CLAY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

* Recorder's Note: Full Record is
in Book form and cannot be sanned.

EDGIN, PARKMAN, FLEMING & FLEMING, PC
CERTIFIED PUBLIC ACCOUNTANTS
1401 HOLLIDAY ST., SUITE 216 • P.O. BOX 750
WICHITA FALLS, TEXAS 76307-0750
PH. (940) 766-5550 • FAX (940) 766-5778

MICHAEL D. EDGIN, CPA
DAVID L. PARKMAN, CPA
A. PAUL FLEMING, CPA
JOSHUA R. HARMAN, CPA

Independent Auditor's Report

The Honorable Judge Mike Campbell
and County Commissioners
Clay County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, Texas, as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, Texas as of September 30, 2025, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Clay County Memorial Hospital, the County's discretely presented component unit, which is 100 percent of the assets, net position, and revenues of the component unit activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the component unit, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System, and the Schedule of Employer Contributions – Texas County and District Retirement System identified in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements and budget comparisons are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining statements and budget comparisons are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and budgetary comparisons are fairly stated in all material respects in relation to the basic financial statements as a whole.

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas
July 7, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Clay County, Texas, we offer readers of the County's Annual Financial Report this narrative overview and analysis of the County's financial performance during the fiscal year ended September 30, 2025. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2025 by $16,705,321 (net position). Of this amount, $7,977,639 (unrestricted net position) may be used to meet the County's obligations.

- During the year, the County's total net position increased by $1,634,053. The County's expenses, which totaled $10,256,777, were less than the County's program revenues of $2,613,053 and general revenues of $9,277,777.

- The total cost of the County's programs decreased $41,732, or less than 1%, from the prior year. Most expenses remained fairly consistent from the previous year. Pension expenses decreased due to more positive investment results for the County's retirement plan.

- The governmental funds reported a fund balance this year of $8,104,761, which is a decrease of $54,396 in comparison with the prior year amount.

- At the end of the current fiscal year, the total fund balance of the General Fund was $5,643,432, or 65% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

All of the County's services are reported in the government-wide financial statements, including administration, judicial, public transportation, and public safety. Property taxes, sales taxes, highway taxes, fees and commissions and intergovernmental grants finance most of the activities. Additionally, all capital and debt financing activities are reported here.

The government-wide financial statements are designed to provide readers a broad overview of the County's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The *statement of activities* details how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected property taxes).

Fund Financial Statements

The County uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the County's most significant *funds* – not the County as a whole. Some funds are required by State law and or bond covenants. Other funds may be established by the County to control and manage money for particular purposes or to evidence appropriate use of certain taxes, grants, and other special revenues.

All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's short-term financing requirements.

Because the focus on *governmental funds* is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations facilitate the comparison between *governmental funds* and *governmental activities.*

The County maintained multiple governmental funds in fiscal year 2024-2025. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund, the Precinct 1 Road & Bridge Fund, the Precinct 2 Road & Bridge Fund, the Precinct 3 Road & Bridge Fund, the Precinct 4 Road & Bridge Fund, and the County Attorney Senate Bill 22 Fund, which are considered to be major funds. Financial data for the nonmajor governmental funds are combined into a single, aggregated presentation.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* that further explains and supports the information in the financial statements.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. Exhibited below in Table 1 are the County's net position summarized for the *governmental activities*.

Table 1 - County's Net Position

	Governmental Activities			
	2025	2024	$ Change	% Change
Current and other assets	$ 12,230,289	$ 11,095,806	$ 1,134,483	10%
Capital assets, net	7,973,240	7,053,040	920,200	13%
Total Assets	20,203,529	18,148,846	2,054,683	11%
Deferred Outflows	339,850	362,727	(22,877)	-6%
Current liabilities	1,190,903	958,871	232,032	24%
Noncurrent liabilities	1,964,835	1,837,063	127,772	7%
Total Liabilities	3,155,738	2,795,934	359,804	13%
Deferred Inflows	678,722	607,975	70,747	12%
Net position:				
Net investment in capital assets	6,227,854	5,389,294	838,560	16%
Restricted for pension plan	2,499,828	1,566,544	933,284	60%
Unrestricted	7,977,639	8,151,826	(174,187)	-2%
Total Net Position	$ 16,705,321	$ 15,107,664	$ 1,597,657	11%

Net investment in capital assets (e.g. land, buildings, furniture, and equipment less any related debt used to acquire those assets that is still outstanding) is $6,227,854. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. $2,499,828 of net position is restricted for the County's pension plan. The remaining balance of net position of $7,977,639 may be used to meet the County's ongoing obligations.

