FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION



CLINCH COUNTY, GEORGIA

For the Year Ended July 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Clinch County, Georgia

Report on the Audit of the Financial Statements
Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Clinch County, Georgia, as of and for the year ended July 31, 2025, and the related notes to the financial statements, which collectively comprise of Clinch County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Clinch County, Georgia, as of July 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Clinch County Board of Health which represent 100 percent of the assets, net position, and revenues of Clinch County, Georgia's component units, as of July 31, 2025, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Clinch County Board of Health is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 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 Clinch County, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clinch County, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 10), budgetary comparison information (on pages 40 through 43), and the schedules of historical pension and the related notes (on pages 44 through 47) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clinch County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the fiduciary fund combining statements of assets and liabilities and changes in assets and liabilities are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and are also not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the fiduciary fund combining statements of assets and liabilities and changes in assets and liabilities, the schedule of expenditures of special purpose local option sales tax proceeds and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2026, on our consideration of Clinch County, Georgia's 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 Clinch County, Georgia's 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 Clinch County, Georgia's internal control over financial reporting and compliance.

Aprio, LLP

Valdosta, GA
July 20, 2026

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CLINCH COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended July 31, 2025

As Management of the Clinch County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending July 31, 2025. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for FY2025 are as follows:

The County's total net position increased by $1,419,806.

The County's governmental fund assets exceeded its liabilities on July 31, 2025, by $9,027,174 (fund balances). Of this amount $4,487,359 (unassigned fund balance) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current year, the fund balance for the General Fund decreased by $2,688,510 resulting in a fund balance of $5,023,933.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components: the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner like a private-sector business.

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the County's finances, in a manner like a private-sector business.

Statement of Net Position and the Statement of Activities

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. The statement of activities presents information showing how the County's net position changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net position and the statement of activities, the County is divided into two kinds of activities:

Governmental Activities - Most of the County's programs and services are reported here, including general government, judicial, public safety, public works, health and human services, culture and recreation and housing and development. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

Component Unit - The County's financial statements include financial data of the Clinch County, Georgia Board of Health. This component unit is described in the notes to the financial statements. This component unit is separate and may buy, sell, lease, and mortgage property in its own name and can sue or be sued in its own name.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the County can be divided into two categories: governmental funds and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of money, the County has established many funds that account for the multitude of services provided to our residents. The County's major governmental fund is the General Fund.

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year-end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements—The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

Other Information—In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Position:

Clinch County's Net Position

	Governmental Activities		Total Percentage Change
	2024	**2025**	**2024-2025**
Assets			
Current and other assets	$ 13,121,931	$ 12,987,226	-1.03%
Right of assets, net	806,383	701,025	0.00%
Capital assets, net	6,329,006	8,196,110	29.50%
Total Assets	**20,257,320**	**21,884,361**	8.03%
Deferred Outflows of Resources	177,984	118,656	-33.33%
Liabilities			
Current and other liabilities	931,281	1,215,110	30.48%
Long-term liabilities	743,412	624,751	-15.96%
Total Liabilities	**1,674,693**	**1,839,861**	9.86%
Deferred Inflows of Resources	121,213	103,952	0.00%
Net Position			
Invested in capital assets, net of related debt	6,299,474	8,176,148	29.79%
Restricted	4,397,567	4,003,241	-8.97%
Unrestricted	7,942,357	7,879,815	-0.79%
Total Net Position	**$ 18,639,398**	**$ 20,059,204**	7.62%

As noted earlier, the County's net position, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by $20,059,204 as of July 31, 2025. A large portion of the County's net position (41%) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (20%) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted net position (39%) may be used to meet the County's ongoing obligations to citizens and creditors.

The next table shows the changes in net position for the year ending July 31, 2025.

Changes in Clinch County's Net Position

	Governmental Activities		Total Percentage Change
	2024	**2025**	**2024-2025**
Revenues			
Program Revenues			
Charges for services	$ 1,272,933	$ 991,645	-22.10%
Operating grants and contributions	1,440,138	5,984,244	315.53%
Capital grants and contributions	1,302,541	1,161,464	-10.83%
Total Program Revenues	4,015,612	8,137,353	102.64%
General Revenues			
Property taxes	3,403,162	3,437,131	1.00%
Sales taxes	1,559,530	1,732,092	11.07%
Timber taxes	245,118	170,110	-30.60%
Insurance premium taxes	314,964	334,634	6.25%
Other taxes	70,366	75,661	7.52%
Interest, penalties and costs - taxes	99,023	47,661	-51.87%
Miscellaneous	253,620	75,725	-70.14%
Total General Revenues	5,945,783	5,873,014	-1.22%
Total Revenues	**9,961,395**	**14,010,367**	**40.65%**
Expenses			
Governmental Activities:			
General Government			
Legislative and executive	$ 1,947,177	$ 1,994,572	2.43%
Judicial	500,096	531,455	6.27%
Public safety	2,116,613	2,101,283	-0.72%
Public works	2,762,222	7,511,661	171.94%
Health and welfare	124,578	124,352	-0.18%
Culture and recreation	190,734	165,680	-13.14%
Housing and development	185,100	126,872	-31.46%
Interest on long-term debt	39,264	34,686	-11.66%
Total Expenses	7,865,784	12,590,561	60.07%
Change in Net Position	**2,095,611**	**$ 1,419,806**	**-32.25%**
Net Position, Beginning	16,543,787	18,639,398	12.67%
Net Position, Ending	**$ 18,639,398**	**$ 20,059,204**	**7.62%**

Governmental Activities

The following table provides the total cost of services and the net cost of services for the governmental activities. The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting these services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Net Cost of Clinch County's Governmental Activities

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
Function	**2024**	**2025**	**2024-2025**	**2024**	**2025**	**2024-2025**
General Government						
Legislative and executive	$ 1,947,177	$ 1,994,572	2.43%	$ 1,207,124	$ 1,256,454	4.09%
Judicial	500,096	531,455	6.27%	(67,530)	258,439	-482.70%
Public safety	2,116,613	2,101,283	-0.72%	2,058,523	1,778,751	-13.59%
Public works	2,762,222	7,511,661	171.94%	309,347	854,424	176.20%
Health and welfare	124,578	124,352	-0.18%	118,294	117,212	-0.91%
Culture and recreation	190,734	165,680	-13.14%	94,782	63,361	-33.15%
Housing and development	185,100	126,872	-31.46%	90,368	89,881	-0.54%
Interest on long-term debt	39,264	34,686	-11.66%	39,264	34,686	-11.66%
Total	**$ 7,865,784**	**$ 12,590,561**	**60.07%**	**$ 3,850,172**	**$ 4,453,208**	**15.66%**

Financial Analysis of County Funds

The County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

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

As of July 31, 2025, the County's governmental funds reported a combined ending fund balance of $9,027,174, a decrease of $3,087,971. Approximately 50% of this total ($4,487,359) represents unassigned fund balance, which is available for spending at the County's discretion but is currently held for adequate fund balance reserves for daily operations.

The General Fund is the primary operating fund of the County. At the end of July 31, 2025, the unassigned fund balance was $4,487,359.

Budgetary Highlights

By State statute, the Board of County Commissioners adopts the annual operating budget for the fiscal year on or before the first day of the fiscal year. Changes were made to the adopted budget in some departments due to greater than expected expenditures such as rising gas prices and other unexpected costs and were offset by revenues exceeding the original budget.

Capital Assets

The County's investment in capital assets for governmental as of July 31, 2025, was $8,176,148 (net of accumulated depreciation and related debt). This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, furniture and fixtures, vehicles and infrastructure.

Major capital asset events during FY2025 included the acquisition of vehicles, building improvements and equipment for various County departments and road improvements.

Note 6 (Capital Assets) provides additional information about capital asset activity during FY2025.

Debt

On July 31, 2025, the County had total lease debt outstanding of $720,987.

In addition to the leases, the County's long-term obligations include compensated absences. Note 10 provides information regarding these liabilities.

Economic Factors

Revenues exceeded expenditure resulting in an increase in the fund balance in the General Fund.

The County adjusted net taxable digest increased 3.17% in FY2025.

Local option sales tax increased 11% in FY2025.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Clinch County Commission, County Clerk, 22 Court Square, Suite B, Homerville, Georgia 31634.

Component unit financial statements can be obtained from the Southeast Health District office and should be addressed to the Finance Director, 604 Riverside Avenue, Waycross, Georgia 31501.

