



CITY COUNCIL MEETING AGENDA

Monday, June 08, 2026 at 6:00 PM

Richwood City Hall, 1800 Brazosport Blvd. N.

BE IT KNOWN THAT a City of Richwood City Council will meet Monday, June 08, 2026, beginning at 6:00 PM at Richwood City Hall, located at 1800 Brazosport Blvd. N., Richwood, Texas 77531 with the following agenda:

I. CALL TO ORDER

II. INVOCATION

III. PLEDGES OF ALLEGIANCE.

Pledge of Allegiance and Texas Pledge

IV. ROLL CALL OF COUNCIL MEMBERS

V. PUBLIC COMMENTS

Citizens are invited to address the City Council on agenda items prior to action being taken. All comments are subject to the following rules: Speakers must be recognized by the Chair and shall direct all remarks to the Chair. Comments must pertain to matters before the City Council, City business, or issues of community interest. Speakers are limited to three (3) minutes and may speak only once per agenda item. A designated representative of a group may be allowed up to five (5) minutes. Time may not be transferred to another speaker. Speakers shall conclude their remarks when their time has expired. Profane, vulgar, or abusive language and personal attacks will not be tolerated.

In accordance with the Texas Open Meetings Act, the City Council will not engage in discussion or take action on items not posted on the agenda; however, the Mayor may direct staff to follow up as appropriate.

VI. CONSENT AGENDA

All items listed under the Consent Agenda are considered routine and may be enacted with one motion. There will be no separate discussion unless requested by a Council Member, in which case the item will be removed and considered separately.

A. Budget Report, March 2026

B. Budget Report, April 2026

C. Fiscal Year 2026 Investment Report, Quarter 2

D. Approval of minutes from regular meeting held May 11, 2026.

VII. PRESENTATION

A. Keep Richwood Beautiful, presented by Margaret McMahan, Executive Director

VIII. DISCUSSION AND ACTION ITEMS

A. Discussion regarding the FY 2026–2027 budget process and timeline, including a general overview from staff, and Council feedback regarding priorities and initiatives for the upcoming budget year.

B. Consider and take possible action regarding approval of a Client Services Agreement with HR&P, Inc. for payroll, benefits administration, ACA administration, and human resources management services, and authorizing the City Manager to negotiate final terms and execute all necessary documents.

C. Discussion and possible action regarding Ordinance No. 26-541 adopting the 2021 International Property Maintenance Code (IPMC) and amending Chapter 4, Article 1, Section 4-2 of the City of Richwood Code of Ordinances.

D. Consider items removed from consent agenda

IX. EXECUTIVE SESSION

Pursuant to Chapter 551.0745, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee: discussion regarding the appointment of an individual to fill vacant City Council Position No. 3.

Pursuant to Chapter 551.071, Consultation with Counsel on legal matters: discussion regarding a former employee separation matter and related compensation request.

X. ACTION AS A RESULT OF EXECUTIVE SESSION

Pursuant to Chapter 551.0745, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee.

Discuss and consider action regarding the appointment of an individual to fill vacant City Council Position No. 3.

Pursuant to Chapter 551.071, Consultation with Counsel on legal matters.

Discuss and consider action regarding a former employee separation matter and related compensation request.

XI. CAPITAL IMPROVEMENT PROJECTS UPDATE

XII. CITY MANAGER'S REPORT

XIII. COUNCIL MEMBER COMMENTS & REPORTS

XIV. MAYOR'S REPORT

XV. ITEMS OF COMMUNITY INTEREST

Pursuant to Section 551.0415 of the Texas Government Code, Items of Community Interest may include expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary or salutary recognition of public officials, employees, or citizens; reminders about upcoming events; and announcements involving an imminent threat to public health and safety. No discussion or action will be taken on these items.

XVI. FUTURE AGENDA ITEMS

XVII. ADJOURNMENT

The City Council may go into Executive Session on any item listed on the Agenda in accordance with Section 551-071 of the Government Code (attorney-client privilege).

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 265-2082 or FAX (979) 265-7345 for further information.

I, Laura Tyner, do hereby certify that I did, on June 02, 2026 at 05:00 PM post this notice of meeting on the bulletin board at 1800 N. Brazosport Blvd., Richwood, TX, in compliance with the Texas Open Meetings Law.

Laura Tyner, City Secretary
City of Richwood



AGENDA MEMORANDUM – JUNE 8, 2026, 2026

ITEM # CONSENT

CONTACT: Patricia Ditto, Finance Director

SUBJECT: Monthly Budget Summary Report

SUMMARY: Receive and/or approve the March 2026 Budget Report

BACKGROUND INFORMATION:

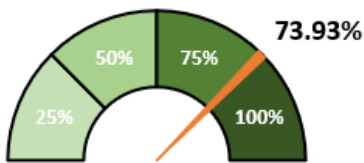
The information provided is for the FY 2025-2026 budget period, month ending March 31, 2026. This summary highlights several key points related to the current month’s activity for the General Fund and for the Water and Sewer Enterprise Fund. The attached report is unaudited, and this month may include corrections from prior months.

DISCUSSION:

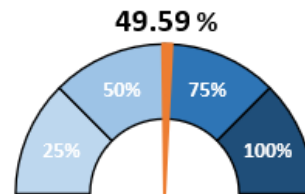
Attached is the budget report for March 2026, which is the sixth month of Fiscal Year 2026. 50% of the year has passed. The report reflects the original budget as approved for FY26 as well as the revised budget reflecting all budget amendments approved by council since the original budget was approved. *This budget report is a preliminary report reflecting current year-to-date figures that are unaudited and may be adjusted at a future time.* Some year-end adjustments may have occurred before this report was completed. However, not all year-end adjustments have been made.

10-General Fund

As of March 31 2026, General Fund revenues total \$2,858,555. General Fund expenditures total \$1,725,058.



General Fund Revenue as % of Budget



General Fund Expenditures as % of Budget

Revenue (GF)

Total Revenue collected in the General fund is 77.34% of budget projection.

- M & O (Maintenance and Operations) Property tax (including current, delinquent and penalties) received through the end of March is \$2,382,850, 93.17% of projected property taxes for the year. Property tax revenue comes in throughout the year, but the majority comes in during the months of December and January.

City of Richwood TEXAS

- Sales Tax revenue received in March, in the amount of \$51,048, was earned in January. Sales tax is received 2 months after it is earned. The revenue received in October and November 2025 was posted to revenue in FY25. Accordingly, the revenue earned in August and September 2025 will be posted as revenue for FY26 even though it will not be received by the city until October and November.

MONTH RECEIVED	FY 2024				FY 2025				FY 2026			
	GENERAL FUND	TRANS FUND	CCPD	TOTAL	GENERAL FUND	TRANS FUND	CCPD	TOTAL	GENERAL FUND	TRANS FUND	CCPD	TOTAL
DEC	50,390.06	12,597.52	12,174.92	75,162.50	63,965.34	15,991.34	15,454.48	95,411.16	54,581.90	13,645.48	13,542.77	81,770.15
JAN	51,357.01	12,839.25	12,379.34	76,575.60	60,852.21	15,213.05	14,755.29	90,820.55	50,543.33	12,635.83	12,473.83	75,652.99
FEB	62,500.92	15,625.23	15,222.16	93,348.31	65,052.40	16,263.10	15,706.32	97,021.82	59,954.36	14,988.59	14,882.47	89,825.42
MAR	47,160.51	11,383.28	11,790.13	70,333.92	54,904.86	13,726.22	13,212.84	81,843.92	51,047.94	12,761.99	12,509.47	76,319.40
APR	53,116.00	13,279.00	12,889.00	79,284.00	53,365.40	13,341.35	12,795.21	79,501.96				0.00
MAY	60,982.24	15,245.56	14,768.02	90,995.82	61,002.35	15,250.59	14,690.90	90,943.84				0.00
JUN	59,244.38	14,811.10	14,220.19	88,275.67	54,327.00	13,581.65	13,209.66	81,118.31				0.00
JUL	58,811.21	14,702.80	14,080.90	87,594.91	59,642.15	14,910.54	14,590.19	89,142.88				0.00
AUG	60,287.46	15,071.86	14,348.07	89,707.39	56,417.70	14,104.42	13,805.39	84,327.51				0.00
SEPT	83,755.58	20,943.90	20,354.70	125,054.18	55,289.31	13,822.33	13,468.69	82,580.33				0.00
OCT*	63,965.34	15,991.34	15,454.48	95,411.16	49,798.70	12,449.67	12,221.33	74,469.70				0.00
NOV*	60,852.21	15,213.05	14,755.29	90,820.55	57,108.76	14,277.19	14,173.32	85,559.27				0.00
YEAR TOTAL	712,422.92	177,703.89	172,437.20	1,062,564.01	691,726.18	172,931.45	168,083.62	1,032,741.25	216,127.53	54,031.89	53,408.54	323,567.96

- Permits and Licenses revenues total \$2,200 this month, YTD total of \$31,011. Last year at this time we had collected \$47,469.
- Municipal Court revenue for the month of March is \$12,535. Our YTD total is \$38,926, compared to \$40,660 at this point last year.
- Interest revenue is \$2,292 this month.

Expenditures (GF)

Expenditures in the General Fund are currently shown at \$1,696,911, 49.59% of budget.

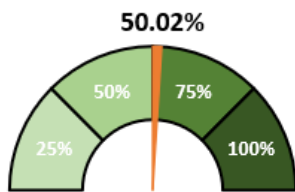
Transfers (GF)

Interfund transfers have been completed as budgeted. A transfer from the grants fund was made to reimburse the General Fund for expenses made during Beryl recovery that have been reimbursed by FEMA.

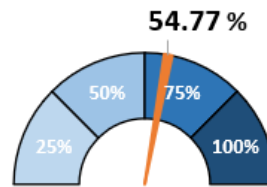
City of Richwood TEXAS

30-Water, Sewer, and Solid Waste Fund

Operating Revenues in March total \$1,572,637. Operating expenses are \$1,429,901.



Enterprise Fund Revenue as % of Budget



Enterprise Fund Operating Expense as % of Budget

Budgeted transfers have been completed.

RECOMMENDATION: Council approve March 2026 Budget Summary Report for General Fund and the Water & Sewer Enterprise Fund.

