

Webb County, Texas  
Statement of Net Assets  
Proprietary Funds  
September 30, 2010

	Business Type Activities Enterprise Funds			Governmental Activities
	(Non-Major Fund)			
	<u>Water Utility</u>	<u>Casa Blanca Golf Course</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 592,721	\$ 170,152	\$ 762,873	\$ 7,162,068
Accounts Receivable, net	193,727	1,427	195,154	-
Deferred charges	286,597	6,826	293,423	-
Due from other funds	57,815	2	57,817	1,827,163
Inventories	21,179	19,336	40,515	-
Total current assets	<u>1,152,039</u>	<u>197,743</u>	<u>1,349,782</u>	<u>8,989,231</u>
Non-current assets:				
Capital Assets:				
Land and improvements	216,295	1,574,766	1,791,061	-
Infrastructure	12,846,879	-	12,846,879	-
Utility System	747,627	-	747,627	-
Buildings	574,357	305,315	879,672	-
Equipment and furniture	947,853	688,369	1,636,222	84,068
Less Accumulated depreciation	(2,736,526)	(450,560)	(3,187,086)	(84,068)
Total non-current assets	<u>12,596,485</u>	<u>2,117,890</u>	<u>14,714,375</u>	<u>-</u>
Total assets	<u><u>13,748,524</u></u>	<u><u>2,315,633</u></u>	<u><u>16,064,157</u></u>	<u><u>8,989,231</u></u>

The accompanying notes are an integral part of these financial statements.

**Webb County, Texas**  
**Statement of Net Assets**  
**Proprietary Funds**  
**September 30, 2010**

	<b>Business Type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities</b>
	<b>(Non-Major Fund)</b>			
	<u>Water Utility</u>	<u>Casa Blanca Golf Course</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	54,220	38,767	92,987	911,449
Salaries payable	45,422	-	45,422	-
Accrued interest payable	47,272	2,924	50,196	-
Due to other funds	2,072,361	592,398	2,664,759	2,434,798
Other accrued expenses	113,988	1,754	115,742	-
Deferred revenue	-	3,585	3,585	-
Compensated absences	18,917	-	18,917	-
Capital lease obligation	-	108,995	108,995	-
Claims and judgments	-	-	-	1,041,670
Bonds, notes and loans payable	448,644	124,163	572,807	-
Total current liabilities	<u>2,800,824</u>	<u>872,586</u>	<u>3,673,410</u>	<u>4,387,917</u>
Non-current liabilities:				
Compensated absences	37,004	-	37,004	-
Capital lease obligation	-	254,531	254,531	-
Claims and judgments	-	-	-	206,024
OPEB Liabilities	21,297	-	21,297	1,555,681
Bonds, notes and loans payable	5,687,934	626,230	6,314,164	-
Total non-current liabilities	<u>5,746,235</u>	<u>880,761</u>	<u>6,626,996</u>	<u>1,761,705</u>
Total liabilities	<u>8,547,059</u>	<u>1,753,347</u>	<u>10,300,406</u>	<u>6,149,622</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	6,459,907	1,003,971	7,463,878	-
Restricted for debt service	424,280	-	424,280	-
Restricted for capital projects	-	163,804	163,804	-
Unrestricted	(1,682,722)	(605,489)	(2,288,211)	2,839,609
Total net assets	<u>\$ 5,201,465</u>	<u>\$ 562,286</u>	<u>\$ 5,763,751</u>	<u>\$ 2,839,609</u>
Adjustment to reflect the consolidation of internal service fund activities related to the Water Utility Fund.			131,014	
Net assets of business-type activities			<u>\$ 5,894,765</u>	

The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the Business Activities of the Statement of Net Assets.  
Total net assets per Government-Wide financial statements

Webb County, Texas  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended September 30, 2010**

	Business Type Activities Enterprise Funds			Governmental Activities
	(Non-Major Fund)			Internal Service Funds
	Water Utility	Casa Blanca Golf Course	Total	
<b>REVENUES</b>				
Charges for services and plan members contributions	\$ 1,835,983	\$ 651,090	\$ 2,487,073	\$ 11,141,222
Total operating revenues	<u>1,835,983</u>	<u>651,090</u>	<u>2,487,073</u>	<u>11,141,222</u>
<b>OPERATING EXPENSES</b>				
Personnel services	894,102	-	894,102	-
Contractual services	27,030	-	27,030	60,743
Utilities	293,225	77,079	370,304	-
Repairs and maintenance	109,663	14,476	124,139	-
Other supplies and expenses	226,459	608,960	835,419	-
Insurance claims and expenses	-	-	-	11,060,832
OPEB costs	4,437	-	4,437	350,559
Depreciation	361,486	126,974	488,460	-
Amortization	22,537	292	22,829	-
Total Operating Expenses	<u>1,938,939</u>	<u>827,781</u>	<u>2,766,720</u>	<u>11,472,134</u>
Operating income (loss)	<u>(102,956)</u>	<u>(176,691)</u>	<u>(279,647)</u>	<u>(330,912)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest and investment revenue	1,218	63	1,281	41,479
Interest expense	(349,790)	(57,466)	(407,256)	-
Total non-operating revenue (expenses)	<u>(348,572)</u>	<u>(57,403)</u>	<u>(405,975)</u>	<u>41,479</u>
Income (loss) before contributions and transfers	<u>(451,528)</u>	<u>(234,094)</u>	<u>(685,622)</u>	<u>(289,433)</u>
Transfers in	475,446	-	475,446	2,132,056
Transfers out	(496)	-	(496)	(3,132,056)
Change in net assets	<u>23,422</u>	<u>(234,094)</u>	<u>(210,672)</u>	<u>(1,289,433)</u>
Total net assets - beginning, restated	<u>5,178,043</u>	<u>796,380</u>	<u>5,974,423</u>	<u>4,129,042</u>
Total net assets - ending	<u>\$ 5,201,465</u>	<u>\$ 562,286</u>	<u>\$ 5,763,751</u>	<u>\$ 2,839,609</u>
Change in net assets, per above				
Adjustment to reflect the consolidation of internal service fund activities related to the Water Utility Fund.			20,775	
Change in net assets of business-type activities (page 45)			<u>\$ (189,897)</u>	

