

## PUBLIC NOTICE: RIESEL CITY COUNCIL MEETING ON 12.16.2025

NOTICE IS HEREBY GIVEN that the City Council of the City of Riesel, McLennan County, Texas, will hold a **REGULAR**-called meeting on Tuesday, **DECEMBER 16<sup>TH</sup>, 2025 at 6:30 PM** at Riesel City Hall, 104 N Hwy 6, to discuss the following matters:

1. Call to Order; Confirm Quorum; Invocation & Pledge of Allegiance
2. **Consent Agenda:** Consent Items are considered routine by the City Council and will be enacted on by one motion to approve all items listed below. There will be no separate discussion of these items other than asking simple questions for clarification.
  - a.) Approval of Minutes from Council Meetings on: 11/18/25
  - b.) Payment of Bills/Payroll & Monthly Financial Reports
3. **Visitors' Comments:** This is an opportunity for visitors to bring any item to the City Council's attention. Comments limited to 3 minutes per visitor. No deliberation may be held on the matter, except limited to a proposal to put the subject on the agenda for a subsequent meeting.
4. Consideration and Action regarding appointment of officers (Mayor Pro Tem and Treasurer)
5. Consideration and Action pertaining to the approval of a 2025 financial audit proposal from Paul Christensen & Associates, LLC
6. Consider and Act regarding a rate increase proposal by Frontier Waste Management.
7. Consider and Act regarding an agreement for a police cadet candidate to enter the police academy
8. **Monthly Reports** Submitted: a. Utility Report    b. Police Report    c. Secretary's Report
9. Discussion and possible directives to staff for future agenda items (research, ordinances or policies that Council desire to be drafted for future review)
10. Adjournment

*I hereby certify that this notice was placed at its present location at least 3 days prior to the above meeting time.  
Posted on Friday, 12/11/2025 at 8:00PM*

*Alisha Flanary*

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Alisha Flanary, City Secretary

BE IT REMEMBERED that on **NOVEMBER 18, 2025**, the Riesel City Council met in a **REGULAR**-called meeting, at 6:30 p.m. in the Riesel City Hall Meeting Room, at 104 Hwy. 6 North in Riesel, Texas, with notice of the meeting having been posted at least 72 hours in advance in accordance with Section 551, Texas Government Code.

**Sworn Oaths:** At 6:28 PM, just prior to the start of the council meeting, Secretary Flanary issued sworn oaths to newly elected council members: Debbie Kilgore, Bobby Dieterich and Paul Winkler.

**Call to Order:** Mayor Jennifer Hogg called the meeting to order at 6:31 PM

**Council Members Present:** Bobby Dieterich, Paul Winkler, Deanna Davis, Kevin Wunderlich & Debbie Kilgore

**Employees Present:** Alisha Flanary, Randy Ehlers & Ryan Dieterich

**Visitors Present:** Kathy Fryer

*Mayor Hogg led the Pledge of Allegiance and gave the invocation.*

**Consent Items:** Bobby Dieterich made a motion to approve all consent items, consisting of the minutes from the 10/21/25 & 11/13/25 council meetings; payment of bills & payroll; and acceptance of monthly financial reports. Paul Winkler seconded the motion, and it carried unanimously.

**Visitors' Comments:** none

**Generator Bids:** Paul Winkler moved to accept the low bid placed by Capstar for the Mt. Moriah (RMS) plant generator for \$244,000. With a second given by Deanna Davis, the motion passed unanimously.

**Garbage Rate Increase:** Frontier Waste Solutions is requesting a rate increase but they were unable to be in attendance for this meeting. Council tabled the item until the December meeting.

**EXECUTIVE SESSION:** at 6:55 pm, Council Members convened into a closed meeting pursuant to Section 551.074 of the Government Code (V.C.T.A.) for the City Council to deliberate the duties, evaluation, employment, and/or appointment of a public officer or employee:

**City Secretary, Alisha Flanary**

**Reconvene:** at 7:38 pm council reconvened into open session stating that no action had been taken in the closed session

**Pay Raise:** Deanna Davis made a motion to increase Alisha Flanary's pay by 3% .

With a second by Kevin Wunderlich, the motion passed unanimously.

