

RICARDO WATER SUPPLY CORPORATION  
Annual Meeting  
April 11, 2017

MINUTES

Board Members Present:

Robert Zavala  
Oliver Hinojosa  
Kathy Brown  
James Fischer  
Robert Garza  
Briseida Mendoza

Board Members Absent:

Baldemar Garcia

Membership Present:

George Brown

Staff Present:

Carola G. Serrato  
Frances De Leon  
Jo Ella Wagner  
Jacob Hinojosa

Guests Present:

Luke Womack, John Womack & Co., P.C.  
Sherrel Mercer, Mercer Controls

1. Call to Order.

Mr. Robert Zavala, Board Vice-President, called the Annual Meeting to order at 7:00 p.m. at the STWA Boardroom in Kingsville, Texas. A quorum was present.

2. Citizen comments.

Mr. Zavala opened the floor to citizen comments. No citizen comments were made.

3. Approval of Minutes.

The minutes of the April 12, 2016 Annual Meeting were presented for approval. Mr. Garza made a motion to approve the minutes as presented. Ms. Brown seconded the motion and all voted in favor.

4. Election of Board members.

Pursuant to Texas Water Code Section 67.0055, Ms. Serrato read Resolution 17-01 into the record and declared unopposed candidates Kathy Brown, Baldemar Garcia and Robert Garza elected to the Board of Directors.

5. Review of proposed audit for Fiscal Year 2016.

The Fiscal Year 2016 Audit was presented for approval and was reviewed by Mr. Luke Womack, John Womack & Co., P.C. He stated that there was nothing negative to report and that an unqualified opinion had been issued on this audit. He noted that there was an increase in the amount of water sold and water loss decreased to 23 percent from last year's 28 percent. He

reviewed the Board of Directors Communication Letter. He reported that the Corporation is fiscally sound and that financial records are in order.

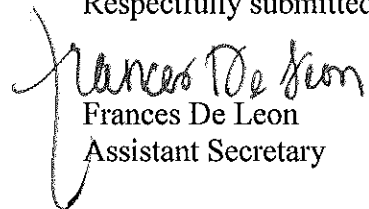
6. **Resolution 17-03. Resolution accepting the Fiscal Year 2016 Audit prepared by John Womack & Co., P.C. of Kingsville.**

Ms. Mendoza made a motion to approve Resolution 17-03 accepting the Fiscal Year 2016 Audit and Ms. Brown seconded. The motion carried.

7. **Adjournment.**

With no further business to conduct, Mr. Zavala adjourned the meeting at 7:15 p.m.

Respectfully submitted,

  
Frances De Leon  
Assistant Secretary