FANNIN COUNTY PUBLIC FACILITY CORPORATION

Compiled Financial Statements

March 31, 2020

McClanahan and Holmes, LLP CERTIFIED PUBLIC ACCOUNTANTS

STEVEN W. MOHUNDRO, CPA GEORGE H. STRUVE, CPA ANDREW B. REICH, CPA RUSSELL P WOOD CPA DEBRA J. WILDER, CPA TEFFANY A KAVANAUGH CPA APRIL J. HATFIELD, CPA

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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 March 31, 2020, and the related statement of activities for the quarter and six months ended March 31, 2020 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 August 31, 2020

FANNIN COUNTY PUBLIC FACILITY CORPORATION

Statement of Financial Position March 31, 2020

ASSETS

Cash - Bond Fund \$ 1,382,176,25 Cash - Operator Fee Account 132,86 Cash - Operator Tustee Account 3,313,90 Cash - Operating Trustee Account 3,313,90 Accounts Receivable 1,179,490,57 Total Current Assets 315,379,18 Cash - Operating Reserve 315,379,18 Cash - Seerve Fund 2,768,844,00 Cash - Reserve Fund 124,051,87 Total Restricted Assets 3,208,275.05 Fixed Assets Land, Buildings, Equipment and Vehicles 22,480,202,00 Less Accountaled Depreciation (5,961,015,99) Net Fixed Assets 16,519,186,01 Total Assets LIABILITIES AND NET ASSETS Current Liabilities Accounts Payable \$ 2,564,281,99 US Bank Payable \$ 2,564,281,99 US Bank Payable \$ 2,564,281,99 US Bank Payable \$ 2,506,281,90 US Bank Payable \$ 2,506,281,90 Current Portion of Bond Payable \$ 2,506,281,90 Cong-Term Liabilities \$ 2,775,500,00 <th>Current Assets</th> <th></th>	Current Assets	
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Current Liabilities \$ 2,564,281.99 Accounts Payable \$ 2,564,281.99 US Bank Payable 146,729.00 Accrued Interest 954,676.25 Current Portion of Bond Payable 855,000.00 Total Current Liabilities 4,520,687.24 Long-Term Liabilities 27,915,000.00 Capitalized Bond Issue Cost, Net of Amortization of \$471,565.35 (1,580,474.00) Less Current Portion of Bond Payable (855,000.00) Total Long-Term Liabilities 25,479,526.00 Total Liabilities 30,000,213.24 Net Assets Net Assets Without Donor Restrictions (7,223,752.20)	Total Assets	\$ 22,776,461.04
Current Liabilities \$ 2,564,281.99 Accounts Payable \$ 2,564,281.99 US Bank Payable 146,729.00 Accrued Interest 954,676.25 Current Portion of Bond Payable 855,000.00 Total Current Liabilities 4,520,687.24 Long-Term Liabilities 27,915,000.00 Capitalized Bond Issue Cost, Net of Amortization of \$471,565.35 (1,580,474.00) Less Current Portion of Bond Payable (855,000.00) Total Long-Term Liabilities 25,479,526.00 Total Liabilities 30,000,213.24 Net Assets Net Assets Without Donor Restrictions (7,223,752.20)	LIABILITIES AND NET ASSETS	
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US Bank Payable 146,729.00 Accrued Interest 954,676.25 Current Portion of Bond Payable 855,000.00 Total Current Liabilities 4,520,687.24 Long-Term Liabilites 27,915,000.00 Capitalized Bond Issue Cost, Net of Amortization of \$471,565.35 (1,580,474.00) Less Current Portion of Bond Payable (855,000.00) Total Long-Term Liabilities 25,479,526.00 Net Assets 30,000,213.24 Net Assets (7,223,752.20)	Accounts Payable	\$ 2,564,281.99
Current Portion of Bond Payable 855,000.00 Total Current Liabilities 4,520,687.24 Long-Term Liabilites 27,915,000.00 Capitalized Bond Issue Cost, Net of Amortization of \$471,565.35 (1,580,474.00) Less Current Portion of Bond Payable (855,000.00) Total Long-Term Liabilities 25,479,526.00 Net Assets 30,000,213.24 Net Assets Without Donor Restrictions (7,223,752.20)		
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Bond Payable 27,915,000.00 Capitalized Bond Issue Cost, Net of Amortization of \$471,565.35 (1,580,474.00) Less Current Portion of Bond Payable (855,000.00) Total Long-Term Liabilities 25,479,526.00 Total Liabilities 30,000,213.24 Net Assets (7,223,752.20)	Long-Term Liabilites	
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Net Assets Without Donor Restrictions (7,223,752.20)	Total Liabilities	30,000,213.24
	Net Assets	
Total Liabilities and Net Assets \$ 22,776,461.04	Net Assets Without Donor Restrictions	(7,223,752.20)
	Total Liabilities and Net Assets	\$ 22,776,461.04

FANNIN COUNTY PUBLIC FACILITY CORPORATION

Statement of Activities Quarter and Six Months Ended March 31, 2020

Revenues Federal Inmate Revenue	Quarter Ended March 31, 2020	Six Months Ended March 31, 2020
Housing - USMS - East	\$ 2,442,286.74	\$ 4,924,986.22
Housing - USMS - North	291,730.62	870,444.08
Transport - USMS - East	95,180.44	127,432.75
Transport - USMS - North	37,878.37	51,837.97
	2,867,076.17	5,974,701.02
County Inmate Revenue		
Housing - Fannin County Main Jail	203,921.25	303,093.75
Housing - Fannin County South Annex	415,381.25	843,565.00
Transport - Fannin County	11,575.38	36,453.56
	630,877.88	1,183,112.31
Interest Revenue	13,191.35	29,398.50
Total Revenues	3,511,145.40	7,187,211.83
Expenses		
Amortization Expense	17,924.00	35,848.00
Audit and Accounting	900.00	5,000.00
Depreciation Expense	139,993.00	279,986.00
Bond Interest Expense	477,338.12	954,676.25
Legal Fees	7,495.09	27,091.39
Miscellaneous	91.00	182.00
Operating Fees	2,767,474.12	5,697,450.47
Repairs and Maintenance	14,431.58	30,266.58
Total Expenses	3,425,646.91	7,030,500.69
Increase (Decrease) in Net Assets Without Donor Restrictions	85,498.49	156,711.14
Net Assets Without Donor Restrictions at Beginning of Period	(7,309,250.69)	(7,380,463.34)
Net Assets Without Donor Restrictions at End of Period	\$ (7,223,752.20)	\$ (7,223,752.20)