HENRY COUNTY GOVERNMENT

2018 - COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2018













HENRY COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared By:
David Smith
Finance Director

INTRODUCTORY SECTION

HENRY COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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Office of the County Manager

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December 23, 2018

Henry County's financial statements have been audited by Mauldin & Jenkins, Certified Public Accountants, LLC. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. Our auditors have issued an unmodified opinion of Henry County's financial statements for the year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of Henry County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements. The audit particularly places special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in a separate Single Audit report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Henry County was formed in 1821 from Creek Indian Lands. Georgia's 50th county is located in the north central portion of the State of Georgia, approximately 25 miles southeast of the City of Atlanta, and is considered part of the metropolitan Atlanta area. Henry County currently occupies 322.7 square miles of land and serves a population of approximately 234,000. Henry County is empowered to levy a property tax on both real and personal property located within its boundaries.

Henry County is bordered on the north by DeKalb County, on the east by Rockdale and Newton Counties, on the south by Spalding and Butts Counties, and on the west by Clayton County. Four incorporated municipalities are located within Henry County; McDonough, which is the County seat, Stockbridge, Hampton, and Locust Grove.
The governing authority of Henry County is a Board of Commissioners consisting of five members elected by district and a Chairman elected at large. The commissioners serve on a part-time basis and are elected to staggered terms of four years. The commissioners are responsible, among other things; for passing ordinances, adopting the budget, establishing tax rates, appointing committees, and hiring the County's Manager, Clerk, and Attorney. In 1974, the General Assembly of Georgia created the position of County Administrator for Henry County. This position was changed to the present day position of County Manager in 1992. The County Manager is responsible for the administration of all of the affairs of the County over which he or she has jurisdiction, including offering positions of classified employment, as well as appointing heads of various departments.

Henry County provides a full range of services; law enforcement; corrections, the construction and maintenance of buildings, parks, streets, highways, bridges, storm water drainage facilities, and other associated infrastructure; parks and recreational activities, 911 emergency communications, voter registration and election, court systems, tax assessment and collection, building inspections, geographic information system, planning and zoning, recycling, and general administrative and support activities. The County also provides fire protection and emergency medical services for the incorporated and unincorporated areas within its boundaries with the exception of the City of McDonough.

This report includes all funds of the County, as well as those component units that have been determined to meet the criteria for inclusion in the County's reporting entity. The Henry County Water Authority, Henry County Health Department, Henry County Library System, and the Henry County Development Authority are all included as an integral part of Henry County's financial statements. Additional information on all four of these legally separate entities can be found in Notes to the Financial Statements.

The annual budget serves as the foundation for Henry County's financial planning and control. All departments and agencies of Henry County are required to submit requests for appropriation to the County Manager in February each year. The County Manager uses these requests as the starting point for developing a proposed budget. The County Manager then works in collaboration with the Chairperson to finalize the budget, as per 2015 State legislator change. The Chairperson will then present as the proposed budget to the Board of Commissioners for review during the month of May. The Board of Commissioners are required to hold public hearings on the proposed budget and to adopt a final budget, per Henry County's charter, by May 31st, for the June 30th fiscal year. The appropriated budget is prepared at the department and fund level. The County Manager may make transfers of appropriations within a department. Transfers of appropriations between departments and the appropriation of additional funds, however, require the special approval of the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the Basic Financial Statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy. Henry County is strategically located along I-75 with a total of seven interchanges within its borders. Henry County is just minutes from Atlanta, the business capital of the American South, and Hartsfield-Jackson Atlanta International Airport, the World's busiest international airport. Our outstanding labor force, abundant higher education opportunities, and high quality but affordable housing continues to make Henry County a powerful choice to live, work and play. State and national economic indicators still place Henry County in an enviable position as one of the nation's fastest-growing communities. The Atlanta Regional Commission (ARC) indicates that Henry County has the second largest population increase in its 10 county Atlanta region. Henry County has a rich variety of retail establishments, from large stores in outlying shopping centers to small mom and pop shops that serve the downtown areas. The Tanger Factory Outlet located in the City of Locust Grove draws more than 2 million shoppers annually to Henry County. According to CNNMoney.com, "Henry County is a thriving commerce center mixed with big-box retail, abundant health care services and a nurturing attitude toward small businesses." CNN Money ranked Henry County 7th in overall job growth stating a 60.5% job growth between 2000 and 2008. In the fall of 2014, Southern Crescent Technical College opened the first building of a proposed eight-building campus in McDonough and Henry County which will serve as an Academy for Advanced Studies, a Charter College, and a Career Academy. These educational programs will better prepare Henry County Students for college and careers after high school, which in turn, will provide a skilled work force for our existing and future employers.

In addition to the permanent residents and businesses of Henry County, the County hosts major sporting events each year aiding in the export of our tax burden through our Local and Special Local Option Sales Taxes (SPLOST). In February, the National Association of Stock Car Racing (NASCAR) event is held each year at the Atlanta Motor Speedway in Hampton, which is said to bring in more visitors than any other sport in Georgia. This event brings a half billion dollars to the region each year. Currently, more than 37 hotel and motel facilities provide over 2,492 guest rooms throughout the County.

Major Initiatives. During this reported fiscal year, the County improved operations of The Cotton Fields Golf Course, a 145.83 acre, 18-hole golf course which was acquired in 2007. The golf course makes the 3rd enterprise fund for the County, along with the airport and storm water utility.

In Fiscal Year 2014 (November 2013), the citizens of Henry County passed a referendum for the next phase (IV) of the Special Purpose Local Option Sales Tax (SPLOST) program. The SPLOST IV program, with collections beginning April 1, 2014 and ending March 31, 2020, is expected to collect over $190,000,000 in revenue. The funds will be used to enhance the overall social well-being of the County through various transportation, equipment and capital projects. Among the most notable of the capital projects include Fairview Community Park, which was renamed Village Park at North Henry, the construction of 3 new fire stations with equipment and replacement of another, E 911 radio replacement, Kelleytown Park, and a Senior/Recreation Center in District 2. Major transportation projects completed during Fiscal Year 2018 include Turner Church Road, Lester Mill Road, Hemphill Road at SR138, Frog Road, and Old Highway at SR 81. Some of the major transportation projects that will be completed in the SPLOST IV program include the design of the Rock Quarry Road widening, extension of McDonough Parkway, Anvil Block Road widening, East Lake at SR20, SR81 @ Mill Road and Lake Dow/Rosser/Rodgers intersection improvements. Many of these proposed projects will also make Henry County a more attractive place to do business. Bringing new companies to the area will create new jobs and bolster the local economy. The County also continues to complete the Campground Road Extension major project from the SPLOST III program which began in April of 2008 and ended in April of 2014. The entire revenue stream for SPLOST III has been collected. In prior years, the Henry County Board of Commissioners, together with the SPLOST Department, has completed many capital projects that have proved to greatly benefit the citizens of Henry County, including the Judicial Center Parking Deck, the Locust Grove Senior Center, the Domestic Violence Center, the Emergency Operations Center, Warren Holder Park, North Mt. Carmel Park, the Hampton Library, the Locust Grove Recreation Center and the Fairview Recreation Center. Major transportation projects that have greatly improved Henry County's flow of traffic for its citizens and schools include Eagles landing parkway, Hudson Bridge Road, Rocky Creek Road to Hampton/Locust Grove Road, Rock Quarry Road Bridge and East Lake Parkway.

As part of the Metropolitan North Georgia Water Planning District (MNGWPD) Model Floodplain Management/Flood Damage Prevention Ordinance, the Henry County Storm Water Department is continuing with updating a comprehensive mapping process. The maps allow developers, builders and residents to make sure all structures are built outside of the floodplain, saving them both time and money. In addition, homeowners are able to learn if parts of their property are in a flood plain. The findings and results of this data are free to the public.

The Henry County Board of Commissioners continues to implement a program to help local businesses and strengthen our local economy. The Supplier Inclusion Program Policy recognizes the benefit of creating an equal opportunity for all vendors to participate in the County's procurement process, and the County has a commitment to diversity and non-discrimination in business operations. Accordingly, the County will make a good-faith effort to utilize local businesses, veteran-owned business, small business enterprises, disadvantaged business enterprise (DBE) businesses and female-owned businesses throughout the procurement process. This effort does not equate to a quota or set percentage, and all efforts to contact and engage local businesses, veteran-owned business, small business enterprises, DBE businesses and female-owned businesses will be fair and impartial. No preference will be given to any business group or classification, and this program is being created to ensure that the identified business groups have the unimpeded ability to compete in the bidding process and to do business with Henry County.

Cash Management Policies and Practices. Henry County has a responsibility to carefully account for public funds, to manage County finances wisely, and to plan for the provision of public services. The process is complex because unlike private businesses, Henry County has a broader range of responsibilities. The County is expected to address the community's social issues, protect the citizens' interest, provide public safety, and enforce laws and regulations. The key values of the County's financial management include fiscal integrity, prudence, planning, accountability, honesty, and transparency. Specifically, it is the County's intent to maximize the level of public goods and services while minimizing the level of debt. In this effort, Henry County has contracted with SunTrust Bank to provide banking and investment services. In addition, Regions Bank, Georgia Fund One, and East West Bank, provide investment services to the County. All operating funds of the county are carried in an interest-bearing Public Funds Interest Checking Accounts, Public Funds Interest Money Market Accounts and/or Certificate of Deposits in order to maximize interest income and to diversify the County's portfolio. The County does not currently incur financial fees or charges for banking services. In relation to our prudent financial management, Henry County maintains an Aa1 credit rating from Moody's Investor Services and AA from Standard and Poor's. These ratings produce significant interest savings and are solid evidence of our financial strength and stability.

Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Henry County, Georgia for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. This was the thirteenth year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report (CAFR) continues to follow the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). We believe the data presented in this report are accurate in all material respects and conforms to the standards of the GFOA program for the Certificate of Achievement. Accordingly, we are submitting this report to GFOA for evaluation of eligibility for another certificate.

In addition, Henry County also received our 12th GFOA Award for Outstanding Achievement in Popular Financial Reporting (PAFR) for the fiscal year ended June 30, 2017. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, the County had to publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

The active involvement and professional support of Mauldin & Jenkins CPAs, LLC, Miller Edwards, Partner, and the auditing staff have been instrumental to the completion of the associated audit of this report. The cooperation of various Elected Officials, appointed management, and the Finance Department Staff has been invaluable. We express our appreciation to all those who contributed to its preparation. Finally, we would like to thank the Board of Commissioners for their leadership and support in conducting the financial affairs of Henry County in a responsible and progressive manner.

Respectfully submitted,



Cheri Hobson-Matthews, County Manager



David Smith, Director, Financial Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Henry County

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Constitutional Officers

Elected Officials

Henry County Board of Commissioners

- Executive Assistant to the Board
  - Communications Director
  - County Clerk
    - Assistant County Clerk
  - Human Resources Director
    - Risk Management
    - Human Resources
  - County Manager (Chief Administrative Officer)
    - Finance
      - *Budgets
    - -Parks and Recreation
      -DOT
      -Stormwater
      -Transit
      -Fire
      -911 Emergency OPS
      -Police
      -Airport
      -SPLOST (2)
      -Technology Services
      -Code Enforcement
      *Animal Control
      -Purchasing
  - Executive Assistant
  - Assistant County Manager
    - -Planning and Zoning
      -Building & Plan Review
      -Facilities
      -Community Development Block Grant (Housing)
      -Tax Assessor
      -GIS
      -Fleet
      -Elections
      -Extension Services
      -Senior Services
      -Connecting Henry
  - County Attorney

Supplemental and Alternate Funded Programs and Departments

Rev. 1/17/2017

HENRY COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2018

Elected Officials

Chairman, At Large	**June Woods**
District 1	**Johnny Wilson**
District 2	**Dee Clemons**
District 3	**Gary Barham**
District 4, Vice Chairman	**Blake Prince**
District 5	**Bruce Holmes**
Tax Commissioner	**David Curry**
Sheriff	**Keith McBrayer**
Clerk of Superior Court	**Barbara Harrison**
Superior Court Judge	**Arch McGarity**
Superior Court Judge	**Wade Crumbley**
Superior Court Judge	**Brian Amero**
State Court Judge	**Ben Studdard**
State Court Judge	**James Chafin**
State Court Judge	**Ernest Blount**
State Court Judge	**Jason Harper**
Probate Court Judge	**Kelley Powell**
Magistrate Court Judge	**Robert Godwin**
District Attorney	**Darius Pattillo**
Solicitor	**Trea Pipkin**

Principal Officials

County Manager	**Cheri Hobson-Matthews**
Assistant County Manager	**Brad Johnson**
County Clerk	**Stephanie Braun**
Fire Chief	**Luther Phillips**
Deputy Police Chief	**Mark Amerman**
Director of Financial Services	**David Smith**

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Henry County, Georgia
McDonough, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of **Henry County, Georgia** (the "County"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Henry County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Henry County Department of Public Health, which represent 0.19%, (0.06)%, and 0.82%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Henry County Department of Public Health, is based solely on the reports of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henry County, Georgia, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Neighborhood Stabilization Fund and the E-911 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 12 and 18, the County implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, as of July 1, 2017. This standard significantly changed the accounting for the City's net other post-employment benefits (OPEB) liability and the related disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 6 through 20), Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on pages 95), Schedule of Changes in the County's Net Pension Liability (on pages 96 and 97), Schedule of County Contributions – Retirement Plan (on page 98), Schedule of Proportionate Share of Net Pension Liability – Teachers' Retirement System of Georgia – Library System (on pages 99), Schedule of Contributions – Teachers' Retirement System of Georgia – Library System (on page 100), and Notes to Required Supplementary Information – Teachers' Retirement System of Georgia – Library System (on page 101) be presented to supplement the basic financial statements. Such information, 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Henry County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, and the schedules of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2018 on our consideration of Henry 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 the County'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 Henry County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 23, 2018

HENRY COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2018

As management of Henry County, Georgia, we offer readers of Henry County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the financial statements, and the notes to the financial statements.

Financial Highlights

- At June 30, 2018, the County's General Fund reported a total fund balance of $71,206,521, an increase of $3,538,805, or 5.2%, from prior fiscal year.
- Total assets of governmental and business-type activities exceeded liabilities at June 30, 2018, by $708,525,998 (net position). This is a net decrease of $16,808,411 over the previous year. A $30,445,771 required restatement of beginning net position was recorded for other post-employment benefits (OPEB) in accordance with GASB Statement Number 75. This statement changed the standards for recognizing and measuring this liability.
- The 2014 Special Purpose Local Option Sales Tax (SPLOST) generated total revenues of $36,930,112. An increase of approximately 6.5% over the prior year. $56,722,311 was expended from SPLOST 2014 leaving a fund balance of $26,634,396 at the end of fiscal year 2018.
- The 2008 Special Purpose Local Option Sales Tax (SPLOST) expended $8,830,928 on various projects leaving an ending fund balance of $7,314,699.
- During fiscal year 2018, Henry County's Airport Fund recognized its sixth complete fiscal year of operations with aggregate revenues and capital contributions of $2,516,495, offset by expenses of $1,038,741, leaving a net profit of $1,477,754 before operating transfers in.

