NORTHTOWN
MUNICIPAL UTILITY DISTRICT

YEAR ENDED SEPTEMBER 30, 2025

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, 2025

NORTHTOWN
MUNICIPAL UTILITY DISTRICT

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ANNUAL FILING AFFIDAVIT

ANNUAL FILING AFFIDAVIT

STATE OF TEXAS
COUNTY OF TRAVIS

I, _____ 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 **28th day of January, 2026**, its annual audit report for the fiscal year period ended **September 30, 2025**, 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: _____ , _____ By: _____
(Signature of District Representative)

_____
(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this _____ day of _____ , _____.

(SEAL)

_____
(Signature of Notary)

My Commission Expires On: _____ , _____.
Notary Public in the State of Texas

TCEQ-0723 (Rev. 07/2012)

INDEPENDENT AUDITOR'S REPORT

McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin

Mike M. McCall
(retired)
Debbie Gibson
(retired)

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, 2025, 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, 2025, 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.

Emphasis of Matter – Prior Period Adjustment

Without modifying our opinion, we draw attention to Note 12 to the financial statements, which describes the District's implementation of GASB Implementation Guide 2021-1, Question 5.1 for the year ended September 30, 2024.

As described in Note 12, the District has implemented GASB Implementation Guide 2021-1, Question 5.1 for the capitalization of new water meters purchased in recent years that, in aggregate, were in excess of the District's capitalization threshold. Because the guidance is to be retroactively implemented, this resulted in an understatement of capital assets and net position at September 30, 2024. Accordingly, the District has adjusted prior year financial information and restated net position at September 30, 2024.

Houston | Austin | Dallas
13100 Wortham Center Drive, Suite 235, Houston, Texas 77065-5610 713-462-0341

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 Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

January 28, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

NORTHTOWN MUNICIPAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

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, 2025. 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 $14,628,296, while $6,782 was classified as nonspendable and $7,373,656 was considered assigned to cover the fiscal year 2026 budgeted deficit. The total General Fund fund balance was $22,008,734 at September 30, 2025, representing an increase of $2,328,381 from the previous year. General Fund revenues increased from $10,327,787 in the previous fiscal year to $10,937,630 in the current fiscal year. Other financing uses were $1,209,161 and General Fund expenditures were $7,400,088 for the fiscal year ended September 30, 2025.
- *Debt Service Fund*: Fund balance restricted for debt service decreased from $1,197,596 in the previous fiscal year to $1,145,929 in the current fiscal year. Debt Service Fund revenues decreased from $2,582,828 in the previous fiscal year to $2,399,054 in the current fiscal year due to a decrease in the debt service tax rate. During the 2025 fiscal year, the Debt Service Fund paid principal and interest on outstanding bonds of $1,885,000 and $528,575, respectively.
- *Capital Projects Fund*: Fund balance restricted for capital projects was exhausted during the current fiscal year from $4,957,160 in the previous fiscal year. The District used the remaining surplus funds from prior bond issues to purchase $5,739,224 of infrastructure.
- *Governmental Activities*: On a government-wide basis for governmental activities, the District had revenues net of expenses of $4,496,802. Net position increased from $43,992,980 (as restated) to $48,489,782.

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, 2025

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.

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
	2025	2024	(Decrease)
Current and other assets	$ 31,917,981	$ 27,493,119	$ 4,424,862
Capital and non-current assets	42,387,441	37,647,003	4,740,438
Total Assets	74,305,422	65,140,122	9,165,300
Deferred Outflows of Resources	219,333	249,378	(30,045)
Total Assets and Deferred Outflows of Resources	74,524,755	65,389,500	9,135,255
Current Liabilities	10,260,699	3,476,306	6,784,393
Long-term Liabilities	15,774,274	17,920,214	(2,145,940)
Total Liabilities	26,034,973	21,396,520	4,638,453
Net Investment in Capital Assets	24,837,500	23,048,327	1,789,173
Restricted	1,288,165	1,196,442	91,723
Unrestricted	22,364,117	19,748,211	2,615,906
Total Net Position	$ 48,489,782	$ 43,992,980	$ 4,496,802

The District's combined net position increased by $4,496,802 to $48,489,782 from the previous year balance of $43,992,980 (as restated). 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 $22,364,117. As discussed in Note 12, amounts in the 2024 column have been restated.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)

Revenues and Expenses:

Summary Statement of Activities

	Governmental Activities		Change Increase
	2025	2024	(Decrease)
Service accounts	$ 4,874,216	$ 4,564,656	$ 309,560
Property taxes	7,433,654	7,077,490	356,164
Other	1,685,598	1,533,575	152,023
Total Revenues	13,993,468	13,175,721	817,747
Water/wastewater/garbage	3,359,188	3,259,732	99,456
Other	4,127,010	2,900,730	1,226,280
Debt Service	459,252	472,044	(12,792)
Depreciation	1,551,216	1,466,612	84,604
Total Expenses	9,496,666	8,099,118	1,397,548
Change in Net Position	4,496,802	5,076,603	(579,801)
Beginning Net Position	43,992,980	38,916,377	5,076,603
Ending Net Position	$ 48,489,782	$ 43,992,980	$ 4,496,802

Revenues were $13,993,468 for the fiscal year ended September 30, 2025 while expenses were $9,496,666. Net position increased by $4,496,802. As discussed in Note 12, amounts in the 2024 column have been restated.