Changes in Net Position

The County's total revenues, both program and general, were $11,890,830. A significant portion, 59%, of the County's revenue comes from property taxes. Grants and contributions (operating and capital combined) represented 8% of County revenue, while charges for services represented 14% of the County's revenue and payments in lieu of taxes represented 13%. Exhibited below in Table 2 are the County's revenues for the years ended September 30, 2025 and 2024 for the County's *governmental activities*.

Table 2 - County's Revenues

	Governmental Activities			
	2025	Percent	2024	Percent
Charges for services	$ 1,665,714	14%	$ 1,635,424	13%
Operating grants and contributions	693,398	6%	698,011	6%
Capital grants and contributions	253,941	2%	1,281,324	10%
Property taxes	7,082,680	59%	6,830,269	54%
Payments in lieu of taxes	1,556,063	13%	1,407,102	11%
Investment earnings	432,948	4%	518,928	4%
Miscellaneous	206,086	2%	300,906	2%
Total Revenues	$ 11,890,830	100%	$ 12,671,964	100%

Exhibited below in Table 3 are the County's expenses for the years ended September 30, 2025 and 2024 for the County's *governmental activities*. The total cost of all programs and services was $10,256,777.

Table 3 - County's Expenses

	Governmental Activities			
	2025	Percent	2024	Percent
County Judge	$ 196,666	2%	$ 207,051	2%
County Clerk	207,972	2%	225,007	2%
District Court	281,242	3%	220,048	2%
Commissioner's Court	10,377	0%	10,611	0%
District Clerk	212,294	2%	213,021	2%
Justice of the Peace	235,506	2%	223,034	2%
County Attorney	248,420	2%	199,234	2%
Elections	189,249	2%	237,729	2%
County Auditor	86,634	1%	86,739	1%
County Treasurer	155,241	2%	153,393	1%
County Tax Assessor/Collector	207,010	2%	202,660	2%
Library	101,773	1%	124,219	1%
Emergency management	78,742	1%	75,727	1%
Constable	161,697	2%	169,255	2%
Sheriff's Office	2,920,589	27%	3,095,440	30%
Public transportation	2,714,651	26%	2,631,050	26%
Juvenile Probation	89,847	1%	91,800	1%
Indigent Health Care	56,941	1%	117,430	1%
Agricultural Extension Agent	120,449	1%	118,470	1%
Nondepartmental and other expenses	1,905,773	19%	1,839,362	18%
Interest expense	75,704	1%	57,229	1%
Total Expenses	$ 10,256,777	100%	$ 10,298,509	100%

Governmental Activities

Table 4 presents the various revenue categories and gross costs of each of the County's functional areas for both the current and prior year. Following the table, we provide explanations for the significant or unusual fluctuations between the two years.