Overview of the Financial Statements

This Discussion and Analysis is intended to serve as an introduction to Henry County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Henry County's finances, in a manner similar to a private-sector business. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

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. A review of annual increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the Government-wide Financial Statements distinguish functions of Henry County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of Henry County are the Airport (Atlanta Speedway Airport), Stormwater Utility, and the Cotton Fields Golf Course.

The Government-wide Financial Statements include not only Henry County itself (known as the primary government), but also the Henry County Department of Public Health, the Henry County Library System and the Henry County Water Authority. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The Government-wide Financial Statements can be found on pages 21 - 23 of this report.

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 objectives. Henry County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories***: governmental funds, proprietary funds and fiduciary funds***.

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

Because the focus of 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 in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-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.

Henry County maintains governmental funds to account for the following activities: **General**; **Special Revenue** (Confiscated Assets Fund, Hotel/Motel Tax Fund, E-911 Fund, Law Library Fund, Court Fund, Technology Fund, Neighborhood Stabilization Fund, Neighborhood Stabilization 3 Fund, CDBG Fund, Juvenile Assistance Fund, Grant Fund, Henry First Fund, and Drug Court Fund); **Capital Projects** (Development Authority Fund, Capital Asset Fund, 2002 SPLOST Fund, 2008 SPLOST Fund, 2014 SPLOST Fund, and Impact Fees Fund); and **Debt Service**. As major funds, information is presented separately in the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Neighborhood Stabilization Fund, 2008 SPLOST Fund, and 2014 SPLOST Fund. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Henry County adopts an annual appropriated budget for its general, special revenue, and debt service funds. A project-length budget is adopted for the capital projects funds. A budgetary comparison statement has been provided for the General Fund. This statement is found on pages 28 - 30 of this report.

The basic Governmental Fund Financial Statements can be found on pages 24 – 32. Budgetary comparison schedules have also been included in the combining statements for other governmental funds with legally adopted annual budgets.

Proprietary Funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements and are reported as Proprietary Funds. Henry County maintains three enterprise funds. The Airport, Stormwater, and the Cotton Fields Golf Course were established for County operations that are financed and operated in a manner similar to private business enterprises. The cost (expenses, including depreciation) of providing the services to the general public is recovered in whole or in part through user charges.

The Proprietary Fund Financial Statements provide separate information for the Airport (major fund), Stormwater and The Cotton Fields Golf Course (non-major funds).

The basic proprietary fund financial statements can be found on pages 33 – 36 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support Henry County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic Fiduciary Fund Statement of Fiduciary Assets and Liabilities can be found on page 37 of this report.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 38 – 94 of this report.

Other Information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the Required Supplementary Information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Henry County, assets exceed liabilities by $708,525,998 at the close of the June 30, 2018 fiscal year.

The following analysis provides a breakdown of the County's net position in a condensed format presenting current and non-current amounts for the governmental activities as well as for the business-type activities.

Henry County's Net Position

	Governmental Activities		Business-type Activities		Total		
	2018	2017	2018	2017	2018	2017	Variance
Current and other assets	$ 150,126,693	$ 161,222,494	$ 5,573,033	$ 5,200,806	$ 155,699,726	$ 166,423,300	$ (10,723,574)
Capital assets	663,407,513	641,609,611	28,546,205	24,807,885	691,953,718	666,417,496	25,536,222
Total assets	813,534,206	802,832,105	34,119,238	30,008,691	847,653,444	832,840,796	14,812,648
Deferred outflows of resources	23,290,700	23,411,442	266,193	334,822	23,556,893	23,746,264	(189,371)
Current liabilities	24,849,867	10,194,262	429,874	243,367	25,279,741	10,437,629	14,842,112
Long-term liabilities	131,889,343	120,058,669	533,852	756,353	132,423,195	120,815,022	11,608,173
Total liabilities	156,739,210	130,252,931	963,726	999,720	157,702,936	131,252,651	26,450,285
Deferred inflows of resources	4,925,113	-	56,290	-	4,981,403	-	4,981,403
Net position:							
Net investment in capital assets	635,654,846	605,981,070	28,546,205	24,807,885	664,201,051	630,788,955	33,412,096
Restricted	34,582,275	59,773,743	-	-	34,582,275	59,773,743	(25,191,468)
Unrestricted	4,923,462	30,235,803	4,819,210	4,535,908	9,742,672	34,771,711	(25,029,039)
Total net position	$ 675,160,583	$ 695,990,616	$ 33,365,415	$ 29,343,793	$ 708,525,998	$ 725,334,409	$ (16,808,411)

The largest portion of the County's net position (94%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and roads), less any related debt used to acquire those assets that are 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 Henry County's net position ($34,582,275 or 5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($9,742,672 or 1%) may be used to meet the government's ongoing obligations to citizens and creditors.

There was a decrease in current and other assets of $10,723,574 and an increase in capital assets of $25,536,222 creating a net increase of $14,812,648 in total assets. The primary reason for the decrease in current and other assets is due to the continued use of Cash and Investments to purchase needed capital items and fund construction in progress for many of the County's departments and the avoidance of increasing the property tax millage. The increase in Capital Assets was primarily due to the completion of many major SPLOST projects during the fiscal year.

Long-term liabilities increased by $11,608,173. Current liabilities increased by $14,842,112. The total increase in liabilities amounted to $26,450,285. The increase in liabilities was due to the increase in the OPEB obligation and the result of an increase in due to other governments in the SPLOST IV fund. A liability was recorded this year to offset asset accounts for bond proceeds for the City of McDonough and the City of Stockbridge.

There was a decrease of $25,191,468 in restricted net position reported in connection with Henry County's governmental activities due to a decrease in debt obligations. Several capital leases where paid off during fiscal year 2018. The restrictions are primarily for capital projects, debt service, housing and development, federal and state grants, citizen welfare, law enforcement purposes, and public safety purposes. Restrictions for capital projects are mostly restrictions for the SPLOST Funds. There were no restrictions on the net position related to the business-type activities.

Governmental activities. Governmental activities decreased the County's Net Position by $20,830,033.

Key elements of the decrease in governmental activities are noted in the following analysis which represents a condensed statement of activities and changes in net position:

Henry County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total		Variance
	2018	2017	2018	2017	2018	2017	Pos. (Neg.)
Program revenues:							
Charges for services	$ 34,701,438	$ 33,806,869	$ 4,991,622	$ 4,680,121	$ 39,693,060	$ 38,486,990	$ 1,206,070
Grants and contributions:							
Operating	3,529,677	6,342,974	-	-	3,529,677	6,342,974	(2,813,297)
Capital	1,284,941	2,461,430	1,534,045	2,246,996	2,818,986	4,708,426	(1,889,440)
General revenues:							
Property taxes	87,467,649	82,812,154	-	-	87,467,649	82,812,154	4,655,495
Sales taxes	61,629,877	57,857,266	-	-	61,629,877	57,857,266	3,772,611
Other taxes	12,709,244	11,915,652	-	-	12,709,244	11,915,652	793,592
Unrestricted investment earnings	1,368,864	677,993	22,101	17,808	1,390,965	695,801	695,164
Total revenues	202,691,690	195,874,338	6,547,768	6,944,925	209,239,458	202,819,263	6,420,195
Expenses, by function:							
General government	39,029,968	41,927,026	-	-	39,029,968	41,927,026	(2,897,058)
Judicial	16,552,041	16,659,528	-	-	16,552,041	16,659,528	(107,487)
Public safety	86,764,996	91,769,235	-	-	86,764,996	91,769,235	(5,004,239)
Public works	28,860,276	4,136,491	-	-	28,860,276	4,136,491	24,723,785
Health and welfare	5,717,268	8,042,763	-	-	5,717,268	8,042,763	(2,325,495)
Culture and recreation	8,768,250	12,392,537	-	-	8,768,250	12,392,537	(3,624,287)
Housing and development	4,644,787	7,828,012	-	-	4,644,787	7,828,012	(3,183,225)
Interest on long-term debt	679,366	813,111	-	-	679,366	813,111	(133,745)
Stormwater	-	-	3,546,405	3,461,535	3,546,405	3,461,535	84,870
Airport	-	-	1,038,741	890,852	1,038,741	890,852	147,889
Total expenses	191,016,952	183,568,703	4,585,146	4,352,387	195,602,098	187,921,090	7,681,008
Change in net position before transfers	11,674,738	12,305,635	1,962,622	2,592,538	13,637,360	14,898,173	(1,260,813)
Transfers	(2,059,000)	63,714	2,059,000	(63,714)	-	-	-
Increase in net position	9,615,738	12,369,349	4,021,622	2,528,824	13,637,360	14,898,173	$ (1,260,813)
Net position, beginning of year, as restated	665,544,845	683,621,267	29,343,793	26,814,969	694,888,638	710,436,236	
Net position, end of year	$ 675,160,583	$ 695,990,616	$ 33,365,415	$ 29,343,793	$ 708,525,998	$ 725,334,409	

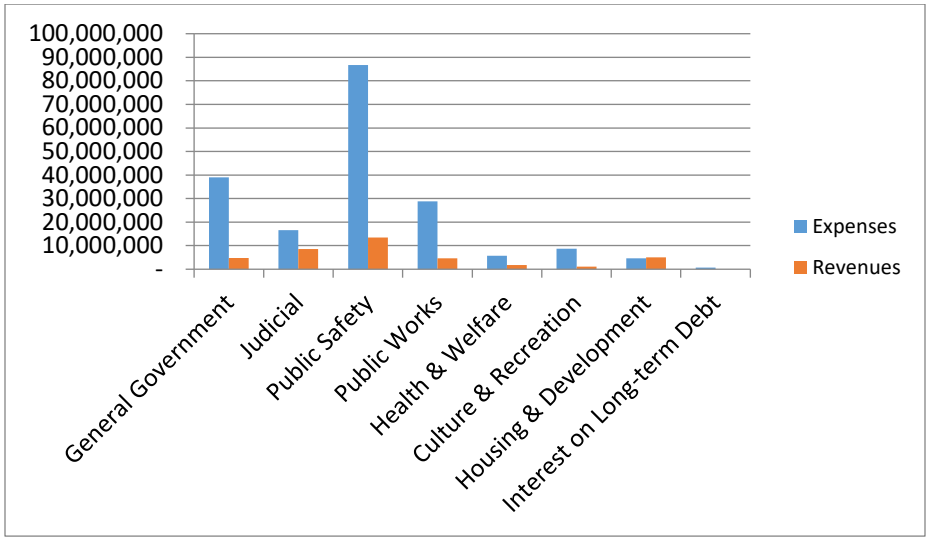
Operating grants decreased by $2,813,297 (or 44.3%). Most of the decrease is due to decreased Housing and Development activity. NSP is winding down. No inventory remains to be sold. Capital grants also decreased by $1,889,440 during the year. This is mainly due to public works activity and a different phase of airport construction (i.e. runway extension) which resulted in less grant expenditure.

Property taxes increased by $4,655,495 (or 5.6%) during the year. This increase is due primarily to the increase of the value of real property. Sales taxes increased by $3,772,611 (or 6.5%) during the year. This is mainly due to an increase in retail activity.

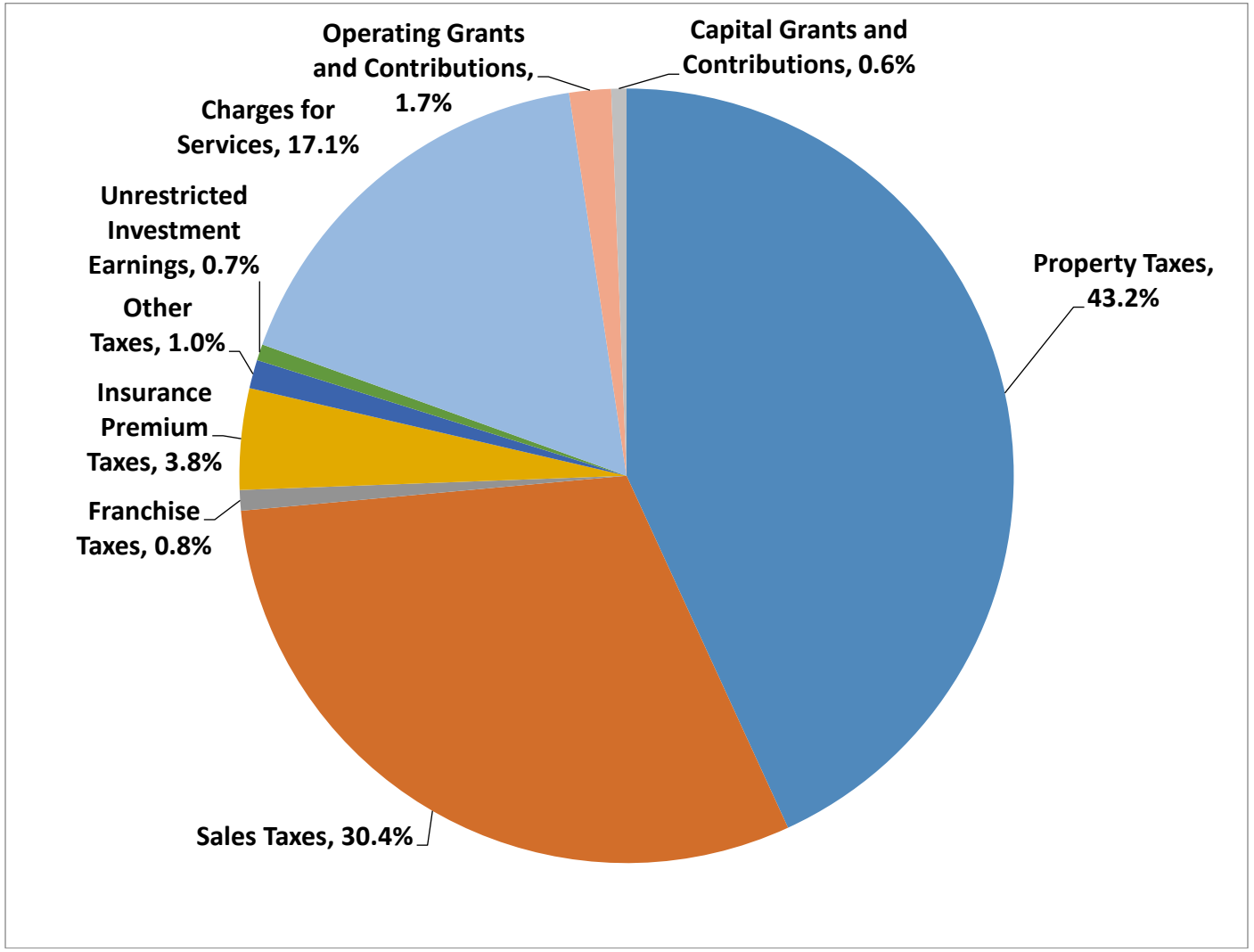
Total expenses were $7,681,008 (or 4%) higher than the prior fiscal year. The biggest areas of change were in the functional areas of:

- Public Works increased $24,723,785 due to capital construction projects started but not completed during the year.
- Public Safety decreased $5,004,239 mainly due to decreased personnel services and capital outlays.
- Culture and Recreation decreased $3,624,287 due to deferring capital asset purchases and renovations.
- Housing and development decreased by $3,183,225 due to various NSP and CDBG programs winding down.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Business-type activities. Henry County started an enterprise fund, Stormwater Utility, during fiscal year 2007 for the purpose of fairly allocating the costs of Stormwater Management to all properties. Specifically, the fund allows for the conservation, management, protection, control, use, and enhancement of stormwater within the County's corporate jurisdiction, and for the planning, acquisition, construction, installation, management, operation, maintenance, regulation, extension, and improvement of the stormwater control systems. In fiscal year 2018, the Stormwater Fund realized total revenues of $3,430,488 and incurred expenses of $2,939,695 thus creating an operating income of $490,793. Operating revenues increased by $35,899 due mainly to increased collection of fees over the previous year. Operating expenses increased from the prior year by $38,103 due mainly to purchased contracted services.