Property tax revenue in the current fiscal year totaled $7,433,654. 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 2024 tax year (September 30, 2025 fiscal year) were based upon a current adjusted assessed value of $1,419,761,177 and a tax rate of $0.5225 per $100 of assessed valuation. Property taxes levied for the 2023 tax year (September 30, 2024 fiscal year) were based upon an adjusted assessed value of $1,282,972,735 and a tax rate of $0.5525 per $100 of assessed valuation. The District's primary revenue sources are service account fees and property taxes.

ANALYSIS OF GOVERNMENTAL FUNDS

Governmental Funds by Year

	2025	2024	2023	2022
Cash	$ 395,260	$ 400,977	$ 417,890	$ 465,324
Cash equivalent investments	30,115,836	26,035,004	23,260,338	19,344,072
Receivables and other assets	1,648,163	1,070,719	2,387,321	1,087,644
Total Assets	$ 32,159,259	$ 27,506,700	$ 26,065,549	$ 20,897,040
Accounts payable	$ 1,247,782	$ 616,272	$ 1,625,717	$ 604,255
Due to developer	6,031,199	-	-	-
Other payables	1,200,717	957,432	1,030,221	1,411,183
Total Liabilities	8,479,698	1,573,704	2,655,938	2,015,438
Deferred Inflows of Resources	524,898	97,887	87,537	87,953
Nonspendable	6,782	433	930,355	27,004
Restricted	1,145,929	6,154,756	5,781,861	5,352,241
Assigned	7,373,656	2,288,733	181,828	-
Unassigned	14,628,296	17,391,187	16,428,030	13,414,404
Total Fund Balances	23,154,663	25,835,109	23,322,074	18,793,649
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 32,159,259	$ 27,506,700	$ 26,065,549	$ 20,897,040

For the fiscal year ended September 30, 2025, the District's governmental funds reflect a combined fund balance of $23,154,663. This fund balance includes a $2,328,381 increase to the General Fund.

The Debt Service Fund reflects a decrease of $51,667 in fiscal year 2025. During the current fiscal year, the Debt Service Fund remitted bond principal of $1,885,000 and interest of $528,575. 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 $4,957,160 decrease in fund balance for fiscal year 2025 to close out the Capital Projects Fund at September 30, 2025. The District used $5,739,224 of surplus funds from prior bond issues to purchase infrastructure.

BUDGETARY HIGHLIGHTS

The General Fund pays for daily operating expenditures. The Board of Directors adopted a budget on September 24, 2024. The budget included revenues of $10,294,937 as compared to expenditures of $12,583,670. When comparing actual to budget, the District had a positive variance of $4,617,114. 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 $42,387,441 in land and infrastructure. The detail is reflected in the following schedule:

Summary of Capital Assets, net

	9/30/2025	9/30/2024
Land and easements	$ 833,376	$ 833,376
Construction in progress	463,741	70,044
Water, wastewater and drainage	49,212,841	43,314,884
Common and recreation areas	12,432,926	12,432,926
Equipment	59,920	59,920
Less: Accumulated Depreciation	(20,615,363)	(19,064,147)
Total Net Capital Assets	$ 42,387,441	$ 37,647,003

As discussed in Note 12, amounts at September 30, 2024 have been restated.

LONG-TERM DEBT

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

	Bonds Payable
Series 2015	$ 2,965,000
Series 2017	240,000
Series 2019	3,660,000
Series 2020	9,225,000
Series 2021	1,055,000
Total	$ 17,145,000

The District owes approximately $17 million to bondholders. During the current fiscal year, the District paid down $1,885,000 of principal on outstanding bonds. The ratio of the District's long-term debt to the total 2024 taxable assessed valuation ($1,419,761,177) is 1.2%. More detailed information about the District's long-term debt is presented in the *Notes to the Financial Statements*.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The property tax assessed value for the 2025 tax year (September 30, 2026 fiscal year) is approximately $1.4 billion. The fiscal year 2026 tax rate is $0.52 on each $100 of taxable value. Approximately 67% of the property tax will fund general operating activities, and approximately 33% of the property tax will be set aside for debt service obligations.

The adopted budget for fiscal year 2026 projects a General Fund fund balance decrease of $7,373,656.

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, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Net Position
ASSETS						
Cash and cash equivalent investments:						
Cash	$ 395,260	$ -	$ -	$ 395,260	$ -	$ 395,260
Cash equivalent investments	22,855,415	1,163,472	6,096,949	30,115,836	-	30,115,836
Receivables:						
Service accounts, net of $45,000 provision for uncollectible accounts	819,338	-	-	819,338	-	819,338
Taxes, no provision for uncollectible accounts	346,118	178,780	-	524,898	-	524,898
Interfund receivables	2,124	-	248,419	250,543	(250,543)	-
Other	46,602	-	-	46,602	-	46,602
Prepaid items	6,782	-	-	6,782	9,265	16,047
Capital assets, net of accumulated depreciation:						
Land and easements	-	-	-	-	833,376	833,376
Construction in progress	-	-	-	-	463,741	463,741
Common and recreation areas	-	-	-	-	6,813,895	6,813,895
Water, wastewater and drainage facilities	-	-	-	-	34,276,429	34,276,429
TOTAL ASSETS	24,471,639	1,342,252	6,345,368	32,159,259	42,146,163	74,305,422
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges on refundings	-	-	-	-	219,333	219,333
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 24,471,639	$ 1,342,252	$ 6,345,368	$ 32,159,259	42,365,496	74,524,755
LIABILITIES						
Accounts payable	$ 918,194	$ 15,419	$ 314,169	$ 1,247,782	-	1,247,782
Retainage payable	22,603	-	-	22,603	-	22,603
Due to developer	-	-	6,031,199	6,031,199	-	6,031,199
Refundable deposits	807,191	-	-	807,191	-	807,191
Fiscal security deposits	120,380	-	-	120,380	-	120,380
Interfund payables	248,419	2,124	-	250,543	(250,543)	-
Accrued interest payable	-	-	-	-	36,544	36,544
Bonds payable:						
Due within one year	-	-	-	-	1,995,000	1,995,000
Due after one year	-	-	-	-	15,774,274	15,774,274
TOTAL LIABILITIES	2,116,787	17,543	6,345,368	8,479,698	17,555,275	26,034,973
DEFERRED INFLOWS OF RESOURCES						
Property taxes	346,118	178,780	-	524,898	(524,898)	-
TOTAL DEFERRED INFLOWS OF RESOURCES	346,118	178,780	-	524,898	(524,898)	-
FUND BALANCES / NET POSITION						
Fund balances:						
Nonspendable for -						
Prepaid items	6,782	-	-	6,782	(6,782)	-
Restricted for -						
Debt service	-	1,145,929	-	1,145,929	(1,145,929)	-
Assigned for 2026 budget deficit	7,373,656	-	-	7,373,656	(7,373,656)	-
Unassigned	14,628,296	-	-	14,628,296	(14,628,296)	-
TOTAL FUND BALANCES	22,008,734	1,145,929	-	23,154,663	(23,154,663)	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 24,471,639	$ 1,342,252	$ 6,345,368	$ 32,159,259		
Net position:						
Net investment in capital assets					$ 24,837,500	$ 24,837,500
Restricted for debt service					1,288,165	1,288,165
Unrestricted					22,364,117	22,364,117
TOTAL NET POSITION					$ 48,489,782	$ 48,489,782

