



FINANCIAL STATEMENT

FINANCIAL STATEMENT (As of September 30, 2017)

Table with 2 columns: Description, Amount. Includes Net Taxable Assessed Valuation, GO Debt payable, Net Debt.

Net Debt Per Net Taxable Assessed Valuation - 0.33%
Net Debt Per Sq mile - \$6,872.16
Net Debt Per Capita - \$167.43

Net Taxable Assessed Valuation Per Capita - \$50,215.30

Bureau of Census Pop: 2000 - 31,242
Bureau of Census Pop: 2010 - 33,915
2017 Estimated Population - 36,571
Area: 891.00 Sq mile

PAYMENT RECORD

Never defaulted.

TAX DATA

Table with 5 columns: Tax Year, A.V., Tax Rate, Tax Levy, % of Total Levy Collected as of 09/30/2017. Rows for years 2012-2017.

Table with 5 columns: Tax Rate Distribution, 2017, 2016, 2015, 2014. Rows for Operations, I&S, Road & Bridge, Totals.

Tax Rate Limitation:

Limited Tax Bonds. Texas Constitution (Article VIII, Section 9 imposes limit of \$0.80 per \$100 assessed valuation for all purposes of General Fund, Permanent Improvement Fund, Road & Bridge Fund and Jury Fund, including debt service on obligations issued against such funds.

Road Maintenance. Imposed by Co. Road and Bridge Act, \$0.15 per \$100 assessed valuation, no part of which may be used for debt service.

SALES TAX

Optional Sales Tax. Texas Counties have the option of assessing a 1/2 cent sales tax if approved by the voters in a local option election.

Table with 5 columns: Calendar Year, Rate, Total Collected, % of Ad Val Tax Levy, Equiv of Ad Val Tax Rate. Row for 2014.

Table with 5 columns: Year, 0.500, 901,942, 9.465, 0.06. Rows for 2015, 2016, 2017.

DETAILS OF OUTSTANDING DEBT

Details of Limited Tax Debt (Outstanding 9/30/2017)

GO Bds Ser 2017

Tax Treatment: Bank Qualified
Original Issue Amount \$6,150,000.00
Dated Date: 04/01/2017
Sale Date: 04/18/2017
Delivery Date: 05/16/2017
Sale Type: Competitive
TIC: 3.1470%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2018

Paying Agent: BOKF, N.A., Dallas, TX
Bond Counsel: Norton Rose Fulbright US LLP, San Antonio, TX
Financial Advisor: SAMCO Capital Markets, Inc., San Antonio, TX
Lead Manager: Robert W. Baird & Co., Inc.
Co-Manager: Alamo Capital
Co-Manager: CL King & Associates
Co-Manager: Country Club Bank
Co-Manager: Davenport & Co. LLC
Co-Manager: Dougherty & Company LLC
Co-Manager: Duncan-Williams, Inc.
Co-Manager: Edward Jones
Co-Manager: First Empire Securities
Co-Manager: First Kentucky Securities
Co-Manager: FMSbonds, Inc.
Co-Manager: IFS Securities, Inc.
Co-Manager: Isaak Bond
Co-Manager: Loop Capital Markets LLC
Co-Manager: Midland Securities, Ltd
Co-Manager: Northland Securities
Co-Manager: Oppenheimer & Co. Inc.
Co-Manager: Rafferty Capital Markets, LLC
Co-Manager: Ross, Sinclair & Associates, Inc.
Co-Manager: Sierra Pacific
Co-Manager: Stephens Inc.
Co-Manager: SumRidge Partners, LLC
Co-Manager: UMB Bank
Co-Manager: Vining-Sparks IBG
Co-Manager: W. H. Mell Associates, Inc
Co-Manager: Wayne Hummer Investments
Co-Manager: Webdush Securities
Co-Manager: WNJ Capital

Use of Proceeds: Courthouse.

Table with 4 columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Rows for maturities from 03/01/2018 to 03/01/2029.

