the Audit and Oversight Committee, recommends that the Committee considers adding, to then take to the City Commission as further recommendations.

Subsection (a), "Office of the City Auditor Created", contained additional language that Mrs. Avendaño advised would assist in better defining the functions and responsibilities of the Office of the City Auditor.

Mayor John Cowen, Committee Member, inquired about the text's accuracy in listing the Comptroller of the United States as the organization that sets the government auditing standards the Office of the City Auditor will follow. Mr. Pérez answered that the standards are set by the Government Accountability Office which is under the Comptroller of the United States and proposed that the language could add the GAO. Mrs. Avendaño suggested that the language be changed to be more generic surrounding which government office promulgates the government auditing standards, such as "state and federal agencies", so everything will be covered, including if the responsible office ever changes names, to which Mayor Cowen agreed.

Next, Mrs. Avendaño presented the subsection (b), "Appointment by the City Commission; Compensation," recommendation. No discussion was had.

Mrs. Avendaño then followed by reading out subsection (c), "Term, removal, absence, or disability of City Auditor", and clarified that the only time anything would be brought forth in a hearing before City Commission would be if the City Auditor was removed prior to having served six months, and any other action taken by City Commission would be governed by the text, "by a vote of not less than a majority of the entire Commission."

Francisco Orozco, Chair, inquired whether the language's intention is to give the City Auditor a hearing if removed after serving six months, saying that the text allows the City Auditor the right to ask for it ["written charges and the right to be heard... at a public meeting"] but does not assign City Commission the obligation to give the hearing.

Mrs. Avendaño answered that she would argue if the City Auditor asked for the right to be heard then they would be entitled to a hearing, citing the text, "…but pending such hearing the City Commission may suspend the City Auditor…". She then deferred to Will Treviño, City Attorney, and Commissioner Nurith Galonsky, Committee Member, as they were directly involved in the Charter Review Committee meetings.

Mr. Treviño shared that the question did not come up during the Charter Review Committee meetings and that he agreed with Mrs. Avendaño's interpretation.

Following further discussion regarding the interpretation and hypothetical application of the subsection, Mrs. Avendaño suggested the addition of the word "shall": "…the City Auditor may demand written charges and shall have the right to be heard thereon at a public meeting…" to create a legal requirement for the City Commission to give the removed City Auditor a hearing if asked.

The discussion shifted when Committee members shared concerns regarding whether a removed City Auditor, should they be removed amidst an investigation of City officials, would be able to disclose the details of the audit to the public during an open session, in favor of transparency.

Mayor John Cowen, Committee Member, expressed interest in adding a requirement for the Audit and Oversight Committee to put forth a recommendation for termination as well, to maintain a "checks and balances" on City Commission. Chair Orozco shared the same sentiment.

Mrs. Avendaño suggested an addition to the removability language, "The City Auditor shall not be appointed for a definite fixed time but shall be removable on recommendation by the

Audit and Oversight Committee and with the City Commission by a vote of not less than a majority of the entire commission." Mayor Cowen favored the suggestion.

Mrs. Avendaño continued with subsections (d) and (e) and her recommendations to remove the word "all" from the text and to agree with the summarized duties of the City Auditor, respectively. No discussion was had.

For subsection (f), "Appointment of Assistants", Mrs. Avendaño explained that the language mirrors what the Office of the City Attorney currently has, ensuring that the Office of the City Auditor is equally independent. No discussion was had.

The Committee was then shown Section 28A – Audit and Oversight, as it currently reads in the City Charter, with recommended changes. In subsection (a), Mrs. Avendaño recommended that the text "values and ethics" be removed. No discussion was had.

Subsection (c) was edited to add to the total members within the committee, making it seven members instead of five, to follow the current City practice of allowing each sitting City commissioner to appoint a representative. Mrs. Avendaño then asked the Committee for clarification regarding their stance on the additional language regarding how many members of the Audit and Oversight Committee shall be current City Commission members. Chair Orozco voiced his preference for having Commission members serving on the Committee, limiting the amount to less than a majority but more than one. He agreed with the subsection's additional language.

Subsection (d) added language to specify that work done by the Committee would be "through the Office of the City Auditor". Subsection (e) was edited to remove "institute and" and add language to specify the possibility of the Office of the City Auditor's work in consultation with others in carrying out activities related to the Committee. No discussion was had for either subsection.

