

**CLAY COUNTY, ILLINOIS
LOUISVILLE, IL**

**ANNUAL FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND OTHER INFORMATION**

FOR THE YEAR ENDED NOVEMBER 30, 2025

CLAY COUNTY, ILLINOIS
Financial Statements
November 30, 2025

Table of Contents

	Page
INTRODUCTORY SECTION:	
Title Page	
Table of Contents	
FINANCIAL SECTION:	
Independent Auditor's Report	1-3
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position – Modified Cash Basis	4
Statement of Activities – Modified Cash Basis	5
Fund Financial Statements:	
Balance Sheet – Modified Cash Basis – Governmental Funds	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis – Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities – Modified Cash Basis	8
Statement of Fiduciary Net Position – Modified Cash Basis – Fiduciary Funds	9
Statement of Changes in Fiduciary Net Position – Modified Cash Basis – Fiduciary Funds	10
Notes to Financial Statements	11-26
COMPLIANCE SECTION:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Schedule of Findings and Responses	29-30
SUPPLEMENTARY INFORMATION:	
Non-major Governmental Funds:	
Combining Balance Sheet – Modified Cash Basis	31-40
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis	41-50

CLAY COUNTY, ILLINOIS
Financial Statements
November 30, 2025

Table of Contents
(Continued)

	Page
OTHER INFORMATION:	
Budgetary Comparison Schedule – Modified Cash Basis:	
General Fund	51
IMRF	52
County MFT	53
County Matching	54
Notes to Other Information	55



INDEPENDENT AUDITOR'S REPORT

To the Clay County Board
Clay County
Louisville, IL

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of Clay County, Illinois, as of and for the year ended November 30, 2025, and the related notes to the financial statements, which collectively comprise Clay County, Illinois' basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
IMRF Fund	Unmodified
County MFT Fund	Unmodified
County Matching Fund	Unmodified
Township MFT Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified
Fiduciary Funds	Unmodified

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the respective modified cash basis financial position of the aggregate discretely presented component units of Clay County, Illinois, as of November 30, 2025, or the changes in financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Unmodified Opinions on the Governmental Activities, General Fund, IMRF Fund, County MFT Fund, County Matching Fund, Township MFT Fund, the Aggregate Remaining Fund Information, and the Fiduciary Funds

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, general fund, IMRF fund, county MFT fund, county matching fund, township MFT fund, the aggregate remaining fund information, and the fiduciary funds of Clay County, Illinois, as of November 30, 2025, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Clay County, Illinois 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 adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the Clay County Health Department and the Clay County Hospital, legally separate component units. The modified cash basis of accounting requires the financial data for those component units to be reported with the financial data of Clay County, Illinois' primary government as a discretely presented component unit. The amounts by which Clay County, Illinois and the discretely presented component units' assets, liabilities, net position, revenue, and expenditures would have changed had the Clay County Health Department and Clay County Hospital been included has not been determined.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 and *Government 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 and *Government 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 Clay County, Illinois' 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 Clay County, Illinois' 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clay County, Illinois' basic financial statements. The accompanying combining nonmajor funds balance sheet – modified cash basis and the combining nonmajor funds statement of revenues, expenditures, and changes in fund balances – modified cash basis are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 nonmajor funds balance sheet – modified cash basis and the combining nonmajor funds statement of revenues, expenditures, and changes in fund balances – modified cash basis are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises budgetary comparison information on pages 51-55 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 09, 2026, on our consideration of Clay County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clay County, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clay County, Illinois' internal control over financial reporting and compliance.



KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants
June 09, 2026

CLAY COUNTY, ILLINOIS
Statement of Net Position - Modified Cash Basis
November 30, 2025

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 21,849,586
Due from other governments	6,512
Capital assets, net of accumulated depreciation	12,053,759
Total assets	\$ 33,909,857
 LIABILITIES AND NET POSITION	
Liabilities:	
Due within one year:	
Payroll and other liabilities	\$ 97
Due to other governments	40,430
Total liabilities	40,527
 Net Position:	
Net investment in capital assets	12,053,759
Restricted for:	
Other purposes	17,675,448
Unrestricted	4,140,123
Total net position	33,869,330
Total liabilities and net position	\$ 33,909,857

CLAY COUNTY, ILLINOIS
Statement of Activities - Modified Cash Basis
For the Year Ended November 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position Primary Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 2,578,971	\$ 352,843	\$ 114,165	\$ -	\$ (2,111,963)
Public safety	1,934,721	96,865	360,767	-	(1,477,089)
Corrections	780,647	41,812	-	-	(738,835)
Judiciary and legal	1,597,391	262,552	-	-	(1,334,839)
Transportation and public works	5,333,749	56,126	2,301,841	-	(2,975,782)
Public health and welfare	185,927	7,784	-	-	(178,143)
Total governmental activities	<u>12,411,406</u>	<u>817,982</u>	<u>2,776,773</u>	<u>-</u>	<u>(8,816,651)</u>
Total primary government	\$ 12,411,406	\$ 817,982	\$ 2,776,773	\$ -	(8,816,651)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					3,753,753
Intergovernmental:					
State income tax					1,062,378
State sales tax					776,835
Personal property replacement tax					232,718
Public safety tax					802,654
Cannabis use tax					9,138
Video gaming tax					28,235
Other intergovernmental					940,954
Interest					253,306
Miscellaneous					127,283
Total general revenues					<u>7,987,254</u>
Change in net position					<u>(829,397)</u>
Net position - beginning					<u>34,698,727</u>
Net position - ending					<u>\$ 33,869,330</u>

CLAY COUNTY, ILLINOIS
Balance Sheet - Modified Cash Basis
Governmental Funds
November 30, 2025

	General	JMRF	County MFT	County Matching	Township MFT	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 4,190,980	\$ 3,558,440	\$ 683,180	\$ 637,909	\$ 1,741,676	\$ 11,037,401	\$ 21,849,586
Due from other governments	512	-	-	-	-	6,000	6,512
Due from other funds	-	-	-	-	28,051	-	28,051
Total assets	\$ 4,191,492	\$ 3,558,440	\$ 683,180	\$ 637,909	\$ 1,769,727	\$ 11,043,401	\$ 21,884,149
LIABILITIES AND FUND BALANCES							
Liabilities:							
Payroll and other liabilities	\$ 97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97
Due to other governments	40,430	-	-	-	-	-	40,430
Due to other funds	-	-	28,051	-	-	-	28,051
Total liabilities	40,527	-	28,051	-	-	-	68,578
Fund balances:							
Restricted:							
Other purposes	10,842	3,558,440	655,129	637,909	1,769,727	11,043,401	17,675,448
Assigned:							
Other purposes	9,923	-	-	-	-	-	9,923
Unassigned:	4,130,200	-	-	-	-	-	4,130,200
Total fund balances	4,150,965	3,558,440	655,129	637,909	1,769,727	11,043,401	21,815,571
Total liabilities and fund balances	\$ 4,191,492	\$ 3,558,440	\$ 683,180	\$ 637,909	\$ 1,769,727	\$ 11,043,401	\$ 21,884,149

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities of \$16,809,627 net of accumulated depreciation of \$4,755,868 are not financial resources and therefore are not reported in the funds

Net position of governmental activities

\$ 33,869,330

CLAY COUNTY, ILLINOIS
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
Governmental Funds
For the Year Ended November 30, 2025

