

**NORTHTOWN  
MUNICIPAL UTILITY DISTRICT**

**YEAR ENDED SEPTEMBER 30, 2023**

**FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION  
AND  
INDEPENDENT AUDITOR'S REPORT**

**NORTHTOWN  
MUNICIPAL UTILITY DISTRICT**

**FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION  
AND  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2023**

**NORTHTOWN  
MUNICIPAL UTILITY DISTRICT**

**TABLE OF CONTENTS**

	<u>Page</u>
<i>Annual Filing Affidavit</i> .....	1
<i>Independent Auditor's Report</i> .....	2
<i>Management's Discussion and Analysis</i> .....	MDA-1
<b><i>Financial Statements</i></b>	
Statement of Net Position and Governmental Funds Balance Sheet .....	FS-1
Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances .....	FS-2
<i>Notes to the Financial Statements</i> .....	FS-3
<b><i>Required Supplementary Information</i></b>	
Budgetary Comparison Schedule .....	FS-17
<b><i>Texas Supplementary Information (TSI)</i></b>	
Services and Rates .....	TSI-1
General Fund Expenditures .....	TSI-2
Temporary Investments .....	TSI-3
Taxes Levied and Receivable .....	TSI-4
Long-Term Debt Service Requirements - By Years .....	TSI-5
Changes in Long-Term Bonded Debt .....	TSI-6
Comparative Schedule of Revenues and Expenditures General Fund and Debt Service Fund - Five Years .....	TSI-7
Board Members, Key Personnel and Consultants .....	TSI-8
<b><i>Other Supplementary Information (OSI)</i></b>	
Principal Taxpayers .....	OSI-1
Assessed Value by Classification .....	OSI-2

**ANNUAL FILING AFFIDAVIT**

**ANNUAL FILING AFFIDAVIT**

STATE OF TEXAS  
COUNTY OF TRAVIS

I, Brenda Richter of the  
(Name of Duly Authorized District Representative)

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of Directors of the District on the **24th day of January, 2024**, its annual audit report for the fiscal year period ended **September 30, 2023**, and that copies of the annual audit report have been filed in the District's office, located at:

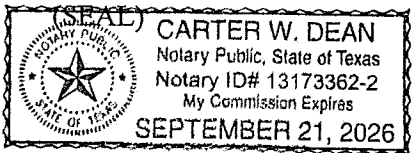
**100 Congress Avenue, Suite 1300 Austin, TX 78701**  
(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

Date January 24, 2024 By: Brenda Richter  
(Signature of District Representative)

Brenda Richter, President  
(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this 24<sup>th</sup> day of January, 2024.



[Signature]  
(Signature of Notary)

My Commission Expires On: September 21, 2026.  
Notary Public in the State of Texas

**INDEPENDENT AUDITOR'S REPORT**

**McCALL GIBSON SWEDLUND BARFOOT PLLC**  
*Certified Public Accountants*

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Northtown Municipal Utility District  
Travis County, Texas

**Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Northtown Municipal Utility District (the "District") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 generally accepted auditing standards will always detect a material misstatement when it exists. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Texas Supplementary Information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

**Other Information**

Management is responsible for the Other Supplementary Information included in the annual report. The Other Supplementary Information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the Other Supplementary Information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

January 24, 2024

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

# NORTHTOWN MUNICIPAL UTILITY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

In accordance with Governmental Accounting Standards Board Statement No. 34 ("GASB 34"), the management of Northtown Municipal Utility District (the "District") offers the following discussion and analysis to provide an overview of the District's financial activities for the year ended September 30, 2023. Since this information is designed to focus on current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the District's financial statements that follow.

## FINANCIAL HIGHLIGHTS

- *General Fund:* At the end of the current fiscal year, the unassigned portion of the fund balance for the General Fund was \$16,428,030, while \$930,355 was classified as nonspendable and \$181,828 was considered assigned to cover the fiscal year 2024 budget deficit. The total General Fund fund balance was \$17,540,213 at September 30, 2023, representing an increase of \$4,098,805 from the previous year. General Fund revenues increased from \$7,897,909 in the previous fiscal year to \$9,872,316 in the current fiscal year. General Fund expenditures were \$5,773,511 for the fiscal year ended September 30, 2023.
- *Debt Service Fund:* Fund balance restricted for debt service increased from \$856,334 in the previous fiscal year to \$1,079,457 in the current fiscal year. Debt Service Fund revenues increased from \$2,451,787 in the previous fiscal year to \$2,659,396 in the current fiscal year due to an overall increase in property values of the District offset by a decrease in the debt service tax rate. During the 2023 fiscal year, the Debt Service Fund paid principal and interest on outstanding bonds of \$1,770,000 and \$649,425, respectively.
- *Capital Projects Fund:* Fund balance restricted for capital projects increased from \$4,495,907 in the previous fiscal year to \$4,702,404 in the current fiscal year.
- *Governmental Activities:* On a government-wide basis for governmental activities, the District had revenues net of expenses of \$5,428,385. Net position increased from \$33,487,992 to \$38,916,377.

## OVERVIEW OF THE DISTRICT

The District, a political subdivision of the State of Texas, was created, organized and established on August 14, 1985, pursuant to the provisions of Chapter 54 of the Texas Water Code. The District operates under an elected Board of Directors that is elected by District residents or appointed by the Board. The District was created to provide water, wastewater and storm drainage facilities to serve the acreage within its boundaries, all of which lie within Travis County and within the extra-territorial jurisdiction of the City of Austin. The District receives wholesale water and wastewater service from the City of Austin.

# NORTHTOWN MUNICIPAL UTILITY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

## USING THIS ANNUAL REPORT

This annual report consists of five parts:

1. *Management's Discussion and Analysis* (this section)
2. *Basic Financial Statements* (including the Notes to the Financial Statements)
3. *Required Supplementary Information*
4. *Texas Supplementary Information* (required by the Texas Commission on Environmental Quality (the TSI section))
5. *Other Supplementary Information* (the OSI section)

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Governmental Funds Total" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

## OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Governmental Funds Total") that represents a balance sheet prepared using the modified accrual basis of accounting. This method measures cash and all other financial assets that can be readily converted to cash. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* includes a column (titled "Governmental Funds Total") that derives the change in fund balances resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances*.

The *Required Supplementary Information* presents a comparison statement between the District's adopted budget and its actual results.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Statement of Net Position:**

The following table reflects the condensed Statement of Net Position:

**Summary Statement of Net Position**

	Governmental Activities		Change Increase (Decrease)
	2023	2022	
Current and other assets	\$ 25,993,177	\$ 20,865,900	\$ 5,127,277
Capital and non-current assets	37,067,766	38,061,628	(993,862)
<b>Total Assets</b>	<b>63,060,943</b>	<b>58,927,528</b>	<b>4,133,415</b>
Deferred Outflows of Resources	279,423	309,469	(30,046)
<b>Total Assets and Deferred Outflows of Resources</b>	<b>63,340,366</b>	<b>59,236,997</b>	<b>4,103,369</b>
Current Liabilities	4,467,835	3,791,911	675,924
Long-term Liabilities	19,956,154	21,957,094	(2,000,940)
<b>Total Liabilities</b>	<b>24,423,989</b>	<b>25,749,005</b>	<b>(1,325,016)</b>
Net Investment in Capital Assets	20,243,439	19,139,910	1,103,529
Restricted	1,071,044	844,260	226,784
Unrestricted	17,601,894	13,503,822	4,098,072
<b>Total Net Position</b>	<b>\$ 38,916,377</b>	<b>\$ 33,487,992</b>	<b>\$ 5,428,385</b>

The District's combined net position increased by \$5,428,485 to \$38,916,377 from the previous year balance of \$33,487,992. Some of the District's assets are accounted for by capital assets or restricted for debt service. The District's unrestricted net position, which can be used to finance day-to-day operations, totaled \$17,601,894.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)**