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03/01/2030	245,000.00	3.0000%	2.500%
03/01/2031	255,000.00	3.0000%	2.600%
03/01/2032	260,000.00	3.0000%	2.700%
03/01/2033	270,000.00	3.0000%	2.800%
03/01/2035T	560,000.00	3.2500%	3.000%
03/01/2036	295,000.00	3.5000%	3.100%
03/01/2037	305,000.00	3.5000%	3.200%
03/01/2039T	650,000.00	3.5000%	100.00%
03/01/2042T	1,055,000.00	3.5000%	3.600%
-----			\$6,150,000.00

Call Option: Bonds maturing on 03/01/2028 to 03/01/2033 and 03/01/2036 to 03/01/2037 and term bonds maturing on 03/01/2035 and 03/01/2039 and 03/01/2042 callable in whole or in part on any date beginning 03/01/2027 @ par.

Term Call: Term bonds maturing on 03/01/2035 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
03/01/2034	\$275,000
03/01/2035	\$285,000

	\$560,000

Term bonds maturing on 03/01/2039 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
03/01/2038	\$320,000
03/01/2039	\$330,000

	\$650,000

Term bonds maturing on 03/01/2042 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
03/01/2040	\$340,000
03/01/2041	\$355,000
03/01/2042	\$360,000

	\$1,055,000

Grand Total =====> \$6,150,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/18	60,000.00	303,772.92	363,772.92
09/30/19	160,000.00	209,675.00	369,675.00
09/30/20	170,000.00	203,075.00	373,075.00
09/30/21	175,000.00	196,175.00	371,175.00
09/30/22	185,000.00	188,975.00	373,975.00
09/30/23	190,000.00	181,475.00	371,475.00
09/30/24	200,000.00	173,675.00	373,675.00
09/30/25	205,000.00	165,575.00	370,575.00
09/30/26	215,000.00	157,175.00	372,175.00
09/30/27	225,000.00	148,375.00	373,375.00
09/30/28	230,000.00	140,425.00	370,425.00
09/30/29	240,000.00	133,375.00	373,375.00
09/30/30	245,000.00	126,100.00	371,100.00
09/30/31	255,000.00	118,600.00	373,600.00
09/30/32	260,000.00	110,875.00	370,875.00
09/30/33	270,000.00	102,925.00	372,925.00
09/30/34	275,000.00	94,406.25	369,406.25
09/30/35	285,000.00	85,306.25	370,306.25
09/30/36	295,000.00	75,512.50	370,512.50
09/30/37	305,000.00	65,012.50	370,012.50
09/30/38	320,000.00	54,075.00	374,075.00
09/30/39	330,000.00	42,700.00	372,700.00
09/30/40	340,000.00	30,975.00	370,975.00
09/30/41	355,000.00	18,812.50	373,812.50

09/30/42	360,000.00	6,300.00	366,300.00

	6,150,000.00	3,133,347.92	9,283,347.92
=====			

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	% of Principal	
	Principal	Retired
09/30/2018	60,000.00	00.98%
09/30/2019	160,000.00	03.58%
09/30/2020	170,000.00	06.34%
09/30/2021	175,000.00	09.19%
09/30/2022	185,000.00	12.20%
09/30/2023	190,000.00	15.28%
09/30/2024	200,000.00	18.54%
09/30/2025	205,000.00	21.87%
09/30/2026	215,000.00	25.37%
09/30/2027	225,000.00	29.02%
09/30/2028	230,000.00	32.76%
09/30/2029	240,000.00	36.67%
09/30/2030	245,000.00	40.65%
09/30/2031	255,000.00	44.80%
09/30/2032	260,000.00	49.02%
09/30/2033	270,000.00	53.41%
09/30/2034	275,000.00	57.89%
09/30/2035	285,000.00	62.52%
09/30/2036	295,000.00	67.32%
09/30/2037	305,000.00	72.28%
09/30/2038	320,000.00	77.48%
09/30/2039	330,000.00	82.85%
09/30/2040	340,000.00	88.37%
09/30/2041	355,000.00	94.15%
09/30/2042	360,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2018	\$363,773
I&S Fds all G.O. issues 09/30/2017	\$26,909
2017 I&S Fund Tax Levy @ 90%	396,668

AUTHORIZED BUT UNISSUED

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED

Election Date	Purpose	Amount		Issued To Date	Unissued
		Authorized	Issued		
11/08/16	Courthouse	\$12,500,000	\$6,250,000		\$6,250,000

PENSION FUND LIABILITY

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCERS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCERS in the aggregate issues a comprehensive annual financial report ("CAFR") on a calendar year basis. The CAFR is available upon written request from the TCERS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within