	General	IMRF	County MFT	County Matching	Township MFT	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	\$ 983,890	\$ 151,118	\$ -	\$ 129,694	\$ -	\$ 2,489,051	\$ 3,753,753
Intergovernmental	1,062,378	-	-	-	-	-	1,062,378
State income tax	776,835	-	-	-	-	-	776,835
State sales tax	210,172	22,546	-	-	-	-	232,718
Personal property replacement tax	-	-	-	-	-	802,654	802,654
Public safety tax	-	-	-	113,280	-	108,985	940,954
Other intergovernmental	718,689	-	-	-	-	-	3,900
Licenses and permits	3,900	-	-	-	-	-	9,138
Cannabis use tax	-	-	-	-	-	-	28,235
Video gaming tax	28,235	-	-	-	-	-	614,063
Fees and fines	335,904	-	-	-	-	278,159	277,908
Charges for services	143,895	-	-	-	-	134,013	725,263
Operating contributions	95,318	-	-	611,098	-	18,847	312,721
Operating grants	48,046	-	385,946	-	1,915,895	-	2,662,608
Interest	58,698	19,265	17,991	7,893	21,700	-	353,306
Miscellaneous	79,875	455	-	-	-	46,953	127,283
Total revenues	4,545,835	193,384	403,937	861,905	1,937,595	-4,328,340	12,270,996
EXPENDITURES							
Current:							
General government	1,730,722	50,257	-	-	-	632,647	2,413,626
Public safety	1,352,923	86,365	-	-	-	332,734	1,772,012
Corrections	582,916	41,689	-	-	-	56,454	681,059
Judiciary and legal	1,203,296	77,853	-	-	-	316,242	1,597,391
Transportation and public works	9,701	28,951	1,293,433	1,817,017	1,798,757	875,571	5,823,430
Public health and welfare	54,610	6,196	-	-	-	96,664	157,470
Capital outlay	159,390	-	-	-	-	371,565	530,955
Total expenditures	5,093,558	291,311	1,293,433	1,817,017	1,798,757	2,681,867	13,975,943
Excess (deficiency) of revenues over (under) expenditures	(547,723)	(97,927)	(889,496)	(955,112)	138,838	1,646,473	(704,947)
OTHER FINANCING SOURCES (USES)							
Transfers in	645,682	-	-	230,914	-	6,500	883,096
Transfers out	-	-	-	-	-	(883,096)	(883,096)
Total other financing sources (uses)	645,682	-	-	230,914	-	(876,596)	-
Net change in fund balances	97,959	(97,927)	(889,496)	(724,198)	138,838	769,877	(704,947)
Fund balances - beginning	4,053,006	3,656,367	1,544,623	1,362,107	1,630,889	10,273,524	22,520,518
Fund balances - ending	4,150,965	3,558,440	655,129	637,909	1,769,727	11,043,401	21,815,571

CLAY COUNTY, ILLINOIS
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities - Modified Cash Basis
For the Year Ended November 30, 2025

Net change in fund balances - total governmental funds \$ (704,947)

Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

	Capital outlay	530,955	
	Depreciation	<u>(548,667)</u>	<u>(17,712)</u>

Governmental funds report the entire proceeds from the sale of capital assets as an other financing source in the statement of revenues, expenditures, and changes in fund balance. However, in the statement of activities-modified cash basis only the gain (or loss) on the sale is reported. This is the amount by which the gain (or loss) exceeded the proceeds from the sale of capital assets.

	Proceeds - Governmental Funds	-	
	Loss - Disposal of Assets	<u>(106,738)</u>	<u>(106,738)</u>

Change in net position of governmental activities \$ (829,397)

CLAY COUNTY, ILLINOIS
Statement of Fiduciary Net Position - Modified Cash Basis
Fiduciary Funds
November 30, 2025

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 3,735,255
Total assets	<u>\$ 3,735,255</u>
NET POSITION	
Held for others	\$ 3,735,255
Total net position	<u>\$ 3,735,255</u>

CLAY COUNTY, ILLINOIS
Statement of Changes in Fiduciary Net Position - Modified Cash Basis
Fiduciary Funds
For the Year Ended November 30, 2025

	Custodial Funds
ADDITIONS	
County collector taxes	\$ 16,005,271
Circuit clerk fees	171,949
County trustee fees	23,024
Total additions	16,200,244
 DEDUCTIONS	
Property tax distributions	12,758,391
Circuit clerk distributions	187,235
County trustee distributions	1,690
Total deductions	12,947,316
Net increase in fiduciary net position	3,252,928
Net position - beginning of year	482,327
Net position - end of year	\$ 3,735,255

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies

Clay County, Illinois, (the “County”) operates under the county organization article 55 of the Illinois Compiled Statutes. It provides the following services as authorized by statute: public safety and health; recording of legal documents and maintaining public records; maintenance and construction of highways and bridges; provision for prosecuting and defending suits; social service; and general administration.

The accounting policies and presentation of the basic financial statements of the County (the primary government) have been prepared in conformity with the modified cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles, as applicable to governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies.

A. Financial Reporting Entity

In conformance with the modified cash basis of accounting, the County is considered the primary governmental unit and includes all funds, elected offices, and departments of the County.

In evaluating the County as a reporting entity, management, has evaluated two legally separate entities as potential component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization’s governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Based on the application of the criteria set forth by the GASB, management has determined that the Clay County Hospital and the Clay County Health Department are component units of the County.

Financial information of the Clay County Hospital or the Clay County Health Department has not been reported in the County’s financial statements. Accordingly, these financial statements present the activities of the primary government only and are not a complete presentation in accordance with standards established by the GASB. Financial statements of the component units may be obtained separately from the Clay County Clerk’s office, P.O. Box 160, Louisville, Illinois.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Basis of Presentation

The County's basic financial statements consist of government-wide statements including the statement of net position and statement of activities and the fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The government-wide focus is on the sustainability of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The statement of net position and statement of activities display information about the County as a whole.

These statements include financial activities of the primary government; fiduciary activities have been excluded. The effect of interfund activity has been removed from these statements. The government-wide statement of activities reflects both expenses and net costs of each function of the County's governmental activities. Program revenues include charges paid by a recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program.

Revenues which are not classified as program revenues, such as property taxes, are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each county function is self-financing or draws from the general revenues of the County.

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Fund financial statements are provided for governmental and fiduciary funds. The emphasis of fund financial statements is on major governmental funds; therefore each is displayed in a separate column. All remaining governmental funds are aggregated and presented as non-major funds. Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the County's general activities, including the collection and disbursement of earmarked monies (special revenue funds). Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. Custodial funds generally are used to account for assets that the County holds on behalf of others as their agent. These funds include property taxes, fees, and fines collected on behalf of other municipalities.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Measurement Focus

The government-wide statements and fiduciary fund statements report using the economic resources measurement focus. The governmental fund financial statements report using the current financial resources measurement focus.

Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The County maintains its accounting records for all funds on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. The financial statements also present revenues and expenditures for on-behalf payments made by the State of Illinois. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Similarly, liabilities of a fund result from previous cash transactions.

Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. Proceeds from long-term debt borrowings are included as other financing sources in the appropriate fund on the date received and as a liability in the statement of net position.

B. Fund Types and Major Funds

The County reports the following major governmental funds:

The General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. This includes the activity of the offices of the County's elected and appointed officials: Circuit Court Clerk, Coroner, County Clerk and Recorder, County Board, Sheriff, State's Attorney, Public Defender, and County Treasurer.

The Illinois Municipal Retirement Fund is a special revenue fund that accounts for the collections and disbursement of employer and employee plan contributions to the Illinois Municipal Retirement Fund.

The County Motor Fuel Tax fund is a special revenue fund that accounts for revenues and expenditures for the building and maintenance of county roads.

