

NOTICE OF MEETING

ELM RIDGE WATER CONTROL AND IMPROVEMENT DISTRICT OF DENTON COUNTY

The Board of Directors ("the "Board") of Elm Ridge Water Control and Improvement District of Denton County (the "District") will hold a regular meeting on **Thursday, July 16, 2026, at 6:00 p.m., at its Administrative Building located at 700 Savannah Boulevard, Savannah, Texas**, to discuss and, if appropriate, act upon the following items:

1. Introduction of new Elm Ridge PD Officers.
2. 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.
3. Adopt resolution commemorating the 250th anniversary of the founding of the United States of America.
4. Consent Agenda:
 - a) Minutes of June 9, 2026, and June 17, 2026, Board meetings;
 - b) Tax Assessor/Collector's report as of June 30, 2026;
 - c) Developer's Report on lot development, home construction and sales; and
 - d) Operator's report regarding Artesia Utility System, including billing, repairs and maintenance.
5. Adopt Resolution Regarding Development Status for 2026 Tax Year.
6. Adopt Resolution Adopting Prevailing Wage Rate Scale for Engineering Construction.
7. Engineering matters, including the following items and actions relating to, among other projects, Elm Ridge Park parking lot expansion, utilities to serve Prosper Elms Apartments, Phase II, pipeline, ground storage tank and Harper Road Pump Station Improvements, and Artesia waterline, and the taking of any action necessary or appropriate, including:
 - a) Design;
 - b) Approve plans and specifications and authorize advertisement for bids;
 - c) Review bids and award contracts;
 - d) Approval pay applications, changes, and final acceptance;
 - e) Deeds, easements, consents to encroachment, requests for service or utility commitment letters;

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.

- f) Authorize and/or ratify repair and maintenance of District facilities, as necessary, and
 - g) Approval of replat for Savannah-Phase 1, Lots 1RR and 3RR, Block 1.
- 8. Consider approval of fiber optic line easement to Denton ISD.
- 9. General Manager's report, and authorize actions and expenditures as necessary, including:
 - a) Key Items;
 - b) Community and Neighborhood Updates, including:
 - i) Artesia utility infrastructure construction;
 - ii) Traffic and signage matters, including Sycamore Street; and
 - iii) Miscellaneous projects;
 - c) Fire; and
 - d) Trash.
- 10. Approve American Water Infrastructure Act Emergency Response Plan and Risk and Resilience Assessment Summary Report.
- 11. Report from Chief of Elm Ridge PD, and authorize actions and expenditures as necessary.
- 12. Consider approval of Interlocal Cooperation Agreements for Shared Governance Communications & Dispatch System, and Use of the Denton County Radio Communication System.
- 13. Discuss use of Elm Ridge Park, including proposed rental agreement template, and take any related action.
- 14. Discuss temporary commercial signage placed on District property and in the right-of-way; take any action in connection therewith.
- 15. Committee Reports, including updates to Committee members, and take any related action.
- 16. Adopt policy regarding Artificial Intelligence.
- 17. Bookkeeper's report, including payment of the bills and review of investments.
- 18. Consider and adopt final budget amendment of operating budget for fiscal year ending July 31, 2026.
- 19. Consider and adopt operating and debt service budgets for fiscal year ending July 31, 2027.
- 20. Authorize auditor to conduct audit for fiscal year ending July 31, 2026.
- 21. Report on District website and app, and authorize any related action.
- 22. Future agenda items.
- 23. Discuss the District's "Order Establishing Policy Regarding Director Per Diems and Fees of Office and Policies Relating to Ethical Conduct, Fiscal Matters, and Professional Services"; and take any action in connection therewith.
- 24. Discuss District administrative policies and procedures; discuss accounting, consultant, and employment matters; discuss litigation matters; records reviews; and take any appropriate action.

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25. Consider request from Town of Little Elm for conveyance of District property as part of the Fishtrap Road expansion and widening project.
26. Adjourn.