CLINCH COUNTY, GEORGIA
STATEMENT OF NET POSITION
July 31, 2025

	Primary Government		Component Unit
	Governmental Activities	Total	Clinch County Board of Health
ASSETS			
Cash	$ 9,773,847	$ 9,773,847	$ 316,907
Taxes receivable	123,068	123,068	-
Accounts receivable	2,792,077	2,792,077	-
Due from other governments	100,897	100,897	-
Nondepreciable capital assets	1,746,669	1,746,669	-
Depreciable capital assets, net	6,449,441	6,449,441	7,661
Right of use assets, net	701,025	701,025	-
Net OPEB asset	-	-	41,661
Net pension asset	197,337	197,337	-
TOTAL ASSETS	21,884,361	21,884,361	366,229
DEFERRED OUTFLOWS OF RESOURCES			
OPEB	-	-	23,523
Pension	118,656	118,656	43,534
	118,656	118,656	67,057
LIABILITIES			
Accounts payable	924,885	924,885	219
Due to other governments	41,627	41,627	88,406
Unearned revenue	93,710	93,710	-
Long-term liabilities:			
Proportionate share of collective net pension liabilit	-	-	108,000
Due within one year:			
Compensated absences	35,191	35,191	3,142
Lease payable	119,697	119,697	-
Due in more than one year:			
Compensated absences	23,461	23,461	12,566
Lease payable	601,290	601,290	-
TOTAL LIABILITIES	1,839,861	1,839,861	212,333
DEFERRED INFLOWS OF RESOURCES			
OPEB	-	-	17,503
Pension	103,952	103,952	30,317
	103,952	103,952	47,820
NET POSITION			
Net investment in capital assets	8,176,148	8,176,148	7,661
Restricted for:			
Capital projects	3,942,082	3,942,082	-
Law library	16,897	16,897	-
Drug education and treatment	2,601	2,601	-
Jail operations	36,226	36,226	-
Drug enforcement	181	181	-
Health and welfare	-	-	127,782
Housing and development	5,254	5,254	
Unrestricted	7,879,815	7,879,815	37,690
TOTAL NET POSITION	$ 20,059,204	$ 20,059,204	$ 173,133

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended July 31, 2025

FUNCTION/PROGRAM	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants, Contributions, and Interest	Program Revenues: Capital Grants, Contributions, and Interest
Primary Government:				
GOVERNMENTAL ACTIVITIES				
General government				
Legislative	$ 1,994,572	$ 364,492	$ 373,626	$ -
Judicial	531,455	272,877	139	-
Public Safety	2,101,283	56,724	265,808	-
Public Works	7,511,661	228,130	5,304,634	1,124,473
Health and Welfare	124,352	5,657	1,483	-
Culture and Recreation	165,680	63,765	38,554	-
Housing and Development	126,872	-	-	36,991
Interest on Long-term Debt	34,686	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	12,590,561	991,645	5,984,244	1,161,464
TOTAL PRIMARY GOVERNMENT	$ 12,590,561	991,645	5,984,244	1,161,464
COMPONENTS UNITS				
Clinch County Board of Health	$ 455,041	$ 129,911	$ 344,766	$ -
TOTAL COMPONENT UNITS	$ 455,041	$ 129,911	$ 344,766	$ -

GENERAL REVENUES
Property taxes, levied for general purposes
Timber taxes
Sales taxes
Real estate transfer taxes
Railroad equipment car taxes
Insurance premium taxes
Beer and wine taxes
Intangible recording taxes
Interest, penalties and costs - delinquent taxes
Cable franchise tax
Other revenues

TOTAL GENERAL REVENUES

CHANGES IN NET POSITION

NET POSITION, BEGINNNING OF YEAR

NET POSITION AT END OF YEAR

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		Component Unit
Governmental Activities	Total	Clinch County Board of Health
$ (1,256,454)	$ (1,256,454)	$ -
(258,439)	(258,439)	-
(1,778,751)	(1,778,751)	-
(854,424)	(854,424)	-
(117,212)	(117,212)	-
(63,361)	(63,361)	-
(89,881)	(89,881)	-
(34,686)	(34,686)	-
(4,453,208)	(4,453,208)	-
(4,453,208)	(4,453,208)	-
$ -	$ -	$ 19,636
$ -	$ -	$ 19,636
3,437,131	3,437,131	-
170,110	170,110	-
1,732,092	1,732,092	-
13,113	13,113	-
37,985	37,985	-
334,634	334,634	-
9,518	9,518	-
13,322	13,322	-
47,661	47,661	-
1,723	1,723	-
75,725	75,725	71,069
5,873,014	5,873,014	71,069
1,419,806	1,419,806	90,705
18,639,398	18,639,398	82,428
$ 20,059,204	$ 20,059,204	$ 173,133

CLINCH COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
July 31, 2025

	General Fund	Capital Projects Funds: Neighborhood Improvement Fund	Capital Projects Funds: Public Roads Fund	Capital Projects Funds: T-SPLOST Fund	Other Governmental Funds	Total
ASSETS						
Cash	$ 5,532,835	$ 88,371	$ 1,822,319	$ 1,336,156	$ 994,166	$ 9,773,847
Taxes receivable	123,068	-	-	-	-	123,068
Accounts receivable	2,790,685	-	-	-	440	2,791,125
Seized asset	-	-	-	-	952	952
Due from other funds	200	-	-	-	-	200
Due from other governments	45,126	-	-	55,233	538	100,897
TOTAL ASSETS	8,491,914	88,371	1,822,319	1,391,389	996,096	12,790,089
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	765,487	-	35,155	98,963	25,279	924,884
Due to other funds	-	100	-	-	100	200
Due to other governments	-	-	-	-	41,627	41,627
Unearned revenue	-	88,271	-	-	5,439	93,710
TOTAL LIABILITIES	765,487	88,371	35,155	98,963	72,445	1,060,421
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues - property taxes	98,543	-	-	-	-	98,543
Unavailable revenues - FEMA grant	2,603,951	-	-	-	-	2,603,951
TOTAL DEFERRED INFLOWS OF RESOUR(	2,702,494	-	-	-	-	2,702,494
FUND BALANCES						
Restricted for:						
Capital projects	-	-	1,787,164	1,292,426	862,492	3,942,082
Law library	-	-	-	-	16,897	16,897
Drug education and treatment	-	-	-	-	2,601	2,601
Jail operations	-	-	-	-	36,226	36,226
Drug enforcement	-	-	-	-	181	181
Housing and development	-	-	-	-	5,254	5,254
Assigned for:						
Property tax roll back	536,574	-	-	-	-	536,574
Unassigned reported in:						
General Fund	4,487,359	-	-	-	-	4,487,359
TOTAL FUND BALANCES	5,023,933	-	1,787,164	1,292,426	923,651	9,027,174
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,491,914	$ 88,371	$ 1,822,319	$ 1,391,389	$ 996,096	$ 12,790,089

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
July 31, 2025

Total Governmental Fund Balances		$ 9,027,174
Amounts report for governmental activities on the statement of net position are different because of the following:		
Net Pension Obligation		
Pension asset resulting from contributions greater than the annual required contribution.		197,337
Net pension assets are not current financial resources and are not recognized at the fund financial reporting level but are reported on the government-wide statement of net position		
Deferred outflow of resources - pension	118,656	118,656
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	13,865,189	
Less accumulated depreciation	(5,669,079)	
Leased capital assets	1,052,219	
Less accumulated amortization	(351,194)	8,897,135
Some liabilities are not due and payable in the current period and, therefore, are not reported in governmental activities.		
Capital leases payable	(720,987)	
Compensated absences	(58,652)	
Deferred inflow of resources - pension	(103,952)	(883,591)
Revenue are not available to pay for current period expenditures and, therefore, are not reported in the funds.		
Deferred tax revenue	98,542	
Deferred FEMA grant revenue	2,603,951	2,702,493
Net Position of Governmental Activities		$ 20,059,204

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended July 31, 2025

	General Fund	Capital Projects Funds: Neighborhood Improvement Fund	Capital Projects Funds: Public Roads Fund	Capital Projects Funds: T-SPLOST Fund	Other Governmental Funds	Total
REVENUES						
Taxes	$ 4,632,246	$ -	$ -	$ 658,921	$ -	$ 5,291,167
Licenses and permits	48,642	-	-	-	-	48,642
Intergovernmental revenues	2,825,530	36,991	1,124,473	-	1,383,268	5,370,262
Charges for services	580,567	-	-	-	-	580,567
Fines and forfeitures	205,321	-	-	-	68,198	273,519
Investment income	235,852	-	3,690	3,614	2,610	245,766
Miscellaneous	45,268	-	-	-	3,964	49,232
TOTAL REVENUES	8,573,426	36,991	1,128,163	662,535	1,458,040	11,859,155
EXPENDITURES						
Current:						
General Government						
Legislative and executive	2,245,458	-	-	-	86,883	2,332,341
Judicial	500,598	-	-	-	21,407	522,005
Public safety	1,806,085	-	-	-	581,300	2,387,385
Public works	6,387,004	-	1,356,523	367,449	174,123	8,285,099
Health and welfare	101,594	-	-	-	-	101,594
Culture and recreation	155,069	-	-	-	114	155,183
Housing and development	96,056	36,991	-	-	508,265	641,312
Capital outlay	-	-	-	372,592	-	372,592
Debt service						
Principal	-	-	-	114,929	-	114,929
Interest	-	-	-	34,686	-	34,686
TOTAL EXPENDITURES	11,291,864	36,991	1,356,523	889,656	1,372,092	14,947,126
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(2,718,438)	-	(228,360)	(227,121)	85,948	(3,087,971)
TRANSFER IN (OUT)	29,928	-	-	-	(29,928)	-
NET CHANGES IN FUND BALANCE	(2,688,510)	-	(228,360)	(227,121)	56,020	(3,087,971)
FUND BALANCE, BEGINNING OF YEAR	7,712,443	-	2,015,524	1,519,547	867,631	12,115,145
FUND BALANCE AT END OF YEAR	$ 5,023,933	$ -	$ 1,787,164	$ 1,292,426	$ 923,651	$ 9,027,174