**Adjournment:** With no further business, Mayor Hogg adjourned the meeting at 7:59 PM

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Mayor, Jennifer Hogg

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Attest: Alisha Flanary, City Secretary

City of Riesel - GENERAL FUND  
Balance Sheet - Bank Accounts

As of November 30, 2025

	Nov 30, 25
ASSETS	
Current Assets	
Checking/Savings	
1a - Unrestricted Cash	
*Checking	32,094.04
Payroll	48,580.03
Petty Cash	
Court Cash	100.00
General Cash	100.00
Total Petty Cash	200.00
Total 1a - Unrestricted Cash	80,874.07
1b - Restricted Cash	
2013 I & S Fund	21,752.66
POA / Drug Seizure	100.00
Total 1b - Restricted Cash	21,852.66
2a - Unrestricted Investments	
General Fund (sept) #5808	4,740.05
General Fund II (may) #1015	44,118.59
General Fund III (june) #6124	22,002.77
Total 2a - Unrestricted Investments	70,861.41
Charles St Project Fund	131,300.60
General Fund Money Market	
*General Fund	1,847,092.98
City Hall Building	313,188.48
Drug Seizure/POA	4,335.40
Judicial Betterment	8,856.79
Security	143,671.73
Technology	162,009.33
Total General Fund Money Market	2,479,154.71
Total Checking/Savings	2,784,043.45
Total Current Assets	2,784,043.45
TOTAL ASSETS	2,784,043.45
LIABILITIES & EQUITY	0.00

9:27 AM  
12/15/25  
Cash Basis

**City of Riesel - WATER FUND**  
**Balance Sheet - Bank Accounts**  
As of November 30, 2025

	Nov 30, 25
ASSETS	
Current Assets	
Checking/Savings	
Construction Fund	
3a - Unrestricted Cash	
Construction Checking 8528	1,986
Total 3a - Unrestricted Cash	1,986
3b - Restricted Cash	
Construction I & S 8536	77,427
Total 3b - Restricted Cash	77,427
Total Construction Fund	79,414
Water Fund	
1a - Unrestricted Cash	
Checking 2002	122,731
Total 1a - Unrestricted Cash	122,731
1b - Restricted Cash	
2021 TWDB Escrow 8600	5,847,562
2021 TWDB Principal for LF 8601	448,889
Water III I&S 4014	66,601
Total 1b - Restricted Cash	6,363,052
2b - Restricted Investments	
\$100,000 CD #6293	141,324
III Reserve Fund #8343	40,853
Total 2b - Restricted Investments	182,177
2c - ARPA GRANT 8597	19,390
Water Fund Money Market	
*Water Fund	1,864,279
Contingency	100,000
Line Replacement	170,280
Water Fund Money Market - Other	170,545
Total Water Fund Money Market	2,305,104
Total Water Fund	8,992,454
Total Checking/Savings	9,071,868
Total Current Assets	9,071,868
TOTAL ASSETS	9,071,868
LIABILITIES & EQUITY	0

10:08 AM  
12/15/25  
Cash Basis

**City of Riesel - SEWER FUND**  
**Balance Sheet - Bank Accounts**  
As of November 30, 2025

	Nov 30, 25
ASSETS	
Current Assets	
Checking/Savings	
1a - Unrestricted Cash	
Checking 6644	812.59
Total 1a - Unrestricted Cash	812.59
1b - Restricted Cash	
Sewer Jr I&S 0241	28,893.46
Total 1b - Restricted Cash	28,893.46
2b - Restricted Investments	
1999 Reserve Bond #6352	50,691.13
Repair&Replacement #5794	6,415.98
Reserve Bond #5773	14,332.46
Total 2b - Restricted Investments	71,439.57
Sewer Fund Money Market 1840	
* Sewer Fund	211,350.28
Contingency	75,000.00
Line Replacement	150,872.71
Sewer Fund Money Market 1840 - Other	444,567.28
Total Sewer Fund Money Market 1840	881,790.27
Total Checking/Savings	982,935.89
Total Current Assets	982,935.89
TOTAL ASSETS	982,935.89
LIABILITIES & EQUITY	0.00