Jonathan H. Finke
Attorney for the District

Elm Ridge Water Control and Improvement District 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).

This meeting shall be recorded and subsequently posted to the District's website.

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Elm Ridge Water Control and Improvement District

Fiscal Year 2027 **Proposed** Annual Budget

August 1, 2026 - July 31, 2027

Maintenance & Operations Fund

REVENUE	
4100 Tax Revenue	\$ 12,460,385.00
4200 Easement Revenue	\$ 753,000.00
4300 Service Revenue	\$ 4,970,500.00
4400 Interest Revenue	\$ 910,000.00
4600 Miscellaneous Revenue	\$ 104,600.00
	\$ 19,198,485.00
EXPENDITURE	
Administration	
5100 Personnel	\$ 1,106,760.00
5200 Supplies	\$ 174,000.00
5300 Services	\$ 759,000.00
5400 Leases	\$ 16,600.00
5500 Travel/Fees/Dues	\$ 19,500.00
	\$ 2,075,860.00
Operations	
6100 Service Operations	\$ 5,345,650.00
6200 District Operations	\$ 914,000.00
6300 Building Operations	\$ 350,250.00
6400 Elm Ridge Park	\$ 102,000.00
	\$ 6,711,900.00
Public Safety	
7100 Personnel	\$ 4,346,200.00
7200 Supplies	\$ 265,450.00
7300 Services	\$ 191,950.00
7400 Leases	\$ 44,000.00
7500 Travel/Fees/Dues	\$ 39,500.00
7600 Uniforms/Equip	\$ 117,500.00
7700 Vehicle	\$ 114,150.00
7800 Public Safety Programs	\$ 11,500.00
7900 Community Programs	\$ 23,000.00
	\$ 5,153,250.00
8000 Major Purchases	\$ 75,000.00
9200 Special Repair & Maintenance Projects	\$ 2,270,000.00
9700 Reserves	\$ 1,812,475.00
9800 Developer Reimbursement	\$ 1,100,000.00
	\$ 5,257,475.00
	\$ 19,198,485.00
Net Revenue \$ -	
Surplus/(Deficit)	

Elm Ridge Water Control and Improvement District

Fiscal Year 2027 **Proposed** Annual Budget

August 1, 2026 - July 31, 2027

Debt Service Fund

REVENUE		
4020 Property Tax Revenue	\$	11,060,763.00
4021 Property Tax Revenue - Back Tax	\$	-
4600 Penalty & Interest	\$	20,000.00
5391 Interest on Temporary Investments	\$	280,000.00
5392 Interest Earned on Checking	\$	5,000.00
	\$	11,365,763.00
EXPENDITURE		
6125 Administrative Fees - Agent Paying Fee	\$	6,800.00
6310 Bond Interest Expense	\$	4,200,000.00
6350 Bond Principal	\$	7,085,000.00
	\$	11,291,800.00
Net Revenue		\$ 73,963.00
Surplus/(Deficit)		

Elm Ridge Water Control and Improvement District
Fiscal Year 2026 AMENDED Annual Budget
August 1, 2025 - July 31, 2026