Henry County's enterprise fund for the Airport was created in fiscal year 2012, with the acquisition of Tara Field Airport. With the acquisition, Henry County aimed to enhance its economy by "leveling the playing field" with other communities that have already invested in enhanced aviation infrastructure. The Board of Commissioners (BOC) requested the airport name be changed to Henry County Airport. The name was changed again to Atlanta Speedway Airport in 2017. Henry County is in the process of completing improvements advocated by the FAA in its Environmental Assessment report. Those recommended enhancements and improvements continue to be funded almost entirely (95%), by the Federal Aviation Administration (FAA) (90%) and GDOT (5%). Some of these improvements call for installing an instrument landing system that will bring the facility up to the safety standards recommended for the size and type of aircraft that are currently flying into Atlanta Speedway Airport. During fiscal year 2016, Phase II of the airport runway/taxiway extension project began. Phase II is in progress with capital contributions related to the grant funds utilized to enhance and improve the airport amounted to $1,534,045. In fiscal year 2018, the Airport realized operating revenues of $982,450 and incurred expenses of $1,038,741, creating an operating loss before capital contributions and transfers in of $56,291

Henry County purchased the Cotton Fields Golf Course in 2007. However, the County hired a management company to operate the golf course and was under a contractual agreement through fiscal year 2016. The County began the first full year of operating the Cotton Fields Golf Course as an enterprise fund on July 1, 2016. In fiscal year 2018, the Cotton Fields Golf Course enterprise fund realized operating revenues of $578,684 and incurred expenses of $606,710, creating an operating loss of $28,026.

Financial Analysis of the Government's Funds

As noted earlier, Henry County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of Henry 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Henry County Board of Commissioners adopted in May 2015 by resolution a Fund Balance Policy that states a minimum unassigned fund balance in the General Fund will reflect the amount of 25% of the subsequent year's budgeted expenditures and outgoing transfers.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $122,806,492 as compared to the previous fiscal year which amounted to $148,765,107, a decrease of $25,958,615 (or 17.4%).

Of the ending governmental fund balances $57,476,480 (or 46.8%) constitutes unassigned fund balance, which is available for spending at the government's discretion. An additional $485,495 is classified as non-spendable for prepaid items and inventories, and another $10,823,589 is assigned. The remaining fund balances totaling $54,020,928 is classified as restricted to indicate that it is not available for new spending because it has already been restricted for: capital projects ($24,529,371); debt service ($8,561,000); and other requirements ($20,930,557).

The **General Fund** is the chief operating fund of Henry County. At the end of the current fiscal year, fund balance for the General Fund increased by $3,538,805. Unassigned fund balance of the General Fund was $58,684,990, while total fund balance reached $71,206,521. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 42% of total General Fund expenditures, while total fund balance represents 51% of that same amount. The General Fund's non-spendable and restricted fund balances are relatively small and represent reserves for public safety, prepaid items, inventories, and capital projects.

The **2008 SPLOST** Capital Projects Fund accounts for the financial resources provided from the 2008 one percent Special Purpose Local Option Sales Tax Referendum. These resources must be used for various capital projects and road improvements throughout the County. At the end of the 2018 fiscal year, the 2008 SPLOST Capital Projects Fund had a total fund balance of $7,314,699, a decrease of $8,707,838 from the prior year. The decrease in fund balance is due to large projects continuing to be built each year with no revenues to offset. This is due to the ending of the collection on the one percent Special Purpose Local Option Sales Tax (ended March 31, 2014). As the 2008 projects continue to be built, this fund balance will continue to decrease.

The **2014 SPLOST** Capital Projects Fund accounts for the financial resources provided from the 2014 one percent Special Purpose Local Option Sales Tax. These resources must be used for various capital projects and road improvements throughout the County. At the end of the 2018 fiscal year, the 2014 SPLOST Capital Projects Fund had a total fund balance of $26,634,396, a decrease of $18,363,994 from the prior year. The decrease in fund balance is due to the SPLOST IV program being in its 4th full year. Many of the major 2014 projects are under construction causing there to be more expenditures than collections for the fiscal year.

Proprietary Funds. Henry County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Henry County has three enterprise funds: the Airport Fund, the Stormwater Fund, and The Cotton Fields Golf Course Fund. At the end of the current fiscal year, the County's proprietary funds reported ending net position of $33,365,415, an increase of $4,021,622. The Airport Fund, $3,840,532 is the primary driver. The Stormwater Fund continues to generate revenues to offset its expenses. The Stormwater Fund has total net position of $5,653,005. Of that amount, $1,255,580 is invested in capital assets and unrestricted is $4,397,425.

General Fund Budgetary Highlights

Although the final budget was amended upward from the original budget, cost controls in other expenses brought the General Fund actual expenditures $3,538,805 less than the final amended budget. This was due to a combined effort on the part of all departments to tightly manage their spending; as summarized below.

- General Government actual spending was $960,433 less than the final budget.
- Judicial services actual spending was $623,773 less than the final budget.
- Public Safety actual spending was $615,044 less than final budget.
- Public Works' actual spending was $867,902 less than the final budget. The most significant savings of $563,435 was from construction and roads and $204,799 from the Department of Transportation (DOT).
- Culture and Recreation actual expenditures were $258,366 less than the final budget.
- Housing and Development had actual expenditures $215,765 less than the final budget. Most of the savings were in the building department of $137,901.

Capital Asset and Debt Administration

Capital assets. Henry County's governmental activities investment in capital assets as of June 30, 2018, amounts to $663,407,513 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Henry County's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	$ 99,402,791	$ 97,780,550	$ 22,246,936	$ 19,886,936	$ 121,649,727	$ 117,667,486
Construction in progress	58,263,777	29,097,892	2,125,891	445,148	60,389,668	29,543,040
Buildings and improvements	138,071,694	139,284,697	-	-	138,071,694	139,284,697
Machinery and equipment	21,189,880	16,982,168	1,281,755	1,504,832	22,471,635	18,487,000
Infrastructure	346,479,371	358,464,304	2,891,623	2,970,969	349,370,994	361,435,273
Total	$ 663,407,513	$ 641,609,611	$ 28,546,205	$ 24,807,885	$ 691,953,718	$ 666,417,496

Governmental activities capital assets increased by $21,797,902. Transfers from construction in progress to depreciable capital assets accounted for a decrease of $7,509,223. Depreciation expense of governmental capital assets amounted to $24,989,080.

Major projects consisted of the following:

- Acquisition of land for right of ways
- Acquisition of land for parks
- Upgrading of various County fleets
- Addition of completed roads
- Improvements to County parks
- Equipment for parks
- Equipment for public safety and public works
- Computer servers and equipment
- Improvements to County Buildings

Most completed projects are SPLOST III and SPLOST IV road and capital projects. SPLOST IV, which is in its fourth full year in fiscal year 2018, has many projects that were completed during the fiscal year and more that will be completed in the coming years as the program enters the second half of its life cycle.

Business-type activities capital assets increased by $3,738,320 offset by depreciation expense of $310,907. The largest element of the capital asset additions was land purchased for the runway expansion.

Additional information on the County's capital assets can be found in Note 6 of this report.

Long-term debt. At the end of the current fiscal year, Henry County had total bonded debt outstanding of $16,791,665, including premiums, and this debt is backed by the full faith and credit of the government.

Henry County's Outstanding Debt
General Obligation Bonds

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Debt	$ 16,791,665	$ 25,050,527	$ -	$ -	$ 16,791,665	$ 25,050,527
Total	$ 16,791,665	$ 25,050,527	$ -	$ -	$ 16,791,665	$ 25,050,527

The General Obligation Sales Tax Bonds, Series 2015, was issued May 2015, after completing the payoff of the Series 2008 bonds for SPLOST III. The proceeds of the Bonds will be used to finance certain capital outlay projects for the County and the Cities of Locust Grove, McDonough and Stockbridge and pay the costs of issuing the Bonds. The Special Purpose Local Option Sales Tax (SPLOST) IV bond is to be paid back during fiscal years 2015, 2016, 2017, 2018, 2019, and 2020. The bonds will be paid off with proceeds from the monthly collection of SPLOST revenue.

During the fiscal year 2016, the Development Authority refunded a revenue bond to lower the interest rate; resulting in substantial debt service savings for the County. The interest rate changed from 4.40% to an average variable rate of 1.854%. The bonds were originally issued to finance the acquisition of land. This revenue bond will be paid back during fiscal years 2016 thru 2022, versus the prior bond which ended in 2032.

Henry County's enterprise funds which are reported under business-type activities did not incur any debt and did not have debt in prior years.

Henry County maintains an "Aa1" issuer rating from Moody's and an "AA" rating from Standard & Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current limitation for Henry County is $656,199,958 which is significantly in excess of the Henry County's outstanding general obligation debt. Additional information regarding the County's long-term debt can be found in Note 7 of this report.

Economic Factors and Next Year's Budgets

- The unemployment rate for Henry County at June 30, 2018, is 3.5%, which is 1.5% less than the unemployment rate of 5% a year ago. A very large sector of Henry County's local working population was in retail and logistics.
- Since the great recession, for the past five fiscal years, the local option sales tax collection has increased for Henry County. That statement continues to hold true for fiscal year 2018. Fiscal year 2018 local option sales tax collection over fiscal year 2017, increased by approximately 6.5%. It is anticipated that fiscal year 2018, will see a conservative increase over 2017, to continue the upward trend in collections.
- The BOC was able to maintain the same millage rate for 2018 at 12.73 mills. The fiscal year 2018, budget process focused on balancing the budget, without any use of additional property tax collections over the prior year.
- Henry County is designated a Community Development Block Grant (CDBG) Program entitlement urban county by the U.S. Department of Housing and Urban Development. The County's CDBG program year ended June 30, 2018 completing its sixth program year. A total of $1,129,305 of CDBG funds were expended during fiscal year 2018. Improvements during fiscal year 2018 include the rehabilitation activities of 26 owner occupied properties; as well as the public housing modernization activities at the McDonough Housing Authority. Funding for 3 Public Facilities and Improvements projects were completed, expending a total of $287,303. Five (5) Public Service activities were assisted expending $102,099 of CDBG funding. The expenditure of CDBG funding benefited 32,873 persons and 144 households.
- Henry County has administered the Neighborhood Stabilization Program (NSP) since 2009. The County is a recipient of NSP 1 and NSP 3 funds. The County was awarded $9,799,776 in NSP funds. As of fiscal year 2018, the County has received nearly $8, 000,000 in NSP funds directly from the U.S. Department of Housing and Urban Development (HUD) and as a pass through grant from the Georgia Department of Community Affairs (DCA). The Neighborhood Stabilization Program supports state and local governments in the acquisition, rehabilitation, and disposition of foreclosed, bank owned, vacant and abandoned properties. NSP homes must be sold at or below market appraisal price and below what the County has in the home to Low and Moderate income homebuyers. One objective of the NSP is to make home buying more affordable for income eligible buyers. The other objectives include converting foreclosed, bank-owned, vacant, and abandoned properties back to owner occupied homes ultimately stabilizing the housing market. Henry County purchased 335 homes through the NSP from 2009-2014. All homes have been sold as of the fiscal year ending 2017. There are no homes remaining in inventory.
- During 2019, and going forward, Henry County will continue to do its best to secure outside funding sources, such as grants and private participation, to continue to construct roads and capital projects and purchase capital items.

Requests for Information

This financial report is designed to provide a general overview of Henry 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 financial information should be addressed to:

Henry County Board of Commissioners
Finance Department
140 Henry Parkway
McDonough, Georgia 30253.

BASIC FINANCIAL STATEMENTS

HENRY COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Health Department	Library System	Water Authority
ASSETS						
Cash and cash equivalents	$ 127,218,298	$ 4,111,556	$ 131,329,854	$ 1,938,056	$ 1,173,997	$ 4,787,598
Investments	11,721,160	-	11,721,160	-	225,133	-
Receivables, net of allowances for uncollectibles	3,643,874	1,166,882	4,810,756	-	36,370	7,105,389
Due from other governments	7,021,655	296,686	7,318,341	-	-	-
Internal balances	36,211	(36,211)	-	-	-	-
Inventory	265,127	34,120	299,247	-	-	811,473
Prepaid items	220,368	-	220,368	-	1,035	-
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	11,104,656
Investments	-	-	-	-	-	98,011,420
Capital assets, non-depreciable	157,666,568	24,372,827	182,039,395	-	-	59,884,809
Capital assets, depreciable (net of accumulated depreciation)	505,740,945	4,173,378	509,914,323	91,574	1,196,612	277,912,964
Net pension asset	-	-	-	-	-	994,476
Total assets	813,534,206	34,119,238	847,653,444	2,029,630	2,633,147	460,612,785
DEFERRED OUTFLOWS OF RESOURCES						
Deferred refunding charges	-	-	-	-	-	4,221,135
OPEB	-	-	-	265,723	-	-
Pensions	23,290,700	266,193	23,556,893	292,816	823,012	2,983,600
Total deferred outflows of resources	23,290,700	266,193	23,556,893	558,539	823,012	7,204,735

(Continued)

HENRY COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Health Department	Library System	Water Authority
LIABILITIES						
Accounts payable	$ 7,534,174	$ 322,206	$ 7,856,380	$ -	$ 33,256	$ 1,309,108
Accrued liabilities	6,754,371	84,623	6,838,994	-	96,028	6,913,543
Due to other governments	9,738,679	5,378	9,744,057	-	-	-
Unearned revenue	460,234	17,667	477,901	-	-	-
Payable from restricted assets:						
Revenue bonds payable	-	-	-	-	-	12,340,000
Accrued interest payable	362,409	-	362,409	-	-	2,525,519
Non-current liabilities:						
Due within one year	20,260,106	-	20,260,106	53,238	74,912	2,835,755
Due in more than one year	26,391,718	-	26,391,718	101,648	-	178,809,666
Net pension liability due in more than one year	46,709,672	533,852	47,243,524	1,587,657	2,282,276	-
Total OPEB liability due in more than one year	38,527,847	-	38,527,847	1,320,221	-	14,666,949
Total liabilities	156,739,210	963,726	157,702,936	3,062,764	2,486,472	219,400,540
DEFERRED INFLOWS OF RESOURCES						
OPEB	-	-	-	122,861	-	830,070
Pensions	4,925,113	56,290	4,981,403	14,903	43,060	2,775,662
Total deferred inflows of resources	4,925,113	56,290	4,981,403	137,764	43,060	3,605,732
NET POSITION						
Net investment in capital assets	635,654,846	28,546,205	664,201,051	91,574	1,196,612	157,973,622
Restricted for:						
Capital projects	14,810,053	-	14,810,053	-	-	-
Housing and development	948,159	-	948,159	-	-	-
Federal and State grants	263,519	-	263,519	-	-	-
Citizens welfare	498,483	-	498,483	-	-	-
Law enforcement purposes	2,205,022	-	2,205,022	-	-	-
Public safety purposes	7,296,039	-	7,296,039	-	-	-
Debt service	8,561,000	-	8,561,000	-	-	92,345,098
Health and welfare	-	-	-	986,846	-	-
Unrestricted	4,923,462	4,819,210	9,742,672	(1,690,779)	(269,985)	(5,507,472)
Total net position	$ 675,160,583	$ 33,365,415	$ 708,525,998	$ (612,359)	$ 926,627	$ 244,811,248