9:25 AM  
12/15/25  
Cash Basis

**City of Riesel - General  
Profit & Loss YTD Comparison  
November 2025**

	Nov 25	Oct - Nov 25
Ordinary Income/Expense		
Income		
1 - General Government Income		
Franchise Fee		
Gas Companies	6,796.54	6,796.54
Phone Companies	355.81	373.69
Total Franchise Fee	7,152.35	7,170.23
Interest Income		
2013 I & S	17.86	36.30
Charles Street Improvements	107.83	219.16
General Money Market	2,012.82	6,223.38
Total Interest Income	2,138.51	6,478.84
Miscellaneous Income		
Filing Fee	674.43	1,368.15
Inspection Permit	1,067.00	24,020.34
Total Miscellaneous Income	1,741.43	25,388.49
Mixed Beverage Tax	363.98	766.43
Property Tax Income		
Property Tax Income - General		
2022	0.00	-2,889.96
2024	299.81	-767.33
2025	9,050.10	17,208.71
Total Property Tax Income - General	9,349.91	13,551.42
Property Tax Penalty Fee		
2022	0.00	19.22
2024	23.49	87.89
Total Property Tax Penalty Fee	23.49	107.11
Total Property Tax Income	9,373.40	13,658.53
Sales Tax		
Gross Collections	18,799.33	16,113.56
Streets Allocation	4,699.83	7,233.41
Total Sales Tax	23,499.16	23,346.97
Total 1 - General Government Income	44,268.83	76,809.49
2 - Law Enforcement Income		
L.E. Income		
Open Records	0.00	48.09
Total L.E. Income	0.00	48.09
Total 2 - Law Enforcement Income	0.00	48.09
3 - Court Income		
Citations		
Overpayments	-18.00	-665.00
Returned Checks	0.00	-144.00
Revenue	42,759.76	104,920.15
Total Citations	42,741.76	104,111.15



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**City of Riesel - General  
Profit & Loss YTD Comparison  
November 2025**

	Nov 25	Oct - Nov 25
Security Fee	25.58	41.25
Technology Fee	34.11	55.01
Time Payment Fee	151.55	361.59
<b>Total 3 - Court Income</b>	<b>42,953.00</b>	<b>104,569.00</b>
<b>Total Income</b>	<b>87,221.83</b>	<b>181,426.58</b>
<b>Gross Profit</b>	<b>87,221.83</b>	<b>181,426.58</b>
<b>Expense</b>		
1 - General Government		
Bank and Credit Card Fees	90.45	244.74
City Hall Maintenance & Repair	30.78	5,628.21
City Retirement Contribution		
Alisha	258.50	640.41
Cristen	192.49	478.86
<b>Total City Retirement Contribution</b>	<b>450.99</b>	<b>1,119.27</b>
Contract Labor		
Janitorial Services	150.00	450.00
<b>Total Contract Labor</b>	<b>150.00</b>	<b>450.00</b>
CPA Bookkeeping Services	950.00	1,900.00
Emp. Health Insurance		
Special Ins Services	0.00	0.00
TML	0.00	1,618.56
Emp. Health Insurance - Other	0.00	0.00
<b>Total Emp. Health Insurance</b>	<b>0.00</b>	<b>1,618.56</b>
Engineer Fees	0.00	2,577.50
Equipment Maintenance		
Lawnmower	45.98	45.98
Mule	13.53	13.53
Tractor	108.88	108.88
Weedeater	0.00	66.99
<b>Total Equipment Maintenance</b>	<b>168.39</b>	<b>235.38</b>
House Inspection	0.00	25,385.19
Insurance - Bonds	0.00	462.00
Insurance - Property	0.00	1,840.00
Legal Fees	337.50	787.50
Miscellaneous Expense		
Employee & Council Appreciation	0.00	23.74
Memorials	69.48	69.48
Publications	6.25	11.25
Miscellaneous Expense - Other	0.00	408.58
<b>Total Miscellaneous Expense</b>	<b>75.73</b>	<b>513.05</b>
Office Equip. & Maintenance		
Computer	692.60	1,385.20
Printer	150.00	150.00
<b>Total Office Equip. &amp; Maintenance</b>	<b>842.60</b>	<b>1,535.20</b>
Office Furniture	1,399.96	1,399.96
Office Supplies	1,194.63	1,540.55
Payroll Taxes	1,048.56	2,593.42
Phones		
General Gov Cell Phone Alisha	41.89	83.76
Phones - Other	583.79	1,258.92
<b>Total Phones</b>	<b>625.68</b>	<b>1,342.68</b>

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**City of Riesel - General  
Profit & Loss YTD Comparison  
November 2025**