**Revenues and Expenses:**

	<u>Summary Statement of Activities</u>		
	Governmental Activities		Change Increase
	2023	2022	(Decrease)
Service accounts	\$ 4,430,990	\$ 4,259,593	\$ 171,397
Property taxes	6,652,470	5,660,173	992,297
Other	1,654,333	474,851	1,179,482
<b>Total Revenues</b>	<b>12,737,793</b>	<b>10,394,617</b>	<b>2,343,176</b>
Water/wastewater/garbage	2,999,560	2,985,343	14,217
Other	2,587,328	2,529,364	57,964
Debt Service	527,187	582,018	(54,831)
Depreciation	1,195,333	1,154,237	41,096
<b>Total Expenses</b>	<b>7,309,408</b>	<b>7,250,962</b>	<b>58,446</b>
<b>Change in Net Position</b>	<b>5,428,385</b>	<b>3,143,655</b>	<b>2,284,730</b>
<b>Beginning Net Position</b>	<b>33,487,992</b>	<b>30,344,337</b>	<b>3,143,655</b>
<b>Ending Net Position</b>	<b>\$ 38,916,377</b>	<b>\$ 33,487,992</b>	<b>\$ 5,428,385</b>

Revenues were \$12,737,793 for the fiscal year ended September 30, 2023 while expenses were \$7,309,408. Net position increased by \$5,428,385.

Property tax revenue in the current fiscal year totaled \$6,652,470. Property tax revenue is derived from taxes being levied based upon the assessed value of real and personal property within the District. Property taxes levied for the 2022 tax year (September 30, 2023 fiscal year) were based upon a current adjusted assessed value of \$1,169,053,149 and a tax rate of \$0.5725 per \$100 of assessed valuation. Property taxes levied for the 2021 tax year (September 30, 2022 fiscal year) were based upon an adjusted assessed value of \$917,746,490 and a tax rate of \$0.6150 per \$100 of assessed valuation. The District's primary revenue sources are service account fees and property taxes.

# NORTHTOWN MUNICIPAL UTILITY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

## ANALYSIS OF GOVERNMENTAL FUNDS

### Governmental Funds by Year

	2023	2022	2021	2020
Cash	\$ 417,890	\$ 465,324	\$ 910,991	\$ 853,166
Cash equivalent investments	23,260,338	19,344,072	20,346,684	14,067,778
Receivables and other assets	2,387,321	1,087,644	1,671,618	1,337,163
<b>Total Assets</b>	<b>\$ 26,065,549</b>	<b>\$ 20,897,040</b>	<b>\$ 22,929,293</b>	<b>\$ 16,258,107</b>
Accounts payable	1,625,717	604,255	1,201,676	491,677
Other payables	1,030,221	1,411,183	1,945,152	1,000,044
<b>Total Liabilities</b>	<b>2,655,938</b>	<b>2,015,438</b>	<b>3,146,828</b>	<b>1,491,721</b>
Deferred Inflows of Resources	87,537	87,953	75,094	72,121
Nonspendable	930,355	27,004	14,168	15,350
Restricted	5,781,861	5,352,241	6,006,360	548,543
Assigned	181,828	-	4,940,608	3,017,051
Unassigned	16,428,030	13,414,404	8,746,235	11,113,321
<b>Total Fund Balances</b>	<b>23,322,074</b>	<b>18,793,649</b>	<b>19,707,371</b>	<b>14,694,265</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 26,065,549</b>	<b>\$ 20,897,040</b>	<b>\$ 22,929,293</b>	<b>\$ 16,258,107</b>

For the fiscal year ended September 30, 2023, the District's governmental funds reflect a combined fund balance of \$23,322,074. This fund balance includes a \$4,098,805 increase to the General Fund.

The Debt Service Fund reflects an increase of \$223,123 in fiscal year 2023. During the current fiscal year, the Debt Service Fund remitted bond principal of \$1,770,000 and interest of \$649,425. More detailed information about the District's debt is presented in the *Notes to the Financial Statements*.

The Capital Project Fund purchases the District's infrastructure. The Capital Projects Fund had a \$206,497 increase in fund balance for fiscal year 2023.

# NORTHTOWN MUNICIPAL UTILITY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

## BUDGETARY HIGHLIGHTS

The General Fund pays for daily operating expenditures. The Board of Directors adopted a budget on September 27, 2022. The budget included revenues of \$8,591,331 as compared to expenditures of \$8,157,819. When comparing actual to budget, the District had a positive variance of \$3,665,293. More detailed information about the District's budgetary comparison is presented in the *Required Supplementary Information*.

## CAPITAL ASSETS

The District's governmental activities have invested \$37,067,766 in land and infrastructure. The detail is reflected in the following schedule:

### Summary of Capital Assets, net

	<u>9/30/2023</u>	<u>9/30/2022</u>
Land and easements	\$ 833,376	\$ 833,376
Construction in progress	-	5,870,819
Water, wastewater and drainage	41,448,569	41,326,700
Common and recreation areas	12,323,436	6,373,015
Equipment	59,920	59,920
Less: Accumulated Depreciation	(17,597,535)	(16,402,202)
Total Net Capital Assets	<u>\$ 37,067,766</u>	<u>\$ 38,061,628</u>

## LONG TERM DEBT

The District has the following balances outstanding on unlimited tax bonds:

	<u>Bonds Payable</u>
Series 2015	\$ 3,770,000
Series 2017	1,215,000
Series 2019	4,680,000
Series 2020	9,550,000
Series 2021	1,665,000
Total	<u>\$ 20,880,000</u>

The District owes approximately \$20.9 million to bondholders. During the current fiscal year, the District paid down \$1,770,000 of principal on outstanding bonds. The ratio of the District's long-term debt to the total 2022 taxable assessed valuation (\$1,169,053,149) is 1.8%. More detailed information about the District's long term debt is presented in the *Notes to the Financial Statements*.



# **NORTHTOWN MUNICIPAL UTILITY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023**

## **CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS**

The property tax assessed value for the 2023 tax year (September 30, 2024 fiscal year) is approximately \$1.3 billion. The fiscal year 2024 tax rate is \$0.5525 on each \$100 of taxable value. Approximately 66% of the property tax will fund general operating expenses, and approximately 34% of the property tax will be set aside for Debt Service Fund expenditures.

The adopted budget for fiscal year 2024 projects a General Fund fund balance decrease of \$181,828.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District in care of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas 78701.

## **FINANCIAL STATEMENTS**

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET**  
**SEPTEMBER 30, 2023**