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

HENRY COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Health Department	Component Units: Library System	Component Units: Water Authority
Primary government:										
Governmental activities:										
General government	$ 39,029,968	$ 4,741,725	$ 25,670	$ 11,375	$ (34,251,198)	$ -	$ (34,251,198)	$ -	$ -	$ -
Judicial	16,552,041	8,465,768	100,000	-	(7,986,273)	-	(7,986,273)	-	-	-
Public safety	86,764,996	12,496,319	861,923	57,350	(73,349,404)	-	(73,349,404)	-	-	-
Public works	28,860,276	3,530,256	-	1,165,349	(24,164,671)	-	(24,164,671)	-	-	-
Health and welfare	5,717,268	423,150	1,404,145	-	(3,889,973)	-	(3,889,973)	-	-	-
Culture and recreation	8,768,250	1,110,060	-	50,867	(7,607,323)	-	(7,607,323)	-	-	-
Housing and development	4,644,787	3,934,160	1,137,939	-	427,312	-	427,312	-	-	-
Interest on long-term debt	679,366	-	-	-	(679,366)	-	(679,366)	-	-	-
Total governmental activities	191,016,952	34,701,438	3,529,677	1,284,941	(151,500,896)	-	(151,500,896)	-	-	-
Business-type activities:										
Stormwater	3,546,405	4,009,172	-	-	-	462,767	462,767	-	-	-
Airport	1,038,741	982,450	-	1,534,045	-	1,477,754	1,477,754	-	-	-
Total business-type activities	4,585,146	4,991,622	-	1,534,045	-	1,940,521	1,940,521	-	-	-
Total primary government	$ 195,602,098	$ 39,693,060	$ 3,529,677	$ 2,818,986	(151,500,896)	1,940,521	(149,560,375)	-	-	-
Component units:										
Health Department	$ 1,893,826	$ 1,075,027	$ 1,247,667	$ -	-	-	-	428,868	-	-
Library System	3,107,116	-	3,170,098	-	-	-	-	-	62,982	-
Water Authority	69,164,725	58,565,973	-	9,277,853	-	-	-	-	-	(1,320,899)
Total component units	$ 74,165,667	$ 59,641,000	$ 4,417,765	$ 9,277,853	-	-	-	428,868	62,982	(1,320,899)
General revenues:										
Property taxes					87,467,649	-	87,467,649	-	-	14,933,091
Sales taxes					61,629,877	-	61,629,877	-	-	-
Franchise taxes					1,731,977	-	1,731,977	-	-	-
Insurance premium taxes					8,561,308	-	8,561,308	-	-	-
Other taxes					2,415,959	-	2,415,959	-	-	-
Unrestricted investment earnings					1,368,864	22,101	1,390,965	11,791	4,906	1,240,907
Gain on disposal of capital assets					-	-	-	-	-	277,927
Transfers					(2,059,000)	2,059,000	-	-	-	-
Total general revenues and transfers					161,116,634	2,081,101	163,197,735	11,791	4,906	16,451,925
Change in net position					9,615,738	4,021,622	13,637,360	440,659	67,888	15,131,026
Net position (deficit), beginning of year, as restated					665,544,845	29,343,793	694,888,638	(1,053,018)	858,739	229,680,222
Net position (deficit), end of year					$ 675,160,583	$ 33,365,415	$ 708,525,998	$ (612,359)	$ 926,627	$ 244,811,248

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

HENRY COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

ASSETS	General Fund	Neighborhood Stabilization Fund	E-911 Fund	2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 69,613,685	$ 491,470	$ 3,949,205	$ 35,917,056	$ 17,246,882	$ 127,218,298
Investments	2,062,272	-	6,122,025	-	3,536,863	11,721,160
Receivables, net of allowances for uncollectibles	2,759,686	-	663,635	3,156	217,397	3,643,874
Due from other governments	2,395,787	581,500	-	3,317,756	726,612	7,021,655
Due from other funds	5,283,995	-	-	-	4,153	5,288,148
Inventory	265,127	-	-	-	-	265,127
Prepaid items	220,368	-	-	-	-	220,368
Total assets	$ 82,600,920	$ 1,072,970	$ 10,734,865	$ 39,237,968	$ 21,731,907	$ 155,378,630
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 2,506,838	$ 54	$ 492,640	$ 2,848,344	$ 1,686,298	$ 7,534,174
Accrued liabilities	6,565,592	-	82,399	28,178	78,202	6,754,371
Due to other governments	-	-	-	9,719,336	19,343	9,738,679
Due to other funds	-	1,086,690	2,881,595	7,714	1,275,938	5,251,937
Unearned revenue	436,323	-	-	-	23,911	460,234
Total liabilities	9,508,753	1,086,744	3,456,634	12,603,572	3,083,692	29,739,395
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,047,377	-	-	-	-	1,047,377
Unavailable revenue - period of availability	838,269	581,500	-	-	365,597	1,785,366
Total deferred inflows of resources	1,885,646	581,500	-	-	365,597	2,832,743

(Continued)

HENRY COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Neighborhood Stabilization Fund	E-911 Fund	2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (CONTINUED)						
FUND BALANCES						
Nonspendable:						
Prepaids	$ 220,368	$ -	$ -	$ -	$ -	$ 220,368
Inventories	265,127	-	-	-	-	265,127
Restricted:						
Capital projects	1,194,639	-	-	8,354,061	14,980,671	24,529,371
Housing and development	-	-	-	-	948,159	948,159
Federal and State grants	-	-	-	-	263,519	263,519
Citizen welfare	-	-	-	-	498,483	498,483
Law enforcement purposes	-	-	-	-	2,205,022	2,205,022
Public safety purposes	17,808	-	7,278,231	-	-	7,296,039
Debt service	-	-	-	8,561,000	-	8,561,000
Intergovernmental	-	-	-	9,719,335	-	9,719,335
Assigned:						
IT purposes	278,490	-	-	-	-	278,490
Facility maintenance purposes	188,801	-	-	-	-	188,801
Operations and maintenance	9,727,017	-	-	-	-	9,727,017
Parks and recreation purposes	500,000	-	-	-	-	500,000
Human resources	50,000	-	-	-	-	50,000
Transit purposes	79,281	-	-	-	-	79,281
Unassigned (Deficit):						
General fund	58,684,990	-	-	-	-	58,684,990
Special revenue funds	-	(595,274)	-	-	(613,236)	(1,208,510)
Total fund balances (deficits)	71,206,521	(595,274)	7,278,231	26,634,396	18,282,618	122,806,492
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 82,600,920	$ 1,072,970	$ 10,734,865	$ 39,237,968	$ 21,731,907	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						663,407,513
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.						2,832,743
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes and contributions.						23,290,700
Deferred inflows of resources are not available to pay for current expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.						(4,925,113)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(47,014,233)
Other post employment benefit liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(38,527,847)
Net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.						(46,709,672)
Net position of governmental activities						$ 675,160,583

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

HENRY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Neighborhood Stabilization Fund	E-911 Fund	2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	$ 123,928,722	$ -	$ -	$ 36,930,112	$ 851,317	$ 161,710,151
Licenses and permits	2,999,125	-	-	-	1,673,265	4,672,390
Intergovernmental	1,801,586	45,338	-	-	1,787,644	3,634,568
Charges for services	15,375,713	-	4,131,054	-	109,545	19,616,312
Fines and forfeitures	4,620,093	-	-	-	2,080,123	6,700,216
Investment income	951,804	-	97,865	474,041	175,931	1,699,641
Contributions	45,225	-	-	-	22,865	68,090
Miscellaneous	3,274,132	24,920	-	954,164	183,461	4,436,677
Total revenues	152,996,400	70,258	4,228,919	38,358,317	6,884,151	202,538,045
Expenditures:						
Current:						
General government	19,820,014	4,444	-	-	15,632	19,840,090
Judicial	15,866,563	-	-	-	669,545	16,536,108
Public safety	78,310,131	-	4,961,683	-	2,190,965	85,462,779
Public works	9,729,069	-	-	-	-	9,729,069
Health and welfare	5,626,290	-	-	-	-	5,626,290
Culture and recreation	6,759,237	-	-	-	21,997	6,781,234
Housing and development	2,929,555	280	-	-	2,024,362	4,954,197
Intergovernmental	-	-	-	17,210,883	671	17,211,554
Capital outlay	-	-	-	30,952,028	18,811,799	49,763,827
Debt service:						
Principal retirement	-	-	-	7,470,000	4,282,261	11,752,261
Interest and fiscal charges	-	-	-	1,089,400	589,565	1,678,965
Total expenditures	139,040,859	4,724	4,961,683	56,722,311	28,606,797	229,336,374
Excess (deficiency) of revenues over (under) expenditures	13,955,541	65,534	(732,764)	(18,363,994)	(21,722,646)	(26,798,329)
Other financing sources (uses):						
Transfers in	1,557,306	-	-	-	11,223,741	12,781,047
Transfers out	(12,066,370)	-	(331,552)	-	(2,442,125)	(14,840,047)
Proceeds from capital lease	-	-	-	-	2,802,089	2,802,089
Proceeds from sale of capital assets	92,328	-	-	-	4,297	96,625
Total other financing sources (uses)	(10,416,736)	-	(331,552)	-	11,588,002	839,714
Net change in fund balances	3,538,805	65,534	(1,064,316)	(18,363,994)	(10,134,644)	(25,958,615)
Fund balances (deficits), beginning of year	67,667,716	(660,808)	8,342,547	44,998,390	28,417,262	148,765,107
Fund balances (deficits), end of year	$ 71,206,521	$ (595,274)	$ 7,278,231	$ 26,634,396	$ 18,282,618	$ 122,806,492

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

HENRY COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(25,958,615)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		21,799,011
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(1,109)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		153,645
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		12,902,580
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		720,226
Change in net position - governmental activities	$	9,615,738

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

HENRY COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 84,078,038	$ 87,392,372	$ 87,371,030	$ (21,342)
Sales tax	22,690,500	24,705,067	24,699,765	(5,302)
Other taxes	11,374,269	11,857,929	11,857,927	(2)
Licenses and permits	3,097,646	3,007,471	2,999,125	(8,346)
Intergovernmental	1,717,560	1,829,606	1,801,586	(28,020)
Charges for services	15,423,087	15,409,366	15,375,713	(33,653)
Fines and forfeitures	5,033,609	4,623,968	4,620,093	(3,875)
Investment income	281,933	954,642	951,804	(2,838)
Contributions	-	45,876	45,225	(651)
Miscellaneous	2,856,945	3,280,348	3,274,132	(6,216)
Total revenues	146,553,587	153,106,645	152,996,400	(110,245)
Expenditures:				
General government:				
Board of commissioners	776,363	748,363	710,923	37,440
County clerk	170,317	176,305	171,721	4,584
Public relations	375,187	375,187	362,398	12,789
County manager	821,121	530,593	525,012	5,581
County attorney	371,892	251,892	238,746	13,146
Tax commissioner	2,583,623	2,388,623	2,346,919	41,704
Finance	931,084	824,084	757,260	66,824
Information systems	3,466,885	3,566,885	3,357,108	209,777
Human resources	684,404	4,550,561	4,451,896	98,665
Risk management	1,636,820	-	-	-
Budget	-	309,408	302,976	6,432
Purchasing	397,639	331,639	313,247	18,392
Tax assessor	2,780,923	2,789,091	2,687,607	101,484
Elections	993,688	841,688	736,174	105,514
Public buildings	3,156,164	3,096,128	2,858,027	238,101
Other - unclassified	7,584,529	-	-	-
Total general government	26,730,639	20,780,447	19,820,014	960,433

(Continued)

HENRY COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Judicial:				
Judge of superior court	$ 448,271	$ 448,271	$ 348,041	$ 100,230
Clerk of superior court	2,017,368	2,023,004	1,947,404	75,600
Court reporter	163,132	174,813	170,183	4,630
Jury/bailiff	220,500	220,500	209,060	11,440
District attorney	1,921,777	1,849,777	1,742,745	107,032
Public defender	1,141,372	1,144,476	1,141,637	2,839
Juvenile court	2,053,627	1,863,627	1,771,219	92,408
State court	2,205,233	2,205,233	2,142,632	62,601
State court solicitor	2,297,110	2,466,616	2,451,962	14,654
Clerk of state court	1,442,484	1,442,484	1,389,191	53,293
DUI court	86,874	26,779	1,057	25,722
Judges	12,573	12,573	7,307	5,266
Magistrate court	1,083,239	1,043,239	1,024,591	18,648
Probate court	1,310,502	1,310,502	1,267,288	43,214
Probate resource court	245,146	258,442	252,246	6,196
Total judicial	16,649,208	16,490,336	15,866,563	623,773
Public safety:				
Police	1,958,519	20,588,866	20,519,313	69,553
Criminal investigation division	3,277,035	-	-	-
Narcotics	718,339	-	-	-
Support service	1,995,527	-	-	-
Uniform patrol division	12,450,195	-	-	-
Fire	28,099,022	28,224,471	28,042,303	182,168
E911/Emergency management	339,331	339,331	279,876	59,455
Communications	420,288	320,288	300,770	19,518
Sheriff	12,043,457	12,272,976	12,206,574	66,402
Jail	14,081,321	14,083,169	14,075,498	7,671
Early release	353,761	353,761	292,174	61,587
Sentence enforcement	1,087,551	1,037,551	958,091	79,460
Coroner	228,372	228,372	211,829	16,543
Code enforcement	595,637	595,637	559,601	36,036
Animal control	850,039	880,753	864,102	16,651
Total public safety	78,498,394	78,925,175	78,310,131	615,044

(Continued)

