

MUSTANG SPECIAL UTILITY DISTRICT  
 ENTERPRISE FUND EXPENDITURES  
 YEAR ENDED SEPTEMBER 30, 2009

Payroll and Benefits	\$	1,101,397
Water Distribution System		2,143,834
Other Operating Costs		225,730
Professional and Legal Fees		285,093
Insurance		261,044
Amortization		422,744
Depreciation		943,517
Interest Expense		<u>526,722</u>
Total Expenditures	\$	<u><u>5,910,081</u></u>

Number of persons employed by the District:

Full Time	<u>17</u>
Part Time	<u>1</u>

MUSTANG SPECIAL UTILITY DISTRICT  
 TEMPORARY INVESTMENTS  
 YEAR ENDED SEPTEMBER 30, 2009

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at Year End
<u>Proprietary Fund Type</u>					
<u>Enterprise Fund</u>					
LOGIC	237122845002	0.375%	9/30/2009	\$ 361,725	Monthly
TexSTAR Accounts:					
System Growth Construction Account	061021030001	0.263%	9/30/2009	65	Monthly
System Growth Fund	061021030001	0.263%	9/30/2009	5,341	Monthly
Series 2006 Debt Service Reserve	061021023000	0.263%	9/29/2009	5,578	Monthly
Series 2006 Construction Account	061021030000	0.263%	9/30/2009	6,400	Monthly
Series 2006 Interest & Sinking	061023333000	0.263%	9/30/2009	5,148	Monthly
Developers Escrow Account	061024444000	0.263%	9/30/2009	5,122	Monthly
Series 2009 Revenue Bonds Escrow	061022896002	0.263%	9/30/2009	1,094,803	Monthly
NorthStar Accounts:					
System Growth Account	6011276	0.4162%	9/30/2009	819,321	Monthly
Series 2006 Revenue Bond Debt Reserve	6011349	0.4162%	9/30/2009	434,440	Monthly
Series 2006 Revenue Bond Construction	6011357	0.4162%	9/30/2009	1,039,418	Monthly
Series 2006 Revenue Bond Interest & Sinking	6011347	0.4162%	9/29/2009	31,517	Monthly
Developers Escrow	6011284	0.4162%	9/30/2009	104,762	Monthly
Series 2007 Revenue Note Interest & Sinking Fund	6011381	0.4162%	9/30/2009	34,510	Monthly
Series 2008 Revenue Bond Debt Service Reserve	1107550	0.4162%	9/30/2009	265,160	Monthly
Series 2008 Revenue Fund Debt Service Fund	1107542	0.4162%	9/30/2009	8,504	Monthly
Series 2009 Revenue Bonds Interest & Sinking	6011527	0.4162%	9/30/2009	12,372	Monthly
Series 2009 Revenue Bonds Debt Reserve	6011535	0.4162%	9/30/2009	110,417	Monthly
Total				\$ 4,344,603	\$ -

MUSTANG SPECIAL UTILITY DISTRICT  
 LONG-TERM DEBT SERVICE REQUIREMENTS  
 UTRWD NOTE - BY YEARS  
 YEAR ENDED SEPTEMBER 30, 2009

Year Ended September 30	Principal	Interest	Total Requirements
2010	\$ 85,952	\$ 148,305	\$ 234,257
2011	91,255	143,002	234,257
2012	96,885	137,372	234,257
2013	102,862	131,395	234,257
2014	109,208	125,049	234,257
2015	115,945	118,312	234,257
2016	123,098	111,159	234,257
2017	130,692	103,565	234,257
2018	138,755	95,502	234,257
2019	147,316	86,942	234,258
2020	156,404	77,853	234,257
2021	166,053	68,204	234,257
2022	176,297	57,960	234,257
2023	187,173	47,083	234,256
2024	198,721	35,536	234,257
2025	210,981	23,276	234,257
2026	223,998	10,260	234,258
Totals	\$ 2,461,595	\$ 1,520,775	\$ 3,982,370

MUSTANG SPECIAL UTILITY DISTRICT  
LONG-TERM DEBT SERVICE REQUIREMENTS  
SERIES 2006 - BY YEARS  
YEAR ENDED SEPTEMBER 30, 2009

Year Ended September 30	Principal	Interest	Total Requirements
2010	\$ 200,000	\$ 165,658	\$ 365,658
2011	225,000	155,658	380,658
2012	245,000	144,408	389,408
2013	180,000	132,158	312,158
2014	180,000	124,733	304,733
2015	195,000	117,533	312,533
2016	195,000	109,733	304,733
2017	205,000	101,933	306,933
2018	210,000	93,733	303,733
2019	220,000	85,333	305,333
2020	230,000	76,533	306,533
2021	245,000	67,333	312,333
2022	250,000	57,288	307,288
2023	255,000	47,038	302,038
2024	270,000	36,200	306,200
2025	280,000	47,725	327,725
2026	295,000	12,685	307,685
Totals	\$ 3,880,000	\$ 1,575,682	\$ 5,455,682