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Net Position
<b>ASSETS</b>						
Cash and cash equivalent investments:						
Cash	\$ 417,890	\$ -	\$ -	\$ 417,890	\$ -	\$ 417,890
Cash equivalent investments	17,477,288	1,121,021	4,662,029	23,260,338	-	23,260,338
Receivables:						
Service accounts, net of \$27,500 provision for uncollectible accounts	853,514	-	-	853,514	-	853,514
Taxes, no provision for uncollectible accounts	48,624	38,913	-	87,537	-	87,537
Interfund receivables	-	45,054	40,375	85,429	(85,429)	-
Other	430,486	-	-	430,486	-	430,486
Prepaid items	3,170	-	-	3,170	13,057	16,227
Inventory, at cost	927,185	-	-	927,185	-	927,185
Capital assets, net of accumulated depreciation:						
Land and easements	-	-	-	-	833,376	833,376
Equipment	-	-	-	-	6,405	6,405
Common and recreation areas	-	-	-	-	7,757,766	7,757,766
Water, wastewater and drainage facilities	-	-	-	-	28,470,219	28,470,219
<b>TOTAL ASSETS</b>	<b>20,158,157</b>	<b>1,204,988</b>	<b>4,702,404</b>	<b>26,065,549</b>	<b>36,995,394</b>	<b>63,060,943</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred charges on refundings	-	-	-	-	279,423	279,423
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 20,158,157</b>	<b>\$ 1,204,988</b>	<b>\$ 4,702,404</b>	<b>\$ 26,065,549</b>	<b>37,274,817</b>	<b>63,340,366</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 1,539,099	\$ 86,618	\$ -	\$ 1,625,717	-	1,625,717
Retainage payable	53,066	-	-	53,066	-	53,066
Refundable deposits	782,515	-	-	782,515	-	782,515
Fiscal security deposits	109,211	-	-	109,211	-	109,211
Interfund payables	85,429	-	-	85,429	(85,429)	-
Accrued interest payable	-	-	-	-	47,326	47,326
Bonds payable:						
Due within one year	-	-	-	-	1,850,000	1,850,000
Due after one year	-	-	-	-	19,956,154	19,956,154
<b>TOTAL LIABILITIES</b>	<b>2,569,320</b>	<b>86,618</b>	<b>-</b>	<b>2,655,938</b>	<b>21,768,051</b>	<b>24,423,989</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes	48,624	38,913	-	87,537	(87,537)	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>48,624</b>	<b>38,913</b>	<b>-</b>	<b>87,537</b>	<b>(87,537)</b>	<b>-</b>
<b>FUND BALANCES / NET POSITION</b>						
Fund balances:						
Nonspendable for:						
Prepaid items	3,170	-	-	3,170	(3,170)	-
Inventory	927,185	-	-	927,185	(927,185)	-
Restricted for:						
Debt service	-	1,079,457	-	1,079,457	(1,079,457)	-
Capital projects	-	-	4,702,404	4,702,404	(4,702,404)	-
Assigned for 2024 budget deficit	181,828	-	-	181,828	(181,828)	-
Unassigned	16,428,030	-	-	16,428,030	(16,428,030)	-
<b>TOTAL FUND BALANCES</b>	<b>17,540,213</b>	<b>1,079,457</b>	<b>4,702,404</b>	<b>23,322,074</b>	<b>(23,322,074)</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 20,158,157</b>	<b>\$ 1,204,988</b>	<b>\$ 4,702,404</b>	<b>\$ 26,065,549</b>		
Net position:						
Net investment in capital assets					\$ 20,243,439	\$ 20,243,439
Restricted for debt service					1,071,044	1,071,044
Unrestricted					17,601,894	17,601,894
<b>TOTAL NET POSITION</b>					<b>\$ 38,916,377</b>	<b>\$ 38,916,377</b>

*The accompanying notes are an integral part of this statement.*

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SEPTEMBER 30, 2023**

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Activities
<b>REVENUES:</b>						
Property taxes, including penalties and interest	\$ 4,131,519	\$ 2,521,367	\$ -	\$ 6,652,886	\$ (416)	\$ 6,652,470
Service revenues, including penalties	4,430,990	-	-	4,430,990	-	4,430,990
Park fees	420,000	-	-	420,000	-	420,000
System connection/inspection fees	86,680	-	-	86,680	-	86,680
Interest	776,962	138,029	206,497	1,121,488	-	1,121,488
Other	26,165	-	-	26,165	-	26,165
<b>TOTAL REVENUES</b>	<b>9,872,316</b>	<b>2,659,396</b>	<b>206,497</b>	<b>12,738,209</b>	<b>(416)</b>	<b>12,737,793</b>
<b>EXPENDITURES / EXPENSES:</b>						
Current:						
Water/wastewater purchases	2,091,075	-	-	2,091,075	-	2,091,075
Garbage collection fees	908,485	-	-	908,485	-	908,485
Park maintenance	722,477	-	-	722,477	-	722,477
General manager fees	400,436	-	-	400,436	-	400,436
Repairs and maintenance	286,172	-	-	286,172	-	286,172
Inspection/connection fees	29,775	-	-	29,775	-	29,775
Utilities	30,696	-	-	30,696	-	30,696
Chemicals	58,694	-	-	58,694	-	58,694
Office expenditures	492,877	-	-	492,877	-	492,877
Security services	74,053	-	-	74,053	-	74,053
Director fees, including payroll taxes	6,748	-	-	6,748	-	6,748
Legal fees	128,401	-	-	128,401	-	128,401
Engineering fees	46,561	-	-	46,561	-	46,561
Accounting fees	71,875	-	-	71,875	-	71,875
Audit fees	17,500	-	-	17,500	-	17,500
Insurance	37,898	-	-	37,898	-	37,898
Tax appraisal/collection	22,480	13,722	-	36,202	-	36,202
Financial advisor fees	1,434	1,126	-	2,560	-	2,560
Other consulting fees	8,315	-	-	8,315	-	8,315
Other	136,088	-	-	136,088	-	136,088
Debt service:						
Bond principal	-	1,770,000	-	1,770,000	(1,770,000)	-
Bond interest	-	649,425	-	649,425	(124,238)	525,187
Fiscal agent fees	-	2,000	-	2,000	-	2,000
Capital outlay	201,471	-	-	201,471	(201,471)	-
Depreciation	-	-	-	-	1,195,333	1,195,333
<b>TOTAL EXPENDITURES / EXPENSES</b>	<b>5,773,511</b>	<b>2,436,273</b>	<b>-</b>	<b>8,209,784</b>	<b>(900,376)</b>	<b>7,309,408</b>
Change in fund balances / net position	4,098,805	223,123	206,497	4,528,425	899,960	5,428,385
<b>FUND BALANCES / NET POSITION:</b>						
Beginning of the year	13,441,408	856,334	4,495,907	18,793,649	14,694,343	33,487,992
End of the year	<u>\$ 17,540,213</u>	<u>\$ 1,079,457</u>	<u>\$ 4,702,404</u>	<u>\$ 23,322,074</u>	<u>\$ 15,594,303</u>	<u>\$ 38,916,377</u>

*The accompanying notes are an integral part of this statement.*

**NOTES TO THE  
FINANCIAL STATEMENTS**

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of Northtown Municipal Utility District (the “District”) relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles (“GAAP”) as applied to governmental entities. Generally accepted accounting principles for local governments include those principles prescribed by the *Governmental Accounting Standards Board* (“GASB”), which constitutes the primary source of GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

**Reporting Entity** - The District was created, organized and established on August 14, 1985, pursuant to the provisions of Chapter 54 of the Texas Water Code. The District is a political subdivision of the State of Texas and operates under an elected Board of Directors.

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five member Board of Directors which has been elected by District residents or appointed by the Board of Directors. The District is not included in any other governmental “reporting entity” as defined by GASB standards since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units as defined by GASB standards which are included in the District’s reporting entity.

**Basis of Presentation - Government-wide and Fund Financial Statements** - These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position - This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued) –**

***Basis of Presentation - Government-wide and Fund Financial Statements (continued) -***

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

The financial statements are prepared in conformity with GASB Statement No. 34, and include a column for government-wide (based upon the District as a whole) and fund financial statement presentations. GASB Statement No. 34 also requires as supplementary information Management's Discussion and Analysis, which includes an analytical overview of the District's financial activities. In addition, a budgetary comparison statement is presented that compares the adopted General Fund budget with actual results.

- **Government-wide Statements:**

The District's statement of net position includes both non-current assets and non-current liabilities of the District, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. In addition, the government-wide statement of activities column reflects depreciation expense on the District's capital assets, including infrastructure.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from financial activities of the fiscal period. The focus of the fund financial statements is on the individual funds of the governmental categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

- **Fund Financial Statements:**

Fund based financial statement columns are provided for governmental funds. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds. All of the District's funds are reported as major funds.

***Governmental Fund Types*** - The accounts of the District are organized and operated on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The various funds are grouped by category and type in the financial statements. The District maintains the following fund types:

- **General Fund** - The General Fund accounts for financial resources in use for general types of operations which are not encompassed within other funds. This fund is established to account for resources devoted to financing the general services that the District provides for its residents. Tax revenues and other sources of revenue used to finance the fundamental operations of the District are included in this fund.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued) –**

- **Debt Service Fund** - The Debt Service Fund is used to account for resources restricted, committed or assigned for the payment of, debt principal, interest and related costs.
- **Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources restricted, committed or assigned for the acquisition or construction of major capital facilities.