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, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Activities
REVENUES:						
Property taxes, including penalties and interest	$ 4,739,577	$ 2,267,066	$ -	$ 7,006,643	$ 427,011	$ 7,433,654
Service revenues, including penalties	4,874,216	-	-	4,874,216	-	4,874,216
System connection/inspection fees	272,740	-	-	272,740	-	272,740
Interest	986,116	131,988	229,773	1,347,877	-	1,347,877
Other	64,981	-	-	64,981	-	64,981
TOTAL REVENUES	10,937,630	2,399,054	229,773	13,566,457	427,011	13,993,468
EXPENDITURES / EXPENSES:						
Current:						
Water/wastewater purchases	2,390,213	-	-	2,390,213	-	2,390,213
Garbage collection fees	968,975	-	-	968,975	-	968,975
Park maintenance	1,023,624	-	-	1,023,624	-	1,023,624
General manager fees	420,304	-	-	420,304	-	420,304
Repairs and maintenance	603,816	-	-	603,816	-	603,816
Inspection/connection fees	62,400	-	-	62,400	-	62,400
Utilities	35,968	-	-	35,968	-	35,968
Office expenditures	509,152	-	-	509,152	-	509,152
Security services	179,179	-	-	179,179	-	179,179
Director fees, including payroll taxes	15,702	-	-	15,702	-	15,702
Legal fees	203,933	-	-	203,933	-	203,933
Engineering fees	85,131	-	-	85,131	-	85,131
Accounting fees	77,900	-	-	77,900	-	77,900
Audit fees	19,000	-	-	19,000	-	19,000
Insurance	61,981	-	-	61,981	-	61,981
Tax appraisal/collection	31,010	14,825	-	45,835	-	45,835
Financial advisor fees	2,233	1,592	-	3,825	-	3,825
Other consulting fees	9,424	-	-	9,424	-	9,424
Bad debt expense	17,500	-	-	17,500	-	17,500
Developer interest	-		291,975	291,975	-	291,975
Other	130,213	15,979	314,169	460,361	-	460,361
Debt service:						
Bond principal	-	1,885,000	-	1,885,000	(1,885,000)	-
Bond interest	-	528,575	-	528,575	(124,799)	403,776
Fiscal agent fees	-	4,750	-	4,750	-	4,750
Bond issuance costs	-	-	50,726	50,726	-	50,726
Capital outlay	552,430	-	5,739,224	6,291,654	(6,291,654)	-
Depreciation	-	-	-	-	1,551,216	1,551,216
TOTAL EXPENDITURES / EXPENSES	7,400,088	2,450,721	6,396,094	16,246,903	(6,750,237)	9,496,666
Excess / (deficiency) of revenues over / (under) expenditures / expenses	3,537,542	(51,667)	(6,166,321)	(2,680,446)	7,177,248	4,496,802
OTHER FINANCING SOURCES (USES) -						
Operating transfer	(1,209,161)	-	1,209,161	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,209,161)	-	1,209,161	-	-	-
Change in fund balances / net position	2,328,381	(51,667)	(4,957,160)	(2,680,446)	7,177,248	4,496,802
FUND BALANCES / NET POSITION:						
Beginning of the year	19,680,353	1,197,596	4,957,160	25,835,109	16,353,766	42,188,875
Prior period adjustment, Note 12	-	-	-	-	1,804,105	1,804,105
Beginning of the year, as restated	19,680,353	1,197,596	4,957,160	25,835,109	18,157,871	43,992,980
End of the year	$ 22,008,734	$ 1,145,929	$ -	$ 23,154,663	$ 25,335,119	$ 48,489,782

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, 2025

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.

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.

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.

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 24, 2024, 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 and offers its employees a defined contribution retirement plan established in accordance with Internal Revenue Code Section 401(k). Assets and income of the District's plan are held in individual accounts for the exclusive benefit of participants and their beneficiaries. Accordingly, the plan's assets and income are not recorded in the District's basic financial statements. During the year ended September 30, 2025, the District contributed $14,908 to the defined contribution retirement plan. The Internal Revenue Service has determined that fees of office paid to Directors are considered to be wages subject to federal income tax withholding for payroll purposes.