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the options available in the Texas state statutes governing TCDRS ("TCDRS Act"). Members can retire with eight or more years of service at age 60 and above, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Required Contribution Rates (Percentage of gross covered salary)
Table with 3 columns: Category, 2018, 2017
Employee: 7.00%, 7.00%
County: 11.24%, 10.77%

Actuarial Valuation as of
Table with 3 columns: Category, 12/31/2016, 12/31/2015
Assets: \$21,171,245, \$14,373,633
Accrued Liabilities: \$23,584,686, \$16,534,591
(Unfunded)/Overfunded Liab.: (\$2,413,441), (\$2,160,958)
Funded Ratio: 89.77%, 86.93%
Annual Covered Payroll: \$5,201,471, \$5,027,100
(Unfunded)/Overfunded Liability as a % of Covered Payroll: (46.40)%, (42.99)%

CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Table with 3 columns: Category, 12/31/2016, 12/31/2015
Total Pension Liability: \$22,902,323, \$21,468,083
Plan Fiduciary Net Position: \$20,727,734, \$19,404,498
Net Pension Liability(Asset) Fiduciary Net Position as a % of Total Pension Liability: 90.50%, 90.39%
Covered Employee Payroll: \$5,201,471, \$5,027,100
Net Pension Liability as a % of Covered Payroll: 41.81%, 41.05%
Employer Contributions: \$548,235, \$533,377
Employee Contributions: \$364,103, \$351,897
Pension Expense: \$1,001,706, \$700,971

Membership Data:
Table with 3 columns: Category, 2016, 2015
Number of Annuitants: 89, 82
Number of Members: 229, 233
Number of Depositing Members: 142, 147
Total: 460, 462

Source: Texas County and District Retirement System

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2017)

The County reports additional debt in the principal amount of \$2,443,429 under Govt Activities as follows:

Table with 5 columns: Amount Outstanding, Int Rate, Next Year's Requirements, Reported Under, Category
Capital Lease: \$89,024, 4.95%, \$93,532, Govt Activities
Compensated Absences: \$179,814, N/A, N/A, Govt Activities
Net Pension Oblgn*: \$2,174,591, N/A, N/A, Govt Activities

* See PENSION FUND LIABILITY section for details of this obligation.

FUND DEFICITS As of September 30, 2017 the following fund deficits existed:

Special Revenue Funds:
Hazard Mitigation: \$ 429
Chapter 19 Funds: 4,277

OVERLAPPING DEBT

ESTIMATED OVERLAPPING DEBT STATEMENT

Table with 5 columns: Taxing Body, Debt Amount, As Of, %Ov1pg, Ov1pg Amt
Bailey, City of: \$0, 02/01/94, 100.00, \$0
Blue Ridge ISD: 13,740,000, 05/31/18, 1.89, 259,686
Bonham ISD: 35,128,725, 06/30/17, 100.00, 35,128,725
Bonham, City of: 4,848,425, 01/31/18, 100.00, 4,848,425
Dodd City ISD: 4,149,680, 12/31/16, 100.00, 4,149,680
Dodd City, City of: 1,250,000, 05/31/18, 100.00, 1,250,000
Ector ISD: 1,575,000, 05/31/18, 100.00, 1,575,000
Fannindel ISD: 1,085,000, 05/31/18, 63.81, 692,339
Honey Grove ISD: 8,415,000, 05/31/18, 96.16, 8,091,864
Honey Grove, City of: 2,867,000, 05/31/18, 100.00, 2,867,000
Ladonia, City of: 2,930,000, 05/31/18, 100.00, 2,930,000
Leonard ISD: 265,000, 05/31/18, 88.11, 233,492
Leonard, City of: 206,000, 05/31/18, 100.00, 206,000
North Lamar ISD: -None-, 05/31/18, 0.28, 0
Sam Rayburn ISD: 3,657,830, 08/31/16, 100.00, 3,657,830
Savoy ISD: 1,305,000, 05/31/18, 100.00, 1,305,000
Savoy, Town of: 2,755,000, 05/31/18, 100.00, 2,755,000
Trenton ISD: 6,725,000, 05/31/18, 91.01, 6,120,423
Trenton, City of: 969,000, 05/31/18, 100.00, 969,000
Whitewright ISD: 6,850,091, 05/31/18, 12.20, 835,711
Wolfe City ISD: 6,815,139, 08/31/17, 6.72, 457,977