*Non-current Governmental Assets and Liabilities* - GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the government-wide financial statement column in the Statement of Net Position.

***Basis of Accounting***

*Government-wide Statements* - The government-wide financial statement column is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

*Fund Financial Statements* - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in the fund balances. Governmental funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available).

"Measurable" means that the amount of the transaction can be determined and "available" means the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures, if measurable, are generally recognized on the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include the unmatured principal and interest on general obligation long-term debt which is recognized when due. This exception is in conformity with generally accepted accounting principles.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received subsequent to the 60-day availability period are reported as deferred inflows of resources. All other revenues of the District are recorded on the accrual basis in all funds.



**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued) –**

The District may report unearned revenue on its balance sheet. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

***Budgets and Budgetary Accounting*** - An unappropriated budget was adopted on September 27, 2022, for the General Fund on a basis consistent with generally accepted accounting principles. The District's Board utilizes the budget as a management tool for planning and cost control purposes. The budget was not amended during the fiscal year. The Budgetary Comparison Schedule – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

***Pensions*** - The District has four full-time employees. Payments are made into the social security system for them. The Internal Revenue Service has determined that the District's directors are considered to be "employees" for federal payroll tax purposes only. A separate pension plan has not been established for the directors.

***Cash and Cash Equivalent Investments*** - Cash and cash equivalent investments include cash on deposit as well as investments with maturities of three months or less. The investments, consisting of an external local governmental investment pool and obligations in the State Comptroller's Investment Pool, are recorded at amortized cost.

***Accounts Receivable*** - The District provides for uncollectible service accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. The District had an allowance for uncollectible accounts of \$27,500 at September 30, 2023.

***Inventory*** - Inventory, consisting of electronic meters, is valued at cost under the first-in, first-out method. Inventory is accounted for using the consumption method, and expenditures are recorded when meters are installed.

***Capital Assets*** - Capital assets, which include land and easements, equipment, common and recreation areas, and water, wastewater and drainage facilities, are reported in the government-wide column in the Statement of Net Position. Public domain ("infrastructure") capital assets, including water, wastewater and drainage systems, are capitalized. Items purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded as capital assets at estimated acquisition value at the time received. Interest incurred during construction of capital facilities is not capitalized.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued) –**

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Common and Recreation Areas	5 - 30
Equipment	5
Water, Wastewater and Drainage Facilities	50

**Interfund Transactions** - Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay that amount and if the debtor fund has the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

**Long-Term Debt** - Unlimited tax and revenue bonds, which have been issued to fund capital projects, are to be repaid from tax revenues of the District.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in both the fund and the government-wide financial statements.

**Fund Balances** - Fund balances in governmental funds are classified using the following hierarchy:

- **Nonspendable:** amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District has \$930,355 in nonspendable fund balance related to inventory and prepaid expenditures.
- **Restricted:** amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.
- **Committed:** amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.
- **Assigned:** amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has \$181,828 in assigned fund balance pertaining to the fiscal year 2024 budgeted deficit.
- **Unassigned:** all other spendable amounts in the General Fund.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued) –**

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

*Accounting Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**2. RECONCILIATION OF THE GOVERNMENTAL FUNDS**

Adjustments to convert the Governmental Funds Balance Sheet to the Statement of Net Position are as follows:

Fund Balances - Total Governmental Funds		\$ 23,322,074
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:		
Land and easements	\$ 833,376	
Capital assets	53,831,925	
Less: Accumulated depreciation	<u>(17,597,535)</u>	37,067,766
Revenue is recognized when earned in the government-wide statements, regardless of availability. Governmental funds report deferred inflows of resources for tax revenues earned but not available.		87,537
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable	(20,880,000)	
Issuance premium	(926,154)	
Bond insurance	13,057	
Deferred charges on refundings, net	279,423	
Accrued interest	<u>(47,326)</u>	<u>(21,561,000)</u>
Net Position - Governmental Activities		<u>\$ 38,916,377</u>

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**2. RECONCILIATION OF THE GOVERNMENTAL FUNDS (continued) –**

Adjustments to convert the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities are as follows:

Changes in Fund Balances - Governmental Funds	\$	4,528,425
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report:		
Capital expenditures in period purchased	\$ 201,471	
Interest expenditures in year paid	5,240	
Bond principal in year paid	1,770,000	
Tax revenue when collected	<u>(416)</u>	1,976,295
Governmental funds do not report:		
Depreciation		(1,195,333)
Amortization		<u>118,998</u>
Change in Net Position - Governmental Activities	\$	<u><u>5,428,385</u></u>

**3. CASH AND CASH EQUIVALENT INVESTMENTS**

The investment policies of the District are governed by State statute and an adopted District investment policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District’s investment policy, which complies with the Public Funds Investment Act, include: depositories must be Federal Deposit Insurance Corporation (“FDIC”) insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; and securities collateralizing time deposits are held by independent third party trustees.

**Cash** - At September 30, 2023, the carrying amount of the District’s deposits was \$417,890 and the bank balance was \$1,072,688. Of the bank balance, \$290,118 was covered by federal depository insurance, and the remaining balance was covered by other pledged collateral.

**Investments** -

*Interest rate risk.* In accordance with its investment policy, the District manages its exposure to declines in fair values through investment diversification and limiting investments as follows:

- Money market mutual funds are required to have weighted average maturities of 90 days or fewer; and
- Other mutual fund investments are required to have weighted average maturities of less than two years.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**3. CASH AND CASH EQUIVALENT INVESTMENTS (continued) –**

*Credit risk.* The District’s investment policy requires the application of the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, and considering the probable safety of their capital as well as the probable income to be derived. The District’s investment policy requires that District funds be invested in:

- Obligations of the United States government and/or its agencies and instrumentalities;
- Money market mutual funds with investment objectives of maintaining a stable net asset value of \$1 per share;
- Mutual funds rated in one of the three highest categories by a nationally recognized rating agency;
- Securities issued by a state or local government or any instrumentality or agency thereof, in the United States, and rated in one of the three highest categories by a nationally recognized rating agency; or
- Public funds investment pools rated AAA or AAAm by a nationally recognized rating agency.

At September 30, 2023, the District held the following investments:

Investment	Fair Value at 9/30/2023	Governmental Fund			Investment Rating	
		General	Debt Service	Capital Projects	Rating	Rating Agency
TexPool	\$ 7,043,155	\$ 2,215,086	\$ 168,661	\$ 4,659,408	AAAm	Standard & Poors
LOGIC	16,217,183	15,262,202	952,360	2,621	AAAm	Standard & Poors
	<u>\$ 23,260,338</u>	<u>\$ 17,477,288</u>	<u>\$ 1,121,021</u>	<u>\$ 4,662,029</u>		

(1) Restricted for payment of debt service and cost of assessing and collecting taxes.

(2) Restricted for purchase of capital assets.

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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**3. CASH AND CASH EQUIVALENT INVESTMENTS (continued) –**

The District also invests in Local Government Investment Cooperative (“LOGIC”), a public funds investment pool created pursuant to the Interlocal Cooperation Act of the State of Texas. The District has delegated the authority to hold legal title to LOGIC as custodian and to make investment purchases with the District’s funds. LOGIC is a member-owned, member-governed public funds investment pool. The Board of Trustees, who have governance responsibilities, is comprised of participants in LOGIC and members of the Texas Association of School Business Officials (“TASBO”). LOGIC measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in LOGIC at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from LOGIC.

*Concentration of credit risk.* In accordance with the District’s investment policy, investments in individual securities are to be limited to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. As of September 30, 2023, the District did not own any investments in individual securities.

*Custodial credit risk-deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The government’s investment policy requires that the District’s deposits be fully insured by FDIC insurance or collateralized with obligations of the United States or its agencies and instrumentalities. As of September 30, 2023, the District’s bank deposits were covered by FDIC coverage and pledged collateral.