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 $45,000 at September 30, 2025.

Capital Assets - Capital assets, which include land and easements, construction in progress, 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.

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

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

Asset	Years
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 $6,782 in nonspendable fund balance related to 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 $7,373,656 in assigned fund balance pertaining to the fiscal year 2026 budgeted deficit.
- *Unassigned*: all other spendable amounts in the General Fund.

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		$ 23,154,663
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	
Construction in progress	463,741	
Capital assets	61,645,767	
Less: Accumulated depreciation	(20,555,443)	42,387,441
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.		524,898
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable	$(17,145,000)	
Issuance premium	(624,274)	
Bond insurance	9,265	
Deferred charges on refundings, net	219,333	
Accrued interest	(36,544)	(17,577,220)
Net Position - Governmental Activities		$ 48,489,782

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		$ (2,680,446)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report:		
Capital expenditures in period purchased	$ 6,241,654	
Interest expenditures in year paid	5,800	
Bond principal in year paid	1,885,000	
Tax revenue when collected	427,011	8,559,465
Governmental funds do not report:		
Depreciation	$ (1,551,216)	
Amortization	118,999	(1,432,217)
Change in Net Position - Governmental Activities		$ 4,446,802

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, 2025, the carrying amount of the District's deposits was $395,260 and the bank balance was $572,415. Of the bank balance, $273,108 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.

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, 2025, the District held the following investments:

		Governmental Fund			Investment Rating	
		General	Debt Service	Capital Projects		
Investment	Fair Value at 9/30/2025	Unrestricted	Restricted (1)	Restricted (2)	Rating	Rating Agency
TexPool	$ 18,174,992	$ 12,080,939	$ -	$ 6,094,053	AAAm	Standard & Poors
LOGIC	11,940,844	10,774,476	1,163,472	2,896	AAA	Standard & Poors
	$ 30,115,836	$ 22,855,415	$ 1,163,472	$ 6,096,949		

(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 Hermes, 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.

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, 2025, 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, 2025, 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 24, 2024.

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 2024 tax roll. The tax rate, based on total taxable assessed valuation of $1,419,761,177, was $0.5225 on each $100 valuation and was allocated $0.3535 to the General Fund and $0.1690 to the Debt Service Fund. The maximum allowable maintenance tax rate of $1.50 was established by the voters on April 5, 1986.

4. PROPERTY TAXES (continued) –

Property taxes receivable at September 30, 2025, consisted of the following:

	General Fund	Debt Service Fund	Total
Current year levy	$ 303,143	$ 144,926	$ 448,069
Prior years' levies	42,975	33,854	76,829
	$ 346,118	$ 178,780	$ 524,898

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, 2025:

	Interfund	
	Receivable	Payable
General Fund:		
Debt Service Fund	$ 2,124	$ -
Capital Projects Fund	-	248,419
Debt Service Fund -		
General Fund	-	2,124
Capital Projects Fund -		
General Fund	248,419	-
	$ 250,543	$ 250,543

During the year ended September 30, 2025, the General Fund transferred $1,209,161 to the Capital Projects Fund to finance a portion of developer reimbursements approved during the current fiscal year (see Note 11) and to pay the arbitrage rebate calculated on the Series 2020 bonds.

6. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance 10/1/2024	Additions	Deletions	Balance 9/30/2025
Capital assets not being depreciated:				
Land and Easements	$ 833,376	$ -	$ -	$ 833,376
Construction in progress	70,044	393,697	-	463,741
Total capital assets not being depreciated	903,420	393,697	-	1,297,117
Capital assets being depreciated:				
Water, Wastewater and Drainage Facilities	43,314,884	5,897,957	-	49,212,841
Common and Recreation areas	12,432,926	-	-	12,432,926
Equipment	59,920	-	-	59,920
Total capital assets being depreciated	55,807,730	5,897,957	-	61,705,687
Less accumulated depreciation for:				
Water, Wastewater and Drainage Faclities	(13,907,260)	(1,029,152)	-	(14,936,412)
Common and Recreation areas	(5,099,879)	(519,152)	-	(5,619,031)
Equipment	(57,008)	(2,912)	-	(59,920)
Total accumulated depreciation	(19,064,147)	(1,551,216)	-	(20,615,363)
Total capital assets being depreciated, net of accumulated depreciation	36,743,583	4,346,741	-	41,090,324
Total capital assets, net	$ 37,647,003	$ 4,740,438	$ -	$ 42,387,441

As discussed in Note 12, the District's capital assets balance at October 1, 2024 has been restated.

7. BONDED DEBT

The following is a summary of bond transactions of the District for the year ended September 30, 2025:

	Unlimited Tax and Revenue Bonds
Bonds payable at October 1, 2024	$ 19,030,000
Bonds retired	(1,885,000)
Bond premium, net of accumulated amortization	624,274
Bonds payable at September 30, 2025	$ 17,769,274

7. BONDED DEBT (continued) –

Bonds payable at September 30, 2025, were comprised of the following individual issues:

Unlimited Tax and Revenue Bonds:

$9,225,000 – 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 of 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:

$2,965,000 – 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 of from time to time in part, on September 1, 2021 or on any date thereafter.

$240,000 – 2017 Unlimited Tax and Revenue Refunding Bonds payable serially through the year 2026 at an interest rate of 4.00%.

$3,660,000 – 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 of from time to time in part, on September 1, 2027 or on any date thereafter.