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended July 31, 2025

Net Change in Fund Balances - Total Governmental Funds		$ (3,087,971)
Amounts report for governmental activities in the statement of activities are different because of the following:		
Net Pension Obligation		
Change in pension liabilities resulting from contributions more than the annual required contribution		8,716
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives:		
Total capital outlay	2,435,157	
Total amortization expense	(105,358)	
Total depreciation expense	(568,053)	1,761,746
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds		
Net change in deferred revenues - property taxes	21,025	
Net change in deferred revenues - FEMA grant	2,603,951	2,624,976
Some expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds:		
Net change in long-term compensated absences	(2,589)	(2,589)
The issuance of long-term debt provides current financial resources to governmental funds, and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position. The items that make up these differences in the treatment of long-term debt and related items are as follows:		
Principal repayments - leases		114,928
Change in Net Position of Governmental Activities		$ 1,419,806

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSTION
July 31, 2025

	Custodial Funds
ASSETS	
Cash	$ 480,221
Due from other funds	1,874
TOTAL ASSETS	$ 482,095
LIABILITIES	
Due to others	$ 315,515
TOTAL LIABILITIES	315,515
NET POSITION	
Net position - held for others	166,580
TOTAL NET POSITION	166,580
TOTAL LIABILITIES AND NET POSITION	$ 482,095

The accompanying notes are an integral part of these financial statements.

CLINCH COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSTION
July 31, 2025

	Custodial Funds
ADDITIONS	
Taxes	$ 11,594,740
Fees	634,072
Total Additions	12,228,812
DEDUCTIONS	
Payment of taxes to other agencies	11,693,975
Payment of fees to other agencies	615,376
Total Deductions	12,309,351
CHANGE IN NET POSITION	(80,539)
NET POSITION BEGINNING OF YEAR	247,119
NET POSITION END OF YEAR	$ 166,580

The accompanying notes are an integral part of these financial statements.

Note 1 – Summary of Significant Accounting Policies

The financial statements present Clinch County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. The Reporting Entity

These financial statements present Clinch County, Georgia (the primary government) which is governed by an elected five - member board, and a discretely presented component unit. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity* and amended by GASB No. 61, the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit, on the other hand, is reported separately in the government-wide financial statements reflects the most recently audited financial statements. The following is a brief review of each component unit addressed in defining the government's reporting entity.

Clinch County Board of Health

The Clinch County Board of Health is a component unit based on the criteria of the County appointing a voting majority to the board and the County's ability to impose its will upon the Clinch County Board of Health. The financial statements for the Clinch County Board of Health are presented in these financial statements using the method of discrete presentation. The Clinch County Board of Health fiscal year ends July 31. A complete set of financial statements for the Clinch County Board of Health is presented in a separate report and can be obtained from the Clinch County Board of Health, 1101 Church Street, Waycross, Georgia 31501.

Joint Venture

The County, in conjunction with cities and counties in the (16) county Southeast Georgia area are members of the Southern Georgia Regional Commission. Membership in the Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commission's. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of $5,524 to the Regional Commission for the year ended July 31, 2025. The Regional Commission Board membership includes the Chief elected official of each county and municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from the County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines a Regional Commission as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of a Regional Commission beyond its resources. (O.C.G. A. 50-8-39.1)

A copy of the financial report can be obtained at the following address:

Southern Georgia Regional Commission
3395 Harris Road
Waycross. Georgia 31503

Note 1 – Summary of Significant Accounting Policies - Continued

The financial statements of Clinch County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following are the more significant of the County's accounting policies.

B. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the 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 that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Note 1 - Summary of Significant Accounting Policies - Continued

C. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds: governmental and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund. The General Fund accounts for all financial resources, except those required to be accounted for in another fund. All general operating revenues which are not restricted or designated as to be used by outside sources are recorded in the General Fund.

Neighborhood Improvement Fund – To account for Neighborhood IMP grant.

Public Roads Fund – To account for maintenance funds provided through the Georgia Department of Transportation Local Maintenance and Improvement Grants (LMIG) program.

Transportation Investment Act Special Purpose Sales Tax Fund – To account for the special purpose local option sales tax that was approved by 2018 referendum. The revenue is restricted to stated transportation improvements. Collections for the ten-year program began on October 1, 2018.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose, the accumulation of resources for, and the payment of debt, and the acquisition or construction of major capital projects.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The County's agency funds account for assets held by the County's Tax Commissioner, Clerk of Court, Sheriff, Magistrate Court and Probate Court for other governments or individuals.

Note 1 - Summary of Significant Accounting Policies - Continued

D. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

E. Basis of Accounting

The basis of accounting determines when transactions are recorded in financial records and reported on financial statements. Government-wide are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues—Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, grants, interest, and rent.

Note 1 - Summary of Significant Accounting Policies - Continued

E. Basis of Accounting - Continued

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The County has no deferred outflows.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has unavailable revenue, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category on the governmental funds balance sheet.

Property taxes for which there was an enforceable legal claim at July 31, 2025, but were levied to finance FY2025 operations are deferred and recognized as an inflow of resources in the period that amounts become available. The unavailable revenues from property taxes amount to $98,543.

Grant funds for disaster related Hurricane Helene expenditures incurred and approved by FEMA for reimbursement during the fiscal year ending July 31, 2025 but not collected within sixty (60) days after year-end are deferred and recognized as an inflow of resources in the period that amounts become available. The unavailable revenues from disaster related FEMA projects amount to $2,603,951.

Expenses/Expenditures

On an accrual basis, expenses are recognized at the time they are incurred. Prepaid expenditures in governmental funds are recognized during the benefiting period.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

The County adopts annual budgets for the General Fund, Capital Projects Fund and Special Revenue Funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles with the following exceptions. The County budget may present the use of appropriated beginning fund balances and the proceeds of short-term debt as other financing sources, and the repayment of short-term debt as other financing uses, when such elements are present in the adopted budget.

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

1. Prior to August 1, the Board of Commissioners prepares a proposed operating budget for the fiscal year commencing the following August 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayers' comments. Notice is given at least ten days in advance by publication in the official organ of Clinch County.
3. The budget is legally enacted through passage of an ordinance.

Note 1 - Summary of Significant Accounting Policies – Continued

F. Budgetary Process - Continued

4. The budget is employed as a management control device during the year. Budgetary control is established at the department level. Management may not make changes without the approval of the Board of Commissioners.

Budgeted amounts are presented as amended by the Clinch County Board of Commissioners.

G. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not utilized in the governmental funds.

H. Cash and Investments

Cash is defined as short-term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to know amounts of cash, and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

The County's deposit policy limits deposit choices to checking accounts, money market accounts and certificates of deposits with local banks. All deposits are to be secured as required by state statutes. The state statute requires the deposits to be secured at an amount equal to the total deposits less FDIC insurance, and then multiplied by 110 percent.

The County is authorized to invest in funds in (1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; (2) certificates of deposit issued by state and national banks located in the state of Georgia when secured by acceptable collateral; (3) obligations of the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank and Federal Bank of Cooperatives; and (4) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government.

I. Inventory

Materials purchased are shown as expenditures when acquired are not inventoried at year end due to a lack of materiality.

J. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.

Note 1 - Summary of Significant Accounting Policies – Continued

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities' column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, and culverts. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and Building Improvements	40 - 50 years
Machinery and Equipment	5 - 10 years
Furniture and Fixtures	5 - 10 years
Vehicles	5 - 10 years
Infrastructure	25 years

Capital assets include public domain (infrastructure) general capital assets consisting of improvements including roads and bridges for which historical cost information was available or could be estimated. All infrastructure acquired prior to the implementation of GASB 34 has been capitalized and reported.

L. Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Interfund balances within governmental activities are eliminated on the government-wide statement of net position.

M. Compensated Absences

Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records liability for accumulated unused vacation and sick leave when earned for all employees.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure.

Note 1 - Summary of Significant Accounting Policies - Continued

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and leases are recognized as a liability on the fund financial statements when due.

O. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

P. Fund Balances

The County has implemented GASB No. 54, Fund Balance Report and Governmental Fund Type Definitions. Under GASB Statement No. 54, fund balances are required to be reported in the following classifications:

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted fund balance – Constraints placed on the use of these resources are either externally imposed by creditors, grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance – Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the County Board of Commissioners.

Assigned fund balance – Amounts that are constrained by the County's intent to be used for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the County Board of Commissioners, or by an official to whom that authority has been given. Except for the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balances – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Note 1 - Summary of Significant Accounting Policies - Continued

P. Fund Balances- Continued

Flow Assumptions - When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: Committed, Assigned, Unassigned.

Q. Interfund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 - Deposits and Investments

The County maintains separate checking and investment accounts for each fund. The County's cash in bank balances represent balances in all accounts including general fund, special revenue funds, capital projects funds, and fiduciary funds.

On July 31, 2025, the balance of deposits was fully collateralized by FDIC insurance and pledged securities by the banking entities.

