

FANNIN COUNTY PUBLIC FACILITY CORPORATION

Compiled Financial Statements

June 30, 2019

McClanahan and Holmes, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Board of Directors
Fannin County Public Facility Corporation
Bonham, Texas

Management is responsible for the accompanying financial statements of Fannin County Public Facility Corporation (a non-profit organization), which comprise the statement of financial position as of June 30, 2019, and the related statement of activities for the quarter and nine months ended June 30, 2019 in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Fannin County Public Facility Corporation.

McClanahan and Holmes, LLP
Certified Public Accountants

Bonham, Texas
July 19, 2019

FANNIN COUNTY PUBLIC FACILITY CORPORATION
Statement of Financial Position
June 30, 2019

ASSETS

| | |
|---|------------------|
| Current Assets | |
| Cash - Bond Fund | \$ 1,099,183.13 |
| Cash - Operator Fee Account | 131.49 |
| Cash - Project Fund | 1,014,958.11 |
| Cash - Rental Account | - |
| Cash - Operating Trustee Account | 4,762.25 |
| Accounts Receivable | 1,136,382.72 |
| Total Current Assets | 3,255,417.70 |
| | |
| Restricted Assets | |
| Cash - Operating Reserve | 304,228.26 |
| Cash - Reserve Fund | 2,770,940.29 |
| Cash - Surplus Account | - |
| Total Restricted Assets | 3,075,168.55 |
| | |
| Fixed Assets | |
| Land, Buildings, Equipment and Vehicles | 22,480,202.00 |
| Less Accumulated Depreciation | (5,541,036.99) |
| Net Fixed Assets | 16,939,165.01 |
| | |
| Total Assets | \$ 23,269,751.26 |

LIABILITIES AND NET ASSETS

| | |
|---|------------------|
| Current Liabilities | |
| Accounts Payable | \$ 3,078,820.66 |
| Accrued Interest | 487,933.12 |
| Current Portion of Bond Payable | 815,000.00 |
| Total Current Liabilities | 4,381,753.78 |
| | |
| Long-Term Liabilities | |
| Bond Payable | 28,730,000.00 |
| Capitalized Bond Issue Cost, Net of Amortization of \$417,793 | (1,634,246.00) |
| Less Current Portion of Bond Payable | (815,000.00) |
| Total Long-Term Liabilities | 26,280,754.00 |
| | |
| Total Liabilities | 30,662,507.78 |
| | |
| Net Assets | |
| Net Assets Without Donor Restrictions | (7,392,756.52) |
| | |
| Total Liabilities and Net Assets | \$ 23,269,751.26 |

FANNIN COUNTY PUBLIC FACILITY CORPORATION
Statement of Activities
Quarter and Nine Months Ended June 30, 2019

| | Quarter Ended June 30, 2019 | Nine Months Ended June 30, 2019 |
|--|--------------------------------|---------------------------------------|
| Revenues | | |
| Federal Inmate Revenue | | |
| Housing - USMS - East | \$ 2,339,983.00 | \$ 6,641,648.36 |
| Housing - USMS - North | 565,336.64 | 2,031,536.24 |
| Transport - USMS - East | 28,935.57 | 73,054.17 |
| Transport - USMS - North | 21,698.29 | 56,743.35 |
| | 2,955,953.50 | 8,802,982.12 |
| County Inmate Revenue | | |
| Housing - Fannin County Main Jail | 128,175.00 | 375,675.00 |
| Housing - Fannin County South Annex | 383,400.00 | 1,075,550.00 |
| Transport - Fannin County | 15,045.52 | 18,374.67 |
| | 526,620.52 | 1,469,599.67 |
| Interest Revenue | 24,840.42 | 68,183.63 |
| Total Revenues | 3,507,414.44 | 10,340,765.42 |
| Expenses | | |
| Amortization Expense | 17,924.00 | 53,772.00 |
| Audit and Accounting | 500.00 | 3,750.00 |
| Depreciation Expense | 139,993.00 | 419,979.00 |
| Bond Interest Expense | 487,933.12 | 1,463,799.37 |
| Legal Fees | 19,297.94 | 84,714.83 |
| Miscellaneous | - | 14,476.35 |
| Operating Fees | 2,752,357.63 | 8,082,676.67 |
| Repairs and Maintenance | 200.00 | 21,239.42 |
| Trustee Fees | 200.00 | 200.00 |
| Total Expenses | 3,418,205.69 | 10,144,607.64 |
| Increase (Decrease) in Net Assets Without Donor Restrictions | 89,208.75 | 196,157.78 |
| Net Assets Without Donor Restrictions at Beginning of Period | (7,481,965.27) | (7,588,914.30) |
| Net Assets Without Donor Restrictions at End of Period | \$ (7,392,756.52) | \$ (7,392,756.52) |