

NOTICE OF MEETING

CANYON FALLS MUNICIPAL UTILITY DISTRICT NO. 1 OF DENTON COUNTY

The Board of Directors of Canyon Falls Municipal Utility District No. 1 of Denton County will hold a regular meeting on **Friday, October 24, 2025, at 11:00 a.m.**, at 6950 Canyon Falls Drive, Northlake, Texas, to discuss and, if appropriate, act upon the following items:

1. Public comment(s) – In accordance with the Open Meetings Act, Directors are prohibited from acting on or discussing any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the agenda items are appreciated by the Board of Directors and may be taken into consideration at this time or during that agenda item. Please complete a Public Input Form if you desire to address the Board. All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof.
2. Review and approve minutes of September 19, 2025, meeting.
3. Consider and discuss resident traffic safety concerns, update on law enforcement services, update on traffic calming devices and any other action necessary or appropriate in connection therewith.
4. Accept engineer's report, including actions relating to District projects including installation of pressure valve, Prairie Ridge concrete repair, and the taking of any action necessary or appropriate in connection therewith:
 - a. status of District construction projects;
 - b. authorize preparation of plans and specifications for District construction projects, including water, sanitary sewer, drainage facilities, paving, and grading;
 - c. approve plans and specifications and authorize advertising for construction contracts for water, sanitary sewer, drainage facilities, paving, and grading;
 - d. approve\ratify award of construction contract(s), including award of construction contracts for water, sanitary sewer, drainage facilities, paving, and grading;
 - e. approve\ratify pay application(s) and change order(s) to construction contracts, including change orders to construction contracts for water, sanitary sewer, and drainage facilities and paving and grading; and
 - f. approve\ratify engineering Task Order(s).
5. Review and approve amendment to service contract with Johnson Volk Consulting, Inc.

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's attorney at (972) 823-0800 at least three business days prior to the meeting so that appropriate arrangements can be made.

6. Review and approve bookkeeper's report, including payment of bills and the taking of any other action necessary or appropriate in connection therewith.
7. Adopt amendment to budget for fiscal year end June 30, 2026.
8. Review and approve tax assessor/collector's report and the taking of any action necessary or appropriate in connection therewith.
9. Update from website consultant.
10. Director matters, including:
 - a. appoint new director.
 - b. approve Sworn Statement, Official Bond, and Oath of Office of new director;
 - c. reorganize the Board and execution of District Registration Form.
 - d. Open Meetings Act and Public Information Act Training Requirements;
 - e. conflict of interest disclosure required under Chapter 176 of the Texas Local Government Code, including review of disclosure forms adopted by the Texas Ethics Commission and List of Local Government Officers; and
 - f. Cybersecurity training requirements.
11. Discuss and Adopt Amended District Rate Order.
12. Adjourn.



Attorney for the District

Canyon Falls Municipal Utility District No. 1 of Denton County reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code, Section 551.071 (Consultation with Attorney), Section 551.072 (Deliberations Regarding Real Property), Section 551.073 (Deliberations Regarding Gifts and Donations), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations Regarding Security Matters), and Section 551.087 (Economic Development).

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's attorney at (972) 823-0800 at least three business days prior to the meeting so that appropriate arrangements can be made.

Exhibit 1
TAXPAYER IMPACT STATEMENT
Canyon Falls Municipal Utility District No. 1

	Current Budget Fiscal Year Ending June 2026**	Proposed Amended Budget Fiscal Year Ending June 2026**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$1,627.19	\$1,563.05	\$1,627.19

*Canyon Falls Municipal Utility District No. 1 levies taxes in accordance with the Texas Water Code. Canyon Falls Municipal Utility District No. 1's current operations and maintenance tax rate is equal to \$.2207 per \$100 of assessed value. Average homestead values are determined by the county appraisal district. All estimates above were prepared utilizing the average resident homestead value as of the time that Canyon Falls Municipal Utility District No. 1's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

*** This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.

Taxes for Current Budget and No-New-Revenue Tax Rate Budget:

\$737,287	X	.2207
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100

Taxes for Proposed Budget:

\$737,287	.212
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x

100

Instructions for Preparation: This form is to be prepared by the Bookkeeper for the District and provided to the Attorney and Legal Assistant, along with the proposed budget, at least 10 days prior to the date of the meeting at which the proposed budget will be considered. Please note that the rates utilized below may not conform exactly to the O/M rate levied by the Board. The average homestead value should be the average resident homestead value shown in the most recent truth in taxation worksheet prepared by the Tax Assessor Collector on behalf of the District.