Note 3 – Due From and To Other Governments

Due from and to other governments consisted of the following:

	Due From	Due To
General Fund		
Georgia Department of Revenue	$ 45,126	$ -
Total - General Fund	45,126	-
Capital Project Funds		
2020 SPLOST Fund		
Georgia Department of Revenue	538	-
City Governments	-	41,627
Total - 2020 SPLOST Fund	538	41,627
Capital Project Funds		
T SPLOST Fund		
Georgia Department of Revenue	55,233	-
Total - T SPLOST Fund	55,233	-
Total - Due From and To Other Governments	$ 100,897	$ 41,627

Note 4 – Interfund Balances and Transfers

	Interfund Receivable	Interfund Payable	Transfer In	Transfer Out
General Fund				
CDBG Fund	$ -	$ 100	$ -	$ -
IMP Fund	-	100	-	-
ARPA Fund			29,928	
Special Revenue Funds				
IMP Fund				
General Fund	100	-	-	-
ARPA Fund				
General Fund				29,928
Capital Projects Funds				
CDBG Fund				
General Fund	100	-	-	-
Total Governmental Funds	$ 200	$ 200	$ 29,928	$ 29,928

Note 4 – Interfund Balances and Transfers - Continued

The interfund receivable and interfund payable consist of funds loaned from the General Fund to CDBG and IMP Funds to keep the bank accounts open. The transfer into the General Fund from the ARPA Fund is to reimburse premium payments remitted to the dispatchers of the Tri-County Joint 911 Authority.

Note 5 - Property Taxes

The County sets its property tax millage on the tax levy date each year. Taxes are levied on October 1. The property tax lien attaches to property in existence on January 1 of each year and is payable by December 21 of that year. The County collects taxes on real and personal property including motor vehicles and mobile homes. The Clinch County Tax Commissioner acts as collection agent for the County, Industrial Authority, Hospital Authority, Board of Education, and State of Georgia for taxes on real and personal property and for the City of Homerville for taxes on motor vehicles and mobile homes owned by City residents. Georgia state law does not provide for maximum millage rates that the County may levy.

Deferred Revenue - Delinquent property taxes not collected within sixty (60) days after year-end are recognized as deferred revenue.

Note 6 – Capital Assets

A summary of the changes in general capital assets for the year ended July 31, 2025 is as follows:

	Balance at August 1, 2024	Additions	Reductions	Balance at July 31, 2025
Primary Government				
Governmental Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 130,130	$ -	$ -	$ 130,130
Construction in progress	149,536	1,467,003	-	1,616,539
Total Nondepreciable Capital Assets	$ 279,666	$ 1,467,003	$ -	$ 1,746,669
Depreciable Capital Assets:				
Buildings and building improvements	$ 2,490,985	$ 118,579	$ -	$ 2,609,564
Machinery and equipment	1,416,251	463,995	-	1,880,246
Furniture and fixtures	6,720	-	6,720	-
Vehicles	1,407,775	385,580	61,836	1,731,519
Infrastructure	5,897,191	-	-	5,897,191
Total Depreciable Capital Assets	11,218,922	968,154	68,556	12,118,520
Less Accumulated Depreciation for:				
Buildings and building improvements	1,135,658	66,778	-	1,202,436
Machinery and equipment	1,077,250	143,628	-	1,220,878
Furniture and fixtures	6,720	-	6,720	-
Vehicles	1,086,120	131,182	61,836	1,155,466
Infrastructure	1,863,834	226,465	-	2,090,299
Total Accumulated Depreciation	5,169,582	568,053	68,556	5,669,079
Total Depreciable Capital Assets, Net	6,049,340	400,101	-	6,449,441
Governmental Activities Capital Assets, Ne	$ 6,329,006	$ 1,867,104	$ -	$ 8,196,110

Note 6 – Capital Assets – Continued

Depreciation was charged to governmental functions as follows:

Governmental activities:		
General Government		
Legislative and Executive	$	24,321
Judicial		14,363
Public Safety		124,099
Public Works		389,197
Health and Welfare		8,720
Culture and Recreation		7,353
Total Depreciation Expense - Governmenta	$	568,053

The County reports lease assets separately from other capital assets. At July 31, 2025, the County's lease assets consisted of right-of-use leased equipment related to the motor grader leases described in Note 10 - Long-Term Debt – Lease Liabilities. Lease asset activity Amortization expense related to right-of-use lease assets was $105,358 for the fiscal year ended July 31, 2025 as shown in the table below:

	Balance at August 1, 2024	Additions	Reductions	Balance at July 31, 2025
Primary Government				
Governmental Activities:				
Right of use assets:				
Leased equipment	$ 1,052,219	$ -	$ -	$ 1,052,219
Total leased equipment	1,052,219	-	-	1,052,219
Less accumulated amortization for:				
Leased equipment	245,836	105,358	-	351,194
Total accumulated amortization	245,836	105,358	-	351,194
Total right of use assets, net	$ 806,383	$ (105,358)	$ -	$ 701,025

Note 7 – Risk Management

The County may be subject to risk of loss due to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County covers these risks through the purchase of insurance coverage through the ACCG – Group Self-Insurance Workers' Compensation Fund and the ACCG – Interlocal Risk Management Agency. These are public entity risk pools currently operating as common risk management and insurance programs for member local governments.

Note 7 – Risk Management – Continued

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expense incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the coverage. There was no significant reduction in insurance coverage from the prior year.

Note 8 – Pension Plan

Plan Description

The County contributes to the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by this Plan.

Plan membership contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and Trust oversees the administration, investment, and funding of the Association County Commissioners of Georgia Retirement Program for member employers.

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

Note 8 – Pension Plan – Continued

Plan Membership

Participant counts of those eligible for benefits as of January 1, 2024, (the most recent actuarial valuation date) and covered compensation (based on coverage earnings for the preceding year) are shown below:

Retirees, beneficiaries and disables receiving benefits		18
Terminated plan members entitled to but not yet receiving benefits		8
Active plan members		4
Total number of plan participants		30
Covered compensation for active participants	$	144,635
Average remaining future service for active participants		3.63

Benefits

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

Contributions

The County is required to contribute at an actuarially determined rate. Section 47-21 of the Georgia Code set forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual fund requirement.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants.

The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report. The annual County contributions meets or exceeds the minimum funding requirements of Georgia Statute 47-21. The County contributions for the calendar year ending December 31, 2024 were $2,516. All governmental funds that have personnel contribute toward liquidation of the pension liabilities.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The amount recognized as by the County as the net pension liability was as follows:

Net Pension Liability (Asset)	$(197,337)

Note 8 – Pension Plan – Continued

Actuarial assumptions. The actuarial assumptions used for the January 1, 2024; valuation was applied to all periods included in the measurement were as follows:

Actuarial cost method	Entry age normal
Projected salary increases	3.50% per year with an age based scale
Cost of living adjustment	N/A
Investment return	7.00%
Mortality	Pub-2010 GE (50%) & PS (50%) Amt-Weighted with Scale A to 2024 (Pre-Retirement: Employee, Post-Retirement: Retiree)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expe al Rate of Retu
Fixed income	30%	25%-35%
Equities:	70%	65%-75%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%
	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.00% as of December 31, 2024. The projection of cash flows used to determine the discount rate assumed that employee contribution will be made at the current contribution rate and that Country contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 8 – Pension Plan – Continued

Changes in the Net Pension Liability

	Total Pension Liability	Fiduciary Net Pension	Net Pension Liability
Balance at December 31, 2023	$ 1,010,031	$ 1,156,585	$ (146,554)
Changes for the year:			
Service cost	1,281	-	1,281
Interest	66,107	-	66,107
Liability experience (gain)/loss	(20,342)	-	(20,342)
Assumption change	1,585	-	1,585
Employer contributions	-	2,516	(2,516)
Employee contributions	-	-	-
Net investment income	-	122,006	(122,006)
Benefit payment	(131,288)	(131,288)	-
Administrative expense	-	(20,458)	20,458
Other changes	-	(4,650)	4,650
Net Changes*	(82,657)	(31,874)	(50,783)
Balance at December 31, 2024	$ 927,374	$ 1,124,711	$ (197,337)

* Other changes include post-retirement death benefit expense of $0 and investment expense of $4,650

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	6.00%	7.00%	8.00%
Total Pension Liability	$ 995,473	$ 927,374	$ 867,106
Fiduciary Net Position	1,124,711	1,124,711	1,124,711
Net Pension Liability	$ (129,238)	$ (197,337)	$ (257,605)

Note 8 – Pension Plan – Continued

Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions

For the year ended December 31, 2024, the County recognized pension expense of ($6,200). On July 31, 2025, the County reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Net Deferred Outflows	Net Deferred Inflows
Net difference between projected and actual earnings on pension plan investments	$ 118,656	$ (103,952)
Differences between expected and actual experience	-	-
Assumption changes	-	-
Contributions made after the measurement date	-	-
Total	$ 118,656	$ (103,952)

Amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2025	$ 13,359
2026	$ 34,496
2027	$ (24,832)
2028	$ (8,319)

A copy of additional financial information from the Plan financial reports can be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Other Retirement Plans

In addition to the above retirement plan, of which the County is administrator, the following retirement plans are in effect but are not under the direct control of the County:

1) Judges of the Probate Courts Retirement Fund of Georgia
2) Clerk of Superior Court Retirement Fund
3) Sheriffs' Retirement Fund/Peace Officers' Annuity and Benefit Fund
4) Peace Officers' Annuity and Benefit Fund of Georgia

These plans provide for certain sums from marriage licenses, fees, fines, and forfeitures to be remitted directly to the pension plans before the payment of any costs or other claims. GASB Statement #68 valuation reports and schedules can be found on their respective web sites.