$1,055,000 – 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, 2025, including interest, are as follows:

	Annual Requirements for All Series		
Year Ended September 30,	Principal	Interest	Total
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	2,190,000	262,525	2,452,525
2030	2,280,000	208,400	2,488,400
2031-2033	6,490,000	270,000	6,760,000
	$ 17,145,000	$ 1,903,950	$ 19,048,950

Unlimited tax bonds authorized but not issued as of September 30, 2025, were $25,213,000.

$1,145,929 is available in the Debt Service Fund to service the bonded debt.

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 $728,100 and remitted to the City $749,700 in capital recovery fees during the year ending September 30, 2025. At September 30, 2025, the District has no liability outstanding to the City for capital recovery fees.

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, 2025, 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.

11. USE OF SURPLUS FUNDS

Pursuant to Commission approval dated April 25, 2025, on July 22, 2025, the Board approved the use of $6,031,199 of surplus operating and maintenance tax revenue and funds remaining from the District's previously issued Series 2011 and Series 2020 bond issues to reimburse the developer within the District for certain water, wastewater and drainage infrastructure construction and engineering costs. At September 30, 2025, the District owed $6,031,199 for these approved reimbursable costs to the developer.

12. PRIOR PERIOD ADJUSTMENT

During the current fiscal year, the District implemented GASB Implementation Guide ("GASBIG") 2021-1, Question 5.1, which requires the capitalization of the acquisition of a group of individual capital assets whose individual acquisition costs are less than the capitalization threshold when the cost of the acquisition of the assets in the aggregate is significant. GASBIG 2021-1, Question 5.1 is required to be retroactively implemented, which means the District is required to record the acquisition of water meters that were expensed in previous fiscal years as infrastructure capital assets and to record the related accumulated depreciation at the beginning of the current fiscal year. Beginning in September 2023 and through July 2024, the District purchased and installed new electronic meters that, in aggregate, totaled approximately $1,900,000. In prior years, these meters were expensed in both the fund and the government-wide financial statements. However, pursuant to GASBIG 2021-1, Question 5.1, the new water meters should have been accounted for as capital assets in the *Statement of Net Position* and depreciated over their estimated useful life of fifteen years with depreciation expense recorded in the *Statement of Activities*. Accordingly, the implementation of this accounting guidance for these new meters purchased results in a prior period adjustment, and the impact on beginning net position is reflected below:

Net Position, October 1, 2024	$ 42,188,875
Effect of Prior Period Adjustment	1,804,105
Net Position, October 1, 2024, as Restated	$ 43,992,980

REQUIRED
SUPPLEMENTARY INFORMATION

NORTHTOWN MUNICIPAL UTILITY DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SEPTEMBER 30, 2025

	Actual	Original and Final Budget	Variance Positive (Negative)
REVENUES:			
Property taxes, including penalties and interest	$ 4,739,577	$ 4,969,677	$ (230,100)
Service revenues, including penalties	4,874,216	4,536,760	337,456
System connection/inspection fees	272,740	34,500	238,240
Interest	986,116	721,000	265,116
Other	64,981	33,000	31,981
TOTAL REVENUES	10,937,630	10,294,937	642,693
EXPENDITURES:			
Current:			
Water/wastewater purchases	2,390,213	3,215,412	825,199
Garbage collection fees	968,975	960,183	(8,792)
Park maintenance	1,023,624	1,216,548	192,924
General manager fees	420,304	430,996	10,692
Repairs and maintenance	603,816	925,000	321,184
Inspection/connection fees	62,400	22,000	(40,400)
Utilities	35,968	45,600	9,632
Chemicals	-	80,000	80,000
Office expenditures	509,152	551,487	42,335
Security services	179,179	138,600	(40,579)
Director fees, including payroll taxes	15,702	20,000	4,298
Legal fees	203,933	168,000	(35,933)
Engineering fees	85,131	104,000	18,869
Accounting fees	77,900	77,400	(500)
Audit fees	19,000	19,000	-
Insurance	61,981	35,000	(26,981)
Tax appraisal/collection	31,010	30,000	(1,010)
Financial advisor fees	2,233	1,500	(733)
Other consulting fees	9,424	52,000	42,576
Bad debt expense	17,500	-	(17,500)
Other	130,213	180,944	50,731
Capital outlay	552,430	4,310,000	3,757,570
TOTAL EXPENDITURES	7,400,088	12,583,670	5,183,582
Excess (deficiency) of revenues over (under) expenditures	3,537,542	(2,288,733)	5,826,275
OTHER FINANCING SOURCES (USES) -			
Operating transfer out	(1,209,161)	-	(1,209,161)
TOTAL OTHER FINANCING USES	(1,209,161)	-	(1,209,161)
CHANGE IN FUND BALANCE	2,328,381	$ (2,288,733)	$ 4,617,114
FUND BALANCE:			
Beginning of the year	19,680,353		
End of the year	$ 22,008,734		

TEXAS
SUPPLEMENTARY INFORMATION

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-1. SERVICES AND RATES
SEPTEMBER 30, 2025

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

[X] Retail Water	[ ] Wholesale Water	[X] Drainage
[X] Retail Wastewater	[ ] Wholesale Wastewater	[X] Irrigation
[X] Parks/Recreation	[ ] Fire Protection	[X] Security
[X] Solid Waste/Garbage	[ ] Flood Control	[ ] Roads

[ ] Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

[ ] 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 (1)	-	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 [X] No [ ]

Total charges per 10,000 gallons usage: Water $ 90.29 (1) 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"	3,232	3,232	1.0	3,232
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	3,285	3,285		3,856
Total Wastewater	3,188	3,188	1.0	3,188

(1) Includes once a week solid waste service and recycling service.