Canyon Falls MUD No. 1
Amended General Fund Budget
July 2025 through June 2026

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	2026 Amended Budget	Current Budget	Difference
Revenue															
4000 · Property Tax Revenue	-	-	-	-	25,471	203,766	203,766	50,941	25,471	-	-	-	509,414	538,283	(28,869)
4800 · Gross Permit Revenue	-	4,400	4,400	2,200	2,200	2,200	2,200	4,400	2,200	2,200	4,400	4,400	35,200	35,200	-
4100 · Interest Revenue	5,899	5,869	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	51,768	48,000	3,768
Total Revenue	5,899	10,269	8,400	6,200	31,671	209,966	209,966	59,341	31,671	6,200	8,400	8,400	596,382	621,483	(25,101)
Expense															
6080 · Inspections	3,100	-	600	600	600	600	600	1,200	600	600	600	600	9,700	9,600	100
6090 · Insurance	(82)	-	-	4,230	-	-	-	-	-	-	-	-	4,148	4,079	69
6095 · Engineering	4,700	3,800	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	28,500	12,000	16,500
7001 · Accounting	2,885	3,425	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	31,310	24,000	7,310
7050 · TCEQ Reg Assess	-	-	-	-	-	100	-	-	-	-	-	-	100	100	-
7070 · Auditing	-	12,000	-	5,250	-	-	-	-	-	-	-	-	17,250	16,250	1,000
7190 · Delivery/Courier	-	-	-	-	-	-	-	-	-	-	-	-	-	480	(480)
7200 · Directors' Fees	778	1,018	1,018	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	13,615	14,400	(785)
7290 · Traffic Study	4,553	-	-	-	-	-	-	-	-	-	-	-	4,553	-	4,553
7300 · Police Services	9,095	9,095	9,095	9,095	9,095	9,095	9,095	9,095	9,095	9,095	9,095	9,095	109,140	109,140	-
7350 · Repair & Maintenance	-	-	-	-	-	-	-	-	-	-	-	110,000	110,000	110,000	-
7500 · Legal	8,814	8,264	7,083	7,083	7,083	7,083	7,083	7,083	7,084	7,084	7,084	7,084	87,912	85,000	2,912
7600 · Office Supplies	-	-	-	-	162	-	-	-	-	-	-	-	162	162	-
7650 · Publishing Notices	-	-	1,265	-	-	-	-	-	-	-	-	-	1,265	1,265	-
7700 · Website	1,958	2,050	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,008	9,000	15,008
Total Expense	35,800	39,652	25,561	33,958	24,640	24,578	24,478	25,078	24,479	24,479	24,479	134,479	441,662	395,476	46,186
Net Ordinary Revenue over Exp	(29,901)	(29,383)	(17,161)	(27,758)	7,031	185,388	185,488	34,263	7,192	(18,279)	(16,079)	(126,079)	154,721	226,007	(71,286)

*Property tax revenue is based on an O&M rate of \$0.212 with 98.5% collections.

Canyon Falls MUD No. 1
Amended Debt Service Budget
July 2025 through June 2026

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	2026 Amended Budget	Current Budget	Difference
Revenue															
Property Tax Revenue	-	-	-	-	64,638	517,103	517,103	129,276	64,638	-	-	-	1,292,758	1,413,133	(120,375)
Interest Revenue	5,455	4,210	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	39,665	36,000	3,665
Total Revenue	5,455	4,210	3,000	3,000	67,638	520,103	520,103	132,276	67,638	3,000	3,000	3,000	1,332,423	1,449,133	(116,710)
Expense															
Appraisal District Fee	-	-	-	-	-	13,000	-	-	-	-	-	-	13,000	13,000	-
Debt Service Interest	-	349,465	-	-	-	-	-	349,465	-	-	-	-	698,930	698,930	0
Debt Service Principal	-	-	-	-	-	-	-	590,000	-	-	-	-	590,000	590,000	-
Paying Agent Fee		925	-	-	-	-	-		925	-	-	-	1,850	1,050	800
Total Expense	-	350,390	-	-	-	13,000	-	939,465	925	-	-	-	1,303,780	1,302,980	800
Net Ordinary Revenue	5,455	(346,180)	3,000	3,000	67,638	507,103	520,103	(807,189)	66,713	3,000	3,000	3,000	28,643	146,153	(117,510)

*Property tax revenue is based on a debt service rate of \$0.538 with 98.5% collections.