MUSTANG SPECIAL UTILITY DISTRICT  
LONG-TERM DEBT SERVICE REQUIREMENTS  
SERIES 2007 - BY YEAR  
YEAR ENDED SEPTEMBER 30, 2009

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2010	\$ 1,160,000	\$ 46,748	\$ 1,206,748
Totals	<u>\$ 1,160,000</u>	<u>\$ 46,748</u>	<u>\$ 1,206,748</u>

MUSTANG SPECIAL UTILITY DISTRICT  
 SERIES 2008 - BY YEAR  
 YEAR ENDED SEPTEMBER 30, 2009

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ -	\$ 156,933	\$ 156,933
2011	85,000	156,933	241,933
2012	90,000	152,045	242,045
2013	90,000	146,870	236,870
2014	95,000	141,695	236,695
2015	100,000	136,233	236,233
2016	105,000	130,483	235,483
2017	110,000	124,445	234,445
2018	115,000	118,120	233,120
2019	120,000	111,508	231,508
2020	125,000	104,608	229,608
2021	130,000	97,420	227,420
2022	140,000	89,945	229,945
2023	145,000	81,895	226,895
2024	155,000	73,558	228,558
2025	160,000	64,645	224,645
2026	170,000	55,445	225,445
2027	180,000	45,670	225,670
2028	190,000	35,320	225,320
2029	200,000	24,395	224,395
2030	210,000	12,495	222,495
Totals	<u>\$ 2,715,000</u>	<u>\$ 2,060,661</u>	<u>\$ 4,775,661</u>

MUSTANG SPECIAL UTILITY DISTRICT  
SERIES 2009 - BY YEAR  
YEAR ENDED SEPTEMBER 30, 2009

Year Ended September 30	Principal	Interest	Total Requirements
2010	\$ -	\$ 66,083	\$ 66,083
2011	35,000	61,000	96,000
2012	35,000	59,250	94,250
2013	40,000	57,500	97,500
2014	40,000	55,500	95,500
2015	40,000	53,500	93,500
2016	45,000	51,500	96,500
2017	45,000	49,250	94,250
2018	50,000	47,000	97,000
2019	50,000	44,500	94,500
2020	55,000	42,000	97,000
2021	55,000	39,250	94,250
2022	60,000	36,500	96,500
2023	60,000	33,500	93,500
2024	65,000	30,500	95,500
2025	65,000	27,250	92,250
2026	70,000	24,000	94,000
2027	75,000	20,500	95,500
2028	80,000	16,750	96,750
2029	80,000	12,750	92,750
2030	85,000	8,750	93,750
2031	90,000	4,500	94,500
Totals	\$ 1,220,000	\$ 841,333	\$ 2,061,333

MUSTANG SPECIAL UTILITY DISTRICT  
 CHANGES IN LONG-TERM BONDED DEBT  
 YEAR ENDED SEPTEMBER 30, 2009

	Bond Issues			
	Series 2006	Series 2007	Series 2008	Series 2009
Interest Rate	4.00% - 5.00%	4.03%	5.75%	5.00%
Dates Interest Payable	3/1 - 9/1	3/1 - 9/1	3/1 - 9/1	9/30
Maturity Date	9/1/2026	9/1/2010	9/1/2030	9/30/2031
Beginning Bonds Outstanding	\$ 4,060,000	\$ 2,160,000	\$ -	\$ -
Bonds Sold During the Fiscal Year	-	-	2,715,000	1,220,000
Bonds Retired During the Fiscal Year	180,000	1,000,000	-	-
Ending Bonds Outstanding	<u>\$ 3,880,000</u>	<u>\$ 1,160,000</u>	<u>\$ 2,715,000</u>	<u>\$ 1,220,000</u>

Interest Paid During the Fiscal Year \$ 526,722

Paying Agent's Name and City First Southwest Company Dallas, TX

Bond Authority:	Tax Bonds	Refunding Bonds	Other Bonds
Original Amount Issued	\$ -	\$ -	\$ 10,510,000
Debt Service Fund cash and temporary investment balances as of September 30, 2009:			\$ 897,711
Average annual debt service payment (Principal and Interest) for remaining term of all debt:			\$ 539,057



MUSTANG SPECIAL UTILITY DISTRICT  
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES  
ALL PROPRIETARY FUND TYPES  
FIVE PERIODS ENDED SEPTEMBER 30, 2009