**City of Richwood
Fiscal Year 2026 Operational Budget Report
10/1/2025 -09/30/2026**

10 General Fund	Prior YTD	Current Period	Current YTD	Original Budget	Revised Budget	Remaining Budget	% Earned/Used
Revenue							50% of year
Taxes	2,514,806.30	89,578.12	2,678,862.04	3,463,644.00	3,463,644.00	784,781.96	77.34%
Property taxes, including delinquent & penalties	2,186,311.89	38,530.18	2,382,850.39	2,557,644.00	2,557,644.00		93.17%
Franchise Taxes	83,719.60	0.00	79,884.12	196,000.00	196,000.00		40.76%
Sales Tax	244,774.81	51,047.94	216,127.53	710,000.00	710,000.00		30.44%
Licenses and permits	47,468.68	2,200.00	31,010.54	81,150.00	81,150.00	50,139.46	38.21%
Intergovernmental revenue	8,671.72	935.60	3,303.84	10,000.00	10,000.00	6,696.16	33.04%
Charges for services - Municipal Bldg Rental	4,300.00	700.00	4,287.50	8,000.00	8,000.00	3,712.50	53.59%
Municipal Court Revenue	40,659.52	12,535.28	38,925.84	95,000.00	95,000.00	56,074.16	40.97%
Special Revenues	5,200.25	0.00	103.51	0.00	0.00	(103.51)	Ahead of Budget
Interest	30,113.06	2,291.99	12,221.95	55,000.00	55,000.00	42,778.05	22.22%
Miscellaneous revenue	90,425.98	11,536.24	89,839.36	154,000.00	154,000.00	64,160.64	58.34%
Inspection Fees	18,100.00	2,790.00	15,570.00	35,000.00	35,000.00		
Miscellaneous Income	21,363.95	25.00	22,870.62	15,000.00	15,000.00		
Parks & Recreation - Park Pavillion Rentals	(150.00)	600.00	750.00	1,500.00	1,500.00		
Parks & Recreation - Sports Field Rental	500.00	0.00	300.00	1,000.00	1,000.00		
Ambulance Fee Revenue	50,612.03	8,121.24	50,348.74	101,500.00	101,500.00		
Total Revenue	2,741,645.51	119,777.23	2,858,554.58	3,866,794.00	3,866,794.00	1,008,239.42	73.93%
Expenditures							
General Government							
Administration							
Personnel & Benefits	290,858.56	46,061.54	304,423.40	626,171.00	626,171.00	321,747.60	48.62%
Supplies	7,397.31	316.43	6,316.08	15,500.00	15,500.00	9,183.92	40.75%
Maintenance & Repair	12,315.64	40.99	2,762.08	6,000.00	6,000.00	3,237.92	46.03%
Utilities	10,750.69	1,011.28	7,258.59	17,900.00	17,900.00	10,641.41	40.55%
Professional Services	159,372.78	31,382.62	198,011.43	232,515.00	232,515.00	34,503.57	85.16%
Other Services	43,935.66	1,635.90	43,228.57	95,019.00	95,019.00	51,790.43	45.49%
Capital Equipment	2,093.00	304.54	1,827.24	7,155.00	7,155.00	5,327.76	25.54%
Total Administration	526,723.64	80,753.30	563,827.39	1,000,260.00	1,000,260.00	436,432.61	56.37%
Judicial							
Personnel & Benefits	6,125.72	671.96	5,772.62	12,129.00	12,129.00	6,356.38	47.59%
Supplies	(0.44)	0.00	193.55	150.00	150.00	(43.55)	Over Budget
Professional Services	11,555.00	595.00	12,474.50	18,150.00	18,150.00	5,675.50	68.73%
Other Services	185.00	65.00	140.00	500.00	500.00	360.00	28.00%
Total Judicial	17,865.28	1,331.96	18,580.67	30,929.00	30,929.00	12,348.33	60.08%
Permitting & Inspections							
Personnel & Benefits	14,945.00	2,780.40	10,879.88	35,000.00	35,000.00	24,120.12	31.09%
Supplies	0.00	0.00	0.00	500.00	500.00	500.00	0.00%
Total Permitting & Inspections	14,945.00	2,780.40	10,879.88	35,500.00	35,500.00	24,620.12	30.65%
Special Revenue Expenditures							
Supplies	425.00	0.00	0.00	1,500.00	1,500.00	1,500.00	0.00%
Total Special Revenue Expenditures	425.00	0.00	0.00	1,500.00	1,500.00	1,500.00	0.00%
Total General Government	559,958.92	84,865.66	593,287.94	1,068,189.00	1,068,189.00	474,901.06	55.54%
Public Safety							
Police Department							
Personnel & Benefits	457,271.24	53,713.96	470,941.83	1,064,732.00	1,064,732.00	593,790.17	44.23%
Supplies	24,429.19	1,658.15	14,414.65	41,650.00	41,650.00	27,235.35	34.61%
Maintenance & Repair	25,173.29	9,810.92	13,841.37	32,100.00	32,100.00	18,258.63	43.12%
Utilities	4,223.19	530.66	4,300.25	6,600.00	6,600.00	2,299.75	65.16%
Professional Services	140,324.71	20,000.00	142,104.50	225,716.00	225,716.00	83,611.50	62.96%
Other Services	14,392.86	0.00	13,601.74	15,570.00	15,570.00	1,968.26	87.36%
Capital Equipment	2,168.54	152.28	913.68	3,654.00	3,654.00	2,740.32	25.00%
Total Police Department	667,983.02	85,865.97	660,118.02	1,390,022.00	1,390,022.00	729,903.98	47.49%
Fire Department							
Personnel & Benefits	22,305.50	8,400.00	10,723.00	41,323.00	41,323.00	30,600.00	25.95%
Supplies	4,186.21	51.43	2,751.67	15,500.00	15,500.00	12,748.33	17.75%
Maintenance & Repair	16,645.70	0.00	15,037.66	49,000.00	49,000.00	33,962.34	30.69%
Utilities	3,284.04	612.19	3,289.50	5,900.00	5,900.00	2,610.50	55.75%

10 General Fund	Prior YTD	Current Period	Current YTD	Original Budget	Revised Budget	Remaining Budget	% Earned, Over
Professional Services	125,120.00	0.00	88,240.25	177,569.00	177,569.00	89,328.75	49.69%
Other Services	21,061.70	272.47	22,684.59	44,460.00	44,460.00	21,775.41	51.02%
Capital Equipment	32,712.17	0.00	32,712.17	57,712.00	57,712.00	24,999.83	56.68%
Total Fire Department	225,315.32	9,336.09	175,438.84	391,464.00	391,464.00	216,025.16	44.82%
Code Enforcement							
Personnel & Benefits	38,672.86	0.00	36,675.18	87,222.00	87,222.00	50,546.82	42.05%
Supplies	699.24	0.00	968.74	3,900.00	3,900.00	2,931.26	24.84%
Maintenance & Repair	10.25	0.00	500.25	500.00	500.00		
Professional Services	0.00	0.00	879.49	1,000.00	1,000.00	120.51	87.95%
Other Services	642.59	0.00	579.55	811.00	811.00	231.45	71.46%
Total Code Enforcement	40,024.94	0.00	39,603.21	93,433.00	93,433.00	53,830.04	42.39%
Total Public Safety	933,323.28	95,202.06	875,160.07	1,874,919.00	1,874,919.00	999,758.93	46.68%
Public Works							
City Maintenance							
Personnel & Benefits	108,418.43	11,460.47	72,260.26	207,358.00	207,358.00	135,097.74	34.85%
Supplies	7,847.34	7,833.60	16,939.69	23,700.00	23,700.00	6,760.31	71.48%
Maintenance & Repair	97,464.30	205.31	27,207.76	57,860.00	57,860.00	30,652.24	47.02%
Utilities	23,481.62	4,187.11	23,621.40	45,050.00	45,050.00	21,428.60	52.43%
Other Services	6,801.80	0.00	6,702.54	16,855.00	16,855.00	10,152.46	39.77%
Capital Equipment	60,635.16	0.00	57,980.55	75,000.00	75,000.00	17,019.45	77.31%
Total City Maintenance	304,648.65	23,686.49	204,712.20	425,823.00	425,823.00	221,110.80	48.07%
Parks and Recreation							
Supplies	2,969.26	438.12	1,805.40	5,250.00	5,250.00	3,444.60	34.39%
Maintenance & Repair	17,687.18	3,575.57	10,812.61	27,000.00	27,000.00	16,187.39	40.05%
Utilities	1,542.26	277.43	1,706.81	3,200.00	3,200.00	1,493.19	53.34%
Other Services	8,189.70	96.97	9,425.65	17,588.00	17,588.00	8,162.35	53.59%
Total Parks and Recreation	30,388.40	4,388.09	23,750.47	53,038.00	53,038.00	29,287.53	44.78%
Emergency/Disaster							
Personnel & Benefits	9,000.00	0.00	0.00	0.00	0.00	0.00	
Supplies	3,825.00	0.00	0.00	0.00	0.00	0.00	
Maintenance & Repair	32,129.53	0.00	0.00	0.00	0.00	0.00	
Professional Services	2,900.00	0.00	0.00	0.00	0.00	0.00	
Total Emergency/Disaster	47,854.53	0.00	0.00	0.00	0.00	0.00	0.00%
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Total Expenditures	1,876,173.78	208,142.30	1,696,910.68	3,421,969.00	3,421,969.00	1,725,058.32	49.59%
Other Financing Sources and Uses							
Sources							
Transfers In	75,500.00	125,000.00	140,000.00	90,000.00	90,000.00	(50,000.00)	100.00%
Total Sources	75,500.00	125,000.00	140,000.00	90,000.00	90,000.00	(50,000.00)	Over Budget
Uses							
Transfers Out	395,000.00	0.00	434,825.00	434,825.00	434,825.00	0.00	100.00%
Total Uses	395,000.00	0.00	434,825.00	434,825.00	434,825.00	0.00	100.00%
Total Other Financing Sources and Uses	(319,500.00)	125,000.00	(294,825.00)	(344,825.00)	(344,825.00)	(50,000.00)	
Total - 10 GENERAL FUND	545,971.73	36,634.93	866,818.90	100,000.00	100,000.00	(766,818.90)	

Notes:

City of Richwood Operational Budget Report 10/1/2025 -09/30/2026							
30 Water & Sewer Enterprise Fund	Prior YTD	Current Period	Current YTD	Annual Budget	Revised Budget	Remaining Budget	% Earned/Used
Net Operating Income (Loss)							
Operating income							50% of year
Sewer Department	509,295.66	85,265.75	537,023.69	1,047,118.00	1,047,118.00	510,094.31	51.29%
Water Department	786,062.59	133,360.48	836,496.34	1,698,999.00	1,698,999.00	862,502.66	49.23%
Solid Waste Department	198,378.71	32,982.00	199,116.50	398,000.00	398,000.00	198,883.50	50.03%
Total Operating income	1,493,736.96	251,608.23	1,572,636.53	3,144,117.00	3,144,117.00	1,571,480.47	50.02%
Operating expense							
Sewer Department							
Personnel & Benefits	103,172.87	19,085.58	118,538.38	224,768.00	224,768.00	106,229.62	52.74%
Supplies	3,941.54	1,253.15	5,261.36	9,000.00	9,000.00	3,738.64	58.46%
Maintenance & Repair	152,980.32	5,818.29	79,809.65	114,340.00	114,340.00	34,530.35	69.80%
Professional Services	243,293.25	0.00	248,531.08	485,000.00	485,000.00	236,468.92	51.24%
Other Services (insurance)	5,742.35	0.00	5,562.68	5,681.00	5,681.00	118.32	97.92%
Total Sewer Department	509,130.33	26,157.02	457,703.15	838,789.00	838,789.00	381,085.85	54.57%
Water Department							
Personnel & Benefits	165,318.73	30,201.66	193,640.16	365,866.00	365,866.00	172,225.84	52.93%
Supplies	24,733.76	9,653.91	21,977.34	33,900.00	33,900.00	11,922.66	64.83%
Maintenance & Repair	58,945.29	14,729.41	222,462.20	283,320.00	283,320.00	60,857.80	78.52%
Utilities	53,782.21	8,310.43	48,393.18	104,550.00	104,550.00	56,156.82	46.29%
Professional Services	39,067.48	0.00	45,473.31	95,500.00	95,500.00	50,026.69	47.62%
Other Services	226,033.41	38,738.43	242,291.55	525,141.00	525,141.00	282,849.45	46.14%
Capital Equipment	3,651.86	304.54	1,827.24	3,655.00	3,655.00	1,827.76	49.99%
Total Water Department	571,532.74	101,938.38	776,064.98	1,411,932.00	1,411,932.00	635,867.02	54.96%
Solid Waste Department							
Professional Services	159,402.64	29,923.56	196,133.11	360,000.00	360,000.00	163,866.89	54.48%
Total Solid Waste Department	159,402.64	29,923.56	196,133.11	360,000.00	360,000.00	163,866.89	54.48%
Total Operating expense	1,240,065.71	158,018.96	1,429,901.24	2,610,721.00	2,610,721.00	1,180,819.76	54.77%
Total Net Operating Income (Loss)	253,671.25	93,589.27	142,735.29	533,396.00	533,396.00	390,660.71	26.76%
Non-Operating Items							
Non-operating income							
Interest income	9,852.65	2,092.49	9,030.27	12,000.00	12,000.00	2,969.73	75.25%
Other income	366.25	514.04	1,007.87	2,500.00	2,500.00	1,492.13	40.31%
Transfers In	0.00	0.00	177,000.00	177,000.00	177,000.00	0.00	
Total Non-operating income	10,218.90	2,606.53	187,038.14	191,500.00	191,500.00	4,461.86	97.67%
Non-operating expense							
Debt Service	112,172.50	0.00	67,307.25	319,615.00	360,405.00	252,307.75	21.06%
Transfers Out	56,275.00	0.00	56,000.00	56,000.00	56,000.00	0.00	At Budget
Total Non-operating expense	168,447.50	0.00	123,307.25	375,615.00	416,405.00	293,097.75	32.83%
Depreciation Expense	0.00	0.00	0.00	300,000.00	300,000.00	300,000.00	0.00%
Total Non-Operating Items	(158,228.60)	2,606.53	63,730.89	(484,115.00)	(524,905.00)	588,635.89	Ahead of Budget
Total - 30 Water & Sewer Enterprise Fund	95,442.65	96,195.80	206,466.18	49,281.00	8,491.00	(197,975.18)	418.96%

Budget Amendments:

City of Richwood — TEXAS —

AGENDA MEMORANDUM – JUNE 8, 2026, 2026

ITEM # CONSENT

CONTACT: Patricia Ditto, Finance Director

SUBJECT: Monthly Budget Summary Report

SUMMARY: Receive and/or approve the April 2026 Budget Report

BACKGROUND INFORMATION:

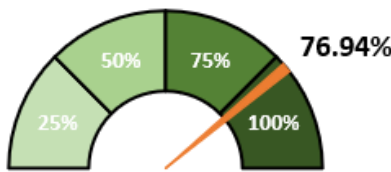
The information provided is for the FY 2025-2026 budget period, month ending April 30, 2026. This summary highlights several key points related to the current month’s activity for the General Fund and for the Water and Sewer Enterprise Fund. The attached report is unaudited, and this month may include corrections from prior months.