Total Overlapping Debt: \$78,333,151

Fannin Co: 09/30/17, \$6,123,091

Total Direct and Overlapping Debt: \$84,456,242

Total Direct and Overlapping Debt % of A.V.: 4.60%

Total Direct and Overlapping Debt per Capita: \$2,309

* Gross Debt

ECONOMIC BACKGROUND

Fannin County is located in north Texas, borders Oklahoma, and is traversed by U.S. Highways 69 and 82, State Highways 11, 50, 78, and 121, and eighteen farm-to-market roads. Numerous lakes and rivers, including Lake Bonham and the Bois d'Arc Creek, make water activities popular in the county.

COUNTY SEAT: Bonham

2010 census: 33,915 increasing 8.6% since 2000
2000 census: 31,242 increasing 26.0% since 1990
1990 census: 24,804

ECONOMIC BASE

Mineral: sand.

Industry: agribusiness.

Agricultural: wheat, Hunting leases, corn and beef cattle.

PARKS (Texas Parks & Wildlife)

Table with 3 columns: Year, Description, Volume
2014 Bonham State Park 55,277 Visitors
2015 Bonham State Park 50,069 Visitors
2016 Bonham State Park 51,663 Visitors

RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Table with 4 columns: Year, 2017, 2016, 2015
Retail Sales: \$362.1M, \$315.6M, \$329.7M
Effective Buying Income (EBI): \$622.8M, \$595.5M, \$618.8M

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County Median Household Income	\$42,066	\$40,643	\$40,553
State Median Household Income	\$57,227	\$55,352	\$53,037
% of Households with EBI below \$25K	28.7%	13.9%	13.0%
% of Households with EBI above \$25K	65.4%	64.9%	66.3%

EMPLOYMENT DATA (Texas Workforce Commission)

	2017		2016		2015	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	7,330	\$70.5M	7,256	\$65.0M	6,964	\$62.7M
2nd Q:	7,397	\$75.0M	7,243	\$66.9M	7,074	\$62.6M
3rd Q:	7,430	\$71.9M	7,322	\$71.7M	7,150	\$67.3M
4th Q:	N/A	N/A	7,383	\$76.4M	7,187	\$71.1M

TOP TAXPAYERS

Principal Taxpayers	2017 A.V.	% of A.V.
1. Oncor Electric Delivery Co. Electric Utility	\$36,539,920	1.99%
2. Atmos Energy/Mid-Tex Pipeline Oil & Gas	31,215,100	1.70%
3. Energy Transfer Fuel LP Oil & Gas	25,074,130	1.37%
4. North Texas Municipal Water District Water Utility	13,151,520	0.72%
5. Gulf Crossing Co. Pipeline	10,802,000	0.59%
6. RFJ Auto Properties LLC Auto Dealership	10,039,120	0.55%
7. Transcanada Keystone PL LP Pipeline	9,820,490	0.53%
8. Voluntary Purchasing Group Agricultural Chemicals	8,498,130	0.46%
9. Midcontinent Express Pipeline Pipeline	8,360,780	0.46%
10. Wal-Mart Stores #01-0158 Retail	7,753,360	0.42%
Total:	\$161,254,550	8.79%

FINANCE CONNECTED OFFICIALS

County Judge
Creta L. Carter II
101 E. Sam Rayburn
Suite 101
Bonham, TX 75418
Phone: 903-583-7455
Fax: 903-583-7811
clcarter@fanninco.net

County Treasurer
David Woodson
101 E. Sam Rayburn
Suite 302
Bonham, TX 75418
Phone: 903-583-7457
Fax: 903-640-5806
dwoodson@fanninco.net

Interim County Auditor
Alicia Whipple
101 East Sam Rayburn Dr.
Ste. 303
Bonham, TX 75418
Phone: 903-583-7451
Fax: 903-640-5806
awhipple@fanninco.net

Tax Assessor/Collector

Gail Young
Fannin County Tax Office
210 South Main
Bonham, TX 75418
Phone: 903-583-7493
Fax: 903-583-1244
taxassessor@fanninco.net

Chief Appraiser
Mike Jones
Fannin County Appraisal District
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