

NO. D-1-GV-08-000050

STATE OF TEXAS,
Plaintiff

VS.

WEBB COUNTY TITLE
& ABSTRACT COMPANY, INC.,
Defendant

§
§
§
§
§

IN THE DISTRICT COURT OF
TRAVIS COUNTY, TEXAS
201st JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND
SUMMARY STATEMENT OF EXPENSES
(JUNE 1, 2011 THROUGH AUGUST 31, 2011)**

TO THE HONORABLE DISTRICT COURT:

CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver of Webb County Title & Abstract Company, Inc. (the “SDR” and “Webb County” respectively), files this Financial Report and Summary Statement of Expenses of the receivership estate for the period of June 1, 2011 to August 31, 2011. The attached report is filed pursuant to TEX. INS. CODE ANN., § 443.015(2)(g) and § 443.016(a) and the Court’s Order Approving the SDR’s Application for Approval of Fees and Expenses, entered on July 22, 2008 and the Court’s Order Approving the SDR’s Second Amended Application for Approval of Fees and Expenses, entered on July 29, 2009.

The Special Deputy Receiver has served this Quarterly Financial Report to all known parties at interest, as shown in the certificate of service.

Respectfully submitted,

By: /s/ Christopher Fuller
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CERTIFICATE OF SERVICE

I certify that on September 15, 2011, a true and correct copy of this Report was served pursuant to the Order of Reference, the Texas Rules of Civil Procedure, and the Court's order on electronic service on the following:

/s/ Christopher Fuller
Christopher Fuller

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WEBB COUNTY TITLE & ABSTRACT CO.,INC
Statement of Expenses

For Period Ending
08/31/11

	Total June	Total July	Total August	Total Quarter
SDR				
Cantilo & Bennett, L.L.P.				
Partner-	5,310.00	3,510.00	5,235.00	14,055.00
Associate-	0.00	12.50	0.00	12.50
Receivership Specialist-	1,105.00	0.00	0.00	1,105.00
Receivership Specialist-	0.00	216.00	54.00	270.00
Clerical	0.00	0.00	0.00	0.00
Expenses	31.26	334.75	1.32	367.33
Total SDR Billing	6,446.26	4,073.25	5,290.32	15,809.83
SDR Subcontractors - Legal				
Legal JoAnn Howard & Associates, Inc.				
Attorney-	770.00	577.50	577.50	1,925.00
Legal Assistant	90.00	0.00	0.00	90.00
Expenses	6.31	0.00	0.00	6.31
Total Billing	866.31	577.50	577.50	2,021.31
Total Legal Subcontractors	866.31	577.50	577.50	2,021.31
SDR Subcontractors - Other				
EmKay Associates, Inc.				
Claims Manager-	136.00	17.00	85.00	238.00
Claims Representative-	297.00	66.00	154.00	517.00
Claims Representative-	675.00	0.00	0.00	675.00
Claims Representative - Travel	29.25	0.00	0.00	29.25
Claims Representative	1,867.50	0.00	0.00	1,867.50
Expenses				
Total Billing	3,004.75	83.00	239.00	3,326.75
Abaci, Inc.				
Project Manager	0.00	34.00	0.00	34.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	0.00	34.00	0.00	34.00
Petrosewicz & Company, Inc				
Accountant-Principal -	225.00	135.00	285.00	645.00
Accountant-	576.00	450.00	612.00	1,638.00
Clerical	0.00	0.00	37.50	37.50
Expenses	14.35	10.34	72.52	97.21
	815.35	595.34	1,007.02	2,417.71
Total Other SDR Subcontractors	3,820.10	712.34	1,246.02	5,778.46
Receivership Service Providers				
SafeSite	104.50	103.50	106.00	314.00
Operating Account	0.00	18.00	7.50	25.50
Texas Treasury	14.48	14.33	14.48	43.29
Total Other	118.98	135.83	127.98	382.79
Liquidation Oversight Allocation				
RLO Allocation	809.29	883.60	397.00	2,089.89
Special Master's Fees	0.00	51.34	0.00	51.34
Total RLO & SM Expense	809.29	934.94	397.00	2,141.23
Total Expenses	12,060.94	6,433.86	7,638.82	26,133.62

