

**Webb County, Texas**  
 Computation of Legal Debt Margin  
 September 30, 2005

Webb County is authorized, under Article 3, Section 52, of the Texas Constitution , to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to the rate of bonds issued pursuant to such constitutional provision. However, there is a 25% limitation of the assessed valuation of real property in the County as to the amount of bonds which may be issued.

Assessed Valuation of Real Property	\$	8,977,264,445
Assessed Valuation of All Taxable Property		8,732,149,538
 Debt Limit, 25% of Real Property Assessed Valuation		 2,244,316,111
 Amount of Debt Applicable to Constitutional Debt Limit:		
Total Bonded Debt Applicable		65,124,934
Less Debt Service Fund Cash	517,844	64,607,090
Legal Debt Margin, Under Article 3, Section 52, of the Texas Constitution	\$	2,179,709,021
 Bonds Issued Under Texas General Laws		
 Debt Limit, 5% of Assessed Valuation of All Taxable Property	 \$	 436,607,477
 Amount of Debt Applicable to Constitutional Debt Limit:		
Total Debt - Certificates of Obligation		65,124,934
Less Debt Service Fund Cash	517,844	64,607,090
Legal Debt Margin, Under Texas General Laws	\$	372,000,387