**4. PROPERTY TAXES**

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, are due on November 1, and are past due the following February 1. The Travis Central Appraisal District establishes appraisal values in accordance with requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Travis County Tax Assessor Collector bills and collects the District's property taxes. The Board of Directors set current tax rates on September 27, 2022.

The property tax rates, established in accordance with state law, were based on 100% of the net assessed valuation of real property within the District on the 2022 tax roll. The tax rate, based on total taxable assessed valuation of \$1,169,053,149, was \$0.5725 on each \$100 valuation and was allocated \$0.3555 to the General Fund and \$0.2170 to the Debt Service Fund. The maximum allowable maintenance tax rate of \$1.50 was established by the voters on April 5, 1986.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**4. PROPERTY TAXES (continued) –**

Property taxes receivable at September 30, 2023, consisted of the following:

	General Fund	Debt Service Fund	Total
Current year levy	\$ 19,390	\$ 11,836	\$ 31,226
Prior years' levies	29,234	27,077	56,311
	\$ 48,624	\$ 38,913	\$ 87,537

The District is prohibited from writing off real property taxes without specific authority from the Texas Legislature.

**5. INTERFUND ACCOUNTS**

A summary of interfund accounts, which resulted from the time lag between dates that payments are made between funds, is as follows at September 30, 2023:

	Interfund	
	Receivable	Payable
<b>General Fund:</b>		
Debt Service Fund	\$ -	\$ 45,054
Capital Projects Fund	-	40,375
<b>Debt Service Fund -</b>		
General Fund	45,054	-
<b>Capital Projects Fund -</b>		
General Fund	40,375	-
	\$ 85,429	\$ 85,429

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**6. CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
Capital assets not being depreciated:				
Land and Easements	\$ 833,376	\$ -	\$ -	\$ 833,376
Construction in progress	5,870,819	201,471	(6,072,290)	-
Total capital assets not being depreciated	<u>6,704,195</u>	<u>201,471</u>	<u>(6,072,290)</u>	<u>833,376</u>
Capital assets being depreciated:				
Water, Wastewater and Drainage Facilities	41,326,700	121,869	-	41,448,569
Common and Recreation areas	6,373,015	5,950,421	-	12,323,436
Equipment	59,920	-	-	59,920
Total capital assets being depreciated	<u>47,759,635</u>	<u>6,072,290</u>	<u>-</u>	<u>53,831,925</u>
Less accumulated depreciation for:				
Water, Wastewater and Drainage Facilities	(12,113,885)	(864,465)	-	(12,978,350)
Common and Recreation areas	(4,238,296)	(327,374)	-	(4,565,670)
Equipment	(50,021)	(3,494)	-	(53,515)
Total accumulated depreciation	<u>(16,402,202)</u>	<u>(1,195,333)</u>	<u>-</u>	<u>(17,597,535)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>31,357,433</u>	<u>4,876,957</u>	<u>-</u>	<u>36,234,390</u>
Total capital assets, net	<u>\$ 38,061,628</u>	<u>\$ 5,078,428</u>	<u>\$ (6,072,290)</u>	<u>\$ 37,067,766</u>

**7. BONDED DEBT**

The following is a summary of bond transactions of the District for the year ended September 30, 2023:

	Unlimited Tax and Revenue Bonds
Bonds payable at October 1, 2022	\$ 22,650,000
Bonds retired	(1,770,000)
Bond premium, net of accumulated amortization	926,154
Bonds payable at September 30, 2023	<u>\$ 21,806,154</u>



**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**7. BONDED DEBT (continued) –**

Bonds payable at September 30, 2023, were comprised of the following individual issues:

**Unlimited Tax and Revenue Bonds:**

\$9,550,000 – 2020 Unlimited Tax and Revenue Bonds payable serially through the year 2033 at interest rates which range from 1.00% to 2.00%. Bonds maturing September 1, 2027 are subject to redemption prior to maturity in whole or from time to time in part, on September 1, 2026 or on any date thereafter. Bonds maturing September 1, 2031 are term bonds and are subject to mandatory sinking fund redemption.

**Unlimited Tax and Revenue Refunding Bonds:**

\$3,770,000 – 2015 Unlimited Tax and Revenue Refunding Bonds payable serially through the year 2031 at an interest rate of 4.00%. Bonds maturing September 1, 2022 are subject to redemption prior to maturity in whole or from time to time in part, on September 1, 2021 or on any date thereafter.

\$1,215,000 – 2017 Unlimited Tax and Revenue Refunding Bonds payable serially through the year 2026 at an interest rate of 4.00%.

\$4,680,000 – 2019 Unlimited Tax and Revenue Refunding Bonds payable serially through the year 2031 at interest rates which range from 3.00% to 4.00%. Bonds maturing September 1, 2028 are subject to redemption prior to maturity in whole or from time to time in part, on September 1, 2027 or on any date thereafter.

\$1,665,000 – 2021 Unlimited Tax and Revenue Refunding Bonds payable serially through the year 2028 at an interest rate of 4.00%.

The annual requirements to amortize all bonded debt at September 30, 2023, including interest, are as follows:

<b>Annual Requirements for All Series</b>					
<b>Year Ended</b>	<b>Principal</b>		<b>Interest</b>		<b>Total</b>
<b>September 30,</b>	<b>\$</b>	<b>Principal</b>	<b>\$</b>	<b>Interest</b>	<b>\$</b>
2024	\$	1,850,000	\$	594,025	\$ 2,444,025
2025		1,885,000		528,575	2,413,575
2026		1,995,000		456,175	2,451,175
2027		2,060,000		384,875	2,444,875
2028		2,130,000		321,975	2,451,975
2029-2033		10,960,000		740,925	11,700,925
	<b>\$</b>	<b>20,880,000</b>	<b>\$</b>	<b>3,026,550</b>	<b>\$ 23,906,550</b>

Unlimited tax bonds authorized but not issued as of September 30, 2023, were \$25,213,000.

\$1,079,457 is available in the Debt Service Fund to service the bonded debt.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**7. BONDED DEBT (continued) –**

The existing outstanding bonds of the District are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

**8. CAPITAL RECOVERY FEES**

Capital recovery fees, as assessed by the City of Austin (the “City”), are collected on tap connections for each water and wastewater connection within the District as required under the District’s consent agreement with the City. Collected fees are subsequently submitted to the City. The District collected \$410,400 and remitted to the City \$403,200 in capital recovery fees during the year ending September 30, 2023. At September 30, 2023, the District owes \$7,200 of capital recovery fees to the City.

**9. COMMITMENTS AND CONTINGENCIES**

The developer of the land within the District has incurred costs related to construction of facilities. Such costs may be reimbursable to the developer by the District from proceeds of future District bond issues, subject to approval by the Texas Commission on Environmental Quality (the “Commission”). The District, as of September 30, 2023, has recorded no liability pertaining to such costs.