HENRY COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Public works:				
DOT	$ 3,780,647	$ 3,307,397	$ 3,102,598	$ 204,799
Construction and roads	6,856,722	5,902,365	5,338,930	563,435
Waste management	94,574	94,574	47,678	46,896
Maintenance shop	1,292,635	1,292,635	1,239,863	52,772
Total public works	12,024,578	10,596,971	9,729,069	867,902
Health and welfare:				
General health	467,607	467,607	467,450	157
Department of family and children services	96,118	96,347	96,346	1
Family connection	75,653	86,955	86,953	2
Transit system	2,295,299	1,758,099	1,700,055	58,044
Senior services	3,509,216	3,414,962	3,275,486	139,476
Total health and welfare	6,443,893	5,823,970	5,626,290	197,680
Culture and recreation:				
Recreation	4,222,737	4,731,044	4,472,678	258,366
Libraries	2,286,559	2,286,559	2,286,559	-
Total culture and recreation	6,509,296	7,017,603	6,759,237	258,366
Housing and development:				
Conservation	277,787	277,787	257,711	20,076
Conservation - NRCS	57,703	63,753	63,596	157
Building department	1,902,451	1,959,950	1,822,049	137,901
Planning and zoning	496,446	498,048	470,824	27,224
GIS mapping	345,782	345,782	315,375	30,407
Total housing and development	3,080,169	3,145,320	2,929,555	215,765
Total expenditures	149,936,177	142,779,822	139,040,859	3,738,963
Excess (deficiency) of revenues over (under) expenditures	(3,382,590)	10,326,823	13,955,541	3,628,718
Other financing sources (uses):				
Transfers in	1,104,408	1,557,495	1,557,306	(189)
Transfers out	(4,421,092)	(11,976,646)	(12,066,370)	(89,724)
Proceeds from sale of capital assets	62,000	92,328	92,328	-
Total other financing sources (uses)	(3,254,684)	(10,326,823)	(10,416,736)	(89,913)
Net change in fund balances	(6,637,274)	-	3,538,805	3,538,805
Fund balances, beginning of year	67,667,716	67,667,716	67,667,716	-
Fund balances, end of year	$ 61,030,442	$ 67,667,716	$ 71,206,521	$ 3,538,805

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

HENRY COUNTY, GEORGIA

NEIGHBORHOOD STABILIZATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 207,116	$ 47,116	$ 45,338	$ (1,778)
Miscellaneous	-	-	24,920	24,920
Total revenues	207,116	47,116	70,258	23,142
Expenditures:				
General government	132,116	8,316	4,444	3,872
Housing and development	75,000	38,800	280	38,520
Total expenditures	207,116	47,116	4,724	42,392
Net change in fund balances	-	-	65,534	65,534
Fund balances (deficits), beginning of year	(660,808)	(660,808)	(660,808)	-
Fund balances (deficits), end of year	$ (660,808)	$ (660,808)	$ (595,274)	$ 65,534

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

HENRY COUNTY, GEORGIA

E-911 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 3,831,994	$ 4,140,778	$ 4,131,054	$ (9,724)
Miscellaneous	30,900	97,865	97,865	-
Total revenues	3,862,894	4,238,643	4,228,919	(9,724)
Expenditures:				
Public safety	3,992,259	4,522,824	4,961,683	(438,859)
Total expenditures	3,992,259	4,522,824	4,961,683	(438,859)
Deficiency of revenues under expenditures	(129,365)	(284,181)	(732,764)	(448,583)
Other financing uses:				
Transfers out	(331,552)	(331,552)	(331,552)	-
Total other financing uses	(331,552)	(331,552)	(331,552)	-
Net change in fund balances	(460,917)	(615,733)	(1,064,316)	(448,583)
Fund balances, beginning of year	8,342,547	8,342,547	8,342,547	-
Fund balances, end of year	$ 7,881,630	$ 7,726,814	$ 7,278,231	$ (448,583)

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

HENRY COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Major Proprietary Fund Airport Fund	Nonmajor Proprietary Funds	Totals
ASSETS			
CURRENT ASSETS			
Cash	$ 398,076	$ 3,713,480	$ 4,111,556
Accounts receivable, net of allowances	4,891	1,161,991	1,166,882
Inventory	30,991	3,129	34,120
Due from other governments	296,686	-	296,686
Total current assets	730,644	4,878,600	5,609,244
NONCURRENT ASSETS			
Capital assets, nondepreciable	24,367,827	5,000	24,372,827
Capital assets, depreciable, net of accumulated depreciation	2,913,905	1,259,473	4,173,378
Total noncurrent assets	27,281,732	1,264,473	28,546,205
Total assets	28,012,376	6,143,073	34,155,449
DEFERRED OUTFLOWS OF RESOURCES			
Pension	-	266,193	266,193
Total deferred outflows of resources	-	266,193	266,193
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	261,510	60,696	322,206
Accrued liabilities	5,378	79,245	84,623
Due to other funds	924	35,287	36,211
Due to other governments	4,128	1,250	5,378
Unearned revenue	-	17,667	17,667
Total current liabilities	271,940	194,145	466,085
NONCURRENT LIABILITIES			
Net pension liability	-	533,852	533,852
Total noncurrent liabilities	-	533,852	533,852
Total liabilities	271,940	727,997	999,937
DEFERRED INFLOWS OF RESOURCES			
Pension	-	56,290	56,290
Total deferred inflows of resources	-	56,290	56,290
NET POSITION			
Invested in capital assets	27,281,732	1,264,473	28,546,205
Unrestricted	458,704	4,360,506	4,819,210
Total net position	$ 27,740,436	$ 5,624,979	$ 33,365,415

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

HENRY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major Proprietary Fund Airport Fund	Nonmajor Proprietary Funds	Totals
Operating revenues:			
Charges for services:			
Airport fees	$ 958,096	$ -	$ 958,096
Golf course charges and fees	-	578,319	578,319
Stormwater fees	-	3,430,488	3,430,488
Miscellaneous revenue	24,354	365	24,719
Total operating revenues	982,450	4,009,172	4,991,622
Operating expenses:			
Salaries and benefits	226,249	1,932,390	2,158,639
Purchased/contracted services	98,891	823,592	922,483
Supplies and materials	628,574	564,543	1,193,117
Depreciation	85,027	225,880	310,907
Total operating expenses	1,038,741	3,546,405	4,585,146
Operating income (loss)	(56,291)	462,767	406,476
Nonoperating revenues:			
Investment income	2,778	19,323	22,101
Total nonoperating revenues	2,778	19,323	22,101
Income (loss) before capital contributions and transfers	(53,513)	482,090	428,577
Capital contributions	1,534,045	-	1,534,045
Transfers in	2,360,000	-	2,360,000
Transfers out	-	(301,000)	(301,000)
Change in net position	3,840,532	181,090	4,021,622
Net position, beginning of year	23,899,904	5,443,889	29,343,793
Net position, end of year	$ 27,740,436	$ 5,624,979	$ 33,365,415

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

HENRY COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major Proprietary Fund Airport Fund	Nonmajor Proprietary Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 985,497	$ 3,873,999	$ 4,859,496
Payments to suppliers and service providers	(640,015)	(1,455,738)	(2,095,753)
Receipts from others	202,269	25,498	227,767
Payments to employees	(223,371)	(1,953,477)	(2,176,848)
Net cash provided by operating activities	324,380	490,282	814,662
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	2,360,000	-	2,360,000
Transfers out	-	(301,000)	(301,000)
Net cash provided by (used in) noncapital financing activities	2,360,000	(301,000)	2,059,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of property and equipment	(4,049,227)	-	(4,049,227)
Receipts on amounts owed from other governments for original purchase of airport	4,128	-	4,128
Payments to other governments	(65,987)	-	(65,987)
Proceeds from capital grants	1,534,045	-	1,534,045
Net cash used in capital and related financing activities	(2,577,041)	-	(2,577,041)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	2,778	19,323	22,101
Net cash provided by investing activities	2,778	19,323	22,101
Net increase in cash and cash equivalents	110,117	208,605	318,722
Cash and cash equivalents:			
Beginning of year	287,959	3,504,875	3,792,834
End of year	$ 398,076	$ 3,713,480	$ 4,111,556

(Continued)

HENRY COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major Proprietary Fund Airport Fund	Nonmajor Proprietary Funds	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ (56,291)	$ 462,767	$ 406,476
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	85,027	225,880	310,907
(Increase)/decrease in:			
Accounts receivable	3,047	(137,769)	(134,722)
Inventory	(5,559)	-	(5,559)
Prepaids	-	-	-
Deferred outflows of resources	-	68,629	68,629
Due from other funds	202,269	27,767	230,036
Increase/(decrease) in:			
Accounts payable	100,231	2,447	102,678
Accrued liabilities	2,878	76,495	79,373
Net pension liabilities	-	(222,501)	(222,501)
Deferred inflows of resources	-	56,290	56,290
Unearned revenue	-	2,596	2,596
Due to other funds	(7,222)	(70,050)	(77,272)
Due to other governments	-	(2,269)	(2,269)
Net cash provided by operating activities	$ 324,380	$ 490,282	$ 814,662

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

HENRY COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 8,499,229
Taxes receivable	3,429,661
Total assets	$ 11,928,890
LIABILITIES	
Due to component unit	$ 176,086
Due to others	11,752,804
Total liabilities	$ 11,928,890

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

NOTES TO FINANCIAL STATEMENTS

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Henry County, Georgia (the "County") was created by legislative act in 1821 and operates under a Board of Commissioners/County Manager form of government, providing the following services as authorized by its charter: public safety (police and fire), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the County and its discretely presented component units, the Henry County Department of Public Health, the Henry County Library System, and the Henry County Water Authority, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below:

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (the primary government) and its component units. 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 accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus (An Amendment to GASB No.'s 14 and 34)*, the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Based upon the application of these criteria, the following is a brief review of each component unit addressed in defining the County's reporting entity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units

Henry County Department of Public Health

The Henry County Department of Public Health is governed by a seven-member board, of which four members are appointed by the governing authority of the County. The County approves the required local match portion of the budget requested by the Health Department which is administered by the appointed Board of the Health Department. The Henry County Department of Public Health is presented as a governmental fund type component unit. The Henry County Department of Public Health's financial statements have been presented separately and can be obtained by writing to the Henry County Department of Public Health, 135 Henry Parkway, McDonough, Georgia 30253.

Henry County Library System

The Henry County Library System is governed by a seven-member board, of which six members are appointed by the governing authority of the County. The County approves the annual funding portion of the budget requested by the Library System which is administered by the appointed Library Board. In addition, the County provides a substantial majority of funding for the operations of the Library System, therefore, the Library is considered to be fiscally dependent on the County. The Henry County Library System is presented as a governmental fund type component unit. Separate financial statements are not prepared for the Henry County Library System. Therefore, fund financial statements have been included in the Combining and Individual Fund Statements and Schedules.

Henry County Water Authority

The Henry County Water Authority (the "Authority") was created under the Acts of the General Assembly of the State of Georgia on March 28, 1961, to provide water and related services throughout Henry County, Georgia. The Authority is governed by a Board of Commissioners which is appointed by Henry County. The County is obligated for the debt of the Authority and, therefore, a financial burden exists. The Henry County Water Authority is presented as a proprietary fund type component unit. Separate financial statements for the Henry County Water Authority may be obtained by writing to the Henry County Water Authority, 1695 Highway 20 West, McDonough, Georgia 30253.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units

Henry County Development Authority

The Henry County Development Authority is governed by a five-member board with all members appointed by the governing authority of the County. The County approves the annual operating budget for the Henry County Development Authority. Although it is legally separate from the County, the Henry County Development Authority is reported as if it were part of the primary government because of the intergovernmental agreement between the County and the Henry County Development Authority through capital lease arrangements relative to the Henry County Development Authority's currently outstanding long-term debts. Because capital lease arrangements between a primary government and its blended component unit are not to be reported as capital leases in the financial reporting entity's financial statements, the debt and assets of the Henry County Development Authority are reported as a form of the County's debt and assets. All debt service activity of the Henry County Development Authority will be reported as debt service activity of the County. Separate financial statements are not prepared for the Henry County Development Authority.

Henry County Governmental Finance Corporation

The Henry County Governmental Finance Corporation (the "Finance Corporation") is governed by the members of the County's Board of Commissioners. Although it is legally separate from the County, the Finance Corporation is reported as if it were part of the primary government because its sole purpose is to finance and construct the County's public buildings through capital lease arrangements. Because capital lease arrangements between a primary government and its blended component unit are not to be reported as capital leases in the financial reporting entity's financial statements, the debt and assets of the Finance Corporation are reported as a form of the County's debt and assets. All debt service activity of the Finance Corporation will be reported as debt service activity of the County. Separate financial statements are not prepared for the Henry County Governmental Finance Corporation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

Henry County Office/Industrial Park Corporation

The Henry County Office/Industrial Park Corporation (the "Office/Industrial Park Corporation") is governed by the members of the County's Board of Commissioners. Although it is legally separate from the County, the Office/Industrial Park Corporation is reported as if it were part of the primary government because its sole purpose is to finance and purchase the County's land and public buildings through capital lease arrangements. Because capital lease arrangements between a primary government and its blended component unit are not to be reported as capital leases in the financial reporting entity's financial statements, the debt and assets of the Office/Industrial Park Corporation are reported as a form of the County's debt and assets. All debt service activity of the Office/Industrial Park Corporation will be reported as debt service activity of the County. Separate financial statements are not prepared for the Henry County Office/Industrial Park Corporation.

Henry County Governmental Services Authority

The Henry County Governmental Services Authority is governed by the members of the County's Board of Commissioners. Although it is legally separate from the County, the Governmental Services Authority is reported as if it were part of the primary government because its sole purpose is to purchase, rehabilitate, and resell foreclosed properties to qualified citizens of Henry County. The Authority provides services entirely for the benefit of the County. This is done through the Neighborhood Stabilization Program which is identified in separate special revenue funds, the Neighborhood Stabilization Fund and Neighborhood Stabilization 3 Fund. Separate financial statements are not prepared for the Henry County Governmental Services Authority.

Henry First

Henry First is a 501(c)(3) that is governed by the members of the County's Board of Commissioners. Although it is legally separate from the County, Henry First is reported as if it were part of the primary government because its sole purpose is to search and receive grants and donations from other entities and/or individuals who can only donate to non-profit organizations. Collections are received by Henry First; however, the funds are spent for the benefit of Henry County. Separate financial statements are not prepared for Henry First.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The ***General Fund*** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***Neighborhood Stabilization Fund*** is used to account for grant funds received relative to amounts received and expended for the Neighborhood Stabilization Program.

The ***E-911 Fund*** is used to account for the County's emergency communications operations by providing an open channel between citizens and public safety providers.

The ***2014 SPLOST Fund*** is used to account for the revenues and expenditures relating to the 2014 1% Special Purpose Local Option Sales Tax.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The County reports the following major proprietary fund:

The ***Airport Fund*** is used to account for the revenues and expenses relating to the operation of the airport.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Capital Projects Funds*** are used to account for specific revenues that are legally restricted to capital expenditures for particular purposes.

The ***Debt Service Fund*** is used to account for accumulation of resources for the payment of general long-term debt principal and interest.

The ***Enterprise Funds*** are used to account for the operation and activities of the Cotton Field Golf Course and Stormwater services.

The ***Agency Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Agency funds account for the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Sheriff, State Court, Juvenile Court, and Flint Drug Task Force.

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Statutes authorize the County to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations, and Georgia Fund 1, the Local Government Investment Pool. The investment in Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. Treasury Obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair market value.