WEBB COUNTY TITLE & ABSTRACT CO.,INC
Statement of Net Assets

For the Period Ending
08/31/11

ASSETS		
Current Assets		
Checking/Savings		
1000 · CASH ASSETS - RECEIVERSHIP		
1010 · SDR OPERATING ACCT - FROST 3745	28,359	
1015 · TREASY SAFEKP'G ACCT - APF 2885	10,486	
1040 · TREASURY ACCT 3003	233,495	
Total 1000 · CASH ASSETS - RECEIVERSHIP	272,340	
Total Checking/Savings	272,340	
Other Current Assets		
1200 · ACCOUNTS RECEIVABLE		
1210 · A/R - DUE FROM SHAREHOLDER	168,630	
1211 · A/R FROM S/H COLLECT ALLOWANCE	(168,630)	
Total 1200 · ACCOUNTS RECEIVABLE	-	
1260 · FEES RECEIVABLE - POLICY FILES	10,793	
1261 · Allow Collectibility-Fees Rec	(10,793)	
1400 · OTHER RECEIVABLES		
1410 · PREPAID INTEREST (DUE TO IRS)	14,348	
1411 · A/R PREPAID COLLECT ALLOWANCE	(14,348)	
Total 1400 · OTHER RECEIVABLES	-	
TOTAL ASSETS	272,340	

NOTES

Ref No.

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WEBB COUNTY TITLE & ABSTRACT CO.,INC
Changes in Net Assets

For Period Ending
08/31/11

		Qtr Ending	Qtr Ending	Change
		05/31/11	08/31/11	
Cash				
	Cash - Unrestricted	24,964	28,359	3,395
	APF Funds	274,009	243,981	(30,028)
Other Assets				
	Investments, Reinsurance, Receivables, Other Assets			0
Restricted Assets				
	Restricted Funds			0
	Total Assets	298,973	272,340	(26,633)

WEBB COUNTY TITLE & ABSTRACT CO.,INC
Statement of Net Liabilities

For Period Ending
08/31/11

LIABILITIES & EQUITY	NOTE
Liabilities	Ref.
Current Liabilities	
Accounts Payable	
1900 · CLASS I ADMIN CLAIMS PAYABLES	
1905 · SDR FEES AND EXPENSES	5,290
1910 · SDR LEGAL SUBCONTRACTORS	578
1915 · SDR TAX CONSULT'G SUBCONTRACTOR	-
1925 · SDR CLAIMS SUBCONTRACTOR	239
1930 · SDR ACCOUNTING SUBCONTRACTOR	1,007
1940 · SDR IT CONSULTING SUBCONTRACTOR	-
Total 1900 · CLASS I ADMIN CLAIMS PAYABLES	<u>7,114</u>
2000 · CLASS I PAYABLES - OTHER	
2010 · TDI RECEIVER'S FEES	15,330
2030 · Administrative Claims - TTIGA	401,388
Total 2000 · CLASS I PAYABLES - OTHER	<u>416,718</u> (4)
Total Accounts Payable	423,832
Other Current Liabilities	
2100 · CLASS I ADMIN CLAIMS UNSECURED	
2110 · ADMIN CLAIMS - ABAN PROP FUND	621,590
Total 2100 · CLASS I ADMIN CLAIMS UNSECURED	<u>621,590</u> (1)
2300 · Loss Claims-Guar Assoc CI II	
2302 · Loss Reserves	20,405
2301 · Loss Claims Paid	377,795
Total 2300 · Loss Claims-Guar Assoc CI II	<u>398,200</u> (6)
2500 · CLASS III PAYABLES	
2510 · FEDERAL GOVT CLAIMS	
2511 · PAYROLL LIABILITIES IN ARREARS	
2512 · PAYROLL LIAB - TAXES	156,638
2513 · PAYROLL LIAB - PENALTIES	82,390
2514 · PAYROLL LIAB - INTEREST	35,374
Total 2511 · PAYROLL LIABILITIES IN ARREARS	<u>274,402</u>
Total 2510 · FEDERAL GOVT CLAIMS	<u>274,402</u>
2520 · PAYROLLTAXES PAYABLE	
2521 · FICA/MEDICARE PAYABLE	1,735
Total 2520 · PAYROLLTAXES PAYABLE	<u>1,735</u>
Total 2500 · CLASS III PAYABLES	<u>276,137</u> (11)
2600 · CLASS V PAYABLES	
2610 · GENERAL CREDITORS	297,743
2630 · CITY & STATE TAXES PAYABLE	(13)
2631 · COUNTY TAXES PAYABLE	33,022
2632 · CITY TAXES PAYABLE	28,474
2633 · CITY TAXES PAYABLE (OTHER ISD)	66,659
Total 2630 · CITY & STATE TAXES PAYABLE	<u>128,155</u> (15)
Total 2600 · CLASS V PAYABLES	<u>425,898</u>
Total Other Current Liabilities	1,721,825