	Nov 25	Oct - Nov 25
Postage	0.00	78.00
Public Health District	0.00	1,075.28
Salaries		
Alisha		
Wages	4,971.20	12,315.68
Total Alisha	4,971.20	12,315.68
Cristen		
Wages	3,701.66	9,208.71
Total Cristen	3,701.66	9,208.71
Total Salaries	8,672.86	21,524.39
Utilities		
Electric	0.00	536.70
Total Utilities	0.00	536.70
Workers Comp Insurance	0.00	5,406.30
Total 1 - General Government	16,038.13	79,793.88
2 - Law Enforcement		
L.E. Cell Phones	317.56	635.04
L.E. City Retirement Contribute		
Joshua	0.00	320.65
Patrick	477.55	975.31
Ryan	335.79	874.82
Total L.E. City Retirement Contribute	813.34	2,170.78
L.E. Clothing	188.09	188.09
L.E. Computer	0.00	50.00
L.E. Dog Catching	0.00	780.00
L.E. Emp. Health Insurance		
TML	-610.66	753.45
Total L.E. Emp. Health Insurance	-610.66	753.45
L.E. Gas	851.30	1,842.90
L.E. Medical	350.00	350.00
L.E. Office Supplies	733.63	742.27
L.E. Operating Supplies	6.48	6.48
L.E. Payroll Taxes	1,196.54	3,193.55
L.E. Postage	11.87	45.53
L.E. Property Insurance	0.00	6,078.00
L.E. Salaries		
Anthony		
Wages	0.00	0.00
Total Anthony	0.00	0.00
Joshua		
Wages	0.00	6,166.42
Total Joshua	0.00	6,166.42
Patrick		
Wages	9,183.61	18,755.97
Total Patrick	9,183.61	18,755.97



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**City of Riesel - General**  
**Profit & Loss YTD Comparison**  
**November 2025**

	Nov 25	Oct - Nov 25
Ryan Wages	6,457.55	16,823.49
Total Ryan	6,457.55	16,823.49
Total L.E. Salaries	15,641.16	41,745.88
L.E. Vehicle Repair&Maintenance	515.45	615.25
L.E. Worker's Comp Ins	0.00	6,556.00
Total 2 - Law Enforcement	20,014.76	65,753.22
3 - Court		
Court City Retirement Contrib. Chelsea	238.38	525.20
Total Court City Retirement Contrib.	238.38	525.20
Court Contract Labor Prosecutor	1,250.00	2,500.00
Total Court Contract Labor	1,250.00	2,500.00
Court Emp. Health Insurance TML	0.00	809.28
Total Court Emp. Health Insurance	0.00	809.28
Court Office Supplies	484.73	484.73
Court Payroll Taxes	456.62	1,037.47
Court Postage	0.00	10.05
Court Salaries Chelsea	4,584.29	10,100.10
Judge Judge	1,384.62	3,461.55
Total Judge	1,384.62	3,461.55
Total Court Salaries	5,968.91	13,561.65
Court Travel/Training/Mileage	93.33	697.79
Omnibase	0.00	750.00
Security Fee Expense	0.00	99.98
State Court Cost Tertiary Care Fund (Seatbelt)	0.00	148.90
Total State Court Cost	0.00	148.90
Total 3 - Court	8,491.97	20,625.05
4 - Streets		
Operating Supplies Tools	67.47	298.10
Total Operating Supplies	67.47	298.10
Street Maintenance Grass	500.00	1,250.00
Street & Road Signs	586.05	628.25
Street Maintenance - Other	0.00	1,240.00
Total Street Maintenance	1,086.05	3,118.25
Street Retirement Contribution Justin	105.46	254.82
Randy	156.30	388.78
Total Street Retirement Contribution	261.76	643.60

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**City of Riesel - General**  
**Profit & Loss YTD Comparison**  
**November 2025**

	Nov 25	Oct - Nov 25
Street Salaries		
Jeb		
Wages	0.00	0.00
Total Jeb	0.00	0.00
Justin		
Wages	2,028.11	4,900.40
Total Justin	2,028.11	4,900.40
Randy		
Wages	3,005.71	7,476.54
Total Randy	3,005.71	7,476.54
Total Street Salaries	5,033.82	12,376.94
Utilities (Street Lights)	0.00	1,148.79
Total 4 - Streets	6,449.10	17,585.68
5 - Fire Department		
Insurance	0.00	3,210.00
Utilities	0.00	206.04
Total 5 - Fire Department	0.00	3,416.04
Community Outreach	330.11	330.11
Cyber Liability Insurance	0.00	1,500.00
Planning & Development	845.00	845.00
Total Expense	52,169.07	189,848.98
Net Ordinary Income	35,052.76	-8,422.40
Other Income/Expense		
Other Income		
Reimbursement	0.00	2,380.10
Total Other Income	0.00	2,380.10
Other Expense		
Payroll Clearing	0.00	0.00
Total Other Expense	0.00	0.00
Net Other Income	0.00	2,380.10
Net Income	35,052.76	-6,042.30

