

NOTICE OF MEETING

CANYON FALLS WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 OF DENTON COUNTY

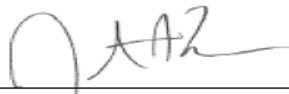
The Board of Directors of Canyon Falls Water Control and Improvement District No. 2 of Denton County will hold a regular meeting on **Friday, October 24, 2025, at 12:30 p.m.**, at 6950 Canyon Falls Dr., Northlake, Texas, to discuss and, if appropriate, act upon the following items:

1. Public comment(s) – In accordance with the Open Meetings Act, Directors are prohibited from acting on or discussing any new 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. Accept developer and engineer's report, including the following items and actions relating to, among other projects, commercial and multifamily tract development and drainage canal, 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).
4. 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.

5. Review and approve bookkeeper's report, including payment of bills and the taking of any other action necessary or appropriate in connection therewith.
6. Adopt amendment to budget for fiscal year end June 30, 2026.
7. Review and approve tax assessor/collector's report and the taking of any action necessary or appropriate in connection therewith.
8. Review communications and website report from Triton Consulting Group.
9. 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.
10. Adjourn.





Attorney for the District

Canyon Falls Water Control and Improvement District No. 2 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).

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Exhibit 1
TAXPAYER IMPACT STATEMENT
Canyon Falls Water Control & Improvement District No. 2

	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*	\$350.63	\$101.03	\$350.63

*Canyon Falls Water Control & Improvement District No. 2 levies taxes in accordance with the Texas Water Code. Canyon Falls Water Control & Improvement District No. 2's current operations and maintenance tax rate is equal to \$.07 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 Water Control & Improvement District No. 2'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:

\$505,146	X	.07
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100

Taxes for Proposed Budget:

\$505,146	X	.02
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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 Water Control & Improvement District No. 2
Amended Operating Budget
July 2025 thru 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	Amended FYE 2026 Budget	Current Budget	Difference
Revenue															
4000 · Property Tax Revenue	-	-	-	-	-	75,000	25,000	15,000	5,311	-	-	-	120,311	433,204	(312,894)
4100 · Interest Revenue	6,405	6,303	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	67,708	66,000	1,708
Total Revenue	6,405	6,303	5,500	5,500	5,500	80,500	30,500	20,500	10,811	5,500	5,500	5,500	188,019	499,204	(311,186)
Expense															
6090 · Insurance	(82)	-	-	3,696	-	-	-	-	-	-	-	-	3,614	4,769	(1,155)
6095 · Engineering	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	0
7001 · Accounting	1,912	3,284	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	25,196	24,000	1,196
7070 · Auditing	13,500			4,000									17,500	17,000	500
7190 · Delivery/Courier												-	-	200	(200)
7200 · Directors' Fees	530	-	768	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,298	12,000	(1,702)
7500 · Legal	6,728	6,614	7,083	7,083	7,083	7,083	7,083	7,083	7,084	7,084	7,084	7,084	84,176	85,000	(824)
7600 · Office Supplies												162	162	162	0
7650 · Publishing Notices			1,265										1,265	1,265	0
7700 · Website	779	908	850	850	850	850	850	850	850	850	850	850	10,187	7,200	2,987
Total Expense	24,368	11,806	12,966	19,629	11,933	11,933	11,933	11,933	11,934	11,934	11,934	12,096	164,399	163,596	803
Net Ordinary Revenue	(17,963)	(5,503)	(7,466)	(14,129)	(6,433)	68,567	18,567	8,567	(1,123)	(6,434)	(6,434)	(6,596)	23,619	335,608	(311,989)

*Property tax revenue is based on a O&M rate of \$0.02 with 98% collections.

Canyon Falls Water Control & Improvement District No. 2
Amended Debt Service 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	Amended FYE 2026 Budget	Current Budget	Difference
Revenue															
Property Tax Revenue	-	-	-	-	-	2,218,771	751,519	429,440	178,933	-	-	-	3,578,663	3,651,295	(72,632)
Interest Revenue	14,916	13,176	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	165,592	165,000	592
Total Revenue	14,916	13,176	13,750	13,750	13,750	2,232,521	765,269	443,190	192,683	13,750	13,750	13,750	3,744,255	3,816,295	(72,040)
Expense															
Appraisal District Fee	-	-	-	-	-	27,000	-	-	-	-	-	-	27,000	27,000	-
Debt Service Interest	-	742,219	-	-	-	-	-	742,219	-	-	-	-	1,484,438	1,484,438	-
Debt Service Principal	-	-	-	-	-	-	-	1,485,000	-	-	-	-	1,485,000	1,485,000	-
Paying Agent Fee	1,400	-	-	-	-	-	-	1,400	-	-	-	-	2,800	2,336	464
Total Expense	1,400	742,219	-	-	-	27,000	-	2,228,619	-	-	-	-	2,999,238	2,998,774	464
Net Revenue	13,516	(729,043)	13,750	13,750	13,750	2,205,521	765,269	(1,785,429)	192,683	13,750	13,750	13,750	745,017	817,521	(72,504)

*Property tax revenue is based on a DS rate of \$0.5900 with 98% collections.