FY 26

Proposed Amendment 071626

Ordinary Revenue

Revenue

4100 · Tax Revenue	
4101 · Prop. Tax Rev - M&O	11,836,000
4102 · Prop. Tax Rev - Contract	1,519,000
4104 · Pen & Int on Tax	36,000
4108 · Sales Tax Revenue	50,000
Total 4100 · Tax Revenue	13,441,000
4200 · Easements & franchise fees	
4201 · Co-Serv Electric Easement Rev	525,000
4202 · Co-Serv Gas Easement Revenue	118,000
4203 · Cable Easement Revenue	36,000
4204 · Water Tower Easement Revenue	100,000
Total 4200 · Easements & franchise fees	779,000
4300 · Charges for Services	
4310 · Water Revenue	
4311 · Artesia	1,375,000
Total 4310 · Water Revenue	1,375,000
4320 · Sewer	
4321 · Artesia	905,000
Total 4320 · Sewer	905,000
4330 · Trash Revenue	
4331 · Artesia	110,000
4332 · Savannah	52,000
4333 · Arrowbrooke	21,000
Total 4330 · Trash Revenue	183,000
4340 · Fire Plan	
4341 · Artesia FP	355,000
4342 · Savannah FP	635,000
4343 · Arrowbrooke FP	415,000
Total 4340 · Fire Plan	1,405,000
4350 · District Fee	1,585,000
Total 4300 · Charges for Services	5,453,000
4360 Fees & Penalties	
4361 NSF Fees	4,500
4362 Late Fees	26,000
4363 Non-refundable Deposits	200
4364 Resident Transfer fees	3,000
4365 Disconnect & Reconnect Fees	9,000
Total Fees & Penalties	42,700
4400 · Investment Revenue	
4401 · Interest on Temp Investments	1,150,000
4402 · Interest Earned on Checking	12,500
Total 4400 · Investment Revenue	1,162,500
4600 · Other Revenue	
4601 · Lease Revenue	39,600
4608 · SRO Revenue	48,540
4621 TCEQ Regulatory Fee	7,750
4632 · LEOSE Training Contribution	4,024
4651 · Miscellaneous Revenue	8,000
4652 · Police Banquet Donations	-
4653 Sale of Land	-
Total 4600 · Other Revenue	107,914
Total Revenue	\$ 20,986,114

Elm Ridge Water Control and Improvement District
Fiscal Year 2026 AMENDED Annual Budget
August 1, 2025 - July 31, 2026

FY 26

Proposed Amendment 071626

Ordinary Expense

Administrative Expense

5100 · Directors' Fees & Expenses

5101 · Director Fees	17,680
5102 · Committee Fees	7,200
5103 · Director Payroll Taxes	1,900
5104 · Mileage reimbursement	360
Total 5100 · Directors' Fees & Expenses	27,140

5110 · Salaries & Benefits

5111 · Salaries & Wages	429,210
5113 · Longevity Pay	2,000
5114 · Incentive Pay	6,500
5121 · HSA Contributions	4,000
5122 · Medical Insurance	130,000
5123 · Employee Wellness	5,000
5124 · Worker's Compensation	9,459
5125 · Retirement & Life Insurance	
Mission Square Contribution	7,500
Mutual of Omaha - S/T Disability	1,300
Mutual of Omaha - Supp Life	250
TCDRS	55,000
Total 5125 · Retirement & Life Insurance	64,050
5126 · Payroll Taxes	10,900
Total 5110 · Salaries & Benefits	661,119

5200 General Supplies	7,500
5211 · Office Supplies	7,500
5212 · Delivery & Postage	960
5213 · Tools & Equipment	8,000
5214 · Computer & Peripherals	16,000
5215 · Meeting exp	4,000
5219 · Misc Expenses	7,000
5261 · Uniforms	3,000
5300 · Audit - Splty Services	100,000
5301 · Auditing	58,500
5302 · Engineering	145,800
5303 · Legal	220,000
5304 · Legal - Spclty	10,000
5305 · Accounting	55,000
5307 · Website	60,000
5308 · Software Subscription	110,000
5310 · Tax Assessor Collector Expense	185,000
5311 · ADP Administration	10,000
5312 · Building Maintenance Services	70,000
5313 · Admin Vehicle Maintenance	2,000
5314 · Election Costs	9,020
5315 · Insurance - Property/Liability	112,000
5316 Bank & Credit Card Fees	18,000
5317 · Contract Services	37,000
5321 · Internet Fiber & DSL	30,000
5322 · Communications - Admin	20,000
5323 Copier Lease	5,000
5324 · Utilities Svc Exp	40,000
5327 Outside Services	30,000
5331 · Travel - Admin	10,000
5332 · Dues, Fees, & Licenses	3,500
5333 · Education & Training	6,000
5334 · Public Communications	5,000
5335 · Public Relation Events	5,000