**City of Riesel - Water**  
**Profit & Loss YTD Comparison**  
**November 2025**

	Nov 25	Oct - Nov 25
Ordinary Income/Expense		
Income		
Hydraulic Study	-785.00	-785.00
Interest Income		
ARPA Grant	2.39	4.86
Construction I & S	9.66	17.81
Dividend income	20,104.16	39,991.46
Water Money Market	1,892.31	3,863.57
Total Interest Income	22,008.52	43,877.70
Miscellaneous Income	0.00	36,760.00
MS Water Supply	4,608.00	9,798.14
Series 2021 Bond Repayment	3,700.00	7,400.00
Sewer Revenue	0.00	0.00
Trash Revenue		
Trash Revenue - Surcharge	0.00	0.00
Trash Revenue - Other	14,472.54	28,600.48
Total Trash Revenue	14,472.54	28,600.48
Water Revenue		
Revenue	38,517.09	78,527.85
Water Revenue - Other	20.00	20.00
Total Water Revenue	38,537.09	78,547.85
Total Income	82,541.15	204,199.17
Gross Profit	82,541.15	204,199.17
Expense		
Bank Fees	2.68	58.86
City Retirement Contribution		
Justin	52.73	127.41
Randy	78.15	194.39
Total City Retirement Contribution	130.88	321.80
Conference/Training	0.00	0.00
Conservation Fee	151.31	299.75
Dues	0.00	180.00
Emp Health Insurance		
Special Ins Services	809.28	1,618.56
Total Emp Health Insurance	809.28	1,618.56
Engineer Fees		
Arsenic	15,005.74	15,005.74
Total Engineer Fees	15,005.74	15,005.74
Generator	0.00	0.00
Insurance		
Property	0.00	31,980.50
Worker's Comp	0.00	1,952.00
Total Insurance	0.00	33,932.50
Lab Expense	324.00	425.00
Office Supplies		
Water Office - Office Supplies	0.00	0.00
Total Office Supplies	0.00	0.00
Operating Supplies	3,503.70	11,901.90
Payroll Taxes	192.53	473.41

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# City of Riesel - Water Profit & Loss YTD Comparison November 2025

	Nov 25	Oct - Nov 25
Phones & Pagers		
Cell Phones	299.78	383.56
Total Phones & Pagers	299.78	383.56
Postage	375.87	678.43
Regulatory Fees	1,205.40	1,205.40
Repairs/Replacement/Maintenance	26.73	2,776.73
Royalty Fee	113.53	241.67
Salaries		
Jeb		
Wages	0.00	0.00
Total Jeb	0.00	0.00
Justin		
Wages	1,014.06	2,450.21
Total Justin	1,014.06	2,450.21
Randy		
Wages	1,502.86	3,738.27
Total Randy	1,502.86	3,738.27
Total Salaries	2,516.92	6,188.48
Tools	0.00	0.00
Trash Expense	13,655.16	27,318.13
Truck	74.85	149.70
Truck (Gas)	416.79	781.33
Utilities		
Electric		
Navasota	5,305.07	10,979.61
Electric - Other	511.22	950.67
Total Electric	5,816.29	11,930.28
Phone	184.81	390.67
Total Utilities	6,001.10	12,320.95
Water Purchased		
Tri County	0.00	1,000.00
Total Water Purchased	0.00	1,000.00
Total Expense	44,806.25	117,261.90
Net Ordinary Income	37,734.90	86,937.27
Net Income	37,734.90	86,937.27