The Township Motor Fuel Tax fund is a special revenue fund that accounts for revenues and expenditures for the building and maintenance of township roads.

The County Matching Fund is a special revenue fund that accounts for revenues and expenditures for the building and maintenance of county roads.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

C. Cash and Cash Equivalents

The County maintains cash balances to meet current operating requirements. Cash in excess of current requirements is invested in interest-bearing certificates of deposit accounts and is considered to be a cash equivalent. These deposits are stated at cost. The County does not maintain a written policy over interest rate risk or market risk.

D. Interfund Transactions

Interfund activity is reported as loans, services provided, reimbursements or transfers. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Interfund transactions are recorded by all funds affected in the period in which transactions are executed.

Interfund receivables and payables maintained in custodial funds have been eliminated to the respective governmental fund of the County. Interfund receivables and payables are maintained in the governmental activities and have been eliminated to the respective fund of the County in the government-wide financial statements, in accordance with GASB Statement No. 34.

E. Fund Equity

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance based on the nature and extent of the constraints placed on a government's fund balances. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balance – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed fund balance – amounts that can be used only for specific purposes determined by a formal action of the County Board. The County Board is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the County Board.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

E. Fund Equity (Continued)

Assigned fund balance – amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for a specific purpose. Only the County Board may assign amounts for specific purposes.

Unassigned fund balance – all other spendable amounts.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, right of ways, and bridges) are reported in the government-wide financial statements. The County is including infrastructure assets prospectively starting December 1, 2003. Capital assets are defined by the County as individual assets with an initial, individual cost of more than \$5,000 and an estimated useful life of 1 year or more. Such assets are recorded at historical costs if purchased or constructed. Assets acquired before December 1, 2012, for which historical cost was not available, are valued based on insured value at that date, adjusted for inflation to the date of acquisition. Donated capital assets are not recorded because they do not result from a cash transaction. The County writes off fully depreciated capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	25
Equipment, Furniture and Fixtures	10
Infrastructure	50

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

G. Program Revenues

Charges for services include revenues based on exchange or exchange-like transactions, namely charges for services provided by the County Highway, County Clerk and Recorder, and Sheriff's Department. Program specific grants and contributions (operating and capital) include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program, namely donations received from third-parties or state grants received for program operations.

H. Use of Estimates

The preparation of the basic financial statements in conformity with the modified cash basis of accounting requires County's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and/or amounts of reported revenues and expenditures during the reporting period. Actual results could differ from those estimates.

I. Compensated Absences:

The County maintains policies governing vacation, sick, and personal time covering qualified employees. Under the modified cash basis of accounting, the County does not record any accrued compensated absences. Those benefits utilized in the current year are recorded through payroll.

Employees are allowed to carryover vacation days on a calendar year basis, up to five days. As of November 30, 2025, the County's liability for unused compensated absences is approximately \$44,040. The compensated absences will be paid out of the General Fund and County Highway Fund in the amounts of \$33,330 and \$10,711 respectively.

J. Date of Management's Review

Management has evaluated subsequent events through June 09, 2026, the date which the financial statements were available to be issued.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 2: Cash and Cash Equivalents

The County is authorized by state statute to invest in obligations of the U.S. Treasury, agencies, instrumentalities, commercial paper noted within the three highest classifications by at least two standard rating services, obligations of state and their political subdivisions, savings accounts, credit union shares, and Illinois Public Treasurer's Investment Pool or such other officially recognized Illinois funds.

The County's cash deposits consist of checking, savings, money market accounts, and certificates of deposit.

Deposits

At November 30, 2025, the carrying amount and the bank balance of the County's cash deposits were \$25,578,521 and \$25,981,500, respectively. The carrying amount of the cash deposits excludes cash on hand amounts kept by the General Fund of \$6,320. The County has a formal written investment policy.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County has a deposit policy for custodial risk requiring 110% of the deposits be covered by collateral. As of November 30, 2025, \$18,389,679 of the government's bank balance of \$25,981,500 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	-
Uninsured and collateral held by pledging bank's trust department, not in the County's name		18,389,679
Total	\$	<u>18,389,679</u>

Note 3: Common Bank Account

Separate bank accounts are not maintained for all County funds. Certain funds maintain a portion of their cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally, certain funds participating in the common bank account may incur a ledger overdraft (deficit) in the account. An overdraft would constitute an unauthorized interfund loan since the board does not authorize it by a resolution.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 4: Changes in Capital Assets

The following is a summary of changes in capital assets:

	Balance December 01, 2024	Additions	Deletions	Balance November 30, 2025
Assets Not Depreciated:				
Land	\$ 44,846.00	\$ -	\$ -	\$ 44,846
Assets Depreciated:				
Buildings & Improvements	7,180,297	-	(51,943)	7,128,354
Infrastructure	6,619,184	-	-	6,619,184
Vehicles & Equipment	2,756,308	530,955	(270,020)	3,017,243
Total Capital Assets	16,600,635	530,955	(321,963)	16,809,627
Less: Accumulated				
Depreciation	(4,422,426)	(548,667)	215,225	(4,755,868)
Capital Assets, net	\$ 12,178,209	\$ (17,712)	\$ (106,738)	\$ 12,053,759

Depreciation expense was charged to functions of the primary government as follows:

<u>Governmental Activities</u>	
General Government	\$ 49,811
Corrections	99,588
Public Safety	162,709
Transportation	199,304
Judiciary	8,799
Public Health & Welfare	28,456
	<u>\$ 548,667</u>

Note 5: Property Taxes

The County's property tax is levied each calendar year on all taxable real property located in the County. The County must file its tax levy by the last Tuesday of December each year. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied around December each year and are generally payable in two installments between the months of July and October. Property taxes are billed and collected by the Clay County Treasurer's office, who remits them to the appropriate taxing authority. Payments to the County are typically made between the months of August and December. The current financial statements reflect property taxes that were levied in December 2025 and collected between July 2025 and October 2025 in revenues.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 6: Interfund Receivables & Payables

Individual fund interfund receivable and payable balances as of November 30, 2025, were as follows:

Fund	Receivables	Payables
Township MFT	\$ 28,051	\$ -
County MFT	-	28,051
Totals	\$ 28,051	\$ 28,051

The interfund payable between the Township Motor Fuel Tax Fund and the County Motor Fuel Tax Fund is due to a County Motor Fuel tax expense that was paid by the Township Motor Fuel Tax Fund. This payable was created in fiscal year 2024 and the County plans to repay it in fiscal year 2026.