Note 8 – Pension Plan – Continued

Defined Contribution Money Purchase Plan:

In July 1998, the County adopted the Clinch County Money Purchase Plan, a defined contribution plan. The plan is an IRC Section 401(a)/457 Match Plan. Equitable Life Assurance Society sponsors the 401(a) portion of the Plan and the 457 plan. The plans are administered by Momentum Administrative Services. While the plan with Equitable Life Assurance Society plan remains open, in October 2023, the County adopted a defined contribution plan with ACCG Retirement Services.

Under the ACCG Retirement Services defined contribution plan, all full-time permanent employees are eligible for participation. The County makes a base contribution to the 401(a)-plan equal to 3% of each employee's salary. For employees participating in the deferred compensation program, the County will make an additional matching contribution to the 401(a)-plan equal to 50% of the employee's contribution up to a maximum of 6% of the employee's salary. The combined maximum contribution by the County is 6% of the employee's salary. During the year ended July 31, 2025, the plan members contributed $38,475 and the County contributed $50,501 to the plan.

The contributions to the 401(a) plan are 100% vested after 4 years of service with automatic vesting in the account upon reaching age 65. The 457 plan employee deferrals are 100% vested immediately. Employees may choose their own investments from among those offered by the Clinch County 401(a) / 457 Match Plan.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rate for the County and its plan members.

Deferred Compensation Plan:

The Clinch County Board of Commissioners offers all Clinch County employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457, as part of the match plan described above. The assets of the plans were held in trust, (custodial account or annuity contract) as described in IRC Section 457 (g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof, for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in Clinch County, Georgia's financial statements.

Note 9 – Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused leave benefits. Unused leave benefits will be paid to employees upon separation from County services. The General Fund pays for any used compensated absences during a fiscal year.

	Balance at July 31, 2024	Additions	Reductions	Balance at July 31, 2025	Amount Due In One Year
Primary Government:					
Governmental Activities:					
Compensated absences	$ 56,063	$ 36,227	$ 33,638	$ 58,652	$ 35,191
Total Primary Government	$ 56,063	$ 36,227	$ 33,638	$ 58,652	$ 35,191

Note 10 - Long-Term Debt – Lease Liabilities

The County is a lessee under long-term equipment lease arrangements for motor graders used in governmental activities. The leases originated during 2022, bear interest at 4.15%, and mature during 2027. The original lease amounts consisted of three leases in the amount of $247,015 each and one lease in the amount of $311,174.

At the commencement of the leases, the County recognized lease liabilities and corresponding intangible right-to-use lease assets. The lease liabilities are reduced as lease principal payments are made, and interest expense is recognized over the lease terms. The related right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying equipment.

The following summarizes changes in the County's lease liabilities for the fiscal year ended July 31, 2025:

	Balance at July 31, 2024	Additions	Reductions	Balance at July 31, 2025	Amount Due In One Year
Governmental Activities					
Equipment lease	$ 835,915	$ -	$ 114,928	$ 720,987	$ 119,697
Total Governmental Activities	$ 835,915	$ -	$ 114,928	$ 720,987	$ 119,697

The following is a summary of the County's future annual debt service requirements on long-term lease obligations:

	Governmental Activities	
	Equipment Leases	
Year Ending July 31,	Principal	Interest
2026	$ 119,697	$ 29,916
2027	601,290	25,029
	$ 720,987	$ 54,945

For the year ended July 31, 2025, the County had no additions to lease liabilities. The County's lease arrangements did not include variable lease payments that were excluded from the measurement of the lease liabilities, and the County did not recognize outflows of resources for residual value guarantees, termination penalties, or other payments not previously included in the measurement of the lease liabilities.

Note 11 – Contingent Liabilities

There was no pending litigation, claims, or assessments against the County on July 31, 2025. In the opinion of County management, there were no unasserted claims or assessments that might have a material effect on the financial condition of the County.

The County receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the Federal and State Governments for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, will not be significant.

Note 12 – Assignment

Georgia code section 48-8-91 requires local governments collecting local option sales tax to calculate a reduction of the local millage rate based on the prior year collections of the local option sales tax. The assignment of fund balance for property tax roll back, accounts for the annual collection of local option sales tax fund that will be used in the calculation for the next year's millage rate reduction.

Note 13 – Subsequent Event

Subsequent events were evaluated through July 20, 2026, which is the date of the financial statements available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

CLINCH COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ending July 31, 2025

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original	Final	Actual	
REVENUES				
Taxes	4,445,116	$ 4,445,116	4,632,246	$ 187,130
Licenses and permits	31,982	31,982	48,642	16,660
Intergovernmental revenues	159,046	4,659,046	2,825,530	(1,833,516)
Charges for services	556,830	556,830	580,567	23,737
Fines and forfeitures	125,000	200,000	205,321	5,321
Investment income	172,962	172,962	235,852	62,890
Miscellaneous	84,000	84,000	45,268	(38,732)
Total Revenues	$ 5,574,936	$ 10,149,936	$ 8,573,426	$ (1,576,510)
EXPENDITURES				
GENERAL GOVERNMENT				
Legislative and executive				
Commissioners' Office	327,922	333,898	331,709	(2,189)
Tax Assessor's Office	229,573	229,573	243,887	14,314
Tax Commissioner's Office	188,146	188,146	178,381	(9,765)
Board of Equalization Office	4,550	4,550	1,621	(2,929)
Elections	114,600	114,600	93,962	(20,638)
Non-Departmental	1,271,069	1,308,070	1,395,898	87,828
Total General Government	2,135,860	2,178,837	2,245,458	66,621
JUDICIAL				
Superior Court	40,000	40,000	50,719	10,719
Clerk of Courts	210,646	210,646	193,787	(16,859)
District Attorney	16,950	16,950	16,769	(181)
Juvenile Court	4,000	4,000	6,619	2,619
Public Defender	62,578	62,578	43,424	(19,154)
Probate Court	213,189	213,189	189,280	(23,909)
Total Judicial	547,363	547,363	500,598	(46,765)
PUBLIC SAFETY				
Sheriff	306,748	841,196	794,614	(46,582)
Fire Protection	38,200	38,700	27,536	(11,164)
E-911 Service	140,001	140,001	140,000	(1)
Animal Control	1,000	1,000	264	(736)
Emergency Management Agency	27,099	27,099	23,242	(3,857)
Emergency Medical Services	308,318	308,318	327,571	19,253
Coroner Office	17,060	17,060	19,710	2,650
School Resource Officer	-	29,315	29,315	-
Jail	143,050	412,275	443,833	31,558
Total Public Safety	981,476	1,814,964	1,806,085	(8,879)

See independent auditors' report.

CLINCH COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ending July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC WORKS				
Road Department	545,721	545,721	517,124	(28,597)
Disaster Clean Up	592,078	4,500,000	5,472,127	972,127
Solid Waste Management	372,297	376,997	397,753	20,756
Total Public Works	1,510,096	5,422,718	6,387,004	964,286
HEALTH AND WELFARE				
Public Health Services	77,193	77,193	76,733	(460)
Concerted Services	2,200	2,200	2,961	761
Department of Family and Children Services	21,900	21,900	21,900	-
Total Health and Welfare	101,293	101,293	101,594	301
CULTURE AND RECREATION				
Recreation	60,910	55,079	11,238	(43,841)
Senior Center	116,711	119,560	118,031	(1,529)
Library	21,400	21,400	25,800	4,400
Total Culture and Recreation	199,021	196,039	155,069	(40,970)
HOUSING AND DEVELOPMENT				
Forestry	54,359	54,359	54,359	-
County Agent's Office	41,618	41,868	35,522	(6,346)
Building Inspections	7,000	7,000	6,175	(825)
Total Housing and Development	102,977	103,227	96,056	(7,171)
TOTAL EXPENDITURES	5,578,086	10,364,441	11,291,864	927,423
EXCESS OF REVENUE OVER EXPENDITURES	(3,150)	(214,505)	(2,718,438)	(2,503,933)
TRANSFER IN	-	211,355	29,928	(181,427)
FUND BALANCE AT BEGINNING OF YEAR	-	(46,060)	7,712,443	7,712,443
FUND BALANCE, END OF YEAR	$ (3,150)	$ (49,210)	$ 5,023,933	$ 5,027,083

See independent auditors' report.