Table 4 - Changes in Net Position

	Governmental Activities			
	2025	2024	$ Change	% Change
Revenues:				
Program revenues:				
Charges for services	$ 1,665,714	$ 1,635,424	$ 30,290	2%
Operating grants and contributions	693,398	698,011	(4,613)	-1%
Capital grants and contributions	253,941	1,281,324	(1,027,383)	-80%
General revenues:				
Property taxes	7,082,680	6,830,269	252,411	4%
Payments in lieu of taxes	1,556,063	1,407,102	148,961	11%
Investment earnings	432,948	518,928	(85,980)	-17%
Miscellaneous	206,086	300,906	(94,820)	-32%
Total revenues	11,890,830	12,671,964	(781,134)	-6%
Expenses:				
County Judge	196,666	207,051	(10,385)	-5%
County Clerk	207,972	225,007	(17,035)	-8%
District Court	281,242	220,048	61,194	28%
Commissioner's Court	10,377	10,611	(234)	-2%
District Clerk	212,294	213,021	(727)	0%
Justice of the Peace	235,506	223,034	12,472	6%
County Attorney	248,420	199,234	49,186	25%
Elections	189,249	237,729	(48,480)	-20%
County Auditor	86,634	86,739	(105)	0%
County Treasurer	155,241	153,393	1,848	1%
County Tax Assessor/Collector	207,010	202,660	4,350	2%
Library	101,773	124,219	(22,446)	-18%
Emergency management	78,742	75,727	3,015	4%
Constable	161,697	169,255	(7,558)	-4%
Sheriff's Office	2,920,589	3,095,440	(174,851)	-6%
Public transportation	2,714,651	2,631,050	83,601	3%
Juvenile Probation	89,847	91,800	(1,953)	-2%
Indigent Health Care	56,941	117,430	(60,489)	-52%
Agricultural Extension Agent	120,449	118,470	1,979	2%
Nondepartmental and other expenses	1,905,773	1,839,362	66,411	4%
Interest expense	75,704	57,229	18,475	32%
Total expenses	10,256,777	10,298,509	(41,732)	0%
Change in net position	$ 1,634,053	$ 2,373,455	$ (739,402)	-31%

- Capital grants and contributions decreased $1,027,383, due to less ARP funding being utilized in the current year on the Bridge Street Annex project.

- Sheriff's Office expenses decreased due to a decrease in depreciation expense and a decrease in pension expense in the current year.

Table 5 presents the net cost of the County's governmental functions (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state aid, and other miscellaneous general revenues.

Table 5 - Net Cost of County Functions

	Governmental Activities			
	2025	Percent	2024	Percent
County Judge	$ 171,466	2%	$ 181,851	3%
County Clerk	58,480	1%	77,303	1%
District Court	281,242	4%	220,048	3%
District Clerk	146,654	2%	150,945	2%
Justice of the Peace	71,745	1%	(25,704)	0%
County Attorney	140,424	2%	142,526	2%
Elections	144,323	2%	208,505	3%
County Auditor	86,634	1%	86,739	1%
County Treasurer	155,241	2%	153,393	2%
County Tax Assessor/Collector	(521,987)	-7%	(512,471)	-8%
Emergency management	78,742	1%	75,727	1%
Constable	143,501	2%	151,446	2%
Sheriff's Office	2,145,696	28%	2,390,956	36%
Public transportation	2,532,866	33%	1,995,674	30%
Other	2,008,697	26%	1,386,812	22%
Net Costs	$ 7,643,724	100%	$ 6,683,750	100%

Financial Analysis of the County's Funds

As previously stated, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

Governmental Funds

The focus of the County's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of September 30, 2025, the County's governmental funds reported a combined ending fund balance of $8,104,761, a decrease of $54,396 from the previous year. Table 6 illustrates the fund balances of the governmental funds.

Table 6 - Governmental Funds - Fund Balances
September 30, 2025

	Nonspendable	Committed	Assigned	Unassigned	Totals
General Fund	$ 254,416	$ 500,000	$ 906,428	$ 3,982,588	$ 5,643,432
Pct 1 Road & Bridge Fund	8,325	596,047	-	-	604,372
Pct 2 Road & Bridge Fund	9,714	215,554	-	-	225,268
Pct 3 Road & Bridge Fund	10,634	457,980	-	-	468,614
Pct 4 Road & Bridge Fund	7,453	597,243	-	-	604,696
Nonmajor Governmental Funds	-	558,379	-	-	558,379
Total Fund Balances	$ 290,542	$ 2,925,203	$ 906,428	$ 3,982,588	$ 8,104,761

General Fund

At the end of the current fiscal year, the ending fund balance for the General Fund was $5,643,432. The total fund balance represents 65% of the total General Fund expenditures for the year ended September 30, 2025. The fund balance decreased $185,930 in the current fiscal year.

General Fund revenues totaled $8,175,350, an increase of $217,880 or about 3% from the preceding year. Ad valorem taxes and payments in lieu of taxes increased by $132,817 and $148,961, respectively, while fees and commissions decreased $97,046 from the prior year.

General Fund expenditures totaled $8,627,389, an increase of $1,253,732, or about 17% from the preceding year. Most of this increase was attributable to the Courthouse roof renovation in the current year. Sheriff's Office expenditures also increased from the previous year.