Note 7: Interfund Transfers Activity

Generally, operating transfers are used to fund operating expenses in funds that do not have available cash to cover the expense or the ability to raise the revenue in future periods to repay the expense. Individual interfund transfers for the fiscal year ended November 30, 2025 were:

Fund	Interfund Transfer In	Interfund Transfer Out
General Fund		
GIS	\$ 32,505	\$ -
Public Safety Tax	592,390	-
Probation Fee	12,528	-
Indemnity	8,259	
GIS Fund		
General Fund	-	32,505
County Highway		
Township Bridge	-	6,500
County Matching Fund		
American Rescue Plan Fund	230,914	-
Public Safety Tax Fund		
General Fund	-	592,390
Probation Fee Fund		
General Fund	-	12,528
American Rescue Plan Fund		
County Matching	-	230,914
Indemnity Fund		
General Fund	-	8,259
Township Bridge		
County Highway	6,500	-
Total	\$ 883,096	\$ 883,096

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 8: Fund Equity

A. Restricted

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the County. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

The following funds' excess revenues over expenditures have been restricted in accordance with Illinois Compiled Statutes as follows:

<u>Fund</u>	<u>Amount</u>
Illinois Municipal Retirement Fund	\$ 3,558,440
Township Motor Fuel Tax	1,769,727
Township Bridge	2,099
Social Security	988,186
County Highway	622,490
County Matching	637,909
Public Defender Funding	138,924
County Motor Fuel Tax	655,129
Cooperative Extension Service	14,473
Workmen's Compensation	765,510
County Insurance	2,016,450
Public Safety	809,866
Capital Expenditure	505,388
County Ambulance	172,206
Mentally Deficient Persons	12,146
Drug Addiction Services	1,349
Sheriff E-Citation	649
Drug Testing	36,365
Electronic Monitoring	16,177
Recorder's Micrographics	544,988
Maintenance and Child Support	105,917
Law Library	39,674
Tax Sale Automation	16,831
Document Storage	176,754
Court Automation	97,293
Victim Impact Panel	3,727
Probation and Court Services	344,832
State's Attorney Sex Offender	550

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 8: Fund Equity (Continued)

A. Restricted (Continued)

Fund	Amount
Arrestees Medical	24,129
Circuit Clerk E-Citation	17,643
Circuit Clerk Marriage	2,581
Industrial	3,750
Tax Sale in Error	99,716
State's Attorney Automation	2,165
Probation Automation	368
DUI Equipment	3,627
DARE	15,356
GIS	86,604
DUI Crime Lab	380
Probation Transfer	375
Drug Court	20,133
708 Board	2,616
Death Certificate Surcharge	29,175
Plant Eradication	2,000
Police Vehicle and Equipment	464
Circuit Clerk Operational	37,826
State's Attorney 415 Fund	55,619
Failure to Appear	2,505
Cremation	33,580
Unemployment Insurance	132,635
Forfeited	6,130
Indemnity	50,000
Escrow	4,541
County Bridge	966,071
Emergency 911	1,787,705
County Mental Health	10,521
Public Defender Automation	3,267
State's Attorney Cannabis	3,150
Audit	150,877
Opioids	39,923
Total ILCS Restricted Fund Balances	\$ 17,649,481

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 8: Fund Equity (Continued)

A. Restricted (Continued)

The County had the following restricted fund balances where grants and contributions exceeded expenditures:

Fund	Amount
General	
Shop with a Cop	\$ 7,461
Sheriff Sales	3,381
American Rescue Plan	15,125
Total Other Restricted Fund Balances	\$ 25,967

B. Committed

The County did not have any committed funds as of November 30, 2025.

C. Assigned

During the fiscal year ended November 30, 2025, the County had the following assigned fund balances:

Fund	Amount
General	
Drug Buy	\$ 9,923

D. Unassigned

The unassigned fund balance classification is the residual classification for amounts in the General Fund that have not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned Fund Balance amounts are shown in the financial statements as Unassigned Fund Balances.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 9: Risk Management – Claims

The County utilizes the Illinois Counties Risk Management Trust insurance pool for liability, property, public officials, and workers compensation insurance coverage. This pool charges the County for its portion of insurance costs during the year, and is permitted by agreement to charge or credit the County for experience factors, subject to certain limitations. County officials believe no additional liabilities were owed at November 30, 2025, associated with this plan. No claims have exceeded coverage for the current year or two prior fiscal years.

The County provides health insurance coverage to its employees. The County's health insurance coverage is self-insured and the County is a member of the Hope Trust. The Trust pays a \$50,000 deductible per claim. County officials believe no additional liabilities were owed at November 30, 2025, associated with these plans. Claims have not exceeded coverage in the current year or either of the two prior fiscal years.

Note 10: Defined Benefit Pension Plan

A. Illinois Municipal Retirement Plan

Plan Description

The County's defined benefit pension plan for regular employees, elected county officials, and sheriff's law enforcement personnel provide retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The County's plans are managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information (RSI). The report may be available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriff's, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 10: Defined Benefit Pension Plan (Continued)

A. Illinois Municipal Retirement Plan

Benefits Provided

All three IMRF benefits plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

Retirees and beneficiaries currently receiving benefits	244
Inactive plan members entitled to but not yet receiving benefits	395
Active plan members	<u>347</u>
Total	<u>986</u>

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 10: Defined Benefit Pension Plan (Continued)

A. Illinois Municipal Retirement Plan (Continued)

Contributions:

a. Regular Plan

As set by statute, the County's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years November 30, 2025 and 2024 was 4.42 percent and 4.47 percent of annual covered payroll, respectively. For fiscal year ended November 30, 2025, the County contributed \$90,000 on behalf of the Clay County Health Department. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

b. Elected County Officials Plan

As set by statute, the County's Elected County Official plan members are required to contribute 7.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years November 30, 2025 and 2024 was 13.84 percent and 13.69 percent of annual covered payroll, respectively. For fiscal year ended November 30, 2025, the County contributed \$108,079 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

c. Sheriff's Law Enforcement Personnel Plan

As set by statute, the County's Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years November 30, 2025, and 2024 was 11.58 percent and 9.68 percent of covered payroll, respectively. For the fiscal year ended November 30, 2025, the County contributed \$117,963 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

CLAY COUNTY, ILLINOIS
Notes to Financial Statements
November 30, 2025

Note 11: Post-Employment Health Care Benefits

COBRA Benefits – Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium and, if applicable, a 2% administration fee, is paid in full by the insured each month. This program is offered for a duration of 18 months after termination date and is subject to extension. There is no associated cost to the County under this program.

Note 12: Commitments and Contingencies

Grant Audit

In the normal course of operations, the County receives grant funds from various Federal and State agencies. These grants are subject to review and audit by agents of the appropriate federal or state agency, the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Litigation

The County is party to various legal proceedings which normally occur in governmental operations. These proceedings, in the opinion of various counsel which the County utilizes, are not likely to have any material impact on the affected funds of the County.

Note 13: On-Behalf Payments

The amount recognized for revenues and expenditures for on-behalf payments relating to fringe benefits and salaries for the year ended November 30, 2025, was \$32,500.

Note 14: Legal Debt Margin

The County is limited in the amount of long-term debt it may carry. The authorized debt limitation is based upon 50 ILCS 405/1-1, which states in part "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein..." As of November 30, 2025, the total equalized assessed valuation of Clay County was \$266,850,942. The legal debt limitation of the County is \$7,671,965 as of November 30, 2025.

COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Clay County Board
Clay County
Louisville, IL

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of Clay County, Illinois, as of and for the year ended November 30, 2025, and the related notes to the financial statements, which collectively comprise Clay County, Illinois' basic financial statements, and have issued our report thereon dated June 09, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clay County, Illinois' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clay County, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Clay County, Illinois' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clay County, Illinois' financial statements are free from material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Clay County, Illinois' Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Clay County, Illinois' response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Clay County, Illinois' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kemper CPA Group LLP
Certified Public Accountants and Consultants

June 09, 2026

CLAY COUNTY, ILLINOIS
Schedule of Findings and Responses
Year Ended November 30, 2025

Findings – Financial Statement Audit

2025-001 Ability to Prepare Financial Statements and Footnotes

Criteria: The County should have at least one employee who is trained in preparing the financial statements and footnotes in accordance with the modified cash basis of accounting.

Condition: The County does not have an employee with the necessary technical expertise or training to properly prepare the financial statements and footnotes in accordance with the modified cash basis of accounting.