The accompanying notes are an integral part of these financial statements.

**Webb County, Texas**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For Year Ended September 30, 2010**

	Business Type Activities			Governmental
	Enterprise Fund			Activities
	(Non-Major Fund)			Internal
	Water Utility	Casa Blanca Golf Course	Total	Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,902,798	651,284	2,554,082	
Premiums from participants				11,141,222
Payments to employees	(909,525)		(909,525)	
Payments to vendors, suppliers, and insurance administrators	(721,330)	(737,071)	(1,458,401)	(10,536,661)
Internal Transactions	(36,629)	365,648	329,019	
Net cash provided by operating activities	<u>235,314</u>	<u>279,861</u>	<u>515,175</u>	<u>604,561</u>
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES</b>				
Transfers In	475,446		475,446	2,132,056
Transfers Out	(496)		(496)	(3,132,056)
Net cash provided by non capital financing activities	<u>474,950</u>		<u>474,950</u>	<u>(1,000,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital Contributions				
Infrastructure	(589,806)		(589,806)	
Infrastructure in Progress	576,206		576,206	
Equipment and Furniture	(23,413)	(6,862)	(30,275)	
Short Term Notes Payable	(29,709)	8,224	(21,485)	
Interest Paid on Debt	(353,280)	(57,747)	(411,027)	
Capital Lease Obligation		(103,980)	(103,980)	
Long Term Bonds Payable	(435,290)	(120,051)	(555,341)	
Issuance Cost for Bonds	4,889	1,966	6,855	
Net cash provided by capital financing activities	<u>(850,403)</u>	<u>(278,450)</u>	<u>(1,128,853)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment earnings	1,218	63	1,281	41,479
Net cash provided by investing activities	<u>1,218</u>	<u>63</u>	<u>1,281</u>	<u>41,479</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>(138,921)</u>	<u>1,474</u>	<u>(137,447)</u>	<u>(353,960)</u>
Cash and pooled investments, beginning of year	731,642	168,678	900,320	7,516,028
<b>Cash and pooled investments, end of year</b>	<u>\$ 592,721</u>	<u>170,152</u>	<u>762,873</u>	<u>7,162,068</u>
<b>Reconciliation of operating income to net cash provided (used) by operations:</b>				
Operating income	\$ (102,956)	(176,691)	(279,647)	(330,912)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	361,486	126,974	488,460	
Amortization expense	22,537	292	22,829	
(Increase) Decrease in Accounts Receivable	66,815	251	67,066	
(Increase) Decrease in Due from Other Funds	(50,256)	(2)	(50,258)	(1,210,092)
(Increase) Decrease in Inventories	(3,254)	(82)	(3,336)	
(Increase) Decrease in Prepaids & Other Assets				
Increase (Decrease) in Accounts Payable	(69,134)	(32,879)	(102,013)	(44,603)
Increase (Decrease) in Other Payables	7,435	(3,652)	3,783	
Increase (Decrease) in Accrued Liabilities				228,674
Increase (Decrease) in Accrued Wages Payable	1,583		1,583	
Increase (Decrease) in Due to Other Funds	13,627	365,650	379,277	1,657,440
Increase (Decrease) in Short-Term Risk Liability				55,846
Increase (Decrease) in Long-Term Risk Liability				(102,351)
Increase (Decrease) in Long Term OPEB Liability	4,437		4,437	350,559
Increase (Decrease) in Short Term Accrued Compensated Absences	(4,516)		(4,516)	
Increase (Decrease) in Long Term Accrued Compensated Absences	(12,490)		(12,490)	
Total adjustments	<u>338,270</u>	<u>456,552</u>	<u>794,822</u>	<u>935,473</u>
<b>Net cash provided by operating activities</b>	<u>\$ 235,314</u>	<u>279,861</u>	<u>515,175</u>	<u>604,561</u>

The accompanying notes are an integral part of these financial statements.