WEBB COUNTY TITLE & ABSTRACT CO.,INC
Statement of Net Liabilities

For Period Ending
08/31/11

Total Current Liabilities	2,145,657
Total Liabilities	2,145,657
Equity	
3800 - Unassigned Funds	(2,071,407)
Net Income	198,090
Total Equity	<u>(1,873,317)</u>
TOTAL LIABILITIES & EQUITY	<u><u>272,340</u></u>

NOTES

All amounts based on adjudicated claims unless otherwise specified

Ref.
No.

- (1) Unsecured Loan amount from the Commissioner's Abandoned Property Fund
- (4) Reflects TTIGA administrative fees since inception of receivership through December 31, 2010. No update has been received since the December report.
- (6) Reflects amounts provided on TTIGA claims status report as of August 31, 2011.
- (11) Pre Receivership Payroll Taxes Payable
- (13) General Creditors' Claims (Unsecured) per SDR's Preliminary Analyses of Outstanding Payables performed during takeover.
- (15) Pre-receivership city taxes payable of \$28,474, county taxes payable of \$33,022, and Laredo ISD taxes payable of \$66,660.

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WEBB COUNTY TITLE & ABSTRACT CO.,INC
Changes in Net Liabilities

For Period Ending
08/31/11

	Qtr Ending 05/31/11	Qtr Ending 08/31/11	Change
Secured Claims			0
APF Loan	621,590	621,590	0
Administrative			
Administrative Claims - State/Receiver	23,766	22,443	(1,323)
Administrative Claims - Guaranty Assns	401,388	401,388	0
Loss Claims			
Loss Claims & Reserves - Guaranty Assns	403,200	398,200	(5,000)
Loss Claims & Reserves - Other			0
Other Creditors			
Other Creditors	702,036	702,036	0
Total Liabilities	2,151,980	2,145,657	(6,323)
Total Equity/Deficit	(1,853,007)	(1,873,317)	(20,310)
Total Liabilities & Equity	298,973	272,340	(26,633)

R-536 **WEBB COUNTY TITLE & ABSTRACT CO.,INC**
Sources & Uses of Cash

For Period Ending
8/31/11

Qtr Ending
Aug-11

	Total Cash Receipts from Recoveries	807
	Total Interest	17
	Total Cash Receipts	824
	Total Checks	27,389
	Total Other Disbursements	68
	Total Cash Distributions	27,457
	Net Increase(Decrease) in Cash	(26,633)
	Cash at Beginning of Period	298,973
	Cash at End of Period	272,340