	AMOUNTS					PERCENT OF FUND TOTAL REVENUE				
	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
<b>OPERATING REVENUE</b>										
Water/Wastewater Sales	\$ 3,018,990	\$ 2,932,828	\$ 3,402,385	\$ 3,263,187	\$ 2,284,017	68.10%	60.29%	65.21%	65.06%	50.57%
Customer Charges/Fees	1,029,752	1,856,900	1,773,406	1,421,706	1,839,999	23.23%	38.17%	33.99%	28.35%	40.74%
Miscellaneous Revenue	384,384	74,895	42,134	330,497	392,193	8.67%	1.54%	0.81%	6.59%	8.68%
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 4,433,126</b>	<b>\$ 4,864,623</b>	<b>\$ 5,217,925</b>	<b>\$ 5,015,390</b>	<b>\$ 4,516,209</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>OPERATING EXPENSES</b>										
Payroll and Benefits	\$ 1,101,397	\$ 887,647	\$ 960,658	\$ 972,930	\$ 640,736	24.84%	18.25%	18.41%	19.40%	14.19%
Water Distribution System	2,149,834	1,321,471	1,531,437	1,778,281	1,691,349	48.36%	27.16%	29.35%	35.46%	37.45%
Other Operating Costs	225,730	587,199	230,389	258,711	137,153	5.09%	12.07%	4.42%	5.16%	3.04%
Professional and Legal Fees	285,093	129,779	331,075	202,844	167,947	6.43%	2.67%	6.34%	4.04%	3.72%
Insurance	261,044	156,952	129,985	48,433	40,546	5.89%	3.23%	2.49%	0.97%	0.90%
Amortization	422,744	421,688	384,267	15,935	11,745	9.54%	8.67%	7.36%	0.32%	0.26%
Depreciation	943,517	907,613	952,251	840,996	864,256	21.28%	18.66%	18.25%	16.77%	19.14%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,383,359</b>	<b>\$ 4,412,349</b>	<b>\$ 4,520,062</b>	<b>\$ 4,118,130</b>	<b>\$ 3,553,732</b>	<b>121.43%</b>	<b>90.70%</b>	<b>86.63%</b>	<b>82.11%</b>	<b>78.69%</b>
<b>NET OPERATING INCOME (EXPENSES)</b>	<b>\$ (950,233)</b>	<b>\$ 452,274</b>	<b>\$ 697,863</b>	<b>\$ 897,260</b>	<b>\$ 962,477</b>	<b>-21.43%</b>	<b>9.30%</b>	<b>13.37%</b>	<b>17.89%</b>	<b>21.31%</b>
<b>NONOPERATING REVENUE (EXPENSES)</b>										
Gain on Sale of Fixed Assets	\$ -	\$ -	\$ -	\$ 125,000	\$ 252,045	0.00%	0.00%	0.00%	2.49%	5.58%
Interest Income	48,221	154,360	318,969	225,866	85,365	1.09%	3.17%	6.11%	4.50%	1.89%
Interest Expense	(526,722)	(386,347)	(314,564)	(258,657)	(191,710)	-11.88%	-7.94%	-6.03%	-5.16%	-4.24%
<b>NET NONOPERATING REVENUE (EXPENSES)</b>	<b>\$ (478,501)</b>	<b>\$ (231,987)</b>	<b>\$ 4,405</b>	<b>\$ 92,209</b>	<b>\$ 145,700</b>	<b>-10.79%</b>	<b>-4.77%</b>	<b>0.08%</b>	<b>1.84%</b>	<b>3.23%</b>
<b>CHANGE IN NET ASSETS</b>										
<b>BEFORE CAPITAL CONTRIBUTIONS</b>	<b>\$ (1,428,734)</b>	<b>\$ 220,287</b>	<b>\$ 702,268</b>	<b>\$ 989,469</b>	<b>\$ 1,108,177</b>	<b>-32.23%</b>	<b>4.53%</b>	<b>13.46%</b>	<b>19.73%</b>	<b>24.54%</b>
<b>CAPITAL CONTRIBUTIONS</b>										
Wastewater Capacity Fee Paid by Developers	\$ 61,875	\$ 139,450	\$ 3,934,388	\$ -	\$ -	1.40%	2.87%	75.40%	0.00%	0.00%
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>\$ 61,875</b>	<b>\$ 139,450</b>	<b>\$ 3,934,388</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1.40%</b>	<b>2.87%</b>	<b>75.40%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (1,366,859)</b>	<b>\$ 359,737</b>	<b>\$ 4,636,656</b>	<b>\$ 989,469</b>	<b>\$ 1,108,177</b>	<b>-30.83%</b>	<b>7.39%</b>	<b>88.86%</b>	<b>19.73%</b>	<b>24.54%</b>

MUSTANG SPECIAL UTILITY DISTRICT  
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
YEAR ENDED SEPTEMBER 30, 2009

Complete District Mailing Address: 7985 FM 2931, Aubrey, Texas 76227

District Business Telephone Number: 940-440-9561

Submission Date of the most recent District Registration Form: 5/19/09

Limit on Fees of Office that a Director may receive during a fiscal year: \$ 7,200