Precinct 1 Road & Bridge Fund

The Precinct 1 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 1. Precinct 1 revenues increased due to an increased share of ad valorem tax revenue and increased interest earnings. Precinct 1 expenditures decreased due to capital asset additions in the previous year.

Precinct 2 Road & Bridge Fund

The Precinct 2 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 2. Precinct 2 revenues increased due to an increased share of ad valorem tax revenue and increased interest earnings. Precinct 2 expenditures increased due to the purchase of equipment in the current year.

Precinct 3 Road & Bridge Fund

The Precinct 3 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 3. Precinct 3 revenues increased due to an increased share of ad valorem tax revenue and increased interest earnings. Precinct 3 expenditures increased due to the purchase of equipment in the current year.

Precinct 4 Road & Bridge Fund

The Precinct 4 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 4. Precinct 4 revenues increased due to an increased share of ad valorem tax revenue and increased interest earnings. Precinct 4 expenditures increased due to the purchase of equipment in the current year.

County Attorney Senate Bill 22 Fund

The County Attorney Senate Bill 22 Fund accounts for the resources received related to state funding for the County Attorney's Office. The County expended $91,669 of these funds in the current year, mostly related to salaries for staff members. The County also recognized a similar amount of revenues in the current year. The $241,296 remaining in this fund will be returned to the State.

Nonmajor Governmental Funds

Nonmajor governmental funds consist of the various special revenue funds. Revenues and expenditures increased slightly from the prior year.

General Fund Budgetary Highlights

Over the course of the year, the County revised its budget several times. Total actual expenditures were $821,431 below total final budget amounts. Expenditures in most functional areas were below the budget amounts. Nondepartmental ($347,493) and Indigent Health Care ($119,059) were the areas most below the budgeted amounts.

On the other hand, revenues were $228,679 above the final budgeted amounts. Fees and commissions were $195,039 below the budgeted amount while Other revenues were $257,833 above the budgeted amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the County had invested in a broad range of capital assets totaling $7,973,240, net of accumulated depreciation, including land, buildings and improvements, equipment, and infrastructure. See Table 7 below.

Table 7 - Capital Assets, Net

	2025	2024	$ Change	% Change
Land	$ 164,695	$ 164,695	$ -	0%
Buildings and improvements	3,717,420	2,192,178	1,525,242	70%
Equipment	2,643,548	2,389,395	254,153	11%
Subscription assets	32,759	66,745	(33,986)	-51%
Infrastructure	1,414,818	1,458,793	(43,975)	-3%
Construction in progress	-	781,234	(781,234)	N/A
Totals	$ 7,973,240	$ 7,053,040	$ 920,200	13%

Additional information about the County's capital assets is presented in the notes to the financial statements.

Long-term Debt

At September 30, 2025, the County had $1,745,386 in right-to-use lease liabilities, subscription liabilities, and notes payable outstanding as shown in Table 8 below.

Table 8 - Long-term Debt

	2025	2024	$ Change	% Change
Right-to-use leases	$ 11,741	$ 26,950	$ (15,209)	-56%
Subscription liabilities	20,781	53,032	(32,251)	-61%
Notes payable	1,712,864	1,583,764	129,100	8%
Totals	$ 1,745,386	$ 1,663,746	$ 81,640	5%

Additional information about the County's long-term debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2025-2026 budget preparation is $1,327,488,625, an increase of $67,931,905, or about 5%, from the prior year. The total County tax rate was increased from $0.5614 to $0.5773.

Revenues budgeted in the General Fund's budget are $8,672,833, an increase of 9% from the final 2024-2025 budget of $7,946,671. Most of this increase is due to an expected increase in ad valorem tax revenue and payments in lieu of taxes.

Total General Fund expenditures are budgeted to be $9,079,261 along with transfers out to other funds of $500,000. Expenditures in most budget categories are similar to 2024-2025. The most significant increases are related to the subsidy given to the Clay County Memorial Hospital, while there is a significant decrease in the amount to be expended on Courthouse restoration.

If these estimates are realized, the County's General Fund's fund balance is expected to decrease approximately $906,000 by September 30, 2026.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office.