DISCUSSION:

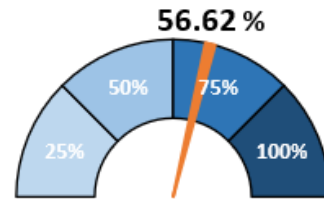
Attached is the budget report for April 2026, which is the seventh month of Fiscal Year 2026. 58.3% of the year has passed. The report reflects the original budget as approved for FY26 as well as the revised budget reflecting all budget amendments approved by council since the original budget was approved. This budget report is a preliminary report reflecting current year-to-date figures that are unaudited and may be adjusted at a future time. Some year-end adjustments may have occurred before this report was completed. However, not all year-end adjustments have been made.

10-General Fund

As of April 30, 2026, General Fund revenues total \$2,975,273. General Fund expenditures total \$1,937,573.



General Fund Revenue as % of Budget



General Fund Expenditures as % of Budget

Revenue (GF)

Total Revenue collected in the General fund is 76.94% of budget projection.

- M & O (Maintenance and Operations) Property tax (including current, delinquent and penalties) received through the end of April is \$2,398,268, 93.77% of projected property taxes for the year. Property tax revenue comes in throughout the year, but the majority comes in during the months of December and January.

City of Richwood TEXAS

- Sales Tax revenue received in April, in the amount of \$51,286, was earned in January. We are about 10% behind Sales Tax revenue from this time last year. Sales tax is received 2 months after it is earned. The revenue received in October and November 2025 was posted to revenue in FY25. Accordingly, the revenue earned in August and September 2025 will be posted as revenue for FY26 even though it will not be received by the city until October and November.

MONTH RECEIVED	FY 2024				FY 2025				FY 2026			
	GENERAL FUND	TRANS FUND	CCPD	TOTAL	GENERAL FUND	TRANS FUND	CCPD	TOTAL	GENERAL FUND	TRANS FUND	CCPD	TOTAL
DEC	50,390.06	12,597.52	12,174.92	75,162.50	63,965.34	15,991.34	15,454.48	95,411.16	54,581.90	13,645.48	13,542.77	81,770.15
JAN	51,357.01	12,839.25	12,379.34	76,575.60	60,852.21	15,213.05	14,755.29	90,820.55	50,543.33	12,635.83	12,473.83	75,652.99
FEB	62,500.92	15,625.23	15,222.16	93,348.31	65,052.40	16,263.10	15,706.32	97,021.82	59,954.36	14,988.59	14,882.47	89,825.42
MAR	47,160.51	11,383.28	11,790.13	70,333.92	54,904.86	13,726.22	13,212.84	81,843.92	51,047.94	12,761.99	12,509.47	76,319.40
APR	53,116.00	13,279.00	12,889.00	79,284.00	53,365.40	13,341.35	12,795.21	79,501.96	51,285.53	12,821.38	12,408.22	76,515.13
MAY	60,982.24	15,245.56	14,768.02	90,995.82	61,002.35	15,250.59	14,690.90	90,943.84				0.00
JUN	59,244.38	14,811.10	14,220.19	88,275.67	54,327.00	13,581.65	13,209.66	81,118.31				0.00
JUL	58,811.21	14,702.80	14,080.90	87,594.91	59,642.15	14,910.54	14,590.19	89,142.88				0.00
AUG	60,287.46	15,071.86	14,348.07	89,707.39	56,417.70	14,104.42	13,805.39	84,327.51				0.00
SEPT	83,755.58	20,943.90	20,354.70	125,054.18	55,289.31	13,822.33	13,468.69	82,580.33				0.00
OCT*	63,965.34	15,991.34	15,454.48	95,411.16	49,798.70	12,449.67	12,221.33	74,469.70				0.00
NOV*	60,852.21	15,213.05	14,755.29	90,820.55	57,108.76	14,277.19	14,173.32	85,559.27				0.00
YEAR TOTAL	712,422.92	177,703.89	172,437.20	1,062,564.01	691,726.18	172,931.45	168,083.62	1,032,741.25	267,413.06	66,853.27	65,816.76	400,083.09

- Permits and Licenses revenues total \$7,630 this month, YTD total of \$38,641. Last year at this time we had collected \$53,788.
- Municipal Court revenue for the month of April is \$6,627. Our YTD total is \$45,252, compared to \$49,644 at this point last year.
- Interest revenue is \$4,066 this month.

Expenditures (GF)

Expenditures in the General Fund are currently shown at \$1,937,573, 56.62% of budget. All departments are at appropriate spending levels for this time of year.

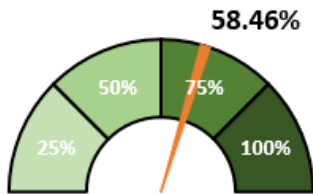
Transfers (GF)

Interfund transfers have been completed as budgeted. A transfer from the grants fund was made to reimburse the General Fund for expenses made during Beryl recovery that have been reimbursed by FEMA.

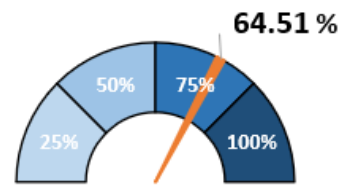
City of Richwood TEXAS

30-Water, Sewer, and Solid Waste Fund

Operating Revenues in April total \$1,837,969. Operating expenses are \$1,684,086.



Enterprise Fund Revenue as % of Budget



Enterprise Fund Operating Expense as % of Budget

Budgeted transfers have been completed.

RECOMMENDATION: Council approve April 2026 Budget Summary Report for General Fund and the Water & Sewer Enterprise Fund.

**City of Richwood
Fiscal Year 2026 Operational Budget Report
10/1/2025 -09/30/2026**

10 General Fund	Prior YTD	Current Period	Current YTD	Original Budget	Revised Budget	Remaining Budget	% Earned/Used
Revenue							58.3% of year
Taxes	2,590,504.54	77,234.70	2,756,096.74	3,463,644.00	3,463,644.00	707,547.26	79.57%
Property taxes, including delinquent & penalties	2,197,899.72	15,417.70	2,398,268.09	2,557,644.00	2,557,644.00		93.77%
Franchise Taxes	94,464.61	10,531.47	90,415.59	196,000.00	196,000.00		46.13%
Sales Tax	298,140.21	51,285.53	267,413.06	710,000.00	710,000.00		37.66%
Licenses and permits	53,787.76	7,630.24	38,640.78	81,150.00	81,150.00	42,509.22	47.62%
Intergovernmental revenue	11,544.16	0.00	3,303.84	10,000.00	10,000.00	6,696.16	33.04%
Charges for services - Municipal Bldg Rental	4,775.00	1,075.00	5,362.50	8,000.00	8,000.00	2,637.50	67.03%
Municipal Court Revenue	49,644.12	6,326.61	45,252.45	95,000.00	95,000.00	49,747.55	47.63%
Special Revenues	5,400.95	7,448.14	7,551.65	0.00	0.00	(7,551.65)	Ahead of Budget
Interest	35,721.85	4,066.26	16,288.32	55,000.00	55,000.00	38,711.68	29.62%
Miscellaneous revenue	105,497.64	12,936.93	102,776.29	154,000.00	154,000.00	51,223.71	66.74%
Inspection Fees	20,695.00	2,595.00	18,165.00	35,000.00	35,000.00		
Miscellaneous Income	25,374.11	1,374.43	24,245.05	15,000.00	15,000.00		
Parks & Recreation - Park Pavillion Rentals	(150.00)	550.00	1,300.00	1,500.00	1,500.00		
Parks & Recreation - Sports Field Rental	500.00	0.00	300.00	1,000.00	1,000.00		
Ambulance Fee Revenue	59,078.53	8,417.50	58,766.24	101,500.00	101,500.00		
Total Revenue	2,856,876.02	116,717.88	2,975,272.57	3,866,794.00	3,866,794.00	891,521.43	76.94%
Expenditures							
General Government							
Administration							
Personnel & Benefits	337,381.09	49,822.57	354,245.97	626,171.00	626,171.00	271,925.03	56.57%
Supplies	8,155.22	647.88	6,963.96	15,500.00	15,500.00	8,536.04	44.93%
Maintenance & Repair	12,790.13	424.99	3,187.07	6,000.00	6,000.00	2,812.93	53.12%
Utilities	11,808.87	1,349.18	8,607.77	17,900.00	17,900.00	9,292.23	48.09%
Professional Services	170,616.34	3,060.45	201,071.88	232,515.00	232,515.00	31,443.12	86.48%
Other Services	44,510.87	2,137.16	45,365.73	95,019.00	95,019.00	49,653.27	47.74%
Capital Equipment	2,314.95	304.54	2,131.78	7,155.00	7,155.00	5,023.22	29.79%
Total Administration	587,577.47	57,746.77	621,574.16	1,000,260.00	1,000,260.00	378,685.84	62.14%
Judicial							
Personnel & Benefits	6,792.38	671.96	6,444.58	12,129.00	12,129.00	5,684.42	53.13%
Supplies	230.24	0.00	193.55	150.00	150.00	(43.55)	Over Budget
Professional Services	11,755.00	0.00	12,474.50	18,150.00	18,150.00	5,675.50	68.73%
Other Services	185.00	0.00	140.00	500.00	500.00	360.00	28.00%
Total Judicial	18,962.62	671.96	19,252.63	30,929.00	30,929.00	11,676.37	62.25%
Permitting & Inspections							
Personnel & Benefits	16,670.00	3,202.80	14,082.68	35,000.00	35,000.00	20,917.32	40.24%
Supplies	0.00	0.00	0.00	500.00	500.00	500.00	0.00%
Total Permitting & Inspections	16,670.00	3,202.80	14,082.68	35,500.00	35,500.00	21,417.32	39.67%
Special Revenue Expenditures							
Supplies	425.00	0.00	0.00	1,500.00	1,500.00	1,500.00	0.00%
Total Special Revenue Expenditures	425.00	0.00	0.00	1,500.00	1,500.00	1,500.00	0.00%
Total General Government	623,635.09	61,621.53	654,909.47	1,068,189.00	1,068,189.00	413,279.53	61.31%
Public Safety							
Police Department							
Personnel & Benefits	529,418.11	62,070.02	533,011.85	1,064,732.00	1,064,732.00	531,720.15	50.06%
Supplies	28,081.10	2,526.97	16,941.62	41,650.00	41,650.00	24,708.38	40.68%
Maintenance & Repair	28,870.26	489.26	14,330.63	32,100.00	32,100.00	17,769.37	44.64%
Utilities	5,144.05	1,083.40	5,383.65	6,600.00	6,600.00	1,216.35	81.57%
Professional Services	180,378.78	40,054.07	182,158.57	225,716.00	225,716.00	43,557.43	80.70%
Other Services	14,392.86	0.00	13,601.74	15,570.00	15,570.00	1,968.26	87.36%
Capital Equipment	2,640.18	152.28	1,065.96	3,654.00	3,654.00	2,588.04	29.17%
Total Police Department	788,925.34	106,376.00	766,494.02	1,390,022.00	1,390,022.00	623,527.98	55.14%
Fire Department							
Personnel & Benefits	23,806.30	0.00	10,723.00	41,323.00	41,323.00	30,600.00	25.95%
Supplies	4,692.02	0.00	2,751.67	15,500.00	15,500.00	12,748.33	17.75%
Maintenance & Repair	19,403.29	0.00	15,037.66	49,000.00	49,000.00	33,962.34	30.69%
Utilities	3,905.64	592.34	3,881.84	5,900.00	5,900.00	2,018.16	65.79%