The County's investments and the investments of its component units are stated at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which is fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

F. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

G. Restricted Assets

Certain proceeds of the primary government’s general obligation bonds and capital leases, as well as certain resources set aside for their repayment, and certain proceeds of the Water Authority (component unit) revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is restricted by applicable bond covenants.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in concession arrangements are reported at acquisition value. The County has retroactively reported major general infrastructure assets. In this case, the County chose to include all items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through back trending.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the Water Authority is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Buildings and improvements	5-40
Machinery and equipment	3-10
Infrastructure	40-50

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources and Net Position

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The County did not have any items that qualified for reporting in this category other than the items related to the changes in the net pension liability which are discussed below.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. These items arise only under modified accrual basis of accounting. Accordingly, these items, unavailable revenue from property taxes and unavailable revenue due to the period of availability, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The County also has deferred outflows and deferred inflows relating to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also recorded as deferred inflows of resources and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension plan before year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Henry County, Georgia Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. The County no longer pays out sick leave to retirees. The accumulated sick leave is added to the employee's years of service when determining his or her retirement payout.

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance

Generally, fund balance represents the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- **Nonspendable** - Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash); or (b) legally or contractually required to be maintained intact.

- **Restricted** - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- **Committed** - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

- **Assigned** - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's Finance Director to assign fund balances.

- **Unassigned** - Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds. The County reported negative unassigned fund balance of $612,243 in the Grant Fund, $595,274 in the Neighborhood Stabilization Fund, and $993 in the Henry First Fund for the year ended June 30, 2018, due to the timing of grant reimbursements.

Fund Balance 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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Net Position

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position and displayed in three components:

- **Net investment in capital assets** - Consists of capital assets included restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- **Restricted net position** - Consists of net position with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above.

- **Unrestricted net position** - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The County applies restricted resources first when expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Tax Abatement Agreements

During the year ended June 30, 2017, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*. This statement requires the County to disclose information for any tax abatement agreements either entered into by the County, or agreements entered into by other governments that reduce the County's tax revenues. As of June 30, 2018, the County did not have any such agreements, either entered into by the County or by other governments that exceeded the quantitative threshold for disclosure.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this difference are as follows:

Capital leases payable	$	(12,074,020)
General obligation bonds payable		(15,920,000)
Plus: Issuance premium (to be amortized against interest expense)		(871,665)
Development Authority revenue bonds		(8,351,828)
Plus: Issuance premium (to be amortized against interest expense)		(254,473)
Compensated absences		(5,609,663)
Workers compensation		(3,180,000)
Landfill post-closure costs		(390,175)
Accrued interest		(362,409)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(47,014,233)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$	46,788,091
Depreciation expense		(24,989,080)
Net adjustment to increase *net change in fund balances - total governmental funds to arrive at change in net position - governmental activities*	$	21,799,011

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this difference are as follows:

Debt incurred:		
Capital leases	$	(2,802,089)
Landfill post-closure costs		(33,592)
Principal repayments:		
Claims and judgements payable		3,986,000
Capital leases		2,581,064
Bonds payable		9,171,197
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at to arrive at change in *net position - governmental activities*	$	12,902,580

NOTE 3. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

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

1. Prior to May 1, the County Manager collaborates with the Chairman of the Board of Commissioners to prepare the budget. The Chairman then submits, to the entire Board of Commissioners, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted at the County Administration Building to obtain taxpayer comments.

3. Prior to July 1, the budget is legally enacted through passage of an ordinance.

4. Any transfers of budgeted amounts and any revisions that alter the total expenditures of any department or fund must be approved by the Commissioners. The legal level of budgetary control is the department level.

5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets were legally adopted for the General Fund, Special Revenue Funds, and Debt Service Fund. Project length budgets were adopted for all Capital Projects Funds. The supplementary budgetary appropriations made were not material.

6. All annual appropriations lapse at the end of each year.

B. Fund Deficits and Excess of Expenditures Over Appropriations

The County reported deficit fund balances in the Neighborhood Stabilization Fund, Henry First Fund and the Grant Fund in the respective amounts of $595,274, $993 and $612,243. The deficits are intended to be eliminated through future revenues. For the year ended June 30, 2018, expenditures exceeded the appropriations by $438,859 for public safety in the E-911 Fund and by $99,030 for principal in the Debt Service Fund. These over-expenditures were funded by opening fund balance and transfers from other funds.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2018, are summarized as follows:

Balances per Statement of Net Position:		
Cash - Primary government	$	131,329,854
Cash - Health Department		1,938,056
Cash - Library System		1,173,997
Cash - Water Authority		4,787,598
Investments - Primary government		11,721,160
Investments - Library System		225,133
Restricted assets:		
Cash - Water Authority		11,104,656
Investments - Water Authority		98,011,420
Balances per Statement of Fiduciary Net Position:		
Cash - Agency funds		8,499,229
	$	268,791,103
Cash deposited with financial institutions	$	158,833,390
Certificates of deposit		3,536,863
Cash deposited with Georgia Fund 1		106,420,850
	$	268,791,103

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County's policy is to invest only in the following: U.S. government and agency debt obligations; U.S. government instrumentality debt obligations; high grade corporate debt with ratings at or above A3 by Moody's or A- by Standard & Poor's; mortgage-backed securities with ratings at or above AA3 by Moody's or AA by Standard & Poor's; and bank certificates of deposit. The local government investment pool, Georgia Fund 1, is operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair market value. As of June 30, 2018, the investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

At June 30, 2018, the County had the following investments:

Investment	Maturities	Fair Value
Primary government:		
Georgia Fund 1	10-day weighted average	$ 8,184,297
Certificates of deposit	6-month weighted average	3,536,863
		$ 11,721,160
Component units:		
Georgia Fund 1	10-day weighted average	$ 98,236,553

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the duration of any investment to a maximum of five years.

Fair value measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. Additionally, certificates of deposit are not subject to the fair value level disclosures. As a result, the County does not disclose its investment in the Georgia Fund 1 or certificates of deposit within the fair value hierarchy.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2018, all of the deposits of the County, Health Department, Library System, and Water Authority were properly insured and collateralized as required by the Official Code of Georgia Annotated (O.C.G.A.) Section 45-8-12(c) and as defined by GASB pronouncements.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no specific investment policy in regards to custodial credit risk for investments.

NOTE 5. RECEIVABLES

Receivables at June 30, 2018, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Neighborhood Stablization Fund	E-911 Fund	2014 SPLOST Fund	Airport Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total
Receivables:								
Taxes	$ 1,397,463	$ -	$ -	$ 3,317,756	$ -	$ 157,179	$ -	$ 4,872,398
Accounts	24,212,666	-	663,635	3,156	57,752	168,390	1,451,733	26,557,332
Other	2,395,787	581,500	-	-	296,686	726,612	-	4,000,585
Gross receivables	28,005,916	581,500	663,635	3,320,912	354,438	1,052,181	1,451,733	35,430,315
Less allowance for uncollectibles	(22,850,443)	-	-	-	(52,861)	(108,172)	(289,742)	(23,301,218)
Net total receivables	$ 5,155,473	$ 581,500	$ 663,635	$ 3,320,912	$ 301,577	$ 944,009	$ 1,161,991	$ 12,129,097

Property taxes attached as an enforceable lien on property as of February 15, 2018. Property taxes were levied on September 9, 2017, billed on September 13, 2017, and payable on or before November 16, 2017. The County bills and collects its own property taxes. Property taxes levied for 2017 are recorded as receivables, net of estimated uncollectibles.

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the primary government for the year ended June 30, 2018, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 97,780,550	$ 63,684	$ -	$ 1,558,557	$ 99,402,791
Construction in progress	29,097,892	36,675,108	-	(7,509,223)	58,263,777
Total	126,878,442	36,738,792	-	(5,950,666)	157,666,568
Capital assets, being depreciated:					
Buildings and improvements	194,568,502	266,263	-	3,948,553	198,783,318
Machinery and equipment	81,227,665	7,593,668	(1,889,284)	57,261	86,989,310
Infrastructure	630,310,100	2,189,368	-	1,944,852	634,444,320
Total	906,106,267	10,049,299	(1,889,284)	5,950,666	920,216,948
Less accumulated depreciation for:					
Buildings and improvements	(55,283,805)	(5,427,819)	-	-	(60,711,624)
Machinery and equipment	(64,245,497)	(3,442,108)	1,888,175	-	(65,799,430)
Infrastructure	(271,845,796)	(16,119,153)	-	-	(287,964,949)
Total	(391,375,098)	(24,989,080)	1,888,175	-	(414,476,003)
Total capital assets, being depreciated, net	514,731,169	(14,939,781)	(1,109)	5,950,666	505,740,945
Governmental activities capital assets, net	$ 641,609,611	$ 21,799,011	$ (1,109)	$ -	$ 663,407,513

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Capital asset activity for the primary government for the year ended June 30, 2018, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated					
Land	$ 19,886,936	$ -	$ -	$ 2,360,000	$ 22,246,936
Construction in progress	445,148	4,040,743	-	(2,360,000)	2,125,891
Total	20,332,084	4,040,743	-	-	24,372,827
Capital assets, being depreciated:					
Machinery and equipment	2,637,069	8,484	-	-	2,645,553
Infrastructure	3,136,787	-	-	-	3,136,787
Total	5,773,856	8,484	-	-	5,782,340
Less accumulated depreciation for:					
Machinery and equipment	(1,132,237)	(231,561)	-	-	(1,363,798)
Infrastructure	(165,818)	(79,346)	-	-	(245,164)
Total	(1,298,055)	(310,907)	-	-	(1,608,962)
Capital assets being depreciated, net	4,475,801	(302,423)	-	-	4,173,378
Business-type activities capital assets, net	$ 24,807,885	$ 3,738,320	$ -	$ -	$ 28,546,205

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:		
General government	$	10,536,279
Judicial		152,346
Public safety		2,664,007
Public works		10,023,387
Health and welfare		223,022
Culture and recreation		1,307,216
Housing and development		82,823
Total depreciation expense - governmental activities	$	24,989,080
Business-type activities:		
Airport	$	85,027
Nonmajor enterprise funds		225,880
Total depreciation expense - business-type activities	$	310,907

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Library System

Capital asset activity for the Library System for the year ended June 30, 2018, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Buildings and improvements	$ 33,413	$ -	$ -	$ 33,413
Equipment	552,094	-	-	552,094
Books and materials	4,254,357	207,532	(244,068)	4,217,821
Total	4,839,864	207,532	(244,068)	4,803,328
Less accumulated depreciation for:				
Buildings and improvements	(16,902)	(1,981)	-	(18,883)
Equipment	(382,537)	(6,354)	-	(388,891)
Books and materials	(3,304,269)	(138,741)	244,068	(3,198,942)
Total	(3,703,708)	(147,076)	244,068	(3,606,716)
Total capital assets being depreciated, net	1,136,156	60,456	-	1,196,612
Total capital assets, net	$ 1,136,156	$ 60,456	$ -	$ 1,196,612

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES

Primary Government

Revenue Bonds:

The Development Authority's revenue bonds outstanding, excluding the bond premium of $254,473, as of June 30, 2018, are as follows:

Purpose	Interest Rate	Due Date	Amount
Purchase of Land	4.40%	2022	$ 6,435,000
Purchase of Land	Variable	2033	1,916,828
			$ 8,351,828

The Development Authority issued $10,000,000 fixed-rate revenue bonds and $2,186,000 in variable-rate revenue bonds during 2008. In July 2015, the County issued $9,645,000 fixed-rate revenue bonds to provide funds to finance, in whole, the 2008 issued fixed-rate revenue bonds. The estimated annual requirements to amortize the bonds payable as of June 30, 2018, are as follows:

Fiscal year ending June 30,	Principal	Interest
2019	$ 1,704,976	$ 229,799
2020	1,715,029	156,320
2021	1,719,745	90,740
2022	1,724,672	41,207
2023	119,821	15,769
2024-2028	684,795	57,405
2029-2033	682,790	16,105
	$ 8,351,828	$ 607,345

The County is absolutely and unconditionally obligated, under the terms of an intergovernmental contract relating to the Development Authority's revenue bonds, to pay debt service on the bonds, including principal and interest. The bonds were issued to finance the acquisition of land.

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

Primary Government (Continued)

General Obligation Bonds:

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds, excluding the bond premium of $871,665, at June 30, 2018, consisted of the following:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Various construction projects within the County	3.00%-5.00%	6 years	2020	$ 29,630,000	$ 15,920,000
					$ 15,920,000

The general obligation bond debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest
2019	$ 7,765,000	$ 796,000
2020	8,155,000	407,750
Total	$ 15,920,000	$ 1,203,750

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

Primary Government (Continued)

Capital Leases:

The County has entered into lease agreements as lessee for financing the acquisition and construction of various buildings and equipment. The lease agreements qualify as capital leases for accounting purposes and have been recorded at the present values of the future minimum lease payments as of the date of their inception.

The following is an analysis of assets leased under capital leases as of June 30, 2018:

Land	$	30,394,000
Buildings and improvements		7,479,958
Vehicles		7,890,455
Equipment		471,224
Assets leased under capital leases before depreciation		46,235,637
Less accumulated depreciation		(9,369,518)
Net assets leased under capital leases	$	36,866,119

For the year ended June 30, 2018, depreciation expense related to assets leased under capital leases totaled $815,767.

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

Primary Government (Continued)

Capital Leases (Continued):

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2018:

Fiscal year ending June 30,		
2019	$	3,135,958
2020		3,135,958
2021		2,292,924
2022		1,704,376
2023		1,382,813
2024 - 2026		1,253,597
Total minimum lease payments		12,905,626
Less amount representing interest		(831,606)
Present value of future minimum lease payments	$	12,074,020

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

Changes in Long-Term Liabilities:

The following is a summary of long-term debt activity of the primary government for the year ended June 30, 2018:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 23,390,000	$ -	$ 7,470,000	$ 15,920,000	$ 7,765,000
Plus unamortized premium	1,660,527	-	788,862	871,665	576,403
General obligation bonds, net	25,050,527	-	8,258,862	16,791,665	8,341,403
Development Authority revenue bonds	10,053,025	-	1,701,197	8,351,828	1,704,976
Plus unamortized premium	411,646	-	157,173	254,473	120,266
Revenue bonds, net	10,464,671	-	1,858,370	8,606,301	1,825,242
Capital lease obligations	11,852,995	2,802,089	2,581,064	12,074,020	2,851,388
Landfill post-closure costs	356,583	33,592	-	390,175	33,700
Net pension liability	52,885,724	29,565,618	35,741,670	46,709,672	-
Workers compensation	3,040,000	2,120,932	1,980,932	3,180,000	1,720,000
Claims and judgements payable	3,986,000	-	3,986,000	-	-
Total OPEB liability	6,798,515	31,729,332	-	38,527,847	-
Compensated absences	5,623,654	7,666,794	7,680,785	5,609,663	5,488,373
Long-term liabilities	$ 120,058,669	$ 73,918,357	$ 62,087,683	$ 131,889,343	$ 20,260,106
Component Units - Library					
Net pension liability	$ 1,940,150	$ 785,738	$ 443,612	$ 2,282,276	$ -
Compensated absences	79,387	74,912	79,387	74,912	74,912
Long-term liabilities	$ 2,019,537	$ 860,650	$ 522,999	$ 2,357,188	$ 74,912

For governmental activities, landfill post-closure costs, net pension liability, workers' compensation, claims and judgments payable, total OPEB liability and compensated absences are generally liquidated by the General Fund.