	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees of Office Paid (FYE 9/30/09)</u>	<u>Expense Reimbursements (FYE 9/30/09)</u>	<u>Title at Year End</u>
<b>Board Members:</b>				
Bill Hathaway	2007-2010 (Elec)	\$ -	\$ -	President
Mike Frazier	2007-2010 (Elec)	\$ -	\$ -	Vice-Pres.
Randy Wallace	2007-2010 (Elec)	\$ -	\$ -	Sec/Treas
Mike Breslin	2009-2010 (Elec)	\$ -	\$ -	Director
Steve Rebhan	2008-2011 (Elec)	\$ -	\$ -	Director
Shelby Moore	2009-2012 (Elec)	\$ -	\$ -	Director
Dean Jameson	2009-2012 (Elec)	\$ -	\$ -	Director
Barbara Swadling	2008-2011(Elec)	\$ -	\$ -	Director
James Burnham	2008-2011 (Elec)	\$ -	\$ -	Director
<b>Key Administrative Personnel:</b>				
Chris Boyd	02/21/07	\$ 132,525	\$ 1,334	General Manager
Patty Martinez	03/24/09	\$ 45,924	\$ 112	Director of Finance & Administration
Aldo Zamora	10/11/04	\$ 60,358	\$ -	Operations Manager
Laura Haynie	11/06/02	\$ 44,295	\$ -	Director of Development & Inspection
<b>Consultants:</b>				
Rapier & Wilson		\$ 123,888	\$ -	Attorney
Rutherford, Taylor & Company, P.C.		\$ 19,130	\$ -	Auditor
HDR Engineering, Inc		\$ 172,118	\$ -	Engineer

Community Water Service, Inc.  
P. O. Box 850155  
Mesquite, Texas 75185

Marilee SUD  
230 West Pecan Street  
Celina, Texas 75009-1017

City of Lakewood Village  
100 Highridge Drive  
Lakewood Village, Texas 75068

Aqua Utilities, Inc.  
1106 Clayton Lane, Ste 400W  
Austin, Texas 78723

City of Tioga  
P. O. Box 206  
Tioga, Texas 76271

Town of Little Elm  
P. O. Box 129  
Little Elm, Texas 75068

City of Aubrey  
107 S. Main Street  
Aubrey, Texas 76227

Bolivar WSC  
P. O. Box 1789  
Sanger, Texas 76266

City of Pilot Point  
P. O. Box 457  
Pilot Point, Texas 76258

Knob Hill Water System  
2861 High Meadow  
Little Elm, Texas 75068

Green Springs WSC  
P. O. Box 1217  
Denton, Texas 76202

Vacation Village Water Company  
215 E. McKinney Street  
Denton, Texas 76201

Midway Water Utilities Inc  
12535 Reed Road  
Sugar Land, Texas 77478

Blackrock WSC  
5901 New Hope Road  
Aubrey, Texas 76227

City of Frisco  
6891 Main Street  
Frisco, Texas 75035

City of Hackberry  
119 Maxwell Road  
Frisco, Texas 75034

City of Celina  
302 W. Walnut Street  
Celina, Texas 75009

Town of Prosper  
P.O. Box 307  
Prosper, Texas 75078

Denton County FWSD 8-A  
19 Briar Hollow Lane, Ste 245  
Houston, Texas 77027

Denton County FWSD 8-B  
19 Briar Hollow Lane, Ste 245  
Houston, Texas 77027

Denton County FWSD 8-C  
201 Main Street, Ste 2500  
Fort Worth, Texas 76102

Denton County FWSD 9  
19 Briar Hollow Lane, Ste 245  
Houston, Texas 77027

Denton County FWSD 10  
19 Briar Hollow Lane, Suite 245  
Houston, Texas 77027

Denton County FWSD 11  
19 Briar Hollow Lane, Ste 245  
Houston, Texas 77027

Valencia on the Lake WCID  
19 Briar Hollow Lane, Ste 245  
Houston, Texas 77027

City of Denton  
901-A Texas Street  
Denton, Texas 76209

Aqua Development, Inc.  
Aqua Texas, Inc.  
1106 Clayton Lane, Ste 400W  
Austin, Texas 78723

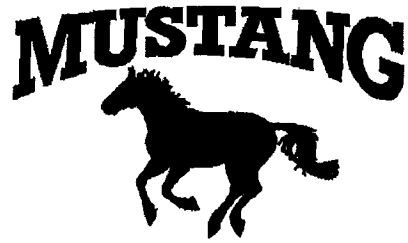
City of Oak Point  
100 Naylor Road  
Oak Point, Texas 75068

City of Gunter  
P. O. Box 349  
Gunter, Texas 75058

Denton County MUD 5  
P. O. Box 80  
Tomball, Texas 77377

Green Springs WSC  
P. O. Box 1217  
Denton, Texas 76202





*Special Utility District*

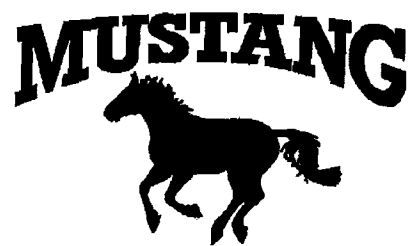
Income Statement

Last 5 Years

**MUSTANG SPECIAL UTILITY DISTRICT  
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES  
ALL PROPRIETARY FUND TYPES  
FIVE PERIODS ENDED SEPTEMBER 30, 2009**