10 General Fund	Prior YTD	Current Period	Current YTD	Original Budget	Revised Budget	Remaining Budget	% Earned, Used
Professional Services	125,120.00	45,856.25	134,096.50	177,569.00	177,569.00	43,472.50	75.52%
Other Services	24,083.70	272.47	22,957.06	44,460.00	44,460.00	21,502.94	51.64%
Capital Equipment	32,712.17	0.00	32,712.17	57,712.00	57,712.00	24,999.83	56.68%
Total Fire Department	233,723.12	46,721.06	222,159.90	391,464.00	391,464.00	169,304.10	56.75%
Code Enforcement							
Personnel & Benefits	44,950.93	4,422.30	41,097.48	87,222.00	87,222.00	46,124.52	47.12%
Supplies	921.19	214.13	1,182.87	3,900.00	3,900.00	2,717.13	30.33%
Maintenance & Repair	10.25	0.00	500.25	500.00	500.00		
Professional Services	0.00	0.00	879.49	1,000.00	1,000.00	120.51	87.95%
Other Services	642.59	0.00	579.55	811.00	811.00	231.45	71.46%
Total Code Enforcement	46,524.96	4,636.43	44,239.64	93,433.00	93,433.00	49,193.61	47.35%
Total Public Safety	1,069,173.42	157,733.49	1,032,893.56	1,874,919.00	1,874,919.00	842,025.44	55.09%
Public Works							
City Maintenance							
Personnel & Benefits	121,418.28	11,940.16	84,200.42	207,358.00	207,358.00	123,157.58	40.61%
Supplies	8,756.35	2,298.51	19,238.20	23,700.00	23,700.00	4,461.80	81.17%
Maintenance & Repair	102,280.17	3,607.74	30,815.50	57,860.00	57,860.00	27,044.50	53.26%
Utilities	27,138.69	445.22	24,066.62	45,050.00	45,050.00	20,983.38	53.42%
Other Services	8,374.52	0.00	6,702.54	16,855.00	16,855.00	10,152.46	39.77%
Capital Equipment	60,635.16	0.00	57,980.55	75,000.00	75,000.00	17,019.45	77.31%
Total City Maintenance	328,603.17	18,291.63	223,003.83	425,823.00	425,823.00	202,819.17	52.37%
Parks and Recreation							
Supplies	3,406.58	108.98	1,914.38	5,250.00	5,250.00	3,335.62	36.46%
Maintenance & Repair	28,845.02	2,010.92	12,823.53	27,000.00	27,000.00	14,176.47	47.49%
Utilities	1,770.95	348.39	2,055.20	3,200.00	3,200.00	1,144.80	64.23%
Other Services	8,227.59	547.28	9,972.93	17,588.00	17,588.00	7,615.07	56.70%
Total Parks and Recreation	42,250.14	3,015.57	26,766.04	53,038.00	53,038.00	26,271.96	50.47%
Emergency/Disaster							
Personnel & Benefits	9,000.00	0.00	0.00	0.00	0.00	0.00	
Supplies	3,825.00	0.00	0.00	0.00	0.00	0.00	
Maintenance & Repair	32,129.53	0.00	0.00	0.00	0.00	0.00	
Professional Services	2,900.00	0.00	0.00	0.00	0.00	0.00	
Total Emergency/Disaster	47,854.53	0.00	0.00	0.00	0.00	0.00	0.00%
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Total Expenditures	2,111,516.35	240,662.22	1,937,572.90	3,421,969.00	3,421,969.00	1,484,396.10	56.62%
Other Financing Sources and Uses							
Sources							
Transfers In	75,500.00	0.00	140,000.00	90,000.00	90,000.00	(50,000.00)	100.00%
Total Sources	75,500.00	0.00	140,000.00	90,000.00	90,000.00	(50,000.00)	Over Budget
Uses							
Transfers Out	395,000.00	0.00	434,825.00	434,825.00	434,825.00	0.00	100.00%
Total Uses	395,000.00	0.00	434,825.00	434,825.00	434,825.00	0.00	100.00%
Total Other Financing Sources and Uses	(319,500.00)	0.00	(294,825.00)	(344,825.00)	(344,825.00)	(50,000.00)	
Total - 10 GENERAL FUND	425,859.67	(123,944.34)	742,874.67	100,000.00	100,000.00	(642,874.67)	

Notes:

City of Richwood Operational Budget Report 10/1/2025 -09/30/2026							
30 Water & Sewer Enterprise Fund	Prior YTD	Current Period	Current YTD	Annual Budget	Revised Budget	Remaining Budget	% Earned/Used
Net Operating Income (Loss)							
Operating income							58.3% of year
Sewer Department	592,510.14	90,040.85	627,064.54	1,047,118.00	1,047,118.00	420,053.46	59.88%
Water Department	915,872.68	142,075.79	978,572.13	1,698,999.00	1,698,999.00	720,426.87	57.60%
Solid Waste Department	231,927.71	33,215.50	232,332.00	398,000.00	398,000.00	165,668.00	58.37%
Total Operating income	1,740,310.53	265,332.14	1,837,968.67	3,144,117.00	3,144,117.00	1,306,148.33	58.46%
Operating expense							
Sewer Department							
Personnel & Benefits	120,227.76	20,015.34	138,553.72	224,768.00	224,768.00	86,214.28	61.64%
Supplies	4,406.65	867.32	6,128.68	9,000.00	9,000.00	2,871.32	68.10%
Maintenance & Repair	162,671.36	4,598.47	84,408.12	114,340.00	114,340.00	29,931.88	73.82%
Professional Services	243,293.25	99,900.17	348,431.25	485,000.00	485,000.00	136,568.75	71.84%
Other Services (insurance)	5,742.35	0.00	5,562.68	5,681.00	5,681.00	118.32	97.92%
Total Sewer Department	536,341.37	125,381.30	583,084.45	838,789.00	838,789.00	255,704.55	69.52%
Water Department							
Personnel & Benefits	194,185.44	34,603.80	228,243.96	365,866.00	365,866.00	137,622.04	62.38%
Supplies	26,680.01	2,692.94	24,670.28	33,900.00	33,900.00	9,229.72	72.77%
Maintenance & Repair	61,344.02	12,702.91	235,165.11	283,320.00	283,320.00	48,154.89	83.00%
Utilities	61,655.19	7,852.30	56,245.48	104,550.00	104,550.00	48,304.52	53.80%
Professional Services	45,650.51	5,561.78	51,035.09	95,500.00	95,500.00	44,464.91	53.44%
Other Services	260,164.71	34,968.00	277,259.55	525,141.00	525,141.00	247,881.45	52.80%
Capital Equipment	4,277.17	304.54	2,131.78	3,655.00	3,655.00	1,523.22	58.33%
Total Water Department	653,957.05	98,686.27	874,751.25	1,411,932.00	1,411,932.00	537,180.75	61.95%
Solid Waste Department							
Professional Services	189,133.15	30,116.73	226,249.84	360,000.00	360,000.00	133,750.16	62.85%
Total Solid Waste Department	189,133.15	30,116.73	226,249.84	360,000.00	360,000.00	133,750.16	62.85%
Total Operating expense	1,379,431.57	254,184.30	1,684,085.54	2,610,721.00	2,610,721.00	926,635.46	64.51%
Total Net Operating Income (Loss)	360,878.96	11,147.84	153,883.13	533,396.00	533,396.00	379,512.87	28.85%
Non-Operating Items							
Non-operating income							
Interest income	11,177.85	1,807.12	10,837.39	12,000.00	12,000.00	1,162.61	90.31%
Other income	3,728.51	18.40	1,026.27	2,500.00	2,500.00	1,473.73	41.05%
Transfers In	0.00	0.00	177,000.00	177,000.00	177,000.00	0.00	
Total Non-operating income	14,906.36	1,825.52	188,863.66	191,500.00	191,500.00	2,636.34	98.62%
Non-operating expense							
Debt Service	112,172.50	0.00	67,307.25	319,615.00	360,405.00	252,307.75	21.06%
Transfers Out	56,275.00	0.00	56,000.00	56,000.00	56,000.00	0.00	At Budget
Total Non-operating expense	168,447.50	0.00	123,307.25	375,615.00	416,405.00	293,097.75	32.83%
Depreciation Expense	0.00	0.00	0.00	300,000.00	300,000.00	300,000.00	0.00%
Total Non-Operating Items	(153,541.14)	1,825.52	65,556.41	(484,115.00)	(524,905.00)	590,461.41	Ahead of Budget
Total - 30 Water & Sewer Enterprise Fund	207,337.82	12,973.36	219,439.54	49,281.00	8,491.00	(210,948.54)	445.28%

Budget Amendments:

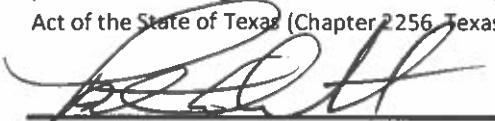
City of Richwood, Texas
Quarterly Investment Report
Fiscal Year 2026, Quarter 2
01/01/2026-3/31/2026

Portfolio	December 31, 2025		March 31, 2026	
	Book Value	Market Value	Book Value	Market Value
Cash	655,191.60	655,191.60	1,055,397.46	1,055,397.46
Investment Pools	4,139,712.78	4,139,712.78	5,554,577.69	5,554,577.69
Certificates of Deposits	110,093.55	110,093.55	110,093.55	110,093.55
TOTAL INVESTMENTS	4,904,997.93	4,904,997.93	6,720,068.70	6,720,068.70

Quarterly Investment Income 45,042.90
 Weighted Average Yield 1.06%
Simplified calculation for information only

Items of Note:

The attached information comprises the quarterly investment report for the City of Richwood, Texas for the period ended March 31, 2026. The undersigned acknowledge that the City's investment portfolio has been and is in compliance with the policies and strategies as contained in the City's Investment Policy and also in compliance with the Public Funds Investment Act of the State of Texas (Chapter 2256, Texas Government Code).



Patricia Ditto
 Finance Director



Kirsten Garcia
 City Manager

INVESTMENTS as of 3/31/2026 Q2 FY 2026

	TOTAL	GENERAL 10	REPLCMT 13	CCPD 15	CONTY 16	KRB 20	TRANSPT 25	I&I 28	WS 30-30	Util Cap Proj 32	40	70	EARNINGS YTD	EARNINGS QTR
TEXSTAR	967,027.41	1,356.85	8,611.50	303,774.65	653,284.41								18,393.72	8,718.17
TEXPOOL	283,867.07	80,008.49					200,000.00						5,372.96	2,565.76
TEXPOOL PRIME	3,838,291.71	976,584.93	144,532.91		1,200,995.91	56,663.75	334,590.86	85,326.05	578,762.38	233,245.70	202,333.07	25,256.15	54,370.09	29,225.56
LOGIC - UTIL CAP PROJ	92.56									92.56			1.82	0.90
LOGIC - GF	465,298.94	70,280.51	144,896.67				121.76						10,785.09	4,354.53
CERTIFICATES OF DEPOSIT:														
BNB 601286	110,093.55	55,046.77							55,046.78				270.96	135.56
Issue date 2/14/90 - 3 mos - Sept 4														
TOTAL	5,664,671.24	1,183,277.55	298,041.08	303,774.65	1,854,280.32	56,663.75	534,712.62	85,326.05	633,809.15	233,338.26	202,333.07	25,256.15	89,194.64	45,000.48

CITY OF RICHWOOD, TEXAS
Cash and Investment Schedule

Section VI, Item C.