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-1. SERVICES AND RATES
SEPTEMBER 30, 2025

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

Gallons pumped into system: 290,757,000

Gallons billed to customers: 298,662,000

Water Accountability Ratio
(Gallons billed / Gallons Pumped)
102.7%

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, 2025

Personnel Expenditures (including benefits)	$	509,152
Professional Fees:		
Audit		19,000
Legal		203,933
Engineering		85,131
Financial Advisor		2,233
Purchased Services For Resale -		
Bulk Water and Wastewater Purchases		2,390,213
Contracted Services:		
General Manager		420,304
Bookkeeping		77,900
Appraisal District/Tax Collector		31,010
Security Services		179,179
Other Contracted Services		71,824
Utilities		35,968
Repairs and Maintenance		603,816
Chemicals		-
Administrative Expenditures:		
Directors' Fees		15,702
Office Supplies		19,680
Insurance		61,981
Other Administrative Expenditures		110,533
Capital Outlay:		
Capitalized Assets		552,430
Expenditures not Capitalized		-
Bad Debt		17,500
Solid Waste Disposal		968,975
Parks and Recreation		1,023,624
Other Expenditures		-
TOTAL EXPENDITURES	$	7,400,088

Number of persons employed by the District: [4] Full-Time [-] Part-Time

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-3. TEMPORARY INVESTMENTS
SEPTEMBER 30, 2025

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
General Fund:					
Investment in LOGIC	XXX8001	Varies	N/A	$ 10,719,877	$ -
Investment in LOGIC	XXX8002	Varies	N/A	54,599	-
State Investment Pool	XXX0001	Varies	N/A	11,955,272	-
State Investment Pool	XXX0003	Varies	N/A	5,287	-
State Investment Pool	XXX0004	Varies	N/A	120,380	-
Total				22,855,415	-
Debt Service Fund:					
Investment in LOGIC	XXX8005	Varies	N/A	6,714	-
Investment in LOGIC	XXX8006	Varies	N/A	1,156,758	-
Total				1,163,472	-
Capital Projects Fund:					
Investment in LOGIC	XXX8015	Varies	N/A	2,896	-
State Investment Pool	XXX0007	Varies	N/A	6,094,053	-
Total				6,096,949	-
Total - All Funds				$ 30,115,836	$ -

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-4. TAXES LEVIED AND RECEIVABLE
SEPTEMBER 30, 2025

	Maintenance Taxes	Debt Service Taxes
Taxes Receivable, Beginning of Year	$ 56,697	$ 41,190
2024 Original Tax Levy, less abatements/adjustments	5,019,158	2,399,541
Prior year adjustments	(2,237)	(978)
Total to be accounted for	5,073,618	2,439,753
Tax collections:		
Current year	4,716,015	2,254,615
Prior years	11,485	6,358
Total collections	4,727,500	2,260,973
Taxes Receivable, End of Year	$ 346,118	$ 178,780
Taxes Receivable, By Years		
2023 and prior	$ 42,975	$ 33,854
2024	303,143	144,926
Taxes Receivable, End of Year	$ 346,118	$ 178,780

Property Valuations:	**2024** (a)	2023 (a)	2022 (a)	2021 (a)
Land and improvements	**$ 1,419,761,177**	$ 1,282,972,735	$ 1,164,043,298	$ 917,746,490
Total Property Valuations	**$ 1,419,761,177**	$ 1,282,972,735	$ 1,164,043,298	$ 917,746,490
Tax Rates per $100 Valuation:				
Debt Service tax rates	**$ 0.1690**	$ 0.1890	$ 0.2170	$ 0.2650
Maintenance tax rates	**0.3535**	0.3635	0.3555	0.3500
Total Tax Rates per $100 Valuation:	**$ 0.5225**	$ 0.5525	$ 0.5725	$ 0.6150
Adjusted Tax Levy	**$ 7,418,699**	$ 7,094,507	$ 6,696,744	$ 5,675,290
Percent of Taxes Collected to Taxes Levied *	**94.0%**	99.8%	99.9%	99.9%

Maximum Maintenance Tax Rate Approved by Voters: $ 1.50 on 4/5/1986

*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, 2025

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
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	-	-	-	-	-	-	-	-	-
	$ 2,965,000	$ 431,000	$ 3,396,000	$ 240,000	$ 9,600	$ 249,600	$ 3,660,000	$ 396,650	$ 4,056,650

(continued)

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
SEPTEMBER 30, 2025

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
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
	$ 9,225,000	$ 980,500	$ 10,205,500	$ 1,055,000	$ 86,200	$ 1,141,200	$ 17,145,000	$ 1,903,950	$ 19,048,950

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-6. CHANGES IN LONG-TERM BONDED DEBT
SEPTEMBER 30, 2025

	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	$ 3,380,000	$ 740,000	$ 4,175,000	$ 9,375,000	$ 1,360,000	$ 19,030,000
Bonds Sold During the Current Fiscal Year	-	-	-	-	-	-
Retirements During the Current Fiscal Year:						
Principal	(415,000)	(500,000)	(515,000)	(150,000)	(305,000)	(1,885,000)
Refunded	-	-	-	-	-	-
Bonds Outstanding at End of Current Fiscal Year	$ 2,965,000	$ 240,000	$ 3,660,000	$ 9,225,000	$ 1,055,000	$ 17,145,000
Interest Paid During the Current Fiscal Year	$ 135,200	$ 29,600	$ 142,000	$ 167,375	$ 54,400	$ 528,575
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, 2025:	$ 1,163,472
Average Annual Debt Service Payment (Principal and Interest) for the remaining term of all debt:	$ 2,381,119

