

FANNIN COUNTY PUBLIC FACILITY CORPORATION

Compiled Financial Statements

September 30, 2025



McCLANAHAN
AND
HOLMES, LLP
Certified Public Accountants

George H. Struve, CPA
Debra J. Wilder, CPA
Teffany A. Kavanaugh, CPA
April J. Hatfield, CPA
Brittany L. Martin, CPA

Steven W. Mohundro, CPA,
of Counsel

228 Sixth St. SE
Paris, TX 75460
903-784-4316
Fax 903-784-4310

304 W. Chestnut
Denison, TX 75020
903-465-6070
Fax 903-465-6093

1400 W. Russell
Bonham, TX 75418
903-583-5574
Fax 903-583-9453

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 September 30, 2025, and the related statement of activities for the quarter and 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 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all 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
October 29, 2025

FANNIN COUNTY PUBLIC FACILITY CORPORATION

Statement of Financial Position

September 30, 2025

ASSETS

| | |
|---|-------------------------|
| Current Assets | |
| Cash - Bond Fund | \$ 2,603,510.08 |
| Cash - Operator Fee Account | 150.95 |
| Cash - Project Fund | 254,636.61 |
| Cash - Operating Trustee Account | 152.79 |
| Cash - Operating Account | 35,767.24 |
| Accounts Receivable | 2,596,062.59 |
| Total Current Assets | <u>5,490,280.26</u> |
| Restricted Assets | |
| Cash - Capital Improvements | 43.71 |
| Cash - Operating Reserve | 24,416.67 |
| Cash - Reserve Fund | 2,766,557.50 |
| Cash - Surplus Account | 515.71 |
| Total Restricted Assets | <u>2,791,533.59</u> |
| Fixed Assets | |
| Land, Buildings, Equipment and Vehicles | 23,897,197.55 |
| Less Accumulated Depreciation | (9,249,784.49) |
| Net Fixed Assets | <u>14,647,413.06</u> |
| Total Assets | <u>\$ 22,929,226.91</u> |

LIABILITIES AND NET ASSETS

| | |
|--|-------------------------|
| Current Liabilities | |
| Accounts Payable | \$ 1,929,624.90 |
| US Bank - Deposit in Error | 35,603.45 |
| Accrued Interest | 811,647.50 |
| Current Portion of Bond Payable | 1,140,000.00 |
| Total Current Liabilities | <u>3,916,875.85</u> |
| Long-Term Liabilities | |
| Bond Payable | 23,120,000.00 |
| Capitalized Bond Issue Cost, Net of Amortization of \$865,893.35 | (1,186,146.00) |
| Less Current Portion of Bond Payable | (1,140,000.00) |
| Total Long-Term Liabilities | <u>20,793,854.00</u> |
| Total Liabilities | <u>24,710,729.85</u> |
| Net Assets | |
| Net Assets Without Donor Restrictions | <u>(1,781,502.94)</u> |
| Total Liabilities and Net Assets | <u>\$ 22,929,226.91</u> |

FANNIN COUNTY PUBLIC FACILITY CORPORATION
Statement of Activities
Quarter and Year Ended September 30, 2025

| | Quarter Ended September 30, 2025 | Year Ended September 30, 2025 |
|--|-------------------------------------|----------------------------------|
| Changes in Net Assets Without Donor Restrictions | | |
| Revenues | | |
| Federal Inmate Revenue | | |
| Housing - USMS - East | \$ 4,762,418.17 | \$ 17,481,089.23 |
| Housing - USMS - North | 152,904.85 | 465,515.12 |
| Transport - USMS - East | 139,322.18 | 389,064.10 |
| Transport - USMS - North | 4,625.75 | 19,868.42 |
| | <u>5,059,270.95</u> | <u>18,355,536.87</u> |
| County Inmate Revenue | | |
| Housing - Fannin County Main Jail | 584,765.27 | 1,261,567.86 |
| Housing - Fannin County South Annex | 73,124.35 | 1,239,031.75 |
| Housing - Smith County | - | 302,797.38 |
| Housing - Grayson County | 62,553.00 | 144,072.00 |
| Transport - Fannin County | 20,465.96 | 70,165.74 |
| | <u>740,908.58</u> | <u>3,017,634.73</u> |
| Net Assets Released from Restrictions | | |
| Satisfaction of Program Restrictions | - | 731,700.00 |
| Interest Revenue | <u>54,507.40</u> | <u>224,313.29</u> |
| Total Revenues Without Donor Restrictions | <u>5,854,686.93</u> | <u>22,329,184.89</u> |
| Program Costs | | |
| Operator Fees | 4,962,164.10 | 17,313,182.49 |
| Operator Facility Renovation | - | 330,975.63 |
| Depreciation Expense | <u>183,966.00</u> | <u>693,248.00</u> |
| Total Program Costs | <u>5,146,130.10</u> | <u>18,337,406.12</u> |
| Management and General Costs | | |
| Administrative Fees | 112,307.50 | 429,137.50 |
| Amortization Expense | 17,924.00 | 71,696.00 |
| Audit and Accounting | - | 21,040.00 |
| Bond Interest Expense | 405,823.75 | 1,623,295.00 |
| Legal Fees | - | 63,937.15 |
| Trustee Fees | <u>7,920.00</u> | <u>7,920.00</u> |
| Total Management and General Costs | <u>543,975.25</u> | <u>2,217,025.65</u> |
| Total Costs | <u>5,690,105.35</u> | <u>20,554,431.77</u> |
| Increase (Decrease) in Net Assets Without Donor Restrictions | 164,581.58 | 1,774,753.12 |
| Changes in Net Assets With Donor Restrictions | | |
| Contributions | - | 731,700.00 |
| Net Assets Released from Restrictions | <u>-</u> | <u>(731,700.00)</u> |
| Increase (Decrease) in Net Assets With Donor Restrictions | <u>-</u> | <u>-</u> |
| Increase (Decrease) in Net Assets | 164,581.58 | 1,774,753.12 |
| Net Assets at Beginning of Period | (1,946,084.52) | (3,556,256.06) |
| Net Assets at End of Period | <u>\$ (1,781,502.94)</u> | <u>\$ (1,781,502.94)</u> |