Elm Ridge Water Control and Improvement District
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FY 26

	Proposed Amendment 071626
5336 · Furniture, Fixtures & Expenses	
General	-
Seasonal	5,000
Total 5336 · Furniture, Fixtures & Exp	1,415,780
5400 Information Technology	20,000
5401 Computer Lease	22,000
Total Administrative Expense	\$ 2,146,039

Elm Ridge Water Control and Improvement District
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Proposed Amendment 071626

Operational Expense

6100 · Operations Expense	
6102 · Artesia Operations	30,000
6103 · Artesia Maint & Repairs	250,000
6104 · Artesia-Plant Phone	10,000
6105 · Testing	5,500
6106 · Artesia Operations - Celina	441,000
6123 · Mustang Admin Fee -Savannah	18,000
6124 · Mustang Admin Fee -ArrowBrooke	15,530
Total 6100 · Operations Expense	770,030
6130 · Water Expense	
6131 · TCEQ Fees	20,000
6132 · Sys Licenses & Permits	-
6133 · UTWD Artesia	1,050,000
Total 6130 · Water Expense	1,070,000
6140 · Sewer exp	
6141 · UTWD WW Artesia	375,000
Total 6140 · Sewer exp	375,000
6150 · Trash Service	
6151 · Trash Exp - Sav	825,000
6152 · Trash Exp - Artesia	500,000
6153 · Trash Exp - Arrowbrooke	475,000
Total 6150 · Trash Service	1,800,000
6160 · Fire Plan Exp	
6161 · Savannah FP Exp	560,000
6162 · Artesia FP Exp	500,000
6163 · Arrowbrooke FP Exp	295,000
6164 · Aubrey Fire Truck	5,800
Total 6160 · Fire Plan Exp	1,360,800
6170 · Permit exp	
6171 · Meter Sets-Artesia	5,000
6174 · CSI Inspections	1,600
Total 6170 · Permit exp	6,600
6181 · Landscaping Service	
Annual Tree Replacement	50,000
Landscaping	190,000
Total 6181 · Landscaping Services	240,000
6183 · Signs	60,000
6184 · Striping - labor & materials	58,000
6185 · District Maintenance	102,000
6186 · District Utilities	116,000
6193 · Repairs & Maint - Tractor/Trail	1,000
6194 · Repairs & Maint - Drainage	200,000
6195 · Repairs & Maint - Roads	647,642
Total Operational Expense	\$ 6,807,072

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Proposed Amendment 071626

Public Safety Expense

Police Department

7100 · Police

7101 · Salaries	2,789,480
7102 · Overtime	93,018
7103 · Longevity Pay	28,000
7104 · Incentive Pay	95,000
7111 · HSA Contributions	23,000
7112 · Medical Insurance	520,000
7113 · Workers' Compensation	53,000
7114 · Retirement & Life Insurance	
Mission Square	40,000
Mutual of Omaha - S/T Disability	7,000
Mutual of Omaha - Sup Life	2,000
TCDRS	280,613
Total 7114 · Retirement & Life Insurance	329,613
7115 · Payroll Taxes	50,000
7116 · Employee Wellness	6,000
7121 · General Supplies	7,000
Cleaning Supplies	3,000
PD Office Supplies	6,000
Postage	600
Total 7121 · General Supplies	9,600
7122 · Investigations Supplies	1,000
7123 · PD Tools & Equipment	135,000
7124 · Computers & Peripherals	20,000
7125 · Employee Recognition	5,000
7126 · Banquet Expense	6,000
7127 · PD Major Equipment	
Major Equipment Maintenance	-
Total 7127 · PD Major Equipment	-
7131 · Advertising / Promotions	
Advertising / Promotions	3,500
Printing/Copies	750
Recruiting	3,500
Total 7131 · Advertising / Promotions	7,750
7133 · DSC Communications & Radio Service	52,700
7134 · Employee Screenings	2,300
7135 · Forensics / Lab Testing	10,000
7136 · Insurance - Property & Liabilit	50,000
7137 · IT Services Mgmt Denton Cty	50,000
7138 · Legal PD	18,000
7139 · CACDC Contribution for Forensic	13,000
7140 · Software	115,000
7141 · Contract Services / Labor	18,000
7143 · Communications - Police	
AT&T Landlines	11,500
Cellular & Aircards	30,000
Total 7143 · Communications - Police	41,500
7144 · Copier Lease	11,500
7151 · Travel - Police	6,000
7152 · Dues, Fees & Licenses	5,500
7153 · Education & Training	
Education & Training	28,000
TCOLE Training	1,500
Total 7153 · Education & Training	29,500
7161 · Uniforms	30,000
7162 · Ballistic Vests	24,500
7163 · Weapons & Weapons Maintenance	
Weapons	2,500
Weapons Maintenance	2,000