Description	Investment	Purchase Date	Maturity Date	12/31/2025	Deposits /Purchases	withdrawals /Maturities	Interest this quarter	3/31/2026	Interest Rate end of quarter	% of total Cash/Investments
Pooled Investment Fund										
General Fund	TexPool-449001			281,301.31			2,565.76	283,867.07	3.8153%	4.22%
General Fund	TexStar -1110			958,309.24			8,718.17	967,027.41	3.6378%	14.39%
General Fund	Logic -9001			460,944.41			4,354.53	465,298.94	3.7798%	6.92%
General Fund	TexPool Prime 559001			2,439,066.15	1,370,000.00		29,225.56	3,838,291.71	3.9784%	57.12%
2019 Util Cap Proj Fund	Logic-9002			91.66			0.90	92.56	3.7798%	0.00%
Total Pools			8/4/2026	4,236,900.93	1,370,000.00	-	44,864.92	5,554,577.69	0.0500%	82.6566%
Brazos National Bank	CD-601286			110,093.55			135.40	110,093.55		1.64%
Total Certificates of Deposits				109,957.99	-	-	135.40	110,093.55		1.6383%
Total Investment Accounts				4,346,858.92	1,370,000.00	-	45,000.32	5,664,671.24		84.2948%
Cash Accounts										
Pooled Cash-NOW ACCT	First Natl -3073			1,761,620.85			42.47	1,051,057.07	0.0100%	15.64%
Seizure Fund -NOW ACCT	First Natl -5076			4,340.28			0.11	4,340.39	0.0100%	0.06%
Total Cash Accounts				655,191.48	-	-	42.58	1,055,397.46		15.7052%
Total Cash and Investments				5,002,050.40	1,370,000.00	-	45,042.90	6,720,068.70		100.00%

** Cash balances for previous and current quarter reflects reconciled balance from system.

MINUTES

RICHWOOD CITY COUNCIL MEETING

Monday, May 11, 2026 at 6:00 PM

BE IT KNOWN THAT a City of Richwood City Council will meet Monday, May 11, 2026, beginning at 6:00 PM at Richwood City Hall, located at 1800 Brazosport Blvd. N., Richwood, Texas 77531 with the following agenda:

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m.

II. INVOCATION

Kirsten Garcia, City Manager, led the invocation.

III. PLEDGES OF ALLEGIANCE.

Pledge of Allegiance and Texas Pledge

Mayor Durham led the pledges.

IV. ROLL CALL OF COUNCIL MEMBERS

Present:

Mayor Michael Durham

Councilmember Mike Johnson

Councilmember William Yearsin

Councilmember Jeremy Fountain

Absent:

Councilmember Paul Stallberg

Others present: Kirsten Garcia, City Manager; Jeremy Richards, Chief of Police; Carol Wang, Finance Director; Clif Custer, Public Works Director; and Jacob Herrington, City Attorney.

A quorum was present.

V. RECOGNITIONS

A. Recognition of Outgoing Council Members

Paul Stallberg | 2024 - 2026

William Yearsin | 2024 - 2026

Jeremy Fountain | 2022 - 2026

Mayor Durham presented plaques to outgoing Council Members in recognition of their service to the community.

VI. CANVASS THE RESULTS OF THE MAY 2, 2026 ELECTION

A. Discussion and possible action regarding Ordinance No. 26-540 canvassing the returns and declaring the results of the May 2, 2026 election.

Motion to adopt the 26-540 canvassing the returns and declaring the results of the May 2, 2026 election.

Motion made by William Yearsin, Seconded by Jeremy Fountain.

All in favor. Motion carried.

VII. SWEAR IN NEW COUNCIL MEMBERS

- A. Randy Ryle, Position 1
- B. Kai York, Position 4
- C. Stephen Scot Mayer, Position 5

Kirsten Garcia, City Manager, swore in new council members.

VIII. PUBLIC COMMENTS

William Yearsin addressed the Council regarding his core values of honor, courage, and commitment. He encouraged Council members and City leadership to act with integrity and make decisions based on what they believe is right.

Carol Wang, a city employee, addressed the Council regarding her employment and pending termination. She stated that she believes she is the most qualified candidate for her position and discussed the training she received from the interim supervisor, as well as her prior professional experience. She also expressed concerns regarding her interpretation of the circumstances surrounding her employment and stated that she believes discrimination may be a factor.

IX. PROCLAMATION

- A. Police Week Proclamation - May 10-16, 2026
Mayor Durham read the proclamation aloud.

X. CONSENT AGENDA

- A. Appoint Anne Nadia Nelson to the Keep Richwood Beautiful Board.
- B. Reappoint members to the Crime Control and Prevention District Board: Buster Primm, Randy Day, David Acord, and Lauren LaCount.
- C. Appoint Anne Nadia Nelson and Glenn Patton to the Crime Control and Prevention District Board.
- D. Approval of minutes from regular meeting held April 13, 2026.
- E. Approval of minutes from special called meeting held April 22, 2026.
- F. Approval of minutes from special called meeting held May 4, 2026.
- G. Approve a Resolution changing authorized representatives for the Local Government Investment Cooperative.
- H. Approve a Resolution changing authorized representatives for the TexPool Investment account.
- I. Approve a Resolution changing authorized representatives for the Texas Short Term Asset Reserve Program (TexSTAR).

Motion to approve consent agenda.

Motion made by Mike Johnson, Seconded by Randy Ryle.

Voting Yea: Randy Ryle, Mike Johnson, William Yearsin, Kai York, Jeremy Fountain, Stephen Mayer

Motion carried.

XI. DISCUSSION AND ACTION ITEMS

- A. Discuss and consider appointing Mayor Pro-Tem and Committee Liaison positions.
 - 1. Mayor Pro-Tem
 - 2. Crime Control & Prevention District

- 3. Keep Richwood Beautiful
- 4. Fire Department

A motion was made to appoint Mike Johnson as Mayor Pro Tem, Kai York as Council Liaison to the CCPD, Stephen Mayer as Council Liaison to the KRB, and Randy Ryle as Council Liaison to the Fire Department Board.

Motion made by Kai York, Seconded by Mike Johnson.

Voting Yea: Randy Ryle, Mike Johnson, Kai York, Stephen Mayer

Motion carried.

- B. Discussion, workshop, and possible action regarding amendments to the City Council Rules of Procedure, including updates to ensure compliance with applicable law.

Kirsten Garcia, City Manager presented.

Motion to approve amendments to the City Council Rules of Procedure, including updates to ensure compliance with applicable law.

Motion made by Mike Johnson, Seconded by Randy Ryle.

Voting Yea: Randy Ryle, Mike Johnson, Kai York, Stephen Mayer

Motion carried.

- C. Discussion and possible action to review the City’s comprehensive fee schedule, including all applicable fees (including impact fees), and provide direction to staff.

William Yearsin, resident, addressed the Council regarding municipal fees, including how they are assessed and the application of impact fees.

Bob Page, resident, spoke regarding inspection fees and offered comments on how fee revenues should be utilized.

Duwayne Dunn, resident, discussed various City fees and requested clarification regarding their purpose, including which fees are intended to generate revenue and which are required to cover service costs.

Carol Wang, Finance Director, addressed the Council and requested that concerns regarding alleged abuse of power within the City be reviewed.

Staff was directed to review the matters discussed and bring information back to the Council at a future meeting.

- D. Discussion and possible action regarding renewal of the City’s contract with Ceres Environmental Services, Inc. for debris removal and debris monitoring services, including consideration of a requested CPI adjustment, authorization for contract execution, or direction to staff to pursue competitive procurement.

Kirsten Garcia, City Manager, presented.

Discussion was held regarding the term of the agreement, including whether a longer-term commitment would provide more favorable pricing and whether it would be beneficial to lock in rates for an extended period.

Kai York made a motion to renew the agreement. The motion died for lack of a second.

Randy Ryle made a motion to seek an extension of the current agreement with pricing locked in and to continue negotiations. Kai York seconded the motion.

Voting Yea: Randy Ryle, Mike Johnson, Kai York, Stephen Mayer

Motion carried.

- E. Consider items removed from consent agenda
No items removed from consent agenda.

XII. EXECUTIVE SESSION

Pursuant to Chapter 551.074, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee:

- 1. William Yearsin, City Council Position 4

The Council recessed into Executive Session at 6:39 p.m.

During discussion related to the Executive Session item, Mr. Yearsin stated that he wished for the matter to be addressed in open session. The City Attorney advised that there was no basis to move forward with the complaint.

Mr. Yearsin addressed the Council regarding his constitutional right to free speech. Mr. Page also addressed the public regarding the matter under consideration.

Upon returning to open session, Randy Ryle made a motion to take no action. The motion was seconded by Mike Johnson and carried.

- 2. City Secretary

The Council recessed into Executive Session at 6:47 p.m.

Pursuant to Chapter 551.072, Deliberation regarding purchase, exchange, lease or value of real property:

- 1. Regarding the proposed acquisition of approximately three (3) acres located at or near 1960 Brazosport Blvd. North, including authorization for the City Attorney to prepare and negotiate a purchase agreement and related closing documents.

XIII. ACTION AS A RESULT OF EXECUTIVE SESSION

Pursuant to Chapter 551.074, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee:

- 1. William Yearsin, City Council Position 4

No action taken.

- 2. City Secretary

A motion was made to approve the appointment of Laura Tyner as City Secretary, effective May 19. The motion was made by Kai York and seconded by Stephen Mayer.

Voting Yea: Randy Ryle, Mike Johnson, Kai York, Stephen Mayer

Motion carried.

Pursuant to Chapter 551.072, Deliberation regarding purchase, exchange, lease or value of real property:

- 1. Discussion and possible action regarding the proposed acquisition of approximately three (3) acres located at or near 1960 Brazosport Blvd. North, including authorization for the City Attorney to prepare and negotiate a purchase agreement and related closing documents.

A motion was made to approve the Cordoba Law Firm to handle preparation of the purchase agreement. The motion was made by Kai York and seconded by Mike Johnson.

Voting Yea: Randy Ryle, Mike Johnson, Kai York, Stephen Mayer

Motion carried.

XIV. CAPITAL IMPROVEMENT PROJECTS UPDATE

Clif Custer, Public Works Director, gave report.

XV. CITY MANAGER'S REPORT

No report.

XVI. COUNCIL MEMBER COMMENTS & REPORTS

Councilmember Ryle - stated he will do his best to represent what the public wants and will work to fill Paul's shoes.

Councilmember Johnson - no report.

Councilmember York - expressed gratitude for the support and trust of Council. He stated he will represent the community to the best of his ability, acknowledged there is more to learn, and added that he will make up for it through hard work and a commitment to reflect the community's wishes.

Councilmember Mayer - echoed Kai York's sentiments, thanked those who came out and voted for him, Randy Ryle, and Kai York, and stated he is excited to continue serving.

XVII. MAYOR'S REPORT

Mayor Durham welcomed all new Council Members and thanked those who participated in the election, noting a desire for increased voter turnout. He also expressed appreciation to the outgoing Council Members for their service.

He also extended birthday wishes to his wife and noted her promotion to Principal of Polk Elementary School.

XVIII. ITEMS OF COMMUNITY INTEREST

No items to report.

XIX. FUTURE AGENDA ITEMS

Fees schedule evaluation

Ceres agreement

XX. ADJOURNMENT

Being there no further business, the meeting was adjourned at 7:20pm

These minutes were read and approved on June 8, 2026.

Mayor

ATTEST:

City Secretary



Proposal Designed For:

City of Richwood



OUR COMMITMENT

Since opening our doors in 2000, HR&P has offered the highest quality human resources and payroll services to a diverse pool of clients. Our ongoing goal is to continue to develop custom solutions for each client that suit their particular needs.

HR&P understands outsourcing requires a great deal of trust, especially when it concerns the payroll and human resource departments of your business. Our experienced team is honest, reliable and dedicated to earning your trust daily. We know we are only as good as your last service delivery and work hard to ensure things are done right the first time every time.