**10. RISK MANAGEMENT**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained coverage from commercial insurance companies and the Texas Municipal League Intergovernmental Risk Pool (“TML Pool”) to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The TML Pool was established by various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool Board. Rates are estimated to include all claims expected to occur during the policy including claims incurred but not reported. The TML Pool has established claims reserves for each of the types of insurance offered. Although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contribution rate for subsequent years. Members may receive returns of contributions if actual results are more favorable than estimated.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**11. LEASE OBLIGATION**

The District leased space in an office building at 1421 Wells Branch Parkway, Austin, TX. The District's lease was amended on July 1, 2019 and terminated on June 30, 2023. During the fiscal year ended September 30, 2023, the District paid office lease expenses of \$47,422.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
SEPTEMBER 30, 2023**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES:</b>			
Property taxes, including penalties and interest	\$ 4,131,519	\$ 3,991,615	\$ 139,904
Service revenues, including penalties	4,430,990	4,269,416	161,574
Park fees	420,000	30,000	390,000
System connection/inspection fees	86,680	150,000	(63,320)
Interest	776,962	120,300	656,662
Other	26,165	30,000	(3,835)
<b>TOTAL REVENUES</b>	<u>9,872,316</u>	<u>8,591,331</u>	<u>1,280,985</u>
<b>EXPENDITURES:</b>			
Current:			
Water/wastewater purchases	2,091,075	3,145,533	1,054,458
Garbage collection fees	908,485	922,374	13,889
Park maintenance	722,477	1,016,290	293,813
General manager fees	400,436	406,058	5,622
Repairs and maintenance	286,172	630,000	343,828
Inspection/connection fees	29,775	30,000	225
Utilities	30,696	38,000	7,304
Chemicals	58,694	80,000	21,306
Office expenditures	492,877	599,081	106,204
Security services	74,053	151,063	77,010
Director fees, including payroll taxes	6,748	23,270	16,522
Legal fees	128,401	131,000	2,599
Engineering fees	46,561	101,800	55,239
Accounting fees	71,875	73,000	1,125
Audit fees	17,500	17,000	(500)
Insurance	37,898	40,000	2,102
Tax appraisal/collection	22,480	22,000	(480)
Financial advisor fees	1,434	1,500	66
Other consulting fees	8,315	52,000	43,685
Other	136,088	162,850	26,762
Capital outlay	201,471	515,000	313,529
<b>TOTAL EXPENDITURES</b>	<u>5,773,511</u>	<u>8,157,819</u>	<u>2,384,308</u>
<b>CHANGE IN FUND BALANCE</b>	4,098,805	<u>\$ 433,512</u>	<u>\$ 3,665,293</u>
<b>FUND BALANCE:</b>			
Beginning of the year	<u>13,441,408</u>		
End of the year	<u>\$ 17,540,213</u>		

**TEXAS  
SUPPLEMENTARY INFORMATION**

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TSI-1. SERVICES AND RATES  
SEPTEMBER 30, 2023**

**1. Services Provided by the District during the Fiscal Year:**

- |   |   |  |
|---|---|--|
| <input checked="" type="checkbox"/> Retail Water  | <input type="checkbox"/> Wholesale Water      | <input checked="" type="checkbox"/> Drainage   |
| <input checked="" type="checkbox"/> Retail Wastewater   | <input type="checkbox"/> Wholesale Wastewater | <input checked="" type="checkbox"/> Irrigation |
| <input checked="" type="checkbox"/> Parks/Recreation  | <input type="checkbox"/> Fire Protection      | <input checked="" type="checkbox"/> Security   |
| <input checked="" type="checkbox"/> Solid Waste/Garbage   | <input type="checkbox"/> Flood Control        | <input type="checkbox"/> Roads                 |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |   |  |
| <input type="checkbox"/> Other (specify): _____   |   |  |

**2. Retail Service Providers**

**a. Retail Rates Based on 5/8" Meter (or equivalent):**

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage Levels
WATER:	\$ 37.00 <sup>(1)</sup>	-	N	\$ 5.08	1 to 7,000
				\$ 5.91	7,001 to 12,000
				\$ 6.69	12,001 to 17,000
				\$ 7.59	17,001 +
WASTEWATER:	\$ -	-	N	\$ 6.89	Per 1,000
SURCHARGE:	\$ -	-	-	\$ -	

District employs winter averaging for wastewater usage? Yes  No

Total charges per 10,000 gallons usage: Water \$ 90.29 <sup>(1)</sup> Wastewater \$ 68.90

**b. Water and Wastewater Retail Connections:**

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC's
Unmetered	-	-	1.0	-
≤ 3/4"	3,119	3,091	1.0	3,091
1"	6	6	2.5	15
1 1/2"	25	25	5.0	125
2"	13	13	8.0	104
3"	3	3	15.0	45
4"	1	1	25.0	25
6"	3	3	50.0	150
8"	2	2	80.0	160
10"	-	-	115.0	-
Total Water	3,172	3,144		3,715
Total Wastewater	3,141	3,141	1.0	3,141

<sup>(1)</sup> Includes once a week solid waste service and recycling service.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TSI-1. SERVICES AND RATES  
SEPTEMBER 30, 2023**

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**3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):**

Gallons pumped into system: 309,155,000

Gallons billed to customers: 294,149,000

**Water Accountability Ratio**

(Gallons billed / Gallons Pumped)

95.1%

**4. Standby Fees (authorized only under TWC Section 49.231):**

Does the District assess standby fees? Yes  No

If yes, Date of the most recent Commission Order: \_\_\_\_\_

Does the District have Operation and Maintenance standby fees? Yes  No

If yes, Date of the most recent Commission Order: \_\_\_\_\_

**5. Location of District**

County(ies) in which district is located: Travis County

Is the District located entirely within one county? Yes  No

Is the District located within a city? Entirely  Partly  Not at all

City(ies) in which district is located: N/A

Is the District located within a city's extra territorial jurisdiction (ETJ)?

Entirely  Partly  Not at all

ETJ's in which district is located: City of Austin

Are Board members appointed by an office outside the district?

Yes  No

If Yes, by whom? \_\_\_\_\_



**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TSI-2. GENERAL FUND EXPENDITURES  
SEPTEMBER 30, 2023**

Personnel Expenditures (including benefits)	\$	391,191
Professional Fees:		
Audit		17,500
Legal		128,401
Engineering		46,561
Financial Advisor		1,434
Purchased Services For Resale -		
Bulk Water and Wastewater Purchases		2,091,075
Contracted Services:		
General Manager		400,436
Bookkeeping		71,875
Appraisal District/Tax Collector		22,480
Security Services		74,053
Other Contracted Services		38,090
Utilities		30,696
Repairs and Maintenance		286,172
Chemicals		58,694
Administrative Expenditures:		
Directors' Fees		6,748
Office Supplies		27,009
Insurance		37,898
Other Administrative Expenditures		210,765
Capital Outlay:		
Capitalized Assets		201,471
Expenditures not Capitalized		-
Bad Debt		-
Solid Waste Disposal		908,485
Parks and Recreation		722,477
Other Expenditures		-
<b>TOTAL EXPENDITURES</b>	\$	<u>5,773,511</u>

Number of persons employed by the District:

Full-Time

Part-Time

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**TSI-3. TEMPORARY INVESTMENTS**  
**SEPTEMBER 30, 2023**

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
<b>General Fund:</b>					
Investment in LOGIC	XXX8001	Varies	N/A	\$ 15,212,789	\$ -
Investment in LOGIC	XXX8002	Varies	N/A	49,413	-
State Investment Pool	XXX0001	Varies	N/A	2,101,079	-
State Investment Pool	XXX0003	Varies	N/A	4,796	-
State Investment Pool	XXX0004	Varies	N/A	109,211	-
<b>Total</b>				17,477,288	-
<b>Debt Service Fund:</b>					
Investment in LOGIC	XXX8005	Varies	N/A	15,514	-
Investment in LOGIC	XXX8006	Varies	N/A	936,846	-
State Investment Pool	XXX0006	Varies	N/A	168,661	-
<b>Total</b>				1,121,021	-
<b>Capital Projects Fund:</b>					
Investment in LOGIC	XXX8015	Varies	N/A	2,621	-
State Investment Pool	XXX0007	Varies	N/A	4,659,408	-
<b>Total</b>				4,662,029	-
<b>Total - All Funds</b>				\$ 23,260,338	\$ -