	AMOUNTS					PERCENT OF FUND TOTAL REVENUE				
	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
<b>OPERATING REVENUE</b>										
Water/Wastewater Sales	\$ 3,018,990	\$ 2,832,828	\$ 3,402,385	\$ 3,263,187	\$ 2,284,017	68.10%	60.29%	65.21%	65.06%	50.57%
Customer Charges/Fees	1,029,752	1,856,900	1,773,406	1,421,706	1,839,999	23.23%	38.17%	33.99%	28.35%	40.74%
Miscellaneous Revenue	384,384	74,895	42,134	330,487	392,193	8.67%	1.54%	0.81%	6.59%	8.68%
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 4,433,126</b>	<b>\$ 4,864,623</b>	<b>\$ 5,217,925</b>	<b>\$ 5,015,390</b>	<b>\$ 4,516,209</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>OPERATING EXPENSES</b>										
Payroll and Benefits	\$ 1,101,397	\$ 887,647	\$ 960,658	\$ 972,930	\$ 640,736	24.84%	18.25%	18.41%	19.40%	14.19%
Water Distribution System	2,143,894	1,321,471	1,531,437	1,778,281	1,691,349	48.36%	27.16%	29.35%	35.46%	37.45%
Other Operating Costs	225,790	587,199	230,389	258,711	137,153	5.09%	12.07%	4.42%	5.16%	3.04%
Professional and Legal Fees	285,093	129,779	331,075	202,844	167,947	6.43%	2.67%	6.34%	4.04%	3.72%
Insurance	261,044	156,952	129,965	48,433	40,546	5.89%	3.23%	2.49%	0.97%	0.90%
Amortization	422,744	421,688	384,267	15,935	11,745	9.54%	8.67%	7.36%	0.32%	0.26%
Depreciation	943,517	907,613	952,251	840,996	864,256	21.28%	18.66%	18.25%	16.77%	19.14%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,383,359</b>	<b>\$ 4,412,349</b>	<b>\$ 4,520,062</b>	<b>\$ 4,118,130</b>	<b>\$ 3,553,732</b>	<b>121.43%</b>	<b>90.70%</b>	<b>85.63%</b>	<b>82.11%</b>	<b>78.69%</b>
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<b>NONOPERATING REVENUE (EXPENSES)</b>										
Gain on Sale of Fixed Assets	\$ -	\$ -	\$ -	\$ 125,000	\$ 252,045	0.00%	0.00%	0.00%	2.49%	5.58%
Interest Income	48,221	154,360	318,969	225,866	85,365	1.09%	3.17%	6.11%	4.50%	1.89%
Interest Expense	(526,722)	(386,347)	(314,564)	(258,657)	(191,710)	-11.88%	-7.94%	-6.03%	-5.16%	-4.24%
<b>NET NONOPERATING REVENUE (EXPENSES)</b>	<b>\$ (478,501)</b>	<b>\$ (231,987)</b>	<b>\$ 4,405</b>	<b>\$ 92,209</b>	<b>\$ 145,700</b>	<b>-10.79%</b>	<b>-4.77%</b>	<b>0.08%</b>	<b>1.84%</b>	<b>3.23%</b>
<b>CHANGE IN NET ASSETS BEFORE CAPITAL CONTRIBUTIONS</b>	<b>\$ (1,428,734)</b>	<b>\$ 220,287</b>	<b>\$ 702,268</b>	<b>\$ 989,469</b>	<b>\$ 1,108,177</b>	<b>-32.23%</b>	<b>4.53%</b>	<b>13.46%</b>	<b>19.73%</b>	<b>24.54%</b>
<b>CAPITAL CONTRIBUTIONS</b>										
Wastewater Capacity Fee Paid by Developers	\$ 61,875	\$ 139,450	\$ 3,934,388	\$ -	\$ -	1.40%	2.87%	75.40%	0.00%	0.00%
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>\$ 61,875</b>	<b>\$ 139,450</b>	<b>\$ 3,934,388</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1.40%</b>	<b>2.87%</b>	<b>75.40%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (1,366,859)</b>	<b>\$ 359,737</b>	<b>\$ 4,636,656</b>	<b>\$ 989,469</b>	<b>\$ 1,108,177</b>	<b>-30.83%</b>	<b>7.39%</b>	<b>88.86%</b>	<b>19.73%</b>	<b>24.54%</b>





*Special Utility District*

Balance Sheets

Last 5 Years

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2009

	Business-Type Activities
<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash and Investments	\$ 683,745
Accounts Receivable, Net	1,050,060
Other Assets	989
Prepaid Expenses, Supplies and Materials	124,174
Total Current Assets	\$ 1,858,968
<b>Restricted Assets:</b>	
Cash and Investments	\$ 5,041,077
Total Restricted Assets	\$ 5,041,077
<b>Non-Current Assets:</b>	
Equity Buy-in Fees, Net	\$ 6,702,209
SUD Conversion Costs, Net	99,137
Bond Issuance Costs, Net	200,174
<b>Capital Assets:</b>	
Land and Improvements	469,255
Buildings and Improvements, Net	1,170,430
Water Distribution System, Net	19,546,627
Vehicles, Net	23,484
Furniture and Equipment, Net	138,302
Total Non-Current Assets	\$ 28,349,618
<b>Total Assets</b>	<b>\$ 35,249,663</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2009