NOTE 8. OPERATING LEASES

The Henry County Library System (component unit) is committed under various leases for rental of photo copiers. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2018, amounted to $23,292.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables as of June 30, 2018, are as follows:

	Payable Fund						
Receivable Fund	Neighborhood Stabilization Fund	E-911 Fund	2014 SPLOST Fund	Airport Fund	Nonmajor Enterprise Fund	Nonmajor Governmental Funds	Total
General Fund	$ 1,086,690	$ 2,881,595	$ 7,714	$ 924	$ 35,287	$ 1,271,785	$ 5,283,995
Nonmajor Governmental Funds	-	-	-	-	-	4,153	4,153
Total	$ 1,086,690	$ 2,881,595	$ 7,714	$ 924	$ 35,287	$ 1,275,938	$ 5,288,148

These balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2018, are as follows:

	Transfers Out				
Transfers In	General Fund	**E-911 Fund**	**Nonmajor Enterprise Fund**	**Nonmajor Governmental Funds**	**Total**
General Fund	$ -	$ 331,552	$ 301,000	$ 924,754	$ 1,557,306
Airport Fund	2,360,000	-	-	-	2,360,000
Nonmajor governmental funds	9,706,370	-	-	1,517,371	11,223,741
Total	$ 12,066,370	$ 331,552	$ 301,000	$ 2,442,125	$ 15,141,047

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. DEFINED BENEFIT PENSION PLANS

Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Henry County Defined Benefit Plan (the "Plan"), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2017, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	364
Inactive plan member entitled to but not receiving benefits	402
Active plan members	1,552
	2,318

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Board of Commissioners, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the actuarially determined rate. For the year ended June 30, 2018, the active member contribution rate was 8.80% of annual pay, and the County's contribution rate for new employees hired after January 1, 2016, was 7.00% of annual payroll. County contributions to the Plan were $6,555,878 for the year ended June 30, 2018.

Net Pension Liability of the County

The County’s net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2017, with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2017.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

Actuarial assumptions. The total pension liability in the January 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	4.00%, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates for were based on the RP-2000 Mortality Table.

The actuarial assumptions used in the January 1, 2017, valuation were based on the results of an actuarial experience study for 2014.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on a 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Fixed income	30%	25 - 35%
Large cap equity	30%	25 - 35%
Mid cap equity	5%	2.5 - 10%
Small cap equity	5%	2.5 - 10%
International equity	15%	10 - 20%
Multi cap	5%	2.5 - 10%
Global allocation	5%	2.5 - 10%
Real estate	5%	2.5 - 10%
	100%	

* Rate shown are net of the 3.00% assumed rate of inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

Changes in the Net Pension Liability of the County: The changes in the components of the net pension liability of the County for the year ended June 30, 2018, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2017	$ 188,768,060	$ 135,125,983	$ 53,642,077
Changes for the year:			
Service cost	5,628,669	-	5,628,669
Interest	13,384,359	-	13,384,359
Differences between expected and actual experience	9,111,692	-	9,111,692
Assumption changes	380,195	-	380,195
Contributions - employer	-	8,724,645	(8,724,645)
Contributions - employee	-	5,584,296	(5,584,296)
Net investment income	-	21,993,140	(21,993,140)
Benefit payments, including refunds of employee contributions	(8,312,412)	(8,312,412)	-
Administrative expenses	-	(239,453)	239,453
Other changes	-	(1,159,160)	1,159,160
Net changes	20,192,503	26,591,056	(6,398,553)
Balances at June 30, 2018	$ 208,960,563	$ 161,717,039	$ 47,243,524

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
County's net pension liability	$ 75,953,834	$ 47,243,524	$ 23,403,909

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2017, and the current sharing pattern of costs between employer and employee.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

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

For the year ended June 30, 2018, the County recognized pension expense of $7,806,381. At June 30, 2018, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 12,620,116	$ -
Other changes in assumptions	7,636,969	-
Net difference between projected and actual earnings on pension plan investments	-	4,981,403
County contributions subsequent to the measurement date	3,299,808	-
Total	$ 23,556,893	$ 4,981,403

County contributions subsequent to the measurement date of $3,299,808, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2019	$ 3,583,841
2020	3,432,467
2021	1,689,002
2022	1,525,351
2023	3,157,415
Thereafter	1,887,606
Total	$ 15,275,682

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit

Plan Description

Henry County Library System employees as defined in §47-3-60 of the O.C.G.A. are provided a pension through the Teachers' Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Benefits provided

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after ten years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions

Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2018. The Library System's contractually required contribution rate for the year ended June 30, 2018, was 11.35% of annual payroll. System contributions to TRS were $274,373 for the year ended June 30, 2018.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the Library System reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2016. An expected total pension liability as of June 30, 2017, was determined using standard roll-forward techniques. The System's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2017. At June 30, 2017, the System's proportion was 0.012280%, which was an increase of 0.002876% from its proportion measured as of June 30, 2016. For the year ended June 30, 2018, the System recognized pension expense of $343,765. At June 30, 2018, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 15,706
Changes in assumptions	50,030	-
Differences between expected and actual experience	85,371	8,613
Changes in proportion and differences between System contributions and proportionate share of contributions	413,238	18,741
System contributions subsequent to the measurement date	274,373	-
Total	$ 823,012	$ 43,060

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

System contributions subsequent to the measurement date of $274,373 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,		
2019	$	78,963
2020		213,887
2021		161,655
2022		39,948
2023		11,126
Total	$	505,579

Actuarial Assumptions

The total pension liability as of June 30, 2017, was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25 – 9.00%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females set forward one year for males.

The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience for the period July 2009 – June 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting 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 Expected Real Rate of Return*
Fixed income	30.00%	-0.50%
Domestic large equities	39.80%	9.00%
Domestic mid equities	3.70%	12.00%
Domestic small equities	1.50%	13.50%
International developed market equities	19.40%	8.00%
International emerging market equities	5.60%	12.00%
	100.00%	

* Rate shown are net of the 3.00% assumed rate of inflation.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member 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 plan members. 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.

Sensitivity of the System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the System's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
System's proportionate share of the net pension liability	$ 3,745,482	$ 2,282,276	$ 1,076,922

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publically available at www.trsga.com/publications.

NOTE 11. DEFERRED COMPENSATION PLAN

The County offers the ACCG 457 Deferred Compensation Program created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time government employees at their option, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, no assets or liabilities of the County's Deferred Compensation Plan are included in the County's financial statements.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS

Primary Government

Plan Administration and Benefits

The County provides post-retirement health care benefits, as per the requirements of a resolution, for certain retirees and their dependents. The Henry County Post-Retirement Medical Plan (the "OPEB Plan") is administered by the County and is a single-employer, defined benefit plan. The provisions and obligations to contribute are established and may be amended by the Henry County Board of Commissioners. There is no separate, audited GAAP-basis post-employment benefit plan report available for the County's OPEB Plan.

Employees must complete ten consecutive years of service, and the sum of the total years of service plus retiree's age must equal 75 or more. The County pays 80% of the premium and the employee must pay the remaining 20%. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, and a separate report was not issued for the OPEB Plan.

Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of the latest actuarial valuation at July 1, 2018:

Inactive plan members or beneficiaries currently receiving benefits	251
Active plan members	1,340
	1,591

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

Contributions

The Board of Commissioners has elected to fund the OPEB plan on a "pay as you go" basis. The County contributed $1,728,712 to the OPEB Plan in fiscal year June 30, 2018. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Board of Commissioners.

Total OPEB Liability of the County

Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions,* which significantly changed the County's accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The County's total OPEB liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of June 30, 2018.

Actuarial assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.87%
Healthcare Cost Trend Rate:	7.00% graded by 0.50% per year to an ultimate rate of 5.00%
Participation Rate:	75.00%

Mortality rates were based on the RP-2000 Mortality Table.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for 2014.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

Discount rate

The discount rate used to measure the total OPEB liability was 3.87%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.58% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2018.

Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County for the year ended June 30, 2018, were as follows:

	Total OPEB Liability (a)
Balances at June 30, 2017	$ 37,244,286
Changes for the year:	
Service cost	1,604,052
Interest	1,408,221
Contributions - employer	-
Benefit payments, including refunds of employee contributions	(1,728,712)
Net changes	1,283,561
Balances at June 30, 2018	$ 38,527,847

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

Sensitivity of the Total OPEB Liability to changes in the discount rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1.00% Decrease (2.87%)	Current Discount Rate (3.87%)	1.00% Increase (4.87%)
County's total OPEB liability	$ 46,113,148	$ 38,527,847	$ 32,640,154

Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1.00% Decrease (6.00 - 4.00%)	Current Healthcare Cost Trend Rate (7.00 - 5.00%)	1.00% Increase (8.00 - 6.00%)
County's total OPEB liability	$ 32,097,384	$ 38,527,847	$ 47,000,839

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2018, and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense

For the year ended June 30, 2018, the County recognized OPEB expense of $3,012,273.

NOTE 13. HOTEL/MOTEL TAX

The County has levied a 5% hotel/motel tax. Of this percentage, 2% plus 15.71% of the remaining 3% is given to the Henry County Chamber of Commerce to be used for the promotion of tourism. For the fiscal year ended June 30, 2018, the County collected $851,317 of hotel/motel taxes. Of this amount, $340,527, or 40.0%, was given to the Chamber. The remaining funds of $510,790, or 60.0%, are kept by the County and used for other activities promoting tourism.

NOTE 14. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (“GIRMA”) Property and Liability Insurance Fund, and is a member of the Group Self Insurance Workers' Compensation Fund (“GSIWCF”) for its workers' compensation risks. Both GIRMA and GSIWCF exist by authority of the O.C.G.A., and both participate in risk sharing arrangements among Georgia county governments. The memberships allow the County to share liability, crime, workers' compensation, motor vehicle and property damage risks.

NOTE 14. 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 pools' 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 pools' 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 workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Chapter 85 of Title 36 and Chapter 9 of Title 34 of the O.C.G.A. authorize Georgia counties to form interlocal management agencies. GIRMA and GSIWCF act as risk management agencies to function as unincorporated nonprofit instrumentalities of its member counties. GIRMA and GSIWCF establish and administer one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property and workers' compensation losses occurring in the operation of member governments.

The County retains the first $300,000 (in the form of a deductible) on its workers' compensation claims, and retains the first $25,000 (in the form of a deductible) of each risk of loss for all other property and liability losses. The County files all claims with GIRMA and GSIWCF, respectively, and these instrumentalities bill the County for any risk of loss up to the deductible amounts.

The basis for estimating the liabilities for unpaid claims is an incurred, but not reported, calculation as established by an actuary. The County's liability of $3,180,000 as of June 30, 2018, is based on the requirements of GASB Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The County pays an annual premium to GIRMA and GSIWCF for the above referenced coverages, and GIRMA and GSIWCF are self-sustaining through member premiums. There have been no significant reductions of insurance coverages, and settlement amounts have not exceeded coverages for the current year or the three prior years.

NOTE 15. LANDFILL POST-CLOSURE CARE

Effective June 30, 1993, the Henry County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years after receiving its closure certification. The County received its closure certification on October 26, 1996. As of June 30, 2018, the County has an estimated eight years of monitoring remaining. Engineering studies estimate post-closure costs of approximately $390,175 over the eight-year period. These costs are based on what it would cost to perform all post-closure care as of June 30, 2018. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 16. COMMITMENTS AND CONTINGENCIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at June 30, 2018, the County has contractual commitments on uncompleted contracts of approximately $21,300,000.

Litigation:

The County is involved in several pending lawsuits. The nature of the lawsuits varies considerably. Management and the County's legal counsel have determined an aggregate liability, which is reasonably possible to arise from the proceedings of up to $1,500,000. The County will continue to assert its position in a defense against these claims.

Grant Contingencies:

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

NOTE 16. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contract with the Hospital Authority of Henry County:

Henry County had previously entered into a contract with the Hospital Authority of Henry County (the "Hospital Authority") which obligated Henry County to make certain payments to the Hospital Authority in consideration of the Hospital Authority's agreement to provide hospital care to the County's indigent sick. Pursuant to an executed contract between the County and the Hospital Authority, the County is obligated to make payments, if necessary, in amounts sufficient to enable the Hospital Authority to provide for payment of the principal and interest on certain bonds. Since that time, Piedmont Hospital has affiliated its hospital with Henry Medical Center, thereby making it known as Piedmont Henry Medical Center. Henry County is still contractually liable to guaranty the bond debt per its original contract with the Hospital Authority. However, Piedmont agreed to reimburse the County through a separate "Guaranty/Reimbursement Agreement" it has with Henry Medical Center. This agreement provides the County with the guaranty that Piedmont "economically holds the County harmless" from both the debt service payments and the indigent care payments under the original contract. Therefore, Piedmont is contractually obligated to "repay" Henry County any amount the County is obligated to pay under the original contract. Henry County still serves as the guarantor of the bond debt for as long as the bonds are outstanding.

NOTE 17. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the ten county Atlanta region, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto. During its year ended June 30, 2018, the County paid $252,415 in such dues. Membership in the ARC is required by the O.C.G.A. Section 50-8-34 which provides for the organizational structure of regional development commissions in Georgia.

The ARC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development commission. Separate financial statements may be obtained from:

Atlanta Regional Commission
40 Courtland Street, N.E.
Atlanta, Georgia 30303

NOTE 18. CHANGE IN ACCOUNTING PRINCIPLE

The County determined restatements to beginning net position of the governmental activities was required to recognize the change in accounting principle for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, as of July 1, 2017. This restatements is as follows:

	Governmental Activities
Net position, as previously reported	$ 695,990,616
Adjustment to remove the net OPEB obligation in accordance with GASB Statement No. 75	6,798,515
Adjustment needed to record the total OPEB liability in accordance with GASB Statement No. 75	(37,244,286)
Net position, as restated	$ 665,544,845

REQUIRED SUPPLEMENTARY INFORMATION

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30,

	2018
Total OPEB liability	
Service cost	**$ 1,604,052**
Interest on total OPEB liability	**1,408,221**
Benefit payments, including refunds of employee contributions	**(1,728,712)**
Net change in total OPEB liability	**1,283,561**
Total OPEB liability - beginning	**37,244,286**
Total OPEB liability - ending	**$ 38,527,847**
Covered payroll	**$ 59,591,896**
County's total OPEB liability as a percentage of covered payroll	**64.65%**

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedule are disclosed in Note 12 in the Notes to Financial Statements.

