



**Kinney County Public Facility
Corporation
A Component Unit of Kinney
County, Texas**

**Accountant's Compilation Report and Financial
Statements**

September 30, 2023



Kinney County Public Facility Corporation
A Component Unit of Kinney County, Texas
Contents
September 30, 2023

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Accountant's Compilation Report

Board of Directors
Kinney County Public Facility Corporation
Brackettville, Texas

Management is responsible for the accompanying financial statements of Kinney County Public Facility Corporation (KCPFC), a component unit of Kinney County, Texas, which comprise the statement of net position as of September 30, 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended 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 American Institute of Certified Public Accountants. 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 omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about KCPFC's assets, liabilities, deferred inflows of resources, net position, revenue and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

FORVIS,LLP

Dallas, Texas
January 22, 2024

Kinney County Public Facility Corporation
A Component Unit of Kinney County, Texas
Statement of Net Position
September 30, 2023

ASSETS

Current Assets

Cash and cash equivalents	\$ 913,848
Detention center receivable	1,049,178
Interest receivable	15,446
Lease receivable - current	<u>949,937</u>

Total current assets	<u>2,928,409</u>
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Noncurrent Cash and Cash Equivalents

Repair and replacement fund	131,425
Debt service reserve fund	<u>933,678</u>
	1,065,103

Capital Assets, Net	4,696,316
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Lease Receivable	<u>1,095,196</u>
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Total assets	<u><u>\$ 9,785,024</u></u>
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Liabilities, Deferred Inflows of Resources and Net Position

Current Liabilities

Current portion of long-term debt	\$ 785,000
Accounts payable	3,448
Accrued interest	78,050
Accrued operator fee expense	<u>989,825</u>

Total current liabilities	1,856,323
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Long-term Debt	<u>2,582,000</u>
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Total liabilities	4,438,323
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Deferred Inflows of Resources - Leases	<u>1,876,986</u>
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Net Position

Net investment in capital assets	2,262,994
Unrestricted	<u>1,206,721</u>

Total net position	<u>3,469,715</u>
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Total liabilities, deferred inflows of resources and net position	<u><u>\$ 9,785,024</u></u>
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Kinney County Public Facility Corporation
A Component Unit of Kinney County, Texas
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended September 30, 2023

Operating Revenue	
Detention center revenue	\$ 12,580,918
Lease revenue	866,301
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Total operating revenues	13,447,219
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Operating Expenses	
Depreciation	256,986
County administration fee expense	873,661
Repairs and maintenance and other expenses	15,917
Operator fee expense	11,758,859
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Total operating expenses	12,905,423
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Operating Income	541,796
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Nonoperating Revenues (Expenses)	
Investment income	61,888
Interest expense	(190,788)
Interest income	134,038
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Total nonoperating expenses, net	5,138
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Increase in Net Position	546,934
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Net Position, Beginning of Year	2,922,781
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Net Position, End of Year	\$ 3,469,715
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Kinney County Public Facility Corporation
A Component Unit of Kinney County, Texas
Statement of Cash Flows
Year Ended September 30, 2023

Cash Flows From Operating Activities	
Receipts from detention center	\$ 12,517,136
Payments to suppliers and contractors	(13,558,927)
Receipts from lease income	<u>837,290</u>
Net cash provided by operating activities	<u>(204,501)</u>
Cash Flows From Capital and Related Financing Activities	
Principal paid on long-term debt	(748,000)
Interest paid on long-term debt	(208,127)
Interest received from leases	<u>134,038</u>
Net cash used in capital and related financing activities	<u>(822,089)</u>
Cash Flows From Investing Activities	
Investment income	<u>61,888</u>
Net cash provided by investing activities	<u>61,888</u>
Increase in Cash and Cash Equivalents	(964,702)
Cash and Cash Equivalents, Beginning of Year	<u>2,943,653</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,978,951</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Cash and cash equivalents in current assets	\$ 913,848
Cash and cash equivalents in noncurrent cash and cash equivalents	<u>1,065,103</u>
Total cash and cash equivalents	<u>\$ 1,978,951</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities	
Operating income	\$ 541,796
Items not requiring cash	
Depreciation	256,986
Changes in operating assets and liabilities	
Detention center receivable	(63,782)
Lease receivable	837,290
Deferred inflows of resources - leases	(866,301)
Other accrued liabilities	(5,919)
Accrued operator fee expense	<u>(904,571)</u>
Net cash provided by operating activities	<u>\$ (204,501)</u>