	Business-Type Activities
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 103,261
Other Payables	23,660
Due to Other Districts Payable from Restricted Assets	806,197
Accrued Interest Payable	112,437
Bonds Payable	1,360,000
Loans Payable	85,952
Total Current Liabilities	\$ 2,491,507
Non-Current Liabilities:	
Bonds Payable	\$ 7,615,000
Loans Payable	2,375,643
Other Debt Payable	53,100
Escrow Payable	118,884
Customer Deposits	366,126
Total Non-Current Liabilities	\$ 10,528,753
<b>Total Liabilities</b>	<b>\$ 13,020,260</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	\$ 9,858,403
Unrestricted	12,371,000
<b>Total Net Assets</b>	<b>\$ 22,229,403</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2008

	Business-Type Activities
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 744,092
Accounts Receivable, Net	1,825,696
Other Assets	989
Prepaid Expenses, Supplies and Materials	108,319
Total Current Assets	\$ 2,679,096
Restricted Assets:	
Cash and Cash Equivalents	\$ 2,905,855
Total Restricted Assets	\$ 2,905,855
Non-Current Assets:	
Equity Buy-in Fees, Net	\$ 7,109,831
SUD Conversion Costs, Net	103,448
Bond Issuance Costs, Net	75,931
Capital Assets:	
Land and Improvements	469,255
Construction in Progress	3,739,020
Buildings and Improvements, Net	1,224,869
Water Distribution System, Net	15,072,534
Vehicles, Net	62,126
Furniture and Equipment, Net	188,957
Total Non-Current Assets	\$ 28,045,971
<b>Total Assets</b>	<b>\$ 33,630,922</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2008

	Business-Type Activities
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 423,563
Other Payables	285,840
Bulk Water Purchase - Deposits	12,822
Due to Other Districts Payable from Restricted Assets	750,562
Accrued Interest Payable	45,523
Bonds Payable	180,000
Loans Payable	61,002
<b>Total Current Liabilities</b>	<b>\$ 1,759,312</b>
Non-Current Liabilities:	
Bonds Payable	\$ 6,040,000
Loans Payable	1,802,948
Escrow Payable	108,659
Customer Deposits	323,741
<b>Total Non-Current Liabilities</b>	<b>\$ 8,275,348</b>
<b>Total Liabilities</b>	<b>\$ 10,034,660</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	\$ 12,672,811
Designated for:	
Construction	225,500
Restricted for:	
Debt Service	55,283
Unrestricted	10,642,668
<b>Total Net Assets</b>	<b>\$ 23,596,262</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2007

	Business-Type Activities
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 2,697,111
Accounts Receivable, Net	2,656,083
Other Assets	989
Prepaid Expenses, Supplies and Materials	153,636
Total Current Assets	\$ 5,507,819
Restricted Assets:	
Cash and Cash Equivalents	\$ 2,555,210
Total Restricted Assets	\$ 2,555,210
Non-Current Assets:	
Equity Buy-in Fees, Net	\$ 6,267,930
SUD Conversion Costs, Net	107,758
Bond Issuance Costs, Net	95,670
Capital Assets:	
Land and Improvements	444,255
Construction in Progress	754,904
Buildings and Improvements, Net	1,279,308
Water Distribution System, Net	15,545,333
Vehicles, Net	100,768
Furniture and Equipment, Net	158,092
Total Non-Current Assets	\$ 24,754,018
<b>Total Assets</b>	<b>\$ 32,817,047</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2007

		<u>Business-Type Activities</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$	245,493
Other Payables		15,288
Bulk Water Purchase - Deposits		4,649
Due to Other Districts Payable from Restricted Assets		432,585
Accrued Interest Payable		43,215
Bonds Payable		170,000
Loans Payable		57,613
<b>Total Current Liabilities</b>	<b>\$</b>	<b>968,843</b>
<b>Non-Current Liabilities:</b>		
Bonds Payable	\$	6,220,000
Loans Payable		1,863,950
Escrow Payable		105,078
Customer Deposits		422,651
<b>Total Non-Current Liabilities</b>	<b>\$</b>	<b>8,611,679</b>
<b>Total Liabilities</b>	<b>\$</b>	<b>9,580,522</b>
<b>NET ASSETS:</b>		
Invested in Capital Assets, Net of Related Debt	\$	9,971,097
Designated for:		
Construction		225,500
Restricted for:		
Debt Service		459,672
Developers		105,078
Unrestricted		12,475,178
<b>Total Net Assets</b>	<b>\$</b>	<b>23,236,525</b>

**MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2006**

**ASSETS**

<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 4,072,252
Restricted Assets:	
Cash and Cash Equivalents	1,864,671
Accounts Receivable	785,347
Inventory	69,607
Prepaid Expenses	989
Other Assets	1,240
<b>Total Current Assets</b>	<u>6,794,106</u>
<b>Noncurrent Assets:</b>	
Restricted Assets:	
Cash and Cash Equivalents	399,166
Bond Issuance Costs, Net	86,667
UTRWD Equity Fee, Net	181,643
SUD Conversion Costs, Net	112,069
Capital Assets:	
Construction In Progress	1,411,676
Buildings	1,360,966
Machinery & Equipment	237,695
Office Equipment	370,995
Vehicles	319,285
Land	456,895
Distribution System	17,636,584
Less: Accumulated Depreciation	<u>(3,368,793)</u>
Total Capital Assets	<u>18,425,303</u>
<b>Total Noncurrent Assets</b>	<u>19,204,848</u>
<b>TOTAL ASSETS</b>	<u>\$ 25,998,954</u>

**LIABILITIES**

<b>Current Liabilities</b>	
Accounts Payable	\$ 228,624
Other Payables	34,308
Bulk Water Deposits	21,250
Accrued Interest Payable	35,059
Due to Other Districts	354,382
Unearned Revenue	228,408
Bonds Payable	95,000
Loans Payable	541,224
<b>Total Current Liabilities</b>	<u>1,538,255</u>
<b>Noncurrent Liabilities</b>	
Customer Deposits	378,747
Loans Payable	1,434,563
Bonds Payable	4,230,000
<b>Total Noncurrent Liabilities</b>	<u>6,043,310</u>
<b>TOTAL LIABILITIES</b>	<u>7,581,565</u>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	13,265,739
Restricted:	
Debt Service	432,713
Unrestricted	4,718,937
<b>TOTAL NET ASSETS</b>	<u>\$ 18,417,389</u>



MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2005

		Enterprise Fund
		Water/Wastewater Utilities
<b>ASSETS</b>		
Cash	\$	1,307,670
Investments		2,551,589
Receivables		838,389
Prepaid Expenses, Supplies and Materials		102,990
Other Assets		989
<b>Total Current Assets</b>	<b>\$</b>	<b>4,801,627</b>
<b>Restricted Assets:</b>		
Held for Other Districts	\$	260,214
Investments		146,984
<b>Total Restricted Assets</b>	<b>\$</b>	<b>407,198</b>
<b>Non-Current Assets:</b>		
UTRWD Equity Fee, Net	\$	188,935
SUD Conversion Costs, Net		116,380
<b>Capital Assets:</b>		
Land and Improvements		436,469
Distribution System, Net		14,882,795
Vehicles, Net		149,369
Equipment, Net		71,039
Office Equipment, Net		5,457
Construction in Progress		340,888
<b>Total Non-Current Assets</b>	<b>\$</b>	<b>16,191,332</b>
<b>Total Assets</b>	<b>\$</b>	<b>21,400,157</b>

MUSTANG SPECIAL UTILITY DISTRICT  
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS  
SEPTEMBER 30, 2005

	Enterprise Fund
	Water/Wastewater Utilities
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Accounts Payable	\$ 226,403
Other Payables	16,032
Bulk Water Purchase - Deposits	16,325
Due to Other Districts Payable from Restricted Assets	260,214
Interest Payable	25,571
Bonds Payable	60,000
Loan Payable	50,835
Deferred Revenue	269,470
Total Current Liabilities	\$ 924,850
<b>Non-Current Liabilities:</b>	
Bond Payable	\$ 640,000
Loan Payable	1,975,787
Deferred Revenue	106,354
Customer Deposits	325,245
Total Non-Current Liabilities	\$ 3,047,386
<b>Total Liabilities</b>	<b>\$ 3,972,236</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	\$ 13,159,395
Designated - Capital Projects	113,234
Unrestricted	4,155,292
Total Net Assets	<b>\$ 17,427,921</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 21,400,157</b>

Name	Classes	License Number
Aldo Zamora	Class B - Surface Water	WS0004600
	Class I - Waste Water Collection	WW0035142
Ismael Trevino Jr.	Class B - Ground Water	WG0011719
	Class I - Waste Water Collection	WW0031848
Vicente Villanueva	Grade C - Ground Water	WG0002784
	Class III - Waste Water Collection	WW0031068
	Grade C - Waste Water Treatment Operator	WW0031640
Bruce Walker	Class C - Ground Water	WG0010598
	Class I - Wasterwater Collection	WW0041616
Gary L. Aguirre Jr.	Class C - Ground Water	WG0012369
	Class II - Waste Water Collection	WW0032632
	Class C- Water Distribution Operator	WD0007005
Becky A. Crouch	Class D - Water Operator	W00028906



To: Administrative Reviewer

Date Received: February 18, 2011

Date Complete: February 22, 2011

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review No. A-018-11/36966&7-S  
Mustang SUD (11856 & 20930) to acquire Denton County FWSD 9 (13020 & 20922) in  
Denton county.