NORTHTOWN MUNICIPAL UTILITY DISTRICT

TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES -

GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS

SEPTEMBER 30, 2025

	AMOUNTS					PERCENT OF FUND TOTAL REVENUES				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
GENERAL FUND										
REVENUES:										
Water, wastewater and garbage service, including penalties	$ 4,874,216	$ 4,564,656	$ 4,430,990	$ 4,259,593	$ 3,993,909	50.1 %	44.2 %	44.9 %	54.0 %	50.8 %
Property taxes, including penalties and interest	4,739,577	4,649,323	4,131,519	3,213,509	3,131,903	48.7	45.0	41.8	40.7	39.8
Park fees	-	-	420,000	-	294,300	-	-	4.2	-	3.7
Interest	986,116	1,013,055	776,962	109,624	12,885	10.1	9.8	7.9	1.4	0.2
System connection/inspection fees	272,740	54,110	86,680	311,630	132,236	2.8	0.5	0.9	3.9	1.7
Operating transfer in (out)	(1,209,161)	-	-	-	230,972	(12.4)	-	-	-	2.9
Miscellaneous	64,981	46,643	26,165	3,553	74,309	0.7	0.5	0.3	-	0.9
Total revenues	9,728,469	10,327,787	9,872,316	7,897,909	7,870,514	100.0	100.0	100.0	100.0	100.0
EXPENDITURES:										
Current:										
Water, wastewater and garbage	3,359,188	3,259,732	2,999,560	2,985,343	2,923,390	34.5	31.5	30.4	37.8	37.1
Park maintenance	1,023,624	814,560	722,477	638,448	656,980	10.5	7.9	7.3	8.1	8.4
General manager services	420,304	422,461	400,436	371,367	373,101	4.3	4.1	4.1	4.7	4.7
Legal fees	203,933	161,894	128,401	125,158	126,616	2.1	1.6	1.3	1.6	1.6
Repairs and maintenance	603,816	2,388,188	286,172	354,901	299,101	6.2	23.1	2.9	4.5	3.8
Inspection fees/meter purchases	62,400	17,525	29,775	250	25,175	0.6	0.2	0.3	-	0.3
Engineering fees	85,131	58,604	46,561	116,843	105,599	0.9	0.6	0.5	1.5	1.3
Security services	179,179	105,913	74,053	109,289	120,132	1.9	1.0	0.7	1.4	1.5
Utilities	35,968	37,065	30,696	25,382	24,441	0.4	0.3	0.3	0.3	0.3
Auditing fees	19,000	18,500	17,500	16,750	16,250	0.2	0.2	0.2	0.2	0.2
Accounting fees	77,900	73,974	71,875	67,000	66,750	0.8	0.7	0.7	0.8	0.9
Directors' fees	15,702	10,706	6,748	8,558	14,694	0.2	0.1	0.1	0.1	0.2
Chemicals	-	6,313	58,694	70,438	55,214	-	0.1	0.6	0.9	0.7
Office expenditures	509,152	465,253	492,877	425,322	446,602	5.2	4.5	5.0	5.4	5.7
Tax appraisal/collection fees	31,010	29,068	22,480	17,435	16,211	0.3	0.3	0.2	0.2	0.2
Insurance	61,981	37,435	37,898	22,671	22,558	0.6	0.4	0.4	0.3	0.3
Other	132,446	88,586	137,522	123,425	106,232	1.4	0.9	1.4	1.6	1.4
Contracted services	9,424	12,336	8,315	21,682	8,304	0.1	0.1	0.1	0.3	0.1
Bad debt expense	17,500	-	-	-	-	0.2	-	-	-	-
Capital outlay	552,430	179,534	201,471	2,657,250	2,907,875	5.7	1.7	2.0	33.6	37.0
Total expenditures	7,400,088	8,187,647	5,773,511	8,157,512	8,315,225	76.1	79.3	58.5	103.3	105.7
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 2,328,381	$ 2,140,140	$ 4,098,805	$ (259,603)	$ (444,711)	23.9 %	20.7 %	41.5 %	(3.3) %	(5.7) %

(continued)

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES -
GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS (continued)
SEPTEMBER 30, 2025

	AMOUNTS					PERCENT OF FUND TOTAL REVENUES				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
DEBT SERVICE FUND										
REVENUES:										
Property taxes, including penalties and interest	$ 2,267,066	$ 2,417,817	$ 2,521,367	$ 2,433,805	$ 2,054,202	94.5 %	93.6 %	94.8 %	99.3 %	79.8 %
Net bond activity	-	-	-	-	517,369	-	-	-	-	20.1
Interest	131,988	165,011	138,029	17,982	1,963	5.5	6.4	5.2	0.7	0.1
Total revenues	2,399,054	2,582,828	2,659,396	2,451,787	2,573,534	100.0	100.0	100.0	100.0	100.0
EXPENDITURES:										
Tax appraisal/collection fees	14,825	15,114	13,722	13,200	10,628	0.6	0.6	0.5	0.5	0.4
Principal payments	1,885,000	1,850,000	1,770,000	1,665,000	1,620,000	78.6	71.6	66.6	68.0	63.0
Interest payments	528,575	594,025	649,425	701,075	678,362	22.1	23.0	24.4	28.6	26.4
Fiscal agent fees and other	22,321	5,550	3,126	5,745	3,596	0.9	0.2	0.1	0.2	0.1
Bond refunding expenditures	-	-	-	-	141,338	-	-	-	-	5.5
Total expenditures	2,450,721	2,464,689	2,436,273	2,385,020	2,453,924	102.2	95.4	91.6	97.3	95.4
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (51,667)	$ 118,139	$ 223,123	$ 66,767	$ 119,610	(2.2) %	4.6 %	8.4 %	2.7 %	4.6 %
TOTAL ACTIVE RETAIL WATER CONNECTIONS	3,285	3,215	3,144	3,187	3,143					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	3,188	3,238	3,141	3,090	3,085					