CLINCH COUNTY, GEORGIA
NEIGHBORHOOD IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental	$1,806,093	$ 1,806,093	$ 36,991	$ (1,769,102)
TOTAL REVENUES	1,806,093	1,806,093	36,991	(1,769,102)
EXPENDITURES				
Current:				
Housing and development	1,806,093	1,806,093	36,991	(1,769,102)
TOTAL EXPENDITURES	1,806,093	1,806,093	36,991	(1,769,102)
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE BEGINNING OF YEAR	-	-	-	-
FUND BALANCE END OF YEAR	$ -	$ -	$ -	$ -

See independent auditors' report.

Note 1 – Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the Budgetary Basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual for the general and major special revenue funds are presented on the Budgetary Basis to provide a meaningful comparison of actual results with the budget. Beginning fund balances were budgeted under the Budgetary Basis.

CLINCH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION-PENSION PLAN
July 31, 2025

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

	2024	2023	2022	2021
Total Pension Liability as of beginning of year	$ 1,010,031	$ 1,062,252	$ 1,168,075	$ 1,200,045
Service cost	1,281	2,112	2,595	3,362
Interest	70,702	74,358	79,256	84,003
Plan change	-	-	-	-
Assumption change	1,585	1,319	1,755	3,171
Benefit payments (adjusted for interest)	(135,883)	(81,184)	(71,686)	(107,858)
Experience (gain)/(loss)	(20,342)	(48,826)	(117,743)	(14,648)
Total Pension Liability as of end of year	$ 927,374	$ 1,010,031	$ 1,062,252	$ 1,168,075
Fiduciary Net Position as of beginning of year	$ 1,156,585	$ 1,095,194	$ 1,392,745	$ 1,232,891
Employer contributions	2,516	4,504	5,554	115,239
Employee contributions (including buyback)	-	-	-	-
Net investment income	122,006	160,712	(197,477)	199,190
Benefit payments	(131,288)	(78,439)	(71,686)	(104,211)
Employee contribution refunds	-	-	-	-
Administrative expense	(20,458)	(20,572)	(19,034)	(16,856)
Other	(4,650)	(4,814)	(14,908)	(33,508)
Fiduciary Net Position as of end of year	$ 1,124,711	$ 1,156,585	$ 1,095,194	$ 1,392,745
Net pension liability as of beginning of year	$ (146,554)	$ (32,942)	$ (224,670)	$ (32,846)
Net pension liability as of end of year	$ (197,337)	$ (146,554)	$ (32,942)	$ (224,670)
Fiduciary Net Position as a percentage of Total Pension Liability	121.3%	114.5%	103.1%	119.2%
Covered-employee payroll	$ 144,635	$ 261,477	$ 309,080	$ 276,429
Net pension liability as a percentage of covered-employee payroll	-136.4%	-56.0%	-10.7%	-81.3%

2020	2019	2018	2017	2016	2015
$ 1,279,363	$ 1,214,173	$ 1,142,746	$ 1,105,754	$ 1,060,352	$ 996,075
5,810	5,381	6,494	5,601	4,849	4,586
87,487	84,992	82,849	80,167	79,526	74,706
-	-	-	-	-	-
1,932	51,568	23,807	2,320	21,458	33,442
(59,077)	(60,494)	(61,013)	(52,988)	(40,855)	(40,855)
(115,470)	(16,257)	19,290	1,892	(19,576)	(7,602)
$ 1,200,045	$ 1,279,363	$ 1,214,173	$ 1,142,746	$ 1,105,754	$ 1,060,352
$ 1,109,821	$ 934,222	$ 1,008,347	$ 881,644	$ 832,167	$ 829,120
60,130	58,783	58,138	47,680	48,138	48,837
-	-	-	-	-	-
144,217	196,682	(47,867)	142,736	57,011	6,199
(59,077)	(58,448)	(58,879)	(51,134)	(39,378)	(39,378)
-	-	-	-	-	-
(17,464)	(16,517)	(6,009)	(5,249)	(8,623)	(5,184)
(4,736)	(4,901)	(19,508)	(7,330)	(7,671)	(7,427)
$ 1,232,891	$ 1,109,821	$ 934,222	$ 1,008,347	$ 881,644	$ 832,167
$ 169,542	$ 279,951	$ 134,399	$ 224,110	$ 228,185	$ 166,955
$ (32,846)	$ 169,542	$ 279,951	$ 134,399	$ 224,110	$ 228,185
102.7%	86.7%	76.9%	88.2%	79.7%	78.5%
$ 390,097	$ 390,097	$ 430,376	$ 582,109	$ 557,006	$ 556,657
-8.4%	43.5%	65.0%	23.1%	40.2%	41.0%

CLINCH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION-PENSION PLAN
July 31, 2025

Schedule of Contributions
Pension Plan
Years ended June 30th

	Contractually Required Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Percentage Contributed
2024	$ 2,516	$ 2,516	$ -	$ 144,635	1.7%
2023	4,504	4,504	-	261,477	1.7%
2022	5,554	5,554	-	309,080	1.8%
2021	58,809	115,239	(56,430)	276,429	41.7%
2020	46,922	60,130	(13,208)	395,438	15.2%
2019	48,479	58,783	(10,304)	390,097	15.1%
2018	48,361	58,130	(9,769)	430,376	13.5%
2017	47,680	47,680	-	582,109	8.2%
2016	48,138	48,138	-	557,006	8.6%
2015	48,837	48,837	-	556,657	8.8%

Changes Since Prior Valuation

The mortality improvements for the Pub-2010 GE (50%) & PS (50%) Amt. Weighted mortality table is projected to 2024 instead of 2023 with Scale AA.

Method and Assumptions Used to Determine Contribution Rates

Valuation date	January 1, 2024
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age Normal
Salary increases	3.50%
Investment rate of return	7.00%
Retirement:	Probability of Retirement
age 55 to 60	10%
ages 61 to 64	20%
age 65 to age 69	30%
age 70	100%
Mortality	Pub-2010 GE (50%) & PS (50%) Amt-Weighted with Scale AA to 2024 (Pre-Retirement: Employee, Post-Retirement: Retiree)
Plan Freeze as of July 1, 1988:	All benefit accruals under this plan were frozen as of July 1, 1998.

COMBINING AND INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUND

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific purposes.

Neighborhood Improvement Fund – To account for Neighborhood IMP grant.

CAPITAL PROJECT FUNDS

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets. These funds are not required to be budgeted per state law.

Public Roads Fund – To account for maintenance funds provided through the Georgia Department of Transportation Local Maintenance and Improvement Grants (LMIG) program.

Transportation Investment Act Special Purpose Sales Tax Fund – To account for the special purpose local option sales tax that was approved by 2018 referendum. The revenue is restricted to stated transportation improvements. Collections for the ten-year program began on October 1, 2019.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific purposes.

American Rescue Plan Fund – To account for the corona virus relief funds. The funds are restricted for purposes per the legislation that provided the funds.

Multiple Grant Fund – To account for funds received through various grants for a specific purpose.

Jail Fund – To account for accounts for fine income specified for jail operations and the revenue is restricted for those purposes.

Law Library Fund – To account for funds accessed with fines and designated for the maintenance of a law library

D.A.T.E. Fund – To account for fine income specified for drug addiction treatment and education.

Sheriff's Drug Fund – To account for funds received through drug seizures.

CAPITAL PROJECT FUNDS

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets. These funds are not required to be budgeted per state law.

Community Development Block Grant Fund – To account for grant funds provided for improvements to infrastructure.

2020 Special Purpose Sales Tax Fund – To account for the special purpose local option sales tax that was approved by 2020 referendum. The revenue is restricted to the stated purposes of the referendum.

CLINCH COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
July 31, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total
ASSETS			
Cash	$ 74,816	$ 919,350	$ 994,166
Accounts receivable	440	-	440
Due from other governments	-	538	538
Seized asset	952	-	952
TOTAL ASSETS	76,208	919,888	996,096
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	9,610	15,669	25,279
Unearned revenue	5,439	-	5,439
Due to other governments	-	41,627	41,627
Due to other funds	-	100	100
TOTAL LIABILITIES	15,049	57,396	72,445
FUND BALANCES			
Restricted for:			
Capital projects	-	862,492	862,492
Law library	16,897	-	16,897
Drug education and treatment	2,601	-	2,601
Jail operations	36,226	-	36,226
Drug enforcement	181	-	181
Housing and development	5,254	-	5,254
TOTAL FUND BALANCES	61,159	862,492	923,651
TOTAL LIABILITIES AND FUND BALANCES	$ 76,208	$ 919,888	$ 996,096

See independent auditors' report.

CLINCH COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ending July 31, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total
REVENUES			
Fines and forfeitures	$ 68,198	$ -	$ 68,198
Intergovernmental revenue	389,904	993,364	1,383,268
Investment income	470	2,140	2,610
Miscellaneous income	3,964	-	3,964
TOTAL REVENUES	462,536	995,504	1,458,040
EXPENDITURES			
Current:			
Legislative and executive	86,883	-	86,883
Judicial	21,407	-	21,407
Public safety	386,824	194,476	581,300
Public works	-	174,123	174,123
Culture and recreation	114	-	114
Intergovernmental	-	508,265	508,265
TOTAL EXPENDITURES	495,228	876,864	1,372,092
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(32,692)	118,640	85,948
TRANSFER IN (OUT)	(29,928)	-	(29,928)
FUND BALANCE, BEGINNING OF YEAR	123,779	743,852	867,631
FUND BALANCE, END OF YEAR	$ 61,159	$ 862,492	$ 923,651

See independent auditors' report.