Our customer service objective is simple. It's not a formula or an expensive consultant's mantra. Our goal is to provide attention to detail, friendly service and rapid response to any issues or questions. With HR&P your business always comes first. Our business is making your business grow.

Understanding employment law requires constant effort and accurate resources. At HR&P, we keep up with the latest federal, state and local regulations so we can proactively advise you on current and upcoming employment-related matters.

HR&P is the perfect fit for mid-sized companies seeking intelligent solutions from a reliable company. We welcome the opportunity to prove how we can meet your needs and exceed your expectations.

Sincerely,

Mike Holley
HR&P President



ONLINE DOCUMENT MANAGEMENT

HR&P's secured document management system allows clients access to maintain employee files online in a cloud-based environment. Upload documents such as performance evaluations, disciplinary notices or other HR forms. Access rights can be customized to allow each manager to view and update their employees' HR information.

ADVANCED OPERATING PLATFORM

HR&P utilizes proprietary payroll and HR management software. This unmatched software has been designed specifically for our industry and allows HR&P and our client's immediate access to customized reporting and data. Security and compliance issues are monitored and updated constantly.

HRP^{PRO}[™]

Our advanced online payroll management system allows clients to report time, access and update employee information and run various reports. HRP^{PRO} allows the employee to login with a secured username and password and access their individual information including time-off accruals, year-to-date information and even print prior W-2 forms.

ONLINE EMPLOYEE ONBOARDING

This system allows employees to complete new hire paperwork electronically verses the traditional paper method. This application process can be customized to meet each of our Client's needs. This system will reduce administration time, alleviate errors and ensure consistency and compliance.

ONLINE BENEFITS ENROLLMENTS

A web-based system that allows employees to enroll and make changes to their benefits plans online. This system has the capability to handle any benefit type and send the information direct to the insurance carriers through carrier feeds. This system can be used for new hires, life event changes and during open enrollment.

BUSINESS CONTINUITY AND DISASTER RECOVERY

HR&P has an extensive business continuity and disaster recovery plan based on the latest Best Practices criteria. All payroll, personnel and business data is hosted in the cloud through Microsoft Azure Web Services and mirrored to three separate data centers. HR&P has the capability of allowing the entire staff to function remotely in the event of a disaster such a fire, theft or any weather related event.

PAYROLL SECURITY

HR&P uses special encoded check stock and toner that cannot be reproduced. This reduces fraud by securing your employees' checks. After processing payroll we have the ability to insert letters, notices, coupons, return envelopes and more in your employees' pay check. This allows you to inform everyone of important matters or general announcements.



PAYROLL ADMINISTRATION

CORE SERVICES

- Calculation, preparation and distribution of payroll checks
- Reporting, withholding, and remitting of payroll taxes
- Process and distribute all W-2's and 1099's
- Provide Direct Deposit and VISA Debit Cards
- Web-based HRIS & Payroll Solution (HRPPRO)
- Employee Self-Service Portal
- Preparation of Payroll Reports
- Cost Allocation up to Eight Levels
- Online Employee Onboarding
- Online Custom Report Builder
- Employee Deductions including Garnishments
- Workers' Compensation Code Tracking
- Process New Hire Reporting
- Process Certified Payrolls
- Complete Paperless Options
- Customized Payroll Check Distribution Options
- Single source billing
- Detailed Custom Reporting

ENHANCED PAYROLL SERVICES

- Time & Attendance System (Biometric & Web-based)
- Applicant Tracking Solution (ATS)



BENEFITS ADMINISTRATION

CORE SERVICES

- Administration, reconciliation and payment of:
 - Health, Dental, Vision
 - Long and Short Term Disability
 - Life, Supplemental, Medigap
 - 401(k), IRA, Retirement Plans
 - 125 Cafeteria, Flex Spending, HSA, FSA
- Online Benefits Enrollment
- Additions, Terminations and Coverage Changes
- COBRA and State Continuation Administration
- Customized Enrollment Packets
- Third Party Sick Pay
- Medical Support Orders
- Plan Renewal Assistance
- Coordinate with Insurance Agent

HEALTHCARE REFORM / ACA ADMINISTRATION

- Exchange Notices
- Medical Loss Ratio (MLR)
- Centers for Medicare & Medicaid (CMS)
- W-2 Reporting
- Summary Benefits of Coverage (SBC)
- Medicare Part D
- Employer Shared Responsibility
- Tax Reporting Requirements (1094 & 1095's)



HR MANAGEMENT & CONSULTING

CORE SERVICES

- Employee Handbook Development & Review
- HR Policy Development & Review
- HR Regulatory Compliance Consultation
- Assistance with Day-to-Day Issues
- Designated HR Professionals On Call
- Progressive Discipline / Performance Management
- Wage & Hour Assistance / FLSA
- FMLA & Leave Issues
- Federal & State Required Postings
- Customized Employment Applications
- Time Off Accrual Management
- Multi-State Regulatory Compliance

SAFETY & RISK MANAGEMENT

- Safety Program & Manual Development
- OSHA Standards Guidance

ENHANCED HR SERVICES

- Pre-Employment Screening & Testing
- Salary Benchmarking & Compensation Platform
- Access to Learning Management System (LMS)
- Access to Online Safety Training Platform (LMS)

City of Richwood
 Proposal Date: 5/29/2026
 Pricing Valid for 60 Days



PRICING SCHEDULE

CORE SERVICES PRICING

Comprehensive ASO	PEPM	Rate	Number of Employees	Frequency	Sub-Total	Total
City of Richwood	\$55.00					
Biweekly Pay Cycle*		\$25.38	25	26	\$634.62	\$16,500.00
Time & Attendance**		\$3.00	21	12	\$63.00	
Time & Attendance Minimum**				12	\$75.00	\$900.00
Total						\$17,400.00
Implementation*						\$2,000.00
New Hire Fee		\$25.00	TBD			
*\$277 per payroll minimum administration fee per frequency						
*If the total per check fees per frequency exceed the Minimum Administration Fee, only the per check fees will apply.						
**\$75.00 time & attendance minimum monthly fee, or \$3.00 per hourly employee, whichever is greater						

ADDITIONAL SERVICES PRICING

State or County Criminal Background Check:	\$25.00* (where available)
5 Panel Non-DOT Drug Screen:	\$50.00

* Pricing may vary based on fees set by the individual state agency and are subject to change without notice.

ADDITIONAL INFORMATION

Time & Attendance Information:

Web Software: \$3.00 per employee per month with a \$75.00 minimum (includes mobile app)

Setup Charge: \$500.00* (this includes software set-up, custom payroll export and 2-hour training webinar)



GET IN TOUCH

HEADQUARTERS:

9621 W Sam Houston Pkwy N, #100
Houston, TX 77064

PHONE:

281.880.6525

TOLL FREE:

877.880.4477

FAX:

281.866.3425

EMAIL:

CStill@hrp.net

SALES REP: Carson Still

CLIENT SERVICES AGREEMENT

HR&P, Inc., an HR&P Company (herein after referred to as “HR&P”) has four primary service areas: (1) Payroll Administration; (2) Benefits Administration, (3) ACA Administration and (4) Human Resources Management. Subject to the terms of this Client Services Agreement (“Agreement”), **City of Richwood, FEIN:74-1710549** (“Client”) engages HR&P to provide (1) Payroll Administration; (2) Benefits Administration, (3) ACA Administration and (4) Human Resources Management as described in this Agreement.

EFFECTIVE DATE AND TERM

This Agreement shall commence on the first day of the initial pay period of Client’s first payroll with HR&P (“Effective Date”) and shall remain in force and effect for an initial term of three (3) year (“Initial Term”). Following the Initial Term, this Agreement shall automatically renew for additional three (3) year periods.

During the first sixty (60) days following the first payroll check date, Client may terminate services for any reason. If Client terminates during the first 60 days, Client shall pay for all services provided by HR&P and no termination fee will be assessed.

Either Client or HR&P may terminate services under this Agreement at any time by giving ninety (90) days prior written notice to the other Party to this Agreement. On termination of this Agreement for any reason other than an uncured default by HR&P, Client shall pay an early termination fee equal to the number of pay periods remaining in the current contract term, multiplied by the average number of Client employees per pay period calculated over the life of this Agreement multiplied by the Administration Fee listed in Schedule A. All termination fees, early termination fees, and any other amounts due as a result of termination shall be invoiced and due in full on the payroll invoice immediately following delivery of notice of termination, regardless of whether services continue during the notice period. The parties agree that the early termination fee represents a reasonable estimate of damages incurred by HR&P as a result of early termination and is not intended as a penalty. In the event that services under this Agreement are terminated by either party for any reason prior to the end of a calendar quarter or year end, Client shall be solely responsible for paying and filing any and all local, state or federal payroll related tax and unemployment payments and forms.

CLIENT’S BUSINESS OPERATIONS

Client shall be solely responsible for managing its own business. HR&P shall have no duty or right to direct, control, supervise or manage Client’s business operations. Client is solely responsible for the quality, adequacy, safety and security of its business operations and locations, and the goods or services provided by Client. Client shall have the sole right to direct and control the work of Clients employees. Client shall be solely responsible to take such steps determined by Client to be adequate or desirable to screen or evaluate its employees, and to safeguard all Client assets, intellectual property or other valuable property or information to which the employees may have access.

Client is solely responsible for maintaining adequate insurance coverage for its business operations, including commercial general liability and statutory workers’ compensation. On request of HR&P, Client shall provide HR&P with certificates of insurance evidencing general liability, owned/non-owned auto and workers’ compensation insurance coverage.

EMPLOYEE RELATIONS

Client shall be the sole employer of the employees. HR&P shall not have any of the rights or obligations of an employer, and shall have no right to direct or control the work of Client’s employees. Client remains solely responsible for all decisions and actions taken with respect to the employees. HR&P is not a co-employer or joint employer of the employees.

Client shall provide its employees a workplace free of unlawful discrimination, harassment, retaliation and workplace violence. Client shall pay for all legal fees and other costs incurred by HR&P related to investigating and defending any threatened or actual claims relate to the above workplace issues. Client shall be solely responsible for all acts, comments and directives committed, stated or issued by its employees.

Client warrants that all reports or information furnished to HR&P concerning the hours worked or compensation owed to each employee shall be complete, accurate and truthful. Client shall be solely responsible for all costs and liabilities incurred as a result of any unreported or uncompensated hours of Client’s employees.

HR&P RESPONSIBILITIES

HR&P shall provide the following services to the Client and its employees in an administrative capacity:

- 1) Calculate and prepare payroll, relying on periodic information provided by Client.
- 2) Calculate, withhold and deposit payroll taxes (but limited to funds provided by Client)
- 3) Prepare and file applicable payroll tax reports
- 4) Prepare and submit new hire reports
- 5) Provide Client with periodic payroll related reports
- 6) Assist Client with respect to employee benefit plans sponsored by Client
- 7) Provide Client with limited practical assistance on day-to-day human resources issues
- 8) All other services which have been contractually agreed to by HR&P in writing

HR&P may offer additional services at an extra cost such as background checks, driver’s license reports, or drug testing. Such services will be performed only if specifically agreed by Client and HR&P and if Client pays the agreed fees.

HR&P will rely solely on the information provided by Client and shall not be required to investigate or verify Client’s information.

CLIENT RESPONSIBILITIES

Client warrants that all information supplied to HR&P concerning each employee is, and shall remain accurate.

Client is solely responsible for providing its employees a workplace free of recognized hazards and for complying with any applicable OSHA regulations and other safety laws. Client is solely responsible for the safe storage, handling, use and disposal of hazardous chemicals, products or substances. Client is solely responsible for compliance with all federal, state and local governmental and regulatory agencies including but not limited to, Equal Employment Opportunity Commission, Department of Labor, Texas Workforce Commission, etc. Client shall pay all legal fees

and other costs incurred by HR&P as a result of investigating and defending any proposed or actual claims related to all governmental and regulatory agencies.