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**TSI-4. TAXES LEVIED AND RECEIVABLE**  
**SEPTEMBER 30, 2023**

	<b>Maintenance Taxes</b>	<b>Debt Service Taxes</b>						
<b>Taxes Receivable, Beginning of Year</b>	\$ 47,461	\$ 40,492						
2022 Original Tax Levy, less abatements/adjustments	4,158,415	2,538,329						
Prior year adjustments	(38,247)	(26,864)						
Total to be accounted for	4,167,629	2,551,957						
Tax collections:								
Current year	4,139,025	2,526,493						
Prior years	(20,020)	(13,449)						
Total collections	4,119,005	2,513,044						
<b>Taxes Receivable, End of Year</b>	<b>\$ 48,624</b>	<b>\$ 38,913</b>						
<b>Taxes Receivable, By Years</b>								
2021 and prior	\$ 29,234	\$ 27,077						
2022	19,390	11,836						
<b>Taxes Receivable, End of Year</b>	<b>\$ 48,624</b>	<b>\$ 38,913</b>						
<b>Property Valuations:</b>	<b>2022</b>	(a)	<b>2021</b>	(a)	<b>2020</b>	(a)	<b>2019</b>	(a)
Land and improvements	<b>\$ 1,169,053,149</b>		\$ 917,746,490		\$ 824,521,966		\$ 800,770,655	
<b>Total Property Valuations</b>	<b>\$ 1,169,053,149</b>		\$ 917,746,490		\$ 824,521,966		\$ 800,770,655	
<b>Tax Rates per \$100 Valuation:</b>								
Debt Service tax rates	\$ 0.2170		\$ 0.2650		\$ 0.2475		\$ 0.2610	
Maintenance tax rates	0.3555		0.3500		0.3775		0.3640	
<b>Total Tax Rates per \$100 Valuation:</b>	<b>\$ 0.5725</b>		\$ 0.6150		\$ 0.6250		\$ 0.6250	
<b>Adjusted Tax Levy</b>	<b>\$ 6,696,744</b>		\$ 5,675,290		\$ 5,174,992		\$ 5,004,747	
<b>Percent of Taxes Collected to Taxes Levied *</b>	<b>99.5%</b>		99.8%		99.9%		99.9%	
<b>Maximum Maintenance Tax Rate Approved by Voters:</b>	<b>\$ 1.50 on 4/5/1986</b>							

\*Calculated as taxes collected in current and previous years divided by tax levy.

(a) Valuations are provided by the appropriate Appraisal District. Due to various factors including tax protests and disputes, such valuations change over time; therefore, they may vary slightly from those disclosed in the District's bond offering documents or the District's annual bond disclosure filings.

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS**  
**SEPTEMBER 30, 2023**

DUE DURING FISCAL YEARS ENDING 9/30	UNLIMITED TAX AND REVENUE REFUNDING BONDS SERIES 2015			UNLIMITED TAX AND REVENUE REFUNDING BONDS SERIES 2017			UNLIMITED TAX AND REVENUE REFUNDING BONDS SERIES 2019		
	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total
	2024	\$ 390,000	\$ 150,800	\$ 540,800	\$ 475,000	\$ 48,600	\$ 523,600	\$ 505,000	\$ 157,150
2025	415,000	135,200	550,200	500,000	29,600	529,600	515,000	142,000	657,000
2026	440,000	118,600	558,600	240,000	9,600	249,600	560,000	121,400	681,400
2027	460,000	101,000	561,000	-	-	-	600,000	99,000	699,000
2028	480,000	82,600	562,600	-	-	-	625,000	75,000	700,000
2029	505,000	63,400	568,400	-	-	-	735,000	56,250	791,250
2030	525,000	43,200	568,200	-	-	-	780,000	34,200	814,200
2031	555,000	22,200	577,200	-	-	-	360,000	10,800	370,800
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
	<u>\$ 3,770,000</u>	<u>\$ 717,000</u>	<u>\$ 4,487,000</u>	<u>\$ 1,215,000</u>	<u>\$ 87,800</u>	<u>\$ 1,302,800</u>	<u>\$ 4,680,000</u>	<u>\$ 695,800</u>	<u>\$ 5,375,800</u>

(continued)

**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS**  
**SEPTEMBER 30, 2023**

DUE DURING FISCAL YEARS ENDING 9/30	UNLIMITED TAX AND REVENUE BONDS SERIES 2020			UNLIMITED TAX AND REVENUE REFUNDING BONDS SERIES 2021			ANNUAL REQUIREMENTS FOR ALL SERIES		
	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total
	2024	\$ 175,000	\$ 170,875	\$ 345,875	\$ 305,000	\$ 66,600	\$ 371,600	\$ 1,850,000	\$ 594,025
2025	150,000	167,375	317,375	305,000	54,400	359,400	1,885,000	528,575	2,413,575
2026	425,000	164,375	589,375	330,000	42,200	372,200	1,995,000	456,175	2,451,175
2027	650,000	155,875	805,875	350,000	29,000	379,000	2,060,000	384,875	2,444,875
2028	650,000	149,375	799,375	375,000	15,000	390,000	2,130,000	321,975	2,451,975
2029	950,000	142,875	1,092,875	-	-	-	2,190,000	262,525	2,452,525
2030	975,000	131,000	1,106,000	-	-	-	2,280,000	208,400	2,488,400
2031	1,400,000	111,500	1,511,500	-	-	-	2,315,000	144,500	2,459,500
2032	2,075,000	83,500	2,158,500	-	-	-	2,075,000	83,500	2,158,500
2033	2,100,000	42,000	2,142,000	-	-	-	2,100,000	42,000	2,142,000
	<u>\$ 9,550,000</u>	<u>\$ 1,318,750</u>	<u>\$ 10,868,750</u>	<u>\$ 1,665,000</u>	<u>\$ 207,200</u>	<u>\$ 1,872,200</u>	<u>\$ 20,880,000</u>	<u>\$ 3,026,550</u>	<u>\$ 23,906,550</u>

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TSI-6. CHANGES IN LONG-TERM BONDED DEBT  
SEPTEMBER 30, 2023**

	Series 2015	Series 2017	Series 2019	Series 2020	Series 2021	Total
Interest Rate	4.00%	4.00%	3.00 - 4.00%	1.00 - 2.00%	4.00%	
Dates Interest Payable	3/1, 9/1	3/1, 9/1	3/1, 9/1	3/1, 9/1	3/1, 9/1	
Maturity Dates	9/1/2031	9/1/2026	9/1/2031	9/1/2033	9/1/2028	
Bonds Outstanding at Beginning of Current Fiscal Year	\$ 4,135,000	\$ 1,675,000	\$ 4,900,000	\$ 9,750,000	\$ 2,190,000	\$ 22,650,000
Bonds Sold During the Current Fiscal Year	-	-	-	-	-	-
Retirements During the Current Fiscal Year:						
Principal	(365,000)	(460,000)	(220,000)	(200,000)	(525,000)	(1,770,000)
Refunded	-	-	-	-	-	-
Bonds Outstanding at End of Current Fiscal Year	\$ 3,770,000	\$ 1,215,000	\$ 4,680,000	\$ 9,550,000	\$ 1,665,000	\$ 20,880,000
Interest Paid During the Current Fiscal Year	\$ 165,400	\$ 57,800	\$ 163,750	\$ 174,875	\$ 87,600	\$ 649,425
Paying Agent's Name and Address:	UMB Bank, NA Austin, TX	UMB Bank, NA Austin, TX	UMB Bank, NA Austin, TX	UMB Bank, NA Austin, TX	UMB Bank, NA Austin, TX	
Bond Authority:	Tax Bonds *	Refunding Bonds				
Amount Authorized by Voters	\$ 69,443,000	\$ -				
Amount Issued	(44,230,000)	32,550,000				
Remaining To Be Issued	\$ 25,213,000	\$ -				
* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.						
Debt Service Fund Cash and Temporary Investments balances as of September 30, 2023:						
						\$ 1,121,021
Average Annual Debt Service Payment (Principal and Interest) for the remaining term of all debt:						
						\$ 2,390,655



**NORTHTOWN MUNICIPAL UTILITY DISTRICT**  
**TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES -**  
**GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS (continued)**  
**SEPTEMBER 30, 2023**