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30,

Primary Government

	2018	2017	2016	2015
Total pension liability				
Service cost	**$ 5,628,669**	$ 5,503,364	$ 5,000,446	$ 4,959,819
Interest on total pension liability	**13,384,359**	12,347,697	11,084,210	10,373,273
Differences between expected and actual experience	**9,111,692**	4,202,644	2,927,252	-
Changes of assumptions	**380,195**	5,945,296	5,035,153	-
Benefit payments, including refunds of employee contributions	**(8,312,412)**	(7,733,814)	(6,667,304)	(5,040,560)
Net change in total pension liability	**20,192,503**	20,265,187	17,379,757	10,292,532
Total pension liability - beginning	**188,768,060**	168,502,873	151,123,116	140,830,584
Total pension liability - ending (a)	**$ 208,960,563**	$ 188,768,060	$ 168,502,873	$ 151,123,116
Plan fiduciary net position				
Contributions - employer	**$ 8,724,645**	$ 6,929,270	$ 6,351,188	$ 6,757,421
Contributions - employee	**5,584,296**	5,203,848	4,288,639	3,760,592
Net investment income	**21,993,140**	9,171,407	919,240	7,496,020
Benefit payments, including refunds of employee contributions	**(8,312,412)**	(7,733,814)	(6,913,483)	(6,312,011)
Administrative expenses	**(239,453)**	(236,600)	(246,354)	(214,659)
Other	**(1,159,160)**	(1,039,289)	(1,190,092)	-
Net change in fiduciary net position	**26,591,056**	12,294,822	3,209,138	11,487,363
Plan fiduciary net position - beginning	**135,125,983**	122,831,161	119,622,023	108,134,660
Plan fiduciary net position - ending (b)	**$ 161,717,039**	$ 135,125,983	$ 122,831,161	$ 119,622,023
County's net pension liability - ending (a) - (b)	**$ 47,243,524**	$ 53,642,077	$ 45,671,712	$ 31,501,093

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30,

Primary Government (Continued)

	2018	2017	2016	2015
Plan fiduciary net position as a percentage of total pension liability	**77.39%**	71.58%	72.90%	79.16%
Covered payroll	**$ 70,868,528**	$ 68,643,051	$ 67,545,053	$ 61,866,545
County's net pension liability as a percentage of covered payroll	**66.66%**	78.15%	67.62%	50.92%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS – RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED JUNE 30,

Primary Government (Continued)

	2018	2017	2016	2015
Actuarially determined contribution	**$ 8,817,892**	$ 7,119,509	$ 6,706,985	$ 6,959,148
Contributions in relation to the actuarially determined contribution	**8,925,992**	7,117,423	6,509,170	6,757,492
Contribution deficiency (excess)	**$ (108,100)**	$ 2,086	$ 197,815	$ 201,656
Covered payroll	**75,022,832**	72,801,748	67,308,138	64,316,373
Contributions as a percentage of covered payroll	**11.90%**	9.78%	9.67%	10.51%

Notes to the Schedule

(1) Actuarial Assumptions

Valuation date	January 1, 2017
Cost method	Entry Age Normal
Actuarial asset valuation method	Smoothed market value with a five-year smoothing period
Assumed rate of return on investments	7.25%
Projected salary increases	3.00% - 5.50%
Amortization method	Closed level dollar for unfunded liability
Remaining amortization period	None remaining

(2) The schedule will present 10 years of information once it is accumulated.

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF GEORGIA – LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30,

Henry County Library System – Component Unit

	2018	2017	2016	2015
System's proportion of the net pension liability	**0.012280%**	0.009404%	0.009277%	0.009537%
System's proportionate share of the net pension liability	**$ 2,282,276**	$ 1,940,150	$ 1,412,331	$ 1,204,874
System's covered payroll	**$ 1,270,695**	$ 968,188	$ 889,845	$ 923,034
System's proportionate share of the net pension liability as a percentage of covered payroll	**179.61%**	200.39%	158.72%	130.53%
Plan fiduciary net position as a percentage of the total pension liability	**79.33%**	76.06%	81.43%	84.03%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF GEORGIA – LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30,

Henry County Library System – Component Unit (Continued)

	2018	2017	2016	2015
Contractually required contribution	**$ 201,213**	$ 147,196	$ 128,776	$ 109,273
Contributions made in relation to the contractually required contribution	**$ (201,213)**	$ (147,196)	$ (128,776)	$ (109,273)
Contribution deficit (excess)	**$ -**	$ -	$ -	$ -
System's covered payroll	**$ 1,772,207**	$ 1,270,695	$ 968,188	$ 889,845
Contributions made as a percentage of covered payroll	**11.35%**	11.58%	13.30%	12.28%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

HENRY COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS' RETIREMENT SYSTEM OF GEORGIA – LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Henry County Library System – Component Unit (Continued)

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2018, reported in that schedule:

Valuation date	June 30, 2016
Cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	29 years
Actuarial asset valuation method	five-year smoothed market
Inflation rate	3.00%
Salary increases	3.75% - 7.00%, including inflation
Investment rate of return	7.50% net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Confiscated Assets Fund – This fund is used to account for cash received either as a result of a cash confiscation or cash received from a sale of capital assets acquired from a drug raid.

Hotel/Motel Tax Fund – This fund is used to account for funds collected from the hotel/motel tax and disbursed to other agencies.

Law Library Fund – This fund is used to account for the resources received from the various courts of Henry County and disbursements for the support of a centralized law library.

Court Fund – This fund is used to account for revenues received from the various courts in the County which are reserved for specific uses.

Technology Fund – This fund is used to account for fees collected by the State Court which are to be used to provide for the technological needs of the court.

CDBG Fund – This fund is used to account for grant monies received to fund qualified programs to benefit the underprivileged.

Henry First Fund – This fund is used to account for revenues received relative to the Henry First initiative and its sole purpose is to search and receive grants and donations from other entities and/or individuals who can only donate to non-profit organizations.

Juvenile Assistance Fund – This fund is used to account for fees collected by the Juvenile Court which are to be used for mediation costs and other ancillary services on behalf of juveniles under the court's supervision.

Grant Fund – This fund is used to account for grant funds received for various programs.

Neighborhood Stabilization 3 Fund – This fund is used to account for revenues received from the Neighborhood Stabilization grant program.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds

Debt Service Fund – This fund accounts for accumulation of resources for the payment of general long-term debt principal and interest of the County.

Capital Projects Funds

Development Authority Fund – This fund is a blended component unit and reported as if it were part of the primary government because of the intergovernmental agreement between the County and the Henry County Development Authority through capital lease arrangements relative to the Henry County Development Authority's currently outstanding long-term debts.

Capital Asset Fund – This fund is used to account for the financial resources to be used to purchase or construct major capital facilities other than those accounted for in specific funds.

2002 SPLOST Fund – This fund is used to account for the revenue and expenditures relating to the 2002 1% Special Purpose Local Option Sales Tax.

2008 SPLOST Fund – This fund is used to account for the revenues and expenditures relating to the 2008 1% Special Purpose Local Option Sales Tax.

Impact Fees Fund – This fund is used to account for capital projects activity funded by developmental impact fees.

HENRY COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue				
	Confiscated Assets Fund	Hotel/Motel Tax Fund	Law Library Fund	Court Fund	Technology Fund
ASSETS					
Cash and cash equivalents	$ 1,590,484	$ 72,407	$ 57,551	$ 663,872	$ 59,269
Investments	-	-	-	-	-
Accounts receivable	-	157,179	-	-	-
Due from other governments	207,141	-	-	16,377	-
Due from other funds	-	-	-	-	-
Total assets	$ 1,797,625	$ 229,586	$ 57,551	$ 680,249	$ 59,269
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 48,296	$ 90,540	$ -	$ 549	$ -
Accrued liabilities	-	-	-	10,943	-
Due to other governments	-	-	-	-	-
Due to other funds	-	139,046	-	96,499	-
Unearned revenue	-	-	-	-	-
Total liabilities	48,296	229,586	-	107,991	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - period of availability	-	-	-	-	-
FUND BALANCES					
Restricted					
Capital projects	-	-	-	73,775	59,269
Housing and development	-	-	-	-	-
Federal and State grants	-	-	-	-	-
Citizen welfare	-	-	-	498,483	-
Law enforcement purposes	1,749,329	-	57,551	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	1,749,329	-	57,551	572,258	59,269
Total liabilities, deferred inflows of resources and fund balances	$ 1,797,625	$ 229,586	$ 57,551	$ 680,249	$ 59,269

(Continued)

HENRY COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue					Debt Service
	CDBG Fund	Henry First Fund	Juvenile Assistance Fund	Grant Fund	Neighborhood Stabilization 3 Fund	Debt Service Fund
ASSETS						
Cash and cash equivalents	$ -	$ 22,918	$ 337,924	$ -	$ 408,987	$ -
Investments	-	-	-	-	-	-
Accounts receivable	-	-	60,218	-	-	-
Due from other governments	96,533	-	-	149,439	257,122	-
Due from other funds	4,153	-	-	-	-	-
Total assets	$ 100,686	$ 22,918	$ 398,142	$ 149,439	$ 666,109	$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 26,073	$ -	$ -	$ 39,897	$ 80	$ -
Accrued liabilities	7,294	-	-	57,061	658	-
Due to other governments	-	-	-	-	-	-
Due to other funds	59,944	-	-	556,249	144,730	-
Unearned revenue	-	23,911	-	-	-	-
Total liabilities	93,311	23,911	-	653,207	145,468	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - period of availability	-	-	-	108,475	257,122	-
FUND BALANCES						
Restricted						
Capital projects	-	-	-	-	-	-
Housing and development	7,375	-	-	-	-	-
Federal and state grants	-	-	-	-	263,519	-
Citizen welfare	-	-	-	-	-	-
Law enforcement purposes	-	-	398,142	-	-	-
Unassigned	-	(993)	-	(612,243)	-	-
Total fund balances (deficits)	7,375	(993)	398,142	(612,243)	263,519	-
Total liabilities, deferred inflows of resources and fund balances	$ 100,686	$ 22,918	$ 398,142	$ 149,439	$ 666,109	$ -

(Continued)

HENRY COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Projects					
	Development Authority Fund	Capital Asset Fund	2002 SPLOST Fund	2008 SPLOST Fund	Impact Fees Fund	Total
ASSETS						
Cash and cash equivalents	$ 964,928	$ 5,194,687	$ 464,317	$ 4,832,633	$ 2,576,905	$ 17,246,882
Investments	-	-	-	3,536,863	-	3,536,863
Accounts receivable	-	-	-	-	-	217,397
Due from other governments	-	-	-	-	-	726,612
Due from other funds	-	-	-	-	-	4,153
Total assets	$ 964,928	$ 5,194,687	$ 464,317	$ 8,369,496	$ 2,576,905	$ 21,731,907
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 23,222	$ 392,109	$ 1,430	$ 1,033,208	$ 30,894	$ 1,686,298
Accrued liabilities	-	-	-	2,246	-	78,202
Due to other governments	-	-	-	19,343	-	19,343
Due to other funds	922	369	-	-	278,179	1,275,938
Unearned revenue	-	-	-	-	-	23,911
Total liabilities	24,144	392,478	1,430	1,054,797	309,073	3,083,692
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - period of availability	-	-	-	-	-	365,597
FUND BALANCES						
Restricted						
Capital projects	-	4,802,209	462,887	7,314,699	2,267,832	14,980,671
Housing and development	940,784	-	-	-	-	948,159
Federal and state grants	-	-	-	-	-	263,519
Citizen welfare	-	-	-	-	-	498,483
Law enforcement purposes	-	-	-	-	-	2,205,022
Unassigned	-	-	-	-	-	(613,236)
Total fund balances (deficits)	940,784	4,802,209	462,887	7,314,699	2,267,832	18,282,618
Total liabilities, deferred inflows of resources and fund balances	$ 964,928	$ 5,194,687	$ 464,317	$ 8,369,496	$ 2,576,905	$ 21,731,907

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue				
	Confiscated Assets Fund	Hotel/Motel Tax Fund	Law Library Fund	Court Fund	Technology Fund
Revenues					
Taxes	$ -	$ 851,317	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	94,026
Fines and forfeitures	1,051,140	-	140,103	861,757	-
Investment income	3,526	-	37	3,374	25
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	1,054,666	851,317	140,140	865,131	94,051
Expenditures					
Current:					
General government	-	-	-	-	-
Judicial	-	-	135,473	401,633	110,363
Public safety	918,199	-	-	-	-
Housing and development	-	340,527	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	918,199	340,527	135,473	401,633	110,363
Excess (deficiency) of revenues over (under) expenditures	136,467	510,790	4,667	463,498	(16,312)
Other financing sources (uses)					
Transfers in	-	-	-	227,096	-
Transfers out	-	(510,790)	-	(722,746)	-
Capital leases	-	-	-	-	-
Proceeds from sale of capital assets	4,297	-	-	-	-
Total other financing sources (uses)	4,297	(510,790)	-	(495,650)	-
Net change in fund balances	140,764	-	4,667	(32,152)	(16,312)
Fund balances (deficits), beginning of year	1,608,565	-	52,884	604,410	75,581
Fund balances (deficits), end of year	$ 1,749,329	$ -	$ 57,551	$ 572,258	$ 59,269

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue					Debt Service
	CDBG Fund	Henry First Fund	Juvenile Assistance Fund	Grant Fund	Neighborhood Stabilization 3 Fund	Debt Service Fund
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,041,923	-	-	722,570	23,151	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	27,123	-	-	-
Investment income	-	84	1,559	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	20,555	-	125	-	-
Total revenues	1,041,923	20,639	28,682	722,695	23,151	-
Expenditures						
Current:						
General government	-	-	-	-	15,632	-
Judicial	-	-	22,076	-	-	-
Public safety	-	-	-	1,272,766	-	-
Housing and development	1,035,012	-	-	-	230	-
Culture and recreation	-	21,997	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	4,282,261
Interest	-	-	-	-	-	589,565
Total expenditures	1,035,012	21,997	22,076	1,272,766	15,862	4,871,826
Excess (deficiency) of revenues over (under) expenditures	6,911	(1,358)	6,606	(550,071)	7,289	(4,871,826)
Other financing sources (uses)						
Transfers in	-	-	-	192,202	-	4,871,826
Transfers out	-	-	-	(17,847)	-	-
Capital leases	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	174,355	-	4,871,826
Net change in fund balances	6,911	(1,358)	6,606	(375,716)	7,289	-
Fund balances (deficits), beginning of year	464	365	391,536	(236,527)	256,230	-
Fund balances (deficits), end of year	$ 7,375	$ (993)	$ 398,142	$ (612,243)	$ 263,519	$ -

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Capital Projects					
	Development Authority Fund	Capital Asset Fund	2002 SPLOST Fund	2008 SPLOST Fund	Impact Fees Fund	Total
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 851,317
Licenses and permits	-	-	-	-	1,673,265	1,673,265
Intergovernmental	-	-	-	-	-	1,787,644
Charges for services	15,519	-	-	-	-	109,545
Fines and forfeitures	-	-	-	-	-	2,080,123
Investment income	6,742	23,851	2,346	123,090	11,297	175,931
Contributions	22,865	-	-	-	-	22,865
Miscellaneous	162,781	-	-	-	-	183,461
Total revenues	207,907	23,851	2,346	123,090	1,684,562	6,884,151
Expenditures						
Current:						
General government	-	-	-	-	-	15,632
Judicial	-	-	-	-	-	669,545
Public safety	-	-	-	-	-	2,190,965
Housing and development	648,593	-	-	-	-	2,024,362
Culture and recreation	-	-	-	-	-	21,997
Intergovernmental	-	-	-	671	-	671
Capital outlay	-	9,600,372	40,821	8,830,257	340,349	18,811,799
Debt service:						
Principal	-	-	-	-	-	4,282,261
Interest	-	-	-	-	-	589,565
Total expenditures	648,593	9,600,372	40,821	8,830,928	340,349	28,606,797
Excess (deficiency) of revenues over (under) expenditures	(