CLINCH COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
July 31, 2025

	American Rescue Plan Fund	Multiple Grant Fund	Jail Fund	Law Library Fund	D.A.T.E. Fund	Sheriff's Drug Fund	Total
ASSETS							
Cash	$ -	$ 10,693	$ 44,884	$ 16,457	$ 2,601	$ 181	$ 74,816
Accounts receivable	-	-	-	440	-	-	440
Seized asset	-	-	952	-	-	-	952
TOTAL ASSETS	-	10,693	45,836	16,897	2,601	181	76,208
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	-	-	9,610	-	-	-	9,610
Unearned revenue	-	5,439	-	-	-	-	5,439
TOTAL LIABILITIES	-	5,439	9,610	-	-	-	15,049
FUND BALANCES							
Restricted for:							
Law library	-	-	-	16,897	-	-	16,897
Drug education and treatment	-	-	-	-	2,601	-	2,601
Jail operations	-	-	36,226	-	-	-	36,226
Drug enforcement	-	-	-	-	-	181	181
Housing and development	-	5,254	-	-	-	-	5,254
TOTAL FUND BALANCES	-	5,254	36,226	16,897	2,601	181	61,159
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 10,693	$ 45,836	$ 16,897	$ 2,601	$ 181	$ 76,208

See independent auditors' report.

CLINCH COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ended July 31, 2025

	American Rescue Plan Fund	Multiple Grant Fund	Jail Fund	Law Library Fund	D.A.T.E. Fund	Sheriff's Drug Fund	Total
REVENUES							
Fines and forfeitures	$ -	$ -	$ 22,280	$ 5,505	$ 5,657	$ 34,756	$ 68,198
Intergovernmental revenues	132,993	256,911	-	-	-	-	389,904
Investment income	99	233	138	-	-	-	470
Miscellaneous income	-	-	-	3,964	-	-	3,964
TOTAL REVENUES	133,092	257,144	22,418	9,469	5,657	34,756	462,536
EXPENDITURES							
Current:							
Legislative and executive	86,883	-	-	-	-	-	86,883
Judicial	-		-	16,099	5,308	-	21,407
Public safety	17,250	256,911	60,911	-	-	51,752	386,824
Culture and recreation	-	114	-	-	-	-	114
TOTAL EXPENDITURES	104,133	257,025	60,911	16,099	5,308	51,752	495,228
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	28,959	119	(38,493)	(6,630)	349	(16,996)	(32,692)
TRANSFERS IN (OUT)	(29,928)	-	-	-	-	-	(29,928)
FUND BALANCE, BEGINNING OF YEAR	969	5,135	74,719	23,527	2,252	17,177	123,779
FUND BALANCE, END OF YEAR	$ -	$ 5,254	$ 36,226	$ 16,897	$ 2,601	$ 181	$ 61,159

See independent auditors' report.

CLINCH COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
July 31, 2025

	CDBG Fund	2020 SPLOST Fund	Total
ASSETS			
Cash	$ 100	$ 919,250	$ 919,350
Due from other governments	-	538	538
TOTAL ASSETS	100	919,788	919,888
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	-	15,669	15,669
Due to other governments		41,627	41,627
Due to other fund	100	-	100
TOTAL LIABILITIES	100	57,296	57,396
FUND BALANCES			
Restricted for:			
Capital projects	-	862,492	862,492
TOTAL FUND BALANCES	-	862,492	862,492
TOTAL LIABILITIES AND FUND BALANCES	$ 100	$ 919,788	$ 919,888

See independent auditors' report.

CLINCH COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ending July 31, 2025

	CDBG Fund	2020 SPLOST Fund	Total
REVENUES			
Taxes	$ -	$ 993,364	$ 993,364
Investment income	-	2,140	2,140
TOTAL REVENUES	-	995,504	995,504
EXPENDITURES			
Current			
Public safety	-	194,476	194,476
Public works	-	174,123	174,123
Intergovernmental	-	508,265	508,265
TOTAL EXPENDITURES	-	876,864	876,864
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	118,640	118,640
FUND BALANCE, BEGINNING OF YEAR	-	743,852	743,852
FUND BALANCE, END OF YEAR	$ -	$ 862,492	$ 862,492

See independent auditors' report.

CLINCH COUNTY, GEORGIA
ARP FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ending July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental	$ 241,186	$ 241,186	$ 132,993	$ (108,193)
Investment income	300	300	99	(201)
TOTAL REVENUES	241,486	241,486	133,092	(108,394)
EXPENDITURES				
Current:				
Legislative and executive	233,486	141,808	7,520	(134,288)
Public safety	-	47,178	17,250	(29,928)
Capital outlay	8,000	52,500	79,363	26,863
TOTAL EXPENDITURES	241,486	241,486	104,133	(137,353)
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	28,959	28,959
TRANSFER OUT			(29,928)	(29,928)
FUND BALANCE BEGINNING OF YEAR	-	-	969	969
FUND BALANCE END OF YEAR	$ -	$ -	$ -	$ -

See independent auditors' report.

CLINCH COUNTY, GEORGIA
MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental	$ 262,298	$ 262,298	$ 256,911	$ (5,387)
Investment income	300	300	233	(67)
TOTAL REVENUES	262,598	262,598	257,144	(5,454)
EXPENDITURES				
Current:				
Public safety	262,350	262,350	256,911	(5,439)
Culture and recreation	248	248	114	(134)
TOTAL EXPENDITURES	262,598	262,598	257,025	(5,573)
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	119	119
BALANCE BEGINNING OF YEAR	130,673	130,673	5,135	(125,538)
FUND BALANCE END OF YEAR	$ 130,673	$ 130,673	$ 5,254	$ (125,419)

See independent auditors' report.

CLINCH COUNTY, GEORGIA
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 36,852	$ 36,852	$ 22,280	$ (14,572)
Investment income	70	70	138	68
Miscellaneous income	-	-	-	-
TOTAL REVENUES	36,922	36,922	22,418	(14,504)
EXPENDITURES				
Current:				
Public safety	36,922	36,922	60,911	23,989
TOTAL EXPENDITURES	36,922	36,922	60,911	23,989
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(38,493)	(38,493)
FUND BALANCE BEGINNING OF YEAR	15,412	15,412	74,719	59,307
FUND BALANCE END OF YEAR	$ 15,412	$ 15,412	$ 36,226	$ 20,814

See independent auditors' report.

CLINCH COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 5,505	$ 5,505
Other income	-	-	3,964	3,964
TOTAL REVENUES	-	-	9,469	9,469
EXPENDITURES				
Current:				
Judicial	-	-	16,099	16,099
TOTAL EXPENDITURES	-	-	16,099	16,099
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(6,630)	(6,630)
FUND BALANCE BEGINNING OF YEAR	-	-	23,527	23,527
FUND BALANCE END OF YEAR	$ -	$ -	$ 16,897	$ 16,897

See independent auditors' report.

CLINCH COUNTY, GEORGIA
D.A.T.E FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 17,120	$ 17,120	$ 5,657	$ (11,463)
TOTAL REVENUES	17,120	17,120	5,657	(11,463)
EXPENDITURES				
Current:				
Judicial	17,120	17,120	5,308	(11,812)
TOTAL EXPENDITURES	17,120	17,120	5,308	(11,812)
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	349	349
FUND BALANCE BEGINNING OF YEAR	-	-	2,252	2,252
FUND BALANCE END OF YEAR	$ -	$ -	$ 2,601	$ 2,252

See independent auditors' report.

CLINCH COUNTY, GEORGIA
SHERIFF'S DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended July 31, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 34,756	$ 34,756
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	-	34,756	34,756
EXPENDITURES				
Current:				
Public safety	-	-	51,752	51,752
TOTAL EXPENDITURES	-	-	51,752	51,752
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(16,996)	(16,996)
FUND BALANCE BEGINNING OF YEAR	-	-	17,177	17,177
FUND BALANCE END OF YEAR	$ -	$ -	$ 181	$ 181

See independent auditors' report.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tax and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Superior Court - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to other parties.

Magistrate Court - to account for the collection of fees in jurisdiction of small claims courts, which are disbursed to other parties.

Office of Sheriff - to account for collection of cash bonds, fines, forfeitures, etc. which are disbursed to other parties.

Probate Court - to account for the collection of fees for a probate of wills, administration of estates, issuance of marriage licenses and maintenance of other vital records which are disbursed to other parties.

CLINCH COUNTY, GEORGIA
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
July 31, 2025

	Custodial Funds					
	Tax Commissioner	Probate Court	Clerk of Superior Court	Office of Sheriff	Magistrate Court	Total
ASSETS & LIABILITIES						
Cash	$ 292,798	$ 27,170	$ 125,252	$ 6,314	$ 28,687	$ 480,221
Due from other funds	-	-	774	1,100	-	1,874
TOTAL ASSETS & LIABLITIES	292,798	27,170	126,026	7,414	28,687	482,095
LIABILITIES						
Due to others	266,984	1,873	36,913	7,849	1,896	315,515
TOTAL LIABILITIES	266,984	1,873	36,913	7,849	1,896	315,515
NET POSITION						
Net position-held for others	25,814	25,297	89,113	(435)	26,791	166,580
TOTAL NET POSITION	25,814	25,297	89,113	(435)	26,791	166,580
TOTAL LIABILITIES AND NET POSITION	$ 292,798	$ 27,170	$ 126,026	$ 7,414	$ 28,687	$ 482,095

See independent auditors' report.