Cause: The County's personnel have not obtained the necessary technical expertise or training to prepare the financial statements and the notes to the financial statements in accordance with the modified cash basis of accounting

Effect: In the absence of the necessary technical expertise or training, the County cannot properly prepare the financial statements or the notes to the financial statements in accordance with the modified cash basis of accounting.

Recommendation: The County should provide the necessary training to personnel or contract with an independent contractor with the knowledge to properly prepare the financial statements and the notes to the financial statements.

Views of Responsible Officials and Planned Corrective Action: The County will continue to contract with an independent party to draft the financial statements and notes to the statements for their review and approval.

CLAY COUNTY, ILLINOIS
Schedule of Findings and Responses
Year Ended November 30, 2025
(Continued)

Findings – Financial Statement Audit (Continued)

2025-002 Lack of segregation of duties over cash receipts in the Sheriff's office and the County Highway Department.

Criteria: The County is limited in its ability to segregate certain duties over cash receipts because of its size and number of employees. There is not enough financial flexibility to employ enough individuals to properly segregate these duties. As such, the functions defined above are done by one employee in each office, respectively.

Condition: An important element of an effective internal control system includes the adequate segregation of duties. Typically, the duties that should be segregated are the authorization of transactions, the custody of assets, the recording of transactions, and the reconciliation of the financial records. In an ideal control environment, different individuals should perform each of these four functions. Clay County, Illinois has a lack of segregation of duties over these functions for cash receipts.

Cause: Clay County, Illinois does not have sufficient revenues or budget capacity to employ additional staff to be available full-time to segregate the duties over these functions.

Effect: The lack of segregation of duties allows for the opportunity to circumvent the County's system of internal control. With this lack of segregation of duties, it is possible that transactions could be manipulated, thus resulting in the misappropriation of the assets of the County.

Recommendation: The County should assess its control environment and work to place compensating controls in place. Compensating controls are *detective* in nature, while segregation of duties is *preventative* in nature. However, relying solely on compensating controls typically means accepting a certain level of risk in the time it takes to detect a breakdown of internal control rather than preventing it before it happens. In addition, compensating controls only prove to be as effective as their design and consistent applications.

Views of Responsible Officials and Planned Corrective Action: Management will assess its current control environment and work to place and monitor its compensating controls. Management does not intend to hire additional employees to properly segregate all duties as this is not financially feasible at this time.

SUPPLEMENTARY INFORMATION

CLAY COUNTY, ILLINOIS
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
November 30, 2025

	Social Security	Township Bridge	Public Defender Funding	Cooperative Extension Service	Workmen's Compensation
ASSETS					
Cash and cash equivalents	\$ 988,186	\$ 2,099	\$ 138,924	\$ 14,473	\$ 765,510
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>\$ 988,186</u>	<u>\$ 2,099</u>	<u>\$ 138,924</u>	<u>\$ 14,473</u>	<u>\$ 765,510</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Restricted:					
Other purposes	988,186	2,099	138,924	14,473	765,510
Total fund balances	<u>988,186</u>	<u>2,099</u>	<u>138,924</u>	<u>14,473</u>	<u>765,510</u>
Total liabilities and fund balances	<u>\$ 988,186</u>	<u>\$ 2,099</u>	<u>\$ 138,924</u>	<u>\$ 14,473</u>	<u>\$ 765,510</u>

CLAY COUNTY, ILLINOIS
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
November 30, 2025

	County Insurance	Public Safety	Capital Expenditure	County Ambulance	Mentally Deficient Persons	Drug Addiction Services
ASSETS						
Cash and cash equivalents	\$ 2,016,450	\$ 809,866	\$ 505,388	\$ 172,206	\$ 12,146	\$ 1,349
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>\$ 2,016,450</u>	<u>\$ 809,866</u>	<u>\$ 505,388</u>	<u>\$ 172,206</u>	<u>\$ 12,146</u>	<u>\$ 1,349</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted:						
Other purposes	2,016,450	809,866	505,388	172,206	12,146	1,349
Total fund balances	<u>2,016,450</u>	<u>809,866</u>	<u>505,388</u>	<u>172,206</u>	<u>12,146</u>	<u>1,349</u>
Total liabilities and fund balances	<u>\$ 2,016,450</u>	<u>\$ 809,866</u>	<u>\$ 505,388</u>	<u>\$ 172,206</u>	<u>\$ 12,146</u>	<u>\$ 1,349</u>

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	Sheriff E-Citation	Drug Testing	Electronic Monitoring	Recorder's Micrographics	Maintenance and Child Support	Law Library
ASSETS						
Cash and cash equivalents	\$ 649	\$ 36,365	\$ 16,177	\$ 544,988	\$ 105,917	\$ 39,674
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>\$ 649</u>	<u>\$ 36,365</u>	<u>\$ 16,177</u>	<u>\$ 544,988</u>	<u>\$ 105,917</u>	<u>\$ 39,674</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted:						
Other purposes	649	36,365	16,177	544,988	105,917	39,674
Total fund balances	<u>649</u>	<u>36,365</u>	<u>16,177</u>	<u>544,988</u>	<u>105,917</u>	<u>39,674</u>
Total liabilities and fund balances	<u>\$ 649</u>	<u>\$ 36,365</u>	<u>\$ 16,177</u>	<u>\$ 544,988</u>	<u>\$ 105,917</u>	<u>\$ 39,674</u>

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	Tax Sale Automation	Document Storage	Court Automation	Victim Impact Panel	Probation and Court Services	State's Attorney Sex Offender
ASSETS						
Cash and cash equivalents	\$ 16,831	\$ 176,754	\$ 97,293	\$ 3,727	\$ 344,832	\$ 550
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	\$ 16,831	\$ 176,754	\$ 97,293	\$ 3,727	\$ 344,832	\$ 550
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-
Fund balances:						
Restricted:						
Other purposes	16,831	176,754	97,293	3,727	344,832	550
Total fund balances	16,831	176,754	97,293	3,727	344,832	550
Total liabilities and fund balances	\$ 16,831	\$ 176,754	\$ 97,293	\$ 3,727	\$ 344,832	\$ 550

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	Arrestees Medical	Circuit Clerk E-Citation	Circuit Clerk Marriage	Industrial	Tax Sale in Error	State's Attorney Automation
ASSETS						
Cash and cash equivalents	\$ 24,129	\$ 17,643	\$ 2,581	\$ 3,750	\$ 99,716	\$ 2,165
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	\$ 24,129	\$ 17,643	\$ 2,581	\$ 3,750	\$ 99,716	\$ 2,165
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-
Fund balances:						
Restricted:						
Other purposes	24,129	17,643	2,581	3,750	99,716	2,165
Total fund balances	24,129	17,643	2,581	3,750	99,716	2,165
Total liabilities and fund balances	\$ 24,129	\$ 17,643	\$ 2,581	\$ 3,750	\$ 99,716	\$ 2,165

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	Probation Automation	DUI Equipment	DARE	GIS	DUI Crime Lab	Probation Transfer
ASSETS						
Cash and cash equivalents	\$ 368	\$ 3,627	\$ 15,356	\$ 86,604	\$ 380	\$ 375
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	\$ 368	\$ 3,627	\$ 15,356	\$ 86,604	\$ 380	\$ 375
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:						
Restricted:						
Other purposes	368	3,627	15,356	86,604	380	375
Total fund balances	368	3,627	15,356	86,604	380	375
Total liabilities and fund balances	\$ 368	\$ 3,627	\$ 15,356	\$ 86,604	\$ 380	\$ 375