NORTHTOWN MUNICIPAL UTILITY DISTRICT
TSI-8. BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2025

Complete District Mailing Address:	c/o Armbrust & Brown, PLLC 100 Congress Ave. Suite 1300, Austin TX 78701
District Business Telephone Number:	(512) 435-2300
Submission Date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	November 26, 2024
Limits on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution TWC Section 49.060)	$7,200

Name and Address:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid * 9/30/2025	Expense Reimbursements 9/30/2025	Title at Year End
Board Members:				
BRENDA RICHTER	(Elected) 11/08/2022 - 11/03/2026	$ -	$ -	President
CHRISTOPHER CAPERS	(Elected) 11/08/2022 - 11/03/2026	$ 6,851	$ 1,319	Vice President
COLETTE DOWNEY	(Elected) 11/05/2024 - 11/07/2028	$ 3,757	$ 1,269	Secretary
R. LEE HILL	(Elected) 11/08/2022 - 11/03/2026	$ -	$ 2,739	Treasurer
LISA BAKER	(Elected) 11/05/2024 - 11/07/2028	$ 3,757	$ 1,286	Assistant Secretary/Treasurer
Consultants:				
Crossroads Utility Service	2010	$ 958,925	$ -	District Manager
Armbrust & Brown, PLLC	1997	$ 207,734	$ -	Attorney
Bott & Douthitt, PLLC	2009	$ 80,188	$ -	District Accountant
McCall Gibson Swedlund Barfoot Ellis PLLC	2011	$ 34,000	$ -	Auditor
360 Professional Services, Inc.	2012	$ 93,680	$ -	Engineer
Public Finance Group, LLC	2014	$ 3,825	$ -	Financial Advisor
McCall Parkhurst & Horton, LLP	1994	$ -	$ -	Bond Counsel
TexaScapes, Inc.	2002	$ 834,426	$ -	Landscaping/Compost Services
Travis County Tax Collector	1994	$ 8,293	$ -	Tax Collector

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

OTHER
SUPPLEMENTARY INFORMATION

NORTHTOWN MUNICIPAL UTILITY DISTRICT
OSI-1. PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2025

Taxpayer	Type of Property	Tax Roll Year 2025	2024	2023
Northtown Phase 1 LLC	N/A	**$ 105,000,000**	$ 114,380,000	$ 34,767,315
Pre VTR Holdings LP	N/A	**70,130,000**	71,000,000	70,500,000
Belkorp Oaks LLC	N/A	**56,633,819**	57,679,599	59,767,819
Edenbrook Ridge LLC	N/A	**43,651,907**	40,848,529	16,878,000
Logistics II Tech Ridge Portfolio LLC	N/A	**31,844,863**	30,429,863	29,623,693
Lantower Techridge Austin LP	N/A	**18,453,000**	19,113,000	19,470,000
MCN Lakewood LLC	N/A	**16,021,872**	16,339,872	16,779,372
Northtown Multifamily LP	N/A	**3,783,537**	5,861,434	5,861,434
Applied Materials Inc.	N/A	**3,457,786**	6,864,657	-
A M Petroleum Inc.	N/A	**3,060,007**	-	-
Village @ Northtown LP	N/A	**-**	8,157,798	8,212,173
KB Home Lone Star Inc.	N/A	**-**	-	7,167,988
Total		**$ 352,036,791**	$ 370,674,752	$ 269,027,794
Percent of Assessed Valuation		**25.3%**	26.1%	21.0%

NORTHTOWN MUNICIPAL UTILITY DISTRICT
OSI-2. ASSESSED VALUE BY CLASSIFICATION
SEPTEMBER 30, 2025

	Tax Roll Year					
	2025		2024		2023	
Type of Property	**Amount**	**%**	Amount	%	Amount	%
Single Family	**$ 1,066,565,049**	**76.6%**	$ 1,114,548,591	78.5%	$ 1,209,977,448	94.3%
Multi Family Residence	**331,798,997**	**23.8%**	300,977,176	21.2%	223,674,576	17.4%
Vacant Lot	**6,861,743**	**0.5%**	3,260,209	0.2%	3,260,209	0.3%
Qualified Open-Space Land	**10,362,149**	**0.7%**	-	-	876,863	-
Rural Land	**1,341,145**	**0.1%**	15,484,302	1.1%	15,856,129	1.2%
Commercial Real Property	**39,334,299**	**2.8%**	78,132,731	5.5%	51,669,408	4.0%
Utility Company	**2,009,340**	**0.1%**	1,220,143	0.1%	949,460	0.1%
Commercial Personal Property	**10,262,611**	**0.7%**	10,095,316	0.7%	4,261,924	0.3%
Industrial Personal Property	**114,334,634**	**8.2%**	162,027,938	11.4%	222,389,020	17.3%
Residential Inventory	**3,300,629**	**0.2%**	10,543,422	0.7%	10,514,741	0.8%
Totally Exempt Property	**45,764,860**	**3.3%**	43,386,033	3.1%	44,533,383	3.5%
Less: Adjustments	**(240,230,289)**	**-17.0%**	(319,914,684)	-22.5%	(504,990,426)	-39.2%
Total Taxable	**$ 1,391,705,167**	**100.0%**	$ 1,419,761,177	100.0%	$ 1,282,972,735	100.0%