Notwithstanding any other provision of this Agreement, Client is solely responsible for:

- 1. the direction and control of its employees to conduct Client’s business operations, discharge required fiduciary duties, and comply with any licensure, regulatory, or statutory requirement;
- 2. any goods and services produced by Client and any damages or claim as a result of such goods and services; and
- 3. the acts, errors, and omissions of its employees.

Client is solely responsible for providing all necessary tools, uniforms, equipment, training and personal protective equipment for its employees. Client shall provide all necessary supervision to its employees.

Client is solely responsible for providing and maintaining a workplace free from any types of illegal drugs, alcohol and weapons. Client shall determine the compensation amounts and types for all employees and determine FLSA employee classification or exemption. Client shall determine which employees shall be paid on a salary or hourly basis, whether or not to pay overtime pay to any employees.

Client is solely responsible for maintaining general liability and other business related insurance. HR&P does not provide insurance coverage to its clients.

Client is solely responsible for selecting, evaluating, maintaining and paying for all applicable Workers’ Compensation, general liability or other insurance. In the event the Client elects not to maintain workers’ compensation insurance, Client shall be solely responsible for all costs associated with any workplace injury or illness. HR&P shall have no liability regarding workplace injuries or illnesses. **Without regard to the fault or negligence of any party or parties, Client shall indemnify and defend HR&P against any claims that may be brought by employees against HR&P arising out of or in any way connected with employee injuries or illnesses of any kind.**

If Client intends to assign any of its employees to work in a new state, Client shall notify HR&P in writing as soon as possible. Client is responsible for any tax and licensing registrations for additional states.

Client Online Account. In the event Client and/or Client’s employees access any HR&P services online or through any mobile or other electronic devices (“Online Account”), Client is solely responsible for (i) designating who is authorized to have access to the Online Account; (ii) safeguarding all passwords, usernames, logins or other security features used to access the Online Account (“Online Account Access”); (iii) use of on Online Account under any usernames, logins or passwords; (iv) ensuring that use of the Online Account complies fully with the provisions of this Agreement; and (v) any unauthorized access, or use, of the Online Account caused by Authorized Users’ actions or inactions, including, without limitation, its failure to safeguard Online Account or Online Account Access. Client agrees to immediately notify HR&P of any actual or suspect unauthorized use of Online Account, and acknowledges that Client is solely responsible for damages resulting from Client’s failure to timely notify HR&P. HR&P reserves the right to limit, suspend, or terminate Client’s and/or Authorized User(s)’ access to Online Account should HR&P have reason to believe that the security or confidentiality of Online Account or Online Account Access has been compromised. Client is solely responsible for implementation of an Information Security Program appropriate to safeguard the Online Account or Online Account Access and which is consistent with all applicable federal, state and/or local statutes or regulations; safeguarding Online Account and Online Account Access for any third-party services integrated into the Services; maintenance and routine review of computing and electronic system usage records (i.e., log files); and the security of its own data, data storage, computing devices(s), other electronic systems, and network connectivity. Client acknowledges and agrees that HR&P is not liable to Client, Client’s employees or any other third-party for any consequences, losses or damages resulting from unauthorized access or use of the Online Account as set forth in this section.

SERVICE FEE

In exchange for the services provided by HR&P under the terms of this Agreement, Client shall pay to HR&P the fees set forth in Schedule "A" (Client Service Fees) attached hereto. The parties acknowledge that these fees are determined using the data submitted by Client. If the information provided by Client is determined by HR&P to be inaccurate, Client shall immediately provide HR&P with updated information and shall immediately pay or reimburse HR&P for any costs or fees related to such corrected or updated information.

Client billing shall be composed of:

- 1) The Client’s total gross payroll processed by HR&P for each pay period;
- 2) All additional benefits, taxes, insurances and other related payroll costs;
- 3) The service fee(s) specified in Schedule "A"; and,
- 4) Any additional requested services including, but not limited to, background checks, drug screens, online training, time & attendance, annual online benefits enrollment setup, complex custom reporting, etc.

During the Initial Term, HR&P will not increase its Administration Fee. Following the Initial Term, HR&P may increase its Administration Fee by giving thirty (30) days advance notice to Client. Client’s submission of payroll following notice of the increased Administration Fee shall constitute acceptance of the increased rate.

Client is responsible for all wages, compensation, taxes, benefits related to Client’s employees. HR&P shall only be obligated to prepare and deliver payroll checks, deposit payroll taxes and pay all benefits invoices, including but not limited to, health, dental, vision, retirement, life and supplemental, to the extent that Client has paid, with verified funds, all applicable outstanding HR&P invoices. HR&P shall have no obligation to extend any credit to Client or to fund any payroll or other expenses for Client.

PAYROLL & TAX ADMINISTRATION

Client authorizes HR&P to: (a) calculate and prepare payroll checks and direct deposit payments to Client’s employees, in reliance on the information provided by Client, Client’s representatives or Client’s employees; (b) prepare and file on Client’s behalf state and federal payroll tax reports and returns; and (c) calculate and deposit payroll tax deposits and related payments on a timely basis. Funding of payroll, taxes and benefit costs is contingent on Client furnishing HR&P with adequate funds in advance of the agreed pay dates.

Client is responsible for submitting accurate and complete information concerning payroll by the agreed payroll cutoff deadline and for delivering payment in full to HR&P in advance of the agreed pay date. Client understands and agrees that failure to submit all payroll information on time

will result in a delay in the processing of Client’s payroll. HR&P shall have no duty or obligation to advance funds to Client or to pay the employees or related taxes with HR&P funds.

During the term of this Agreement, HR&P shall be the exclusive provider of payroll processing services for Client and its employees. Client shall not process payroll for any employees through any other payroll provider, internal system, or third party while this Agreement is in effect. Client’s processing of payroll through another payroll provider for any employee, including partial payrolls or parallel processing, shall constitute a material breach of this Agreement and shall result in immediate termination of this Agreement by HR&P, without any further notice or cure period. Upon such termination, all amounts due under this Agreement, including early termination fees, outstanding invoices, taxes, benefit costs, and administrative fees, shall become immediately due and payable.

Client is solely responsible to register their business and setup tax accounts with all relevant taxing agencies and to provide all requested Tax Filing Information to HR&P. “Tax Filing Information” is defined as all tax filing information that is requested by HR&P and is necessary to make payroll tax deposits and file payroll tax returns in accordance with the requirements of a taxing jurisdiction. This information includes, but is not limited to, tax identification numbers, powers of attorney and third-party administration access rights that may be required by a taxing jurisdiction to make payroll tax deposits and file payroll tax returns. HR&P will commence filing payroll tax returns and remitting payroll tax deposits once the requested Tax Filing Information has been provided. If HR&P processes payroll for Client in a taxing jurisdiction for which it has not received the requested Tax Filing Information, HR&P will hold the taxes on Client’s behalf and will deposit the funds and file the tax returns when the required information has been received. HR&P is not responsible for any tax penalties or interest assessed due to Client’s failure to register their business, obtain tax accounts or provide Tax Filing Information to HR&P.

In the event Client terminates services with HR&P for any reason prior to the end of a calendar quarter, Client acknowledges and agrees to prepare and file all outstanding state and federal payroll tax reports and returns, and calculate and deposit any payroll taxes and related payments at the required dates.

HEALTHCARE REFORM (ACA ADMINISTRATION) – If “Service Area” is not excluded in paragraph 1 of this Agreement

HR&P shall provide compliance assistance with the Patient Protection and Affordable Care Act (ACA). HR&P ACA compliance assistance begins on the Effective Date of this Agreement. With respect to ACA tracking and reporting, HR&P’s compliance assistance covers the calendar year based on the Effective Date and shall continue until this Agreement is terminated. Client is responsible for providing complete and accurate information requested by HR&P to complete ACA tracking or reporting. HR&P ACA compliance assistance is dependent upon and can only be provided to the extent that Client provides accurate and complete information for all relevant periods. HR&P ACA compliance assistance does not cover ACA tracking and reporting for periods prior to the calendar year of the Effective Date. Client acknowledges that it has an independent duty to comply with ACA regulations and the Client remains solely responsible for any penalties, fees or costs arising from ACA enforcement actions, unless penalty, fee or cost arises out of a clerical or administrative error after receipt of accurate data.

REFUND POLICY

HR&P, upon Client’s written request within thirty (30) days of termination of this Agreement, shall refund any Client funds in the possession of HR&P less any amounts due to HR&P, including but not limited to termination fees, unpaid invoice balances, benefit costs, agency or benefit chargebacks. Client is solely responsible for any tax deposits, penalties, interest, or any other tax, payroll, benefit or other costs which are due after or which accrue after the date of termination of services with HR&P. Client agrees to forever waive its right to any refund if Client fails to submit a written request to HR&P within thirty (30) days of termination of the Agreement.

TAX PENALTIES

If HR&P fails to or inaccurately calculates and deposits payroll taxes based on correct information provided by Client, HR&P will reimburse Client or taxing authority, at HR&P’s sole discretion, for any penalties or interest assessed by the appropriate taxing authority. Client remains solely responsible for payment of the correct tax amounts. HR&P has no obligation to reimburse Client for any penalties or interest if Client or Client’s employees furnished incorrect information to HR&P. Client shall pay any tax penalties or interest related to or arising out of: (a) inaccurate or incomplete information provided to HR&P, whether such information was provided by Client, Client’s representatives or Client’s employees; (b) Client’s failure for any reason to make sufficient funds available to cover all paychecks and payroll tax deposits or the failure of Client’s bank to honor any check, draft, wire transfer or ACH transaction for any reason; or (c) Client’s failure to provide timely information to HR&P. Client and HR&P shall reasonably cooperate in the resolution of any claims, audits, disputes or inquiries by a taxing authority.

OTHER TAXES

Client is solely responsible for calculating, reporting, depositing and paying all non-payroll taxes of any kind, including but not limited to, ad valorem taxes, franchise taxes, sales and use taxes and income taxes, applicable to Client’s business.

Client shall pay, or reimburse HR&P, for any sales or use taxes applicable to HR&P’s services under this Agreement.

PAYMENT

Invoices are due and payable upon receipt and are generally issued from one to three days prior to Client payroll date. Client shall pay each invoice by wire transfer or reverse wire transfer. Client shall sign any authorization documents required by Client’s or HR&P’s bank.

All invoices not paid by Client by the invoice date are past due and constitute a default under this Agreement. Past due amounts shall be assessed a late fee of \$150.00 and bear interest at the rate of eighteen percent (18%) per annum until paid. In the event that any payment offered by Client is dishonored for any reason, Client shall reimburse HR&P for all bank service charges and administrative fees incurred by HR&P; and, HR&P may reinstate a reverse wire to obtain payment from Client. HR&P shall have the unconditional right to immediately suspend or terminate any and all services until full payment is received from Client. In the event of any payment default by Client, HR&P may terminate this Agreement.

Client agrees that any invoice issued in connection with termination of this Agreement, including early termination fees, shall be due and payable immediately upon receipt and shall not be subject to dispute, offset or delay.

INSURANCE & RETIREMENT PLANS

Any employee benefit plans, including but not limited to health insurance, retirement, bonus, profit sharing or deferred compensation, offered by Client to its employees, are solely the responsibility of Client. HR&P will not serve or act as plan sponsor, plan administrator or other fiduciary. On request of HR&P, Client shall provide copies of plan documents or certificates of insurance related to any such plan. Neither Client nor HR&P shall represent that HR&P is a sponsor, administrator or other plan fiduciary under the terms of ERISA.

Initials: _____ Initials: _____

DEFAULT

Acts of defaults by Client shall include, but are not limited to:

- 1) Failure of Client to timely pay any invoice, fee or charge in full when due; or
- 2) Failure of direct payment of taxable wages by Client to HR&P for services contemplated by this Agreement; or
- 3) Failure to run a payroll during a period of thirty-five (35) consecutive days; or
- 4) Processing payroll for any employee through another payroll provider; or
- 5) Breach of any provision of this Agreement by Client.

HR&P may terminate this Agreement immediately on giving written notice to Client of Default and providing Client three (3) business days to cure such Default. If Client fails to cure such Default, HR&P shall have the right to immediately terminate this Agreement and any and all outstanding obligations of Client shall become immediately due and payable. On termination of this Agreement all obligations of Client shall remain effective until such time as such obligations have been satisfied by Client.