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	Drug Court	708 Board	Death Certificate Surcharge	Plant Eradication	Police Vehicle and Equipment	Circuit Clerk Operational
ASSETS						
Cash and cash equivalents	\$ 20,133	\$ 2,616	\$ 29,175	\$ 2,000	\$ 464	\$ 37,826
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	\$ 20,133	\$ 2,616	\$ 29,175	\$ 2,000	\$ 464	\$ 37,826
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-
Fund balances:						
Restricted:						
Other purposes	20,133	2,616	29,175	2,000	464	37,826
Total fund balances	20,133	2,616	29,175	2,000	464	37,826
Total liabilities and fund balances	\$ 20,133	\$ 2,616	\$ 29,175	\$ 2,000	\$ 464	\$ 37,826

CLAY COUNTY, ILLINOIS
 Combining Balance Sheet - Modified Cash Basis
 Nonmajor Governmental Funds
 November 30, 2025

	State's Attorney 415 Fund	Failure to Appear	Cremation	Unemployment Insurance	Forfeited	Indemnity
ASSETS						
Cash and cash equivalents	\$ 55,619	\$ 2,505	\$ 33,580	\$ 132,635	\$ 6,130	\$ 50,000
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>\$ 55,619</u>	<u>\$ 2,505</u>	<u>\$ 33,580</u>	<u>\$ 132,635</u>	<u>\$ 6,130</u>	<u>\$ 50,000</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted:						
Other purposes	55,619	2,505	33,580	132,635	6,130	50,000
Total fund balances	<u>55,619</u>	<u>2,505</u>	<u>33,580</u>	<u>132,635</u>	<u>6,130</u>	<u>50,000</u>
Total liabilities and fund balances	<u>\$ 55,619</u>	<u>\$ 2,505</u>	<u>\$ 33,580</u>	<u>\$ 132,635</u>	<u>\$ 6,130</u>	<u>\$ 50,000</u>

CLAY COUNTY, ILLINOIS
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
November 30, 2025

ASSETS

Cash and cash equivalents
 Due from other funds
 Due from other governments
 Total assets

	Escrow	County Bridge	Emergency 911	County Mental Health	Public Defender Automation	State's Attorney Cannabis
	\$ 4,541	\$ 966,071	\$ 1,787,705	\$ 4,521	\$ 3,267	\$ 3,150
	-	-	-	-	-	-
	4,541	966,071	1,787,705	10,521	3,267	3,150
				6,000		
				10,521		

LIABILITIES AND FUND BALANCES

Liabilities:
 Due to other funds
 Total liabilities

Fund balances:

Restricted:
 Other purposes
 Total fund balances
 Total liabilities and fund balances

	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	4,541	966,071	1,787,705	10,521	3,267	3,150
	4,541	966,071	1,787,705	10,521	3,267	3,150
	4,541	966,071	1,787,705	10,521	3,267	3,150

CLAY COUNTY, ILLINOIS
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
November 30, 2025

	Cannabis Use Tax	Audit	Opioids	American Rescue Plan	County Highway	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	\$ -	\$ 150,877	\$ 39,923	\$ 15,125	\$ 622,490	\$ 11,037,401
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	6,000
Total assets	\$ -	\$ 150,877	\$ 39,923	\$ 15,125	\$ 622,490	\$ 11,043,401
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:						
Restricted:						
Other purposes	-	150,877	39,923	15,125	622,490	11,043,401
Total fund balances	-	150,877	39,923	15,125	622,490	11,043,401
Total liabilities and fund balances	\$ -	\$ 150,877	\$ 39,923	\$ 15,125	\$ 622,490	\$ 11,043,401

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Social Security	Township Bridge	Public Defender Funding	Cooperative Extension Service	Workmen's Compensation
REVENUES					
Property taxes	\$ 291,260	\$ -	\$ -	\$ 52,794	\$ 411,818
Intergovernmental	-	-	-	-	-
Public safety tax	-	1,600	107,385	-	-
Other intergovernmental	-	-	-	-	-
Cannabis use tax	-	-	-	-	-
Fees and fines	-	-	-	-	-
Charges for service	-	-	-	-	-
Operating contributions	-	-	-	-	-
Operating grants	-	-	-	-	-
Interest	8,866	47	1,029	159	4,168
Miscellaneous	-	-	-	-	-
Total revenues	<u>300,126</u>	<u>1,647</u>	<u>108,414</u>	<u>52,953</u>	<u>415,986</u>
EXPENDITURES					
Current:					
General government	47,373	-	-	52,500	20,686
Public safety	81,405	-	-	-	35,548
Corrections	39,295	-	-	-	17,159
Judiciary and legal	73,382	-	94,700	-	32,044
Transportation and public works	27,288	14,280	-	-	11,916
Public health and welfare	5,840	-	-	-	2,550
Capital outlay	-	-	-	-	-
Total expenditures	<u>274,583</u>	<u>14,280</u>	<u>94,700</u>	<u>52,500</u>	<u>119,903</u>
Excess (deficiency) of revenues over (under) expenditures	25,543	(12,633)	13,714	453	296,083
OTHER FINANCING SOURCES (USES)					
Transfers in	-	6,500	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	6,500	-	-	-
Net change in fund balances	25,543	(6,133)	13,714	453	296,083
Fund balances - beginning	962,643	8,232	125,210	14,020	469,427
Fund balances - ending	<u>988,186</u>	<u>2,099</u>	<u>138,924</u>	<u>14,473</u>	<u>765,510</u>

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	County Insurance	Public Safety	Capital Expenditure	County Ambulance	Mentally Deficient Persons	Drug Addiction Services
REVENUES						
Property taxes	\$ 813,551	\$ -	\$ -	\$ 103,690	\$ 40,196	\$ -
Intergovernmental	-	802,654	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Interest	14,604	6,733	17,496	759	114	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>828,155</u>	<u>809,387</u>	<u>17,496</u>	<u>104,449</u>	<u>40,310</u>	<u>-</u>

EXPENDITURES

Current:						
General government	318,367	-	-	-	-	-
Public safety	-	21,000	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	-	-	-	-
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	38,000	-
Capital outlay	107,500	-	35,000	-	-	-
Total expenditures	<u>425,867</u>	<u>21,000</u>	<u>35,000</u>	<u>-</u>	<u>38,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	402,288	788,387	(17,504)	104,449	2,310	-

OTHER FINANCING SOURCES (USES)

Transfers in	-	-	-	-	-	-
Transfers out	-	(592,390)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(592,390)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	402,288	195,997	(17,504)	104,449	2,310	-
Fund balances - beginning	1,614,162	613,869	522,892	67,757	9,836	1,349
Fund balances - ending	<u>\$ 2,016,450</u>	<u>\$ 809,866</u>	<u>\$ 505,388</u>	<u>\$ 172,206</u>	<u>\$ 12,146</u>	<u>\$ 1,349</u>

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Sheriff E-Citation	Drug Testing	Electronic Monitoring	Recorder's Micrographics	Maintenance and Child Support	Law Library
REVENUES						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	-
Fees and fines	208	2,312	3,315	65,031	10,341	8,498
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Interest	-	-	-	5,625	272	-
Miscellaneous	-	-	-	-	-	-
Total revenues	208	2,312	3,315	70,656	10,613	8,498
EXPENDITURES						
Current:						
General government	-	-	-	36,500	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	180	-	17,091	15,141	2,781
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	180	-	53,591	15,141	2,781
Excess (deficiency) of revenues over (under) expenditures	208	2,132	3,315	17,065	(4,528)	5,717
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	208	2,132	3,315	17,065	(4,528)	5,717
Fund balances - beginning	441	34,233	12,862	527,923	110,445	33,957
Fund balances - ending	649	36,365	16,177	544,988	105,917	39,674

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Tax Sale Automation	Document Storage	Court Automation	Victim Impact Panel	Probation and Court Services	State's Attorney Sex Offender
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	-
Fees and fines	2,413	19,426	22,641	100	40,693	-
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	18,847	-	-	-
Operating grants	-	-	-	-	-	-
Interest	179	1,757	884	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	2,592	21,183	42,372	100	40,693	-
EXPENDITURES						
Current:						
General government	11,394	13,314	-	-	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	26,548	-	28,001	-
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	11,394	13,314	26,548	-	28,001	-
Excess (deficiency) of revenues over (under) expenditures	(8,802)	7,869	15,824	100	12,692	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(12,528)	-
Total other financing sources (uses)	-	-	-	-	(12,528)	-
Net change in fund balances	(8,802)	7,869	15,824	100	164	-
Fund balances - beginning	25,633	168,885	81,469	3,627	344,668	550
Fund balances - ending	16,831	176,754	97,293	3,727	344,832	550

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Arrestees Medical	Circuit Clerk E-Citation	Circuit Clerk Marriage	Industrial	Tax Sale in Error	State's Attorney Automation
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	-
Fees and fines	1,120	4,676	189	-	10,852	1,184
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Interest	-	-	10	-	1,014	-
Miscellaneous	-	-	-	-	-	56
Total revenues	1,120	4,676	199	-	11,866	1,240
EXPENDITURES						
Current:						
General government	-	-	-	-	2,925	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	1,914	-	-	-	5,960
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	1,914	-	-	2,925	5,960
Excess (deficiency) of revenues over (under) expenditures	1,120	2,762	199	-	8,941	(4,720)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	1,120	2,762	199	-	8,941	(4,720)
Fund balances - beginning	23,009	14,881	2,382	3,750	90,775	6,885
Fund balances - ending	\$ 24,129	\$ 17,643	\$ 2,581	\$ 3,750	\$ 99,716	\$ 2,165

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Probation Automation	DUI Equipment	DARE	GIS	DUI Crime Lab	Probation Transfer
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	60,975	-	-
Fees and fines	121	1,771	-	-	-	-
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Interest	192	-	148	-	-	-
Miscellaneous	-	-	4,569	600	-	-
Total revenues	313	1,771	4,717	61,575	-	-
EXPENDITURES						
Current:						
General government	-	-	5,396	36,229	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	-	-	-	-
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	20,500	-	5,396	36,229	-	-
Excess (deficiency) of revenues over (under) expenditures	(20,187)	1,771	(679)	25,346	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(92,505)	-	-
Total other financing sources (uses)	-	-	-	(32,505)	-	-
Net change in fund balances	(20,187)	1,771	(679)	(7,159)	-	-
Fund balances - beginning	20,555	1,856	16,035	93,763	380	375
Fund balances - ending	368	3,627	15,356	86,604	380	375

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Drug Court	708 Board	Death Certificate Surcharge	Plant Eradication	Police Vehicle and Equipment	Circuit Clerk Operations
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	-
Fees and fines	1,726	-	-	-	-	5,995
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	4,386	-	-	-
Interest	-	-	-	-	-	131
Miscellaneous	-	2,500	100	-	-	-
Total revenues	1,726	2,500	4,486	-	-	6,126
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	-	-	-	-
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	6,000	1,023	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	6,000	1,023	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,726	(3,500)	3,463	-	-	6,126
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	1,726	(3,500)	3,463	-	-	6,126
Fund balances - beginning	18,407	6,116	25,712	2,000	464	31,700
Fund balances - ending	20,133	2,616	29,175	2,000	464	37,826

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	State's Attorney 415 Fund	Failure to Appear	Cremation	Unemployment Insurance	Forfeited	Indemnity
REVENUES						
Property taxes	-	-	-	15,267	-	-
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	-	5,840
Fees and fines	-	350	7,784	-	-	-
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Interest	562	85	-	1,228	62	2,419
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>562</u>	<u>435</u>	<u>7,784</u>	<u>16,495</u>	<u>62</u>	<u>8,259</u>

EXPENDITURES

Current:						
General government	-	-	-	11,233	-	-
Public safety	-	7,121	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	-	-	-	-
Transportation and public works	-	-	-	-	-	-
Public health and welfare	-	-	3,251	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>7,121</u>	<u>3,251</u>	<u>11,233</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>562</u>	<u>(6,686)</u>	<u>4,533</u>	<u>5,262</u>	<u>62</u>	<u>8,259</u>

OTHER FINANCING SOURCES (USES)

Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(8,259)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,259)</u>
Net change in fund balances	<u>562</u>	<u>(6,686)</u>	<u>4,533</u>	<u>5,262</u>	<u>62</u>	<u>-</u>
Fund balances - beginning	<u>55,057</u>	<u>9,191</u>	<u>29,047</u>	<u>127,373</u>	<u>6,068</u>	<u>50,000</u>
Fund balances - ending	<u>\$ 55,619</u>	<u>\$ 2,505</u>	<u>\$ 33,580</u>	<u>\$ 132,635</u>	<u>\$ 6,130</u>	<u>\$ 50,000</u>

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Escrow	County Bridge	Emergency 911	County Mental Health	Public Defender Automation	State's Attorney Cannabis
REVENUES						
Property taxes	\$ -	\$ 129,694	\$ -	\$ 40,194	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Public safety tax	-	-	-	-	-	-
Other intergovernmental	-	-	-	-	-	-
Cannabis use tax	-	-	-	-	598	-
Fees and fines	-	18,498	-	-	-	-
Charges for service	-	-	-	-	-	-
Operating contributions	-	-	308,335	-	-	-
Operating grants	-	-	43,619	59	-	-
Interest	-	8,335	2,773	-	-	-
Miscellaneous	-	-	354,727	-	-	-
Total revenues	-	156,527	354,727	40,253	598	-
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	178,512	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and legal	-	-	-	-	-	-
Transportation and public works	-	13,776	-	-	-	-
Public health and welfare	-	-	-	40,000	-	-
Capital outlay	-	-	178,565	-	-	-
Total expenditures	-	13,776	357,077	40,000	-	-
Excess (deficiency) of revenues over (under) expenditures	-	142,751	(2,350)	253	598	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	-	142,751	(2,350)	253	598	-
Fund balances - beginning	4,541	823,320	1,790,055	10,268	2,669	3,150
Fund balances - ending	\$ 4,541	\$ 966,071	\$ 1,787,705	\$ 10,521	\$ 3,267	\$ 3,150

CLAY COUNTY, ILLINOIS
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended November 30, 2025

	Cannabis Use Tax	Audit	Opioids	American Rescue Plan	County Highway	Total Nonmajor Governmental Funds
REVENUES						
Property taxes	-	\$ 115,491	\$ -	\$ -	\$ 475,096	\$ 2,489,051
Intergovernmental	-	-	-	-	-	802,654
Public safety tax	-	-	-	-	-	108,985
Other intergovernmental	9,138	-	-	-	-	9,138
Cannabis use tax	-	-	-	-	-	278,159
Fees and fines	-	-	-	-	115,515	134,013
Charges for service	-	-	-	-	-	18,847
Operating contributions	-	-	-	-	-	312,721
Operating grants	-	992	-	199	6,016	127,819
Interest	-	-	-	-	15,797	46,953
Miscellaneous	-	-	20,614	-	-	46,953
Total revenues	9,138	116,483	20,614	199	612,424	4,328,340
EXPENDITURES						
Current:						
General government	-	46,200	-	30,530	-	632,647
Public safety	9,138	-	-	-	-	332,724
Corrections	-	-	-	-	-	56,454
Judiciary and legal	-	-	18,500	-	-	316,242
Transportation and public works	-	-	-	-	808,311	875,571
Public health and welfare	-	-	-	-	-	96,664
Capital outlay	-	-	30,000	-	-	371,565
Total expenditures	9,138	46,200	48,500	30,530	808,311	2,681,867
Excess (deficiency) of revenues over (under) expenditures	-	70,283	(27,886)	(30,331)	(195,887)	1,646,473
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	6,500
Transfers out	-	-	-	(230,914)	(6,500)	(883,096)
Total other financing sources (uses)	-	-	-	(230,914)	(6,500)	(876,596)
Net change in fund balances	-	70,283	(27,886)	(261,245)	(302,387)	769,877
Fund balances - beginning	-	80,594	67,809	276,370	824,877	10,273,524
Fund balances - ending	-	\$ 150,877	\$ 39,923	\$ 15,125	\$ 622,490	\$ 11,043,401

OTHER INFORMATION

CLAY COUNTY, ILLINOIS
Budgetary Comparison Schedule - Modified Cash Basis
General Fund
For the Year Ended November 30, 2025

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES			
Property taxes	\$ 978,000	\$ 983,890	\$ 5,890
Intergovernmental			
State income and use tax	1,020,000	1,062,378	42,378
State sales tax	760,000	776,835	16,835
Personal property replacement tax	340,000	210,172	(129,828)
Other intergovernmental	418,888	718,689	299,801
Licenses and permits	1,000	3,900	2,900
Video gaming tax	22,000	28,235	6,235
Fees and fines	360,000	335,904	(24,096)
Charges for service	60,000	143,895	83,895
Operating contributions	1,000	95,318	94,318
Operating grants	-	48,046	48,046
Interest	25,000	58,697	33,697
Miscellaneous	117,000	79,876	(37,124)
Total revenues	<u>4,102,888</u>	<u>4,545,835</u>	<u>442,947</u>
EXPENDITURES			
Current:			
General government	1,717,445	1,730,722	13,277
Public safety	1,217,343	1,352,923	135,580
Corrections	564,380	582,916	18,536
Judiciary and legal	1,113,452	1,203,296	89,844
Transportation and public works	36,000	9,701	(26,299)
Public health and welfare	75,266	54,610	(20,656)
Capital outlay	113,000	159,390	46,390
Total expenditures	<u>4,836,886</u>	<u>5,093,558</u>	<u>256,672</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(733,998)</u>	<u>(547,723)</u>	<u>186,275</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	665,174	645,682	(19,492)
Total other financing sources (uses)	<u>665,174</u>	<u>645,682</u>	<u>(19,492)</u>
Net change in fund balance	<u>\$ (68,824)</u>	<u>97,959</u>	<u>\$ 166,783</u>
Fund balance - beginning		4,053,006	
Fund balance - ending		<u>\$ 4,150,965</u>	

CLAY COUNTY, ILLINOIS
Budgetary Comparison Schedule - Modified Cash Basis
IMRF
For the Year Ended November 30, 2025

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES			
Property taxes	\$ 150,000	\$ 151,118	\$ 1,118
Intergovernmental			
Personal property replacement tax	15,000	22,546	7,546
Interest	12,000	19,265	7,265
Miscellaneous	1,270,000	455	(1,269,545)
Total revenues	<u>1,447,000</u>	<u>193,384</u>	<u>(1,253,616)</u>
EXPENDITURES			
Current:			
General government	1,540,000	50,257	(1,489,743)
Public safety	-	86,365	86,365
Corrections	-	41,689	41,689
Judiciary and legal	-	77,853	77,853
Transportation and public works	-	28,951	28,951
Public health and welfare	-	6,196	6,196
Total expenditures	<u>1,540,000</u>	<u>291,311</u>	<u>(1,248,689)</u>
Net change in fund balance	<u>\$ (93,000)</u>	<u>(97,927)</u>	<u>\$ (4,927)</u>
Fund balance - beginning		<u>3,656,367</u>	
Fund balance - ending		<u>\$ 3,558,440</u>	

CLAY COUNTY, ILLINOIS
Budgetary Comparison Schedule - Modified Cash Basis
County MFT
For the Year Ended November 30, 2025

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES			
Operating grants	\$ 711,798	\$ 385,946	\$ (325,852)
Interest	3,500	17,991	14,491
Total revenues	<u>715,298</u>	<u>403,937</u>	<u>(311,361)</u>
EXPENDITURES			
Current:			
Transportation and public works	561,798	1,293,433	731,635
Total expenditures	<u>561,798</u>	<u>1,293,433</u>	<u>731,635</u>
Net change in fund balance	<u>\$ 153,500</u>	(889,496)	<u>\$ (1,042,996)</u>
Fund balance - beginning		<u>1,544,625</u>	
Fund balance - ending		<u>\$ 655,129</u>	

CLAY COUNTY, ILLINOIS
Budgetary Comparison Schedule - Modified Cash Basis
County Matching
For the Year Ended November 30, 2025

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES			
Property taxes	\$ 129,000	\$ 129,694	\$ 694
Intergovernmental			
Other intergovernmental	-	113,280	113,280
Interest	6,000	7,833	1,833
Miscellaneous	-	611,098	611,098
Total revenues	<u>135,000</u>	<u>861,905</u>	<u>726,905</u>
EXPENDITURES			
Current:			
Transportation and public works	<u>900,000</u>	<u>1,817,017</u>	<u>917,017</u>
Total expenditures	<u>900,000</u>	<u>1,817,017</u>	<u>917,017</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	230,914	230,914
Total other financing sources (uses)	<u>-</u>	<u>230,914</u>	<u>230,914</u>
Net change in fund balance	<u>\$ (765,000)</u>	<u>(724,198)</u>	<u>\$ 40,802</u>
Fund balance - beginning		<u>1,362,107</u>	
Fund balance - ending		<u>\$ 637,909</u>	

CLAY COUNTY, ILLINOIS
Notes to Other Information
November 30, 2025

Note 1: Budgets and Budgetary Accounting

The County adopts its budget in accordance with the modified cash basis of accounting. Annual appropriated budgets are adopted for the general and certain special revenue funds. An annual appropriated budget is not prepared for the Township Motor Fuel Tax fund. All annual appropriations lapse at fiscal year-end.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the regularly scheduled November County Board meeting, a proposed operating budget for the fiscal year commencing the following December 1 is presented. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to November 30, the appropriation ordinance is legally enacted through adoption of an appropriation ordinance.
4. Budgets for the General and Special Revenue funds are adopted on a basis consistent with the modified cash basis of accounting.
5. No further appropriations can be made during the fiscal year once the budget has been legally adopted, except:
 - a. Transfers from one appropriation of any fund to another appropriation of the same fund may be made by a two-thirds vote of the County Board.
 - b. Any revisions which alter the total expenditures of any fund may be approved by the County Board in the same manner as the original appropriation if new or additional revenues were not available when the initial appropriation was made.
6. Expenditures may not legally exceed appropriated amounts for an individual fund.
7. Original budget was adopted on November 12, 2024.

Note 2: Encumbrances

The County does not use encumbrance accounting.

Note 3: Actual Expenditures Exceed Budget

Actual expenditures exceeded budgeted amounts in the General Fund by \$256,672, the County MFT Fund by \$731,635, and the County Matching Fund by \$917,017.