Following, the changes to subsection (g) removed text relating to the Committee's authority to employ the City Auditor. It was replaced with language regarding the Committee's ability to provide City Commission with advice, and their ability to hire and terminate external auditors and advisors.

Proposition C, to proceed as stated on the presented PowerPoint slide with the additional language as discussed for (a) through (f) by the Audit and Oversight Committee to be added to the Ordinance, and to have the vote set before the people on the upcoming November ballot, upon motion by Commissioner Nurith Galonsky, Committee Member, and seconded by Susan Ruvalcaba, Committee Member, and carried unanimously.

Propositions D and E, to proceed as discussed for the Section 28A amendments recommendations to take to City Commission, agreeable to Propositions D and E with the changes discussed and recommend to take to the Ordinance to be voted on by the citizens of Brownsville, upon motion by Commissioner Nurith Galonsky, Committee Member, and seconded by Susan Ruvalcaba, Committee Member, and carried unanimously.

Mrs. Avendaño concluded the item by informing the Committee about the expected timeline for readings of the Ordinance and ordering of the election.

e) *Ongoing preparation for 2026 Annual Fraud Awareness Training*

Mr. Pérez shared that the office has begun planning for the Annual Fraud Awareness training. It is tentatively scheduled for December 2nd and 3rd at the Southmost Public Library, with two sessions offered each day. The office hopes to invite another guest speaker from another City department and looks forward to inviting the Committee members once everything is finalized.

f) *Other items of interest related to the Office of the City Auditor*

Mr. Pérez presented the Audit and Oversight Committee's challenge coin and lapel pins that were provided to the Committee members prior to the start of the meeting. He explained the meaning behind the design of the challenge coin and how the symbolism connects to the purpose and work of the Committee and the Office of the City Auditor.

EXECUTIVE SESSION

Upon motion by Commissioner Nurith Galonsky, Committee Member, seconded by Herminio Guajardo, Vice Chair, and carried unanimously, the Executive Session convened at 1:33 pm.

1) *Closed Session pursuant to Tex. Gov't. Code Section 551.071 (Consultation with Attorney) related to Internal Control Reviews (ICR).*
2) *Closed Session pursuant to Tex. Gov't. Code Section 551.071 (Consultation with Attorney) related to fraud analysis and hotline concern(s) received.*
3) *Closed Session pursuant to Tex. Gov't. Code Section 551.071 (Consultation with Attorney) related to 2026 Risk Assessment.*
4) *Closed Session pursuant to Tex. Gov't. Code Section 551.071 (Consultation with Attorney) related to Project Aberdeen.*
5) *Closed Session pursuant to Tex. Gov't. Code Section 551.071 (Consultation with Attorney) related to Project Sunshine.*

POSSIBLE ACTION ON ANY ITEM(S) AS DISCUSSED IN EXECUTIVE SESSION

NOTE: The Board, Commission or Committee of the City of Brownsville reserves the right to discuss any items in Executive Session whenever authorized under the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

1) *Consideration and ACTION, if any, related to ongoing Internal Control Reviews (ICR).*
2) *Consideration and ACTION, if any, related to fraud analysis and hotline concern(s) received.*
3) *Consideration and ACTION, if any, related to 2026 Risk Assessment.*
4) *Consideration and ACTION, if any, related to Project Aberdeen.*
5) *Consideration and ACTION, if any, related to Project Sunshine.*

No action on any items.

FUTURE AGENDA TOPICS/ASSIGNMENTS

Mr. Salinas provided an update on the external auditors and their upcoming contact with the City in the month of July regarding the Audit Engagement letter. He also shared that the external auditors anticipate starting initial field work for the 2026 audit in early August.

ADJOURNMENT

There being no further business to come before the Audit & Oversight Committee, upon duly made motion by Commissioner Nurith Galonsky, Committee Member, seconded by Herminio Guajardo, Vice Chair the meeting adjourned at 2:37 p.m.

Approved this 4th day of September 2026.

Francisco Orozco
Audit & Oversight Committee Chair

Attest:

Arnold Pérez, CGAP, CFE, CIGA
City Auditor

Respectfully Submitted by:
Michelle Santoy, Investigative Assistant
Office of the City Auditor