Elm Ridge Water Control and Improvement District
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FY 26

	Proposed Amendment 071626
Total 7163 · Weapons & Weapons Maintenance	4,500
7164 · Taser Lease/Warranty	16,200
7165 · Range Supplies	20,000
7166 · Equipment Maintenance	5,000
7171 · Vehicle Fuel	75,000
7172 · Vehicle Maintenance	50,000
7181 · Community Programs & Relations	
Explorer Program	6,000
Citizens Policy Academy	4,000
Community Outreach	15,000
Total 7181 · Community Programs & Relations	25,000
7182 · Bicycle Patrol Unit	
Bicycle Equipment	7,000
Bicycle Maintenance	500
Total 7182 · Bicycle Patrol Unit	7,500
7183 · Canine Unit	15,000
Watchguard Lease	23,250
7190 · Information Technology	
7191 · Computer Lease	38,000
Total 7190 · Information Technology	38,000
Total 7100 · Police	\$ 4,928,411
Total Expense	\$ 13,881,522
Net Ordinary Revenue	\$ 7,104,592

Elm Ridge Water Control and Improvement District
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FY 26

Proposed Amendment 071626

Other Expense

8202 · Vehicle Purchases	-
9020 · Special R&M Projects	
9021 · Engineering	25,000
9040 · ArrowBrooke Park Phase 3	500,000
Total 9020 · Special R&M Projects	525,000
9700 · Replacement & Reserves	
9701 · Vehicle Replacement	200,000
9704 · Radio Replacement	5,000
9705 · Roads Reserves	1,750,000
9706 · Bridge Reserves	500,000
9707 · EST Reserves	1,000,000
9708 · AB Park Phase 3	350,000
9709 · Building Reserve	
9710 · Sea Pines Pond Reserve	50,000
Total 9700 · Replacement & Reserves	3,855,000
9801 · Developer Reimbursement	1,045,480
Total Other Expense	\$ 5,425,480
Net Other Revenue	\$ (5,425,480)
Net Revenue	\$ 1,679,112

Exhibit 1 TAXPAYER IMPACT STATEMENT

	Current Budget Fiscal Year Ending July 31, 2026**	Proposed Budget Fiscal Year Ending July 31, 2027**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$1,874.89	\$1,787.68	\$1,874.89

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to \$0.430 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 the District'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.

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.

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

\$436,020	X	\$0.430
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100

Taxes for Proposed

\$436,020	X	\$0.410
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100

Exhibit 1
TAXPAYER IMPACT STATEMENT

	Current Budget Fiscal Year Ending July 2026**	Proposed Budget Fiscal Year Ending July 2026**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$1,808.14	\$1,873.50	\$1,963.26

*The **Elm Ridge Water Control and Improvement District of Denton County** levies taxes in accordance with the Texas Water Code. The **Elm Ridge Water Control and Improvement District of Denton County's** current operations and maintenance tax rate is equal to **\$0.4150** 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 the **Elm Ridge Water Control and Improvement District of Denton County'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:

\$435,697 X 0.4506

100

Taxes for Proposed Budget:

\$435,697 0.43

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.