Acts of defaults by HR&P shall include, but are not limited to:

- 1) Breach of any provision of this Agreement by HR&P;
- 2) Failure of HR&P to comply with regulations of a federal, state, or local governmental body, department, or agency

Client may terminate this Agreement immediately on giving written notice to HR&P of Default and providing HR&P three (3) business days to cure such Default. If HR&P fails to cure such Default, Client shall have the right to immediately terminate this Agreement and any and all outstanding obligations of HR&P shall survive the termination of this Agreement until such time as any obligations cease to exist.

PROFESSIONAL ADVICE

HR&P is engaged in providing human resources consulting services. Client understands and agrees that any advice offered by HR&P is not a replacement for legal, tax or accounting advice. Client agrees that it will obtain appropriate professional advice concerning all legal, accounting, tax, insurance and benefits matters. HR&P will not pay for or provide legal representation to Client under any circumstance.

INDEMNITY

Client hereby agrees to indemnify, defend and hold HR&P harmless, from and against, any and all liability, expense (including court costs and attorneys' fees) and claims for damage of any nature whatsoever, whether known or unknown and whether direct or indirect, as though expressly set forth and described herein, which HR&P may incur, suffer, become liable for or which may be asserted or claimed against HR&P arising out of, based on or related to, but not limited to Client's business, operations, products, goods, services, premises, workplace safety and security, cybersecurity, employment and management practices, vehicles, machinery or equipment, or the acts, errors or omissions of the Client, Client's representatives and the Client's employees.

Client hereby agrees to indemnify, defend and hold HR&P harmless, from and against, any and all liability, for any violation of any local, state and/or federal law, regulation, ordinance, directive or rule whatsoever, and all employment-related matters which shall include but not be limited to all matters arising under local, state and/or federal right-to-know laws, environmental laws, all laws within the jurisdiction of the NLRB, OSHA, and EEOC, including Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act (including without limitation those aspects relating to employment, public access and public accommodation), the WARN Act, ERISA, Patient Protection and Affordable Care Act, the Fair Labor Standards Act, all state or federal laws governing wages and hours (including without limitation: prevailing wage rate; exempt and non-exempt status; child labor; and minimum wage and overtime matters), all laws concerning discrimination on the basis of race, sex, sexual harassment, retaliation, religion, national origin, color, age, veteran status, disability, and marital status, all laws governing disclosed and undisclosed benefit plans, and all other labor or employment related laws. Client shall indemnify, defend and hold HR&P harmless against any claims or demands brought by Client's employees against HR&P on any basis whatsoever.

HR&P hereby agrees to indemnify, defend and hold Client harmless from and against any and all liability, expense (including court costs and attorneys' fees) and claims for damage of any nature whatsoever, whether known or unknown and whether direct or indirect, as though expressly set forth and described herein, which Client may incur, suffer, become liable for or which may be asserted or claimed against Client as a result of HR&P's failure to: properly calculate, prepare, deposit or pay payroll, payroll taxes, withholding, or benefits to the Client's employees; properly apply funds actually received from Client in accordance with Client's instructions. HR&P shall have no obligation to indemnify or defend Client as to claims arising out of the acts, errors or omissions of the Client's employees. This indemnity is expressly conditioned on Client having timely provided HR&P with complete and accurate information, paid all HR&P invoices in full when due, and, maintained all Client insurance required under this Agreement.

Client and HR&P expressly agree that the indemnification provisions of this Agreement shall not be limited to claims, expenses or liabilities for which one Party is solely liable, but shall also apply to claims, expenses and liabilities for which Client and HR&P are jointly and concurrently liable. These indemnity obligations apply without regard to the fault or negligence of any party or parties. In such event, if either Party advances funds in connection with a claim, expense or liability, which is subject to this section in excess of its pro rata share, said Party, shall be indemnified by the other Party hereto for such excess amounts.

Client agrees that HR&P's duty to indemnify is expressly limited to the extent of HR&P's available insurance coverage in place at the time of the occurrence of the act or event. The indemnities provided herein shall be deemed to be contractual in nature and shall survive the expiration, breach or termination of this agreement.

AMENDMENTS

This Agreement and its Schedules may be amended from time to time as agreed by the parties in writing; such amendments shall become effective on the date and time so designated when signed by both HR&P and Client.

MEDIATION

Client and HR&P hereby agree to submit any dispute that arises from this contract to mediation. Mediation will take place before an agreed upon mediator within thirty (30) days of receipt of a written complaint by either party. The mediator's fee shall be borne equally by the parties. Either party may seek legal redress to enforce this provision and is entitled to all legal fees incurred in enforcing this provision. Mediation will occur in Harris County, Texas and is confidential and non-binding.

Initials: _____ Initials: _____

ARBITRATION

If mediation is unsuccessful, either party may request binding arbitration pursuant to Chapter 171. General Arbitration, Civil Practice and Remedies Code, commonly referred to as the Texas Arbitration Act. If mediation is unsuccessful, either party may, by written request, invoke binding arbitration. Within thirty (30) days of written request, the parties shall agree upon one arbitrator and each party shall bear the arbitrator's cost equally. If the parties are unable to agree on an arbitrator, either party may seek court intervention for such appointment. The parties may, by written agreement, agree upon more than one arbitrator. Binding arbitration shall occur in Harris County on a schedule established by the agreed upon or court appointed arbitrator. The arbitrator shall/may award arbitration fees and attorneys' fees to the successful party.

ATTORNEYS' FEES; LIMITED RELIEF

In the event of any legal dispute, the prevailing party in any enforcement action arising in respect to this Agreement shall be entitled to recover from the other party all costs of such enforcement action including, without limitation, reasonable attorneys' fees, court costs, arbitrator fees, arbitration filing fees, fees and expenses to enforce the award of the arbitrator and related expenses.

In consideration of the limited fees charged by HR&P, Client agrees that the total recovery that may be obtained against HR&P under any legal theory whatsoever shall be strictly limited to an amount equal to the service fee paid to HR&P during the twelve months preceding the date of the event upon which such claim is based. Such limit applies to all recoveries or remedies of any nature or type, and is inclusive of all damages, interest, legal fees, and costs. The parties waive all rights to recover lost profits, consequential damages, exemplary damages, multiple damages or punitive damages.

ASSIGNMENT

Without the prior written consent of HR&P, Client shall not assign this Agreement or its rights and duties hereunder or any interest herein. HR&P may unconditionally assign this Agreement to a third party with a 30-day written notice to Client.

GOVERNING LAW

This Agreement shall be governed by the laws of the United States and of the State of Texas, without the application of choice of law rules which shall not apply.

GENERAL

This Agreement, together with the attached Schedules, constitutes the entire agreement between Client and HR&P. This Agreement supersedes all prior, contemporary or subsequent negotiations, representations, promises or agreements between the parties. Any amendment to this Agreement shall be effective only if set forth on HR&P letterhead, signed by the president of HR&P and signed by an authorized representative of Client. This Agreement may be executed electronically and in counterparts, each of which shall be deemed an original and together shall constitute one instrument.

Nothing contained in this Agreement creates any partnership or joint venture. Neither party shall be the agent for the other party. There are no intended third party beneficiaries of this Agreement. This Agreement may only be enforced by the parties to this Agreement.

In the event that Client believes that it has any cause of action against HR&P, Client shall give written notice to HR&P of such claim or cause of action not later than one hundred (100) days after the date on which the alleged cause of action arose. Client waives any cause of action for which such written notice is not provided to HR&P. Client additionally agrees that any alleged cause of action against HR&P must be legally asserted by filing a written demand for arbitration not later than twenty-five (25) months after the date on which the alleged cause of action arose. Unless a demand for arbitration is filed within such twenty-five (25) month period, Client agrees that all such alleged causes of action are waived and barred by limitations. In the event that either or both of the deadlines contained in this paragraph are found unenforceable under applicable law, Client shall give notice within the shortest time period permitted under law and shall file a demand for arbitration within the shortest period of time permitted under law.

If any provision of this Agreement or any amendment thereof, should be invalid, the remaining provision shall remain in effect and be so construed as to effectuate the intent and purposes of this Agreement and any amendments thereto.

FORCE MAJEURE. Neither party shall be liable for delay or failure in performance caused by events beyond its reasonable control, including but not limited to acts of God, natural disasters, government actions, war, terrorism, labor disputes, banking interruptions, pandemics, cyberattacks, or failures of third-party service providers.

All notices, requests and communications provided hereunder shall be in writing and hand delivered or mailed by United States registered, certified, or express mail, return receipt requested, and addressed to the party's principal place of business as set forth in this Agreement adjacent the signature of each party (or to such other address provided in writing by such party).

The waiver by either party hereto of a breach of any term or provision of this Agreement shall not operate or be construed as a waiver of a subsequent breach of the same provision by any party or of a breach of any other term or provision of this Agreement.

SCHEDULES

The following Schedules are inclusive to this Agreement and incorporated herein by reference for all purposes:

- 1. Schedule A ("Client Service Fees")

THIS AGREEMENT is duly executed on _____.

CLIENT: **City of Richwood**

HR&P

BY: _____

BY: _____

TITLE: _____

TITLE: _____

ADDRESS:

1800 Brazosport Blvd N
Richwood, Tx 77531

ADDRESS:

9621 W. Sam Houston Parkway N., Ste 100
Houston, Texas 77064

PHONE:

PHONE: 281-880-6525

SCHEDULE A

CLIENT SERVICE FEES

Client Name:

Fee Schedule:

- **Administration Fee:**
\$25.38 per check (biweekly)
*Minimum Administration Fee of \$277.00 per payroll. If the total per check fee exceeds the Minimum Administration Fee, only the per check fee will apply.
- **Client Set-up Fee:**
A Client Set-up Fee of \$2000.00 maximum charge will be due at signing of the Client Service Agreement. If this Agreement is terminated, for any reason, Client shall have no right to any refund of the Client Set-up Fee.
- **New Hire Enrollment Fee**
A Fee of \$25.00 for each employee added after the initial Client set up. This new hire enrollment fee is due on the first payroll invoice processed, following the employee hire date.
- **Time & Attendance:**
Web Software: \$3.00 per employee per month. (\$75.00 minimum)
Setup Charge: \$500.00 (this includes software set-up, custom payroll export and 2-hour training webinar)

Rates above are calculated based on a biweekly payroll basis. A change in the pay period may cause an adjustment in the rates proportionately.

Rates are based on number of employees. If Client employee head count decreases by 25% or more, HR&P shall have the right to increase its service fee or terminate this Agreement with notice.

Client will be responsible to pay a nominal fee for paper processing and payroll delivery. Additional fees may be incurred for interim payroll runs outside normal pay periods. Additional fees may apply for filing tax returns with zero dollar amounts. Additional set-up fees may apply if the initial set-up was based on inaccurate or incomplete Client data.



Initials: _____ Initials: _____

ORDINANCE NO. 26-541

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS AMENDING CHAPTER 4, ARTICLE 1, SECTION 4-2 OF THE CODE OF ORDINANCES TO ADOPT THE 2021 INTERNATIONAL PROPERTY MAINTENANCE CODE; PROVIDING FOR A PENALTY; PROVIDING A REPEALER; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Richwood, Texas, finds it necessary to adopt minimum property maintenance standards to protect the public health, safety, and welfare of the citizens of the City; and

WHEREAS, the 2021 International Property Maintenance Code establishes regulations governing the maintenance of structures, premises, equipment, sanitation, occupancy, and safety conditions;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

Section 1.

Chapter 4, Article 1, Section 4-2 of the Code of Ordinances of the City of Richwood is hereby amended to add the following:
2021 INTERNATIONAL PROPERTY MAINTENANCE CODE.

Section 2.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3.

If any provision of this ordinance is held invalid, such invalidity shall not affect the remaining provisions of this ordinance.

Section 4.

This ordinance shall become effective immediately upon passage and approval according to law.

PASSED AND APPROVED on this 8th day of June, 2026.

Michael Durham, Mayor

ATTEST:

Laura Tyner, City Secretary