- X 1. No new overlap of service areas exists.
- 2. An overlap:
- 3. Dual certification:
- 4. An overlap exists with the city limits of:
- X 5. If this is a Sale, Transfer, or Merger, is additional area being requested? NO
- 7. Map submitted is digital request digital data.
- 9. Utility notice was sufficient.
- X 10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:

TWO MILES:

- Denton County FWSD 8A (13018 & 20920)
- Denton County FWSD 8B (13019 & 20921)
- Denton County FWSD 10 (13021 & 20923)
- Denton County FWSD 11 (13022 & 20924)
- Denton County MUD 5 (20955)
- City of Oak Point (20908)
- Denton County FWSD 11 - A
- Denton County FWSD 11 - B
- Denton County FWSD 11 - C
- Denton County MUD 4
- Denton County MUD 6
- Oak Point WCID 4
- The Lakes FWSD of Denton County
- Denton County
- North Texas GCD
- All cities and etj's within 2 miles of proposed area

X 11. Notice: APPROXIMATELY 422 ACRES

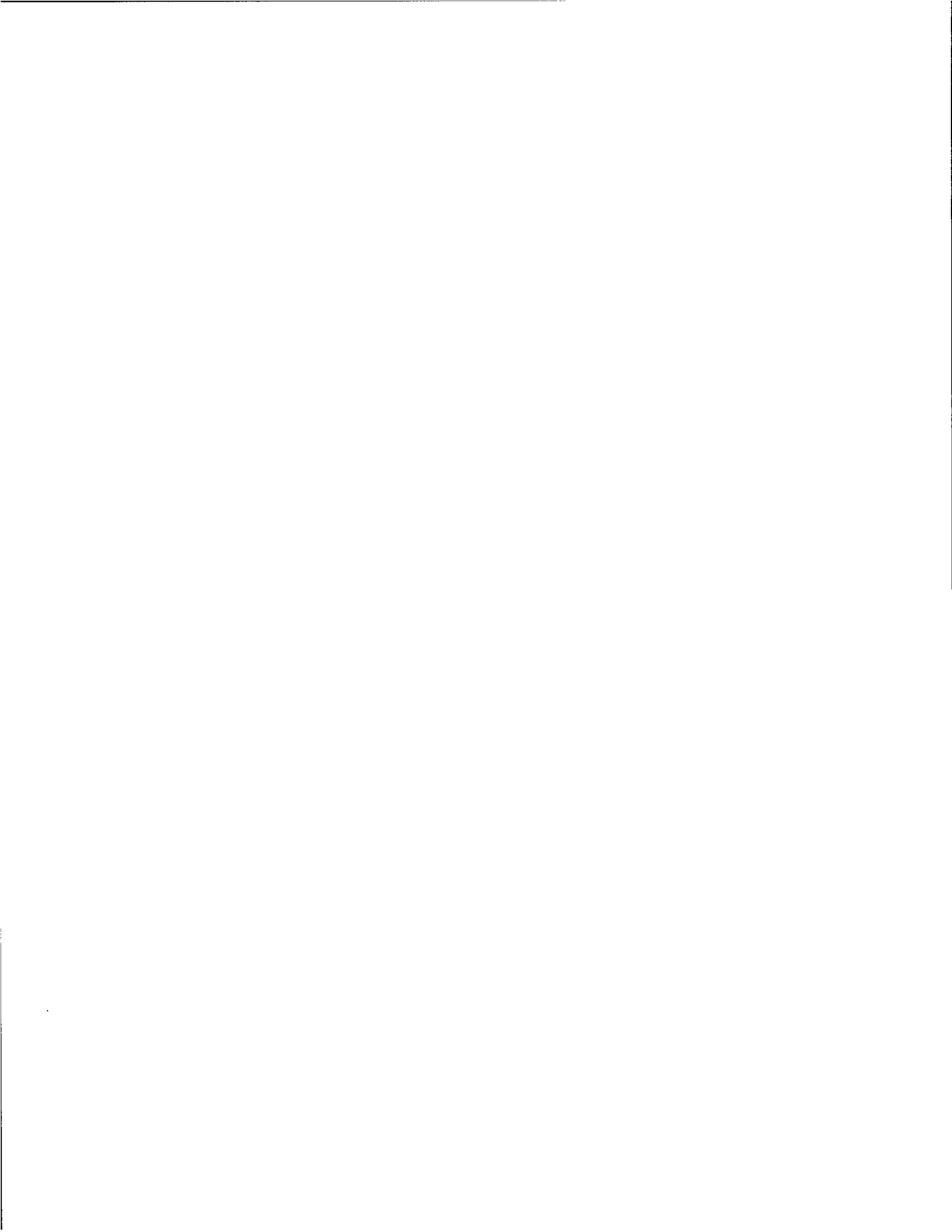
12. Other comments:



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Kent Steelman

**CONFIDENTIAL  
INFORMATION  
IN  
CENTRAL  
RECORDS**





**OVERSIZED DOCUMENT(S)**

**TO VIEW**

**OVERSIZED DOCUMENT(S)**

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**(512) 936-7180**