	AMOUNTS					PERCENT OF FUND TOTAL REVENUES				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
<b><u>DEBT SERVICE FUND</u></b>										
REVENUES:										
Property taxes, including penalties and interest	\$ 2,521,367	\$ 2,433,805	\$ 2,054,202	\$ 2,083,580	\$ 2,109,647	94.8 %	99.3 %	79.8 %	89.2 %	97.3 %
Net bond activity	-	-	517,369	223,888	-	-	-	20.1	9.6	-
Interest	138,029	17,982	1,963	28,084	59,164	5.2	0.7	0.1	1.2	2.7
Total revenues	<u>2,659,396</u>	<u>2,451,787</u>	<u>2,573,534</u>	<u>2,335,552</u>	<u>2,168,811</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
EXPENDITURES:										
Tax appraisal/collection fees	13,722	13,200	10,628	11,787	11,665	0.5	0.5	0.4	0.5	0.5
Principal payments	1,770,000	1,665,000	1,620,000	1,650,000	1,425,000	66.6	68.0	63.0	70.7	65.7
Interest payments	649,425	701,075	678,362	563,302	800,212	24.4	28.6	26.4	24.1	36.9
Fiscal agent fees and other	3,126	5,745	3,596	4,443	4,443	0.1	0.2	0.1	0.2	0.2
Bond refunding expenditures	-	-	141,338	224,667	-	-	-	5.5	9.6	-
Total expenditures	<u>2,436,273</u>	<u>2,385,020</u>	<u>2,453,924</u>	<u>2,454,199</u>	<u>2,241,320</u>	<u>91.6</u>	<u>97.3</u>	<u>95.4</u>	<u>105.1</u>	<u>103.3</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 223,123</u>	<u>\$ 66,767</u>	<u>\$ 119,610</u>	<u>\$ (118,647)</u>	<u>\$ (72,509)</u>	<u>8.4 %</u>	<u>2.7 %</u>	<u>4.6 %</u>	<u>(5.1) %</u>	<u>(3.3) %</u>
TOTAL ACTIVE RETAIL WATER CONNECTIONS	<u>3,144</u>	<u>3,187</u>	<u>3,143</u>	<u>3,106</u>	<u>3,005</u>					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	<u>3,141</u>	<u>3,090</u>	<u>3,085</u>	<u>3,071</u>	<u>2,988</u>					



**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TSI-8. BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
SEPTEMBER 30, 2023**

<b>Complete District Mailing Address:</b>	c/o Armbrust & Brown, PLLC 100 Congress Ave. Suite 1300, Austin TX 78701
<b>District Business Telephone Number:</b>	(512) 435-2300
<b>Submission Date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):</b>	May 26, 2023
<b>Limits on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution TWC Section 49.060)</b>	\$7,200

Name and Address:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid * 9/30/2023	Expense Reimbursements 9/30/2023	Title at Year End
<i>Board Members:</i>				
<b>BRENDA RICHTER</b>	(Elected) 11/08/2022 - 11/03/2026	\$ -	\$ -	President
<b>ROBIN CAMPBELL</b>	(Elected) 11/03/2020 - 11/05/2024	\$ 671	\$ -	Vice-President
<b>CHRISTOPHER CAPERS</b>	(Elected) 11/08/2022 - 11/03/2026	\$ 2,613	\$ 1,511	Secretary
<b>FELIX T. AMARO, JR.</b>	(Elected) 11/03/2020 - 11/05/2024	\$ 2,984	\$ -	Treasurer
<b>R. LEE HILL</b>	(Elected) 11/08/2022 - 11/03/2026	\$ -	\$ 1,741	Assistant Secretary

\* Fees of Office are the amounts actually paid to a director during the District's fiscal year.

**Consultants:**

<b>Crossroads Utility Service</b>	2010	\$ 659,658	\$ -	District Manager
<b>Armbrust &amp; Brown, PLLC</b>	1997	\$ 135,313	\$ -	Attorney
<b>Bott &amp; Douthitt, PLLC</b>	2009	\$ 71,375	\$ 964	District Accountant
<b>McCall Gibson Swedlund Barfoot PLLC</b>	2011	\$ 17,500	\$ -	Auditor
<b>360 Professional Services, Inc.</b>	2012	\$ 122,756	\$ -	Engineer
<b>Public Finance Group, LLC</b>	2014	\$ 2,560	\$ -	Financial Advisor
<b>McCall Parkhurst &amp; Horton, LLP</b>	1994	\$ -	\$ -	Bond Counsel
<b>TexaScapes, Inc.</b>	2002	\$ 571,942	\$ -	Landscaping/Compost Services
<b>Travis County Tax Collector</b>	1994	\$ 7,120	\$ -	Tax Collector

**OTHER  
SUPPLEMENTARY INFORMATION**

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
OSI-1. PRINCIPAL TAXPAYERS  
SEPTEMBER 30, 2023**

Taxpayer	Type of Property	Tax Roll Year		
		2023	2022	2021
Pre VTR Holdings LP	N/A	\$ 77,900,000	\$ -	\$ -
Belkorp Oaks LLC	N/A	59,767,819	53,983,819	40,783,819
Northtown Phase 1 LLC	N/A	34,767,315	6,794,374	2,807,790
Logistics II Tech Ridge Portfolio LLC	N/A	29,623,693	27,887,363	24,946,133
Lantower Techridge Austin LP	N/A	20,690,323	18,330,000	14,787,000
MCN Lakewood LLC	N/A	17,839,872	16,177,872	13,549,872
Edenbrook Ridge LLC	N/A	16,878,000	-	-
Village @ Northtown Ltd.	N/A	8,212,173	6,132,841	6,937,825
KB Home Lone Star Inc.	N/A	8,048,300	3,593,795	2,845,834
Northtown Multifamily LP	N/A	5,861,434	5,861,434	-
Madison-MF Tech Ridge TX LLC	N/A	-	66,000,000	52,900,000
Northtown Phase 2A LLC	N/A	-	3,361,637	-
Yintai Investment Northtown LLC	N/A	-	-	5,861,434
A M Petroleum Inc.	N/A	-	-	2,814,123
<b>Total</b>		<b>\$ 279,588,929</b>	<b>\$ 208,123,135</b>	<b>\$ 168,233,830</b>
Percent of Assessed Valuation		<b>21.6%</b>	<b>17.8%</b>	<b>18.3%</b>

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
OSI-2. ASSESSED VALUE BY CLASSIFICATION  
SEPTEMBER 30, 2023**

Type of Property	Tax Roll Year					
	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Single Family	\$ 1,210,134,191	93.5%	\$ 1,233,131,651	105.5%	\$ 773,416,601	84.3%
Multi Family Residence	233,355,399	18.0%	185,001,714	15.8%	139,967,578	15.3%
Vacant Lot	3,260,209	0.3%	2,568,629	0.2%	2,191,263	0.2%
Qualified Ag Land	876,863	-	876,863	-	876,863	0.1%
Non-Qualified Land	15,880,863	1.2%	18,486,481	1.6%	19,122,506	2.1%
Commercial Real Property	51,669,408	4.0%	32,493,393	2.8%	29,508,770	3.2%
Utility Company	949,460	0.1%	885,857	0.1%	918,708	0.1%
Commercial Personal Property	4,417,274	0.3%	6,511,298	0.6%	5,008,245	0.5%
Industrial Personal Property	222,389,020	17.2%	225,259,246	19.3%	186,868,322	20.5%
Residential Inventory	10,514,741	0.8%	2,110,209	0.2%	6,246,244	0.7%
Totally Exempt Property	44,500,651	3.4%	35,855,198	3.1%	34,529,948	3.8%
Less: Adjustments	<u>(503,896,169)</u>	<u>-38.8%</u>	<u>(574,127,390)</u>	<u>-49.2%</u>	<u>(280,908,558)</u>	<u>-30.8%</u>
Total Taxable	<u>\$ 1,294,051,910</u>	<u>100.0%</u>	<u>\$ 1,169,053,149</u>	<u>100.0%</u>	<u>\$ 917,746,490</u>	<u>100.0%</u>