# City of Riesel - Sewer Profit & Loss YTD Comparison November 2025

	Nov 25	Oct - Nov 25
Ordinary Income/Expense		
Income		
Interest Income		
Sewer Money Market	725.44	1,478.50
Total Interest Income	725.44	1,478.50
Sewer Revenue		
Revenue	11,981.43	24,277.60
Total Sewer Revenue	11,981.43	24,277.60
Total Income	12,706.87	25,756.10
Expense		
City Retirement Contribution		
Justin	52.73	127.41
Randy	78.15	189.92
Total City Retirement Contribution	130.88	317.33
Insurance		
Property	0.00	5,835.50
Worker's Comp.	0.00	1,952.00
Total Insurance	0.00	7,787.50
Irrigation Pond	157.62	787.47
Lab Expense	480.00	914.00
Lift Station	3,966.00	7,776.00
Operating Supplies	569.96	1,059.35
Payroll Taxes	192.55	473.43
Regulatory Fees		
Permit Renewal	0.00	1,250.00
Total Regulatory Fees	0.00	1,250.00
Repairs/Replacement/Maintenance	1,090.00	4,095.55
Salaries		
Jeb		
Wages	0.00	0.00
Total Jeb	0.00	0.00
Justin		
Wages	1,014.06	2,450.21
Total Justin	1,014.06	2,450.21
Randy		
Wages	1,502.86	3,738.27
Total Randy	1,502.86	3,738.27
Total Salaries	2,516.92	6,188.48
Utilities		
Electric		
Reliant	391.11	735.03
Electric - Other	0.00	0.00
Total Electric	391.11	735.03
Total Utilities	391.11	735.03
Total Expense	9,495.04	31,384.14
Net Ordinary Income	3,211.83	-5,628.04
Net Income	3,211.83	-5,628.04



# Paul J. Christensen & Associates, LLC

## *Certified Public Accountants*

2110 Austin Avenue  
Waco, Texas 76701  
(254)752-3436  
FAX (254)752-3463  
<http://www.waco-cpa.com>

Paul J. Christensen, C.P.A.  
Gary L. Sauls, C.P.A.

October 29, 2025

To the Honorable Mayor and Members of the City Council  
City of Riesel, Texas

We are pleased to confirm our understanding of the services we are to provide the City of Riesel, Texas for the year ended September 30, 2025.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements, of the City of Riesel, Texas as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Riesel, Texas' basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Riesel, Texas' RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund
- 3) Notes to Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund
- 4) Scheduled of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System
- 5) Schedule of Pension Contributions – Texas Municipal Retirement System
- 6) Schedule of Changes in Net OPEB Liability and Related Ratios – Texas Municipal Retirement System
- 7) Schedule of OPEB Contributions – Texas Municipal Retirement System

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the City of Riesel, Texas and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Improper revenue recognition.

- Management override of controls.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

## **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

## **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Riesel, Texas' compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

## **Other Services**

We will also assist in preparing the financial statements and related notes of the City of Riesel, Texas in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

## **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements;



compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City of Riesel, Texas; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Paul J. Christensen & Associates, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Paul J. Christensen & Associates, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Paul J. Christensen is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$15,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### Reporting

We will issue a written report upon completion of our audit of the City of Riesel, Texas' financial statements. Our report will be addressed to the Honorable Mayor and Members of the City Council of the City of Riesel, Texas. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City of Riesel, Texas is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the City of Riesel, Texas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Paul J. Christensen & Associates, LLC

### RESPONSE:

This letter correctly sets forth the understanding of the City of Riesel, Texas.

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Jennifer Hogg, Mayor





1901 Afton Rd, Houston, TX 77055, 713/423-1714, Fax 855/233-0075

November 20, 2025

**EXHIBIT A  
Pricing Document**

Frontier Waste Solutions/Access Disposal  
101 Industrial Loop, Ste. 130  
Hillsboro, Texas 76645

**Subject: Waste Management Disposal Price Increase effective 1/1/26  
(1) Lacy Lakeview LF (2) Temple LF (3) Covell Gardens LF (4) Mesquite Creek Landfill**

Dear Valued Customer:

Effective January 1, 2026, Waste Management will increase disposal rates on all volume delivered under existing Solid Waste Agreements between WM and Frontier Waste Solutions and all subsidiaries including individual Exhibit A Pricing Documents. This letter will serve as notice that Waste Management of Texas, Inc. will be implementing a price increase for services charged to the Customer under price adjustments as determined by the conditions set forth between the parties for the landfills listed above in the subject line. The pricing adjustment is applied to the Base Disposal Rate and not on any fees or surcharges if applicable.

**Rate Adjustment : 6.3%**

The disposal rate adjustment includes all Municipal Solid Waste, Construction and Demolition Debris as included under the Agreement between the parties. All other terms and conditions of the agreement including amendments remain in full force and effect. Should you have any questions, please do not hesitate to contact me at 713-647-5459 or by email at [mthompson@wm.com](mailto:mthompson@wm.com).

Sincerely,  
Waste Management of Texas, Inc.

***Mike Thompson***

Sr. Area Manager, Third Party Landfill Revenue  
Texas/Oklahoma  
[mthompson@wm.com](mailto:mthompson@wm.com)  
713-305-9387