CLINCH COUNTY, GEORGIA
FUDICIARY FUNDS
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
For the Year Ending July 31, 2025

	Custodial Funds					
	Tax Commissioner	Probate Court	Clerk of Superior Court	Office of Sheriff	Magistrate Court	Total
ADDITIONS						
Taxes	$ 11,594,740	$ -	$ -	$ -	$ -	$ 11,594,740
Fees	33,861	28,630	407,950	42,653	120,978	634,072
Total Additions	11,628,601	28,630	407,950	42,653	120,978	12,228,812
DEDUCTIONS						
Payment of taxes to other agencies	11,693,975	-	-	-	-	11,693,975
Payment of fees to other agencies	-	30,893	424,693	42,738	117,052	615,376
Total Deductions	11,693,975	30,893	424,693	42,738	117,052	12,309,351
CHANGE IN NET POSITION	(65,374)	(2,263)	(16,743)	(85)	3,926	(80,539)
NET POSITION BEGINNING OF YEAR	91,188	27,560	105,856	(350)	22,865	247,119
NET POSITION END OF YEAR	$ 25,814	$ 25,297	$ 89,113	$ (435)	$ 26,791	$ 166,580

See independent auditors' report.

COMPLIANCE SECTION

CLINCH COUNTY, GEORGIA
SCHEDULES OF PROJECTS FUNDED BY SPECIAL PURPOSE SALES TAX PROCEEDS
For the Year Ended July 31, 2025

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2020 SPLOST						
Roads, streets and bridge maintenance and equipment	$ 1,206,858	$ 979,858	$ 510,375	$ 174,123	$ 684,498	69.86%
Public safety vehicles, equipment and facilities	600,000	600,000	238,253	194,477	432,730	72.12%
City of Homerville	1,203,129	1,349,129	991,806	323,012	1,314,818	97.46%
Homerville Recreation Board	370,000	413,000	305,012	99,336	404,348	97.91%
City of Fargo	157,176	176,176	129,569	42,198	171,767	97.50%
City of DuPont	58,941	65,941	48,589	15,824	64,413	97.68%
City of Argyle	103,896	115,896	85,648	27,894	113,542	97.97%
Totals	$ 3,700,000	$ 3,700,000	$ 2,309,252	$ 876,864	$ 3,186,116	

See independent auditors' report.

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

To the Board of Commissioners
Clinch County, Georgia

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clinch County, Georgia, (the County) as of and for the year ended July 31, 2025, and the related notes to the financial statements, which collectively comprise Clinch County, Georgia's basic financial statements, and have issued our report thereon dated July 20, 2026. Our report included a reference to component auditors who audited the financial statements of the Clinch County Board of Health in our report on Clinch County, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clinch County, Georgia's 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 Clinch County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Clinch County, Georgia's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weakness or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiency.

A *deficiency in internal contro*l 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2025-1 to be a material weaknesses.

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 charges with governance.We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2025-2 to be a significant deficiency.

Report on Compliance and Other Matters

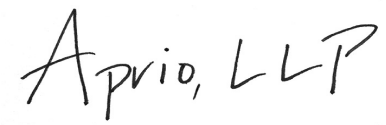
As part of obtaining reasonable assurance about whether Clinch County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and 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.*

Clinch County, Georgia's Response to Findings

Clinch County, Georgia's response to the findings identified in our audit are described in the accompanying schedule of financial statement findings and questioned costs. Clinch County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 purposes.



Valdosta, GA
July 20, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Clinch County, Georgia

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Clinch County, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Clinch County, Georgia's major federal program for the year ended July 31, 2025. Clinch County, Georgia's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Clinch County, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended July 31, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Clinch County, Georgia and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of Clinch County, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Clinch County, Georgia's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Clinch County, Georgia's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Clinch County, Georgia's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

- Identify and assess the risks of material noncompliance, 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 Clinch County, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Clinch County, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Clinch County, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

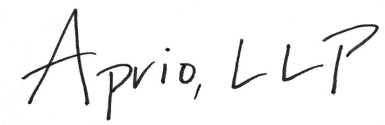
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Valdosta, GA
July 20, 2026

CLINCH COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended July 31, 2025

	Assistance Listing Number	Pass Through Grantor Number	Federal Expenditures	Passed Through to Subrecipients
Department of Interior				
Direct Federal				
Visitor Facility Enhancements - Refuges and Wildlife	15.659	N/A	38,554	-
Total Department of Interior			38,554	-
Department of Treasury				
Direct Federal				
Covid-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	132,993	-
Local Assistance and Tribal Consistency Fund	21.032	N/A	255,661	
Passed through the Georgia Office of Planning and Budget				
Covid-19 Improving Neighborhood Outcomes in Disproportionately Impacted Communities	21.027	GA-204-402-PT-082	36,991	-
Total Department of Treasury			425,645	-
United States Department of Homeland Security				
Passed through the Georgia Emergency Management Agency				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	003-99003-00	5,217,680	-
Total Department of Homeland Security			5,217,680	-
Total			$ 5,681,879	$ -

CLINCH COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JULY 31, 2025

NOTE 1. BASIS OF PREPARATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Clinch County, Georgia (the "County), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose to use the ten percent de minimis cost rate for the year ending July 31, 2025.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ending July 31, 2025.

CLINCH COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended July 31, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	*unmodified*
Internal control over financial reporting:	
Material weakness(es) identified?	X Yes ___ No
Significant deficiencies identified not considered to be material weaknesses?	X Yes ___ No
Noncompliance material to financial statements noted?	___ Yes X No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	___ Yes X No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes X None reported
Type of auditor's report issued on compliance for major programs:	*unmodified*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	___ Yes X No
Identification of major programs:	
Name of Federal Program or Cluster	Assistance Listing Number
Department of Homeland Security - Disaster Grants	97.036
Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	___ Yes X No

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPONSES

Material Weakness

2025-1 Expenditures and Deferred Revenue

Criteria:
Grant contracts required grant revenue to be recognized as expended.

Condition:
In the current year, the County failed to report all expenditures related to the grant program and did not defer reimbursements received more than 60 days after year end.

Cause of Condition:
There was a delay in receiving the grant reimbursements and the County failed to defer grant receipts collected more than 60 days after year end.

Effect of Condition:
Understated expenditures and deferred revenue resulting in an overstatement of net position in the current year. An adjustment was proposed and approved to correct the error and adjust the deferred revenue.

Response of Management:
Management concurs with the finding.

Significant Deficiency

2025-2 Segregation of Duties

Criteria:
Duties should be segregated between employees so that responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.

Condition:
The County's constitutional offices did not maintain adequate segregation of duties.

Cause of Condition:
The County's constitutional offices have limited staff.

Effect of Condition:
The lack of segregation of duties provides an opportunity for dishonesty by the elected officials and office employees and could result in the potential for lost revenue and inaccurate financial reporting.

Response of Management:
Management concurs with the finding.

SECTION III FINDINGS – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

Clinch County Board of Commissioners

County Administrator
Jaclyn James
County Attorney
Chad Corlee
County Clerk
Pam Welch

Henry Moylan, Chairman
Chad Brown, Vice Chairman
Bob Johnson, Commissioner
Tanya O'Berry, Commissioner
Debra Thomas, Commissioner

www.clinchcountyga.gov

CLINCH COUNTY, GEORGIA
CORRECTIVE ACTION PLAN

As the Government of Clinch County response, pursuant to the Official Code of Georgia Annotated, Section 36-81-7, 50-8-35, and 50-8-39 and pursuant to Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) to the findings and recommendations from our July 31, 2025, audit.

1) Finding 2025-1: Expenditures and Deferred Revenue
   Expenditures and deferred revenues should be recognized based on the requirements of grant contracts.
   a) We concur with finding 2025-1 that the Government of Clinch County's recognition of grant revenue should be in accordance with requirements of grant contracts.
   b) Missy Prescott, Finance Officer, who can be contacted at the Clinch County Commissioner's office is responsible for the corrective action plans. Grant contracts will be reviewed for proper revenue and expenditure recognition so that those revenues that have not been used are deferred. This process will be completed by August 31, 2026.
2) Finding 2025-2: Segregation of Duties
   Duties should be segregated between employees so that the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.
   a) We concur with finding 2025-2 that the Government of Clinch County should have employee duties should be segregated between employees so that the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.
   b) Missy Prescott, Finance Officer, who can be contacted at the Clinch County Commissioner's offices is responsible for the corrective action plan. The Government of Clinch County is a small local government and has limited number of personnel in their constitutional offices which hinders the ability to maintain adequate segregation of duties. This situation will continually be monitored and improvements, if possible, implemented to provide for better segregation of duties. Improvements should be completed by December 31, 2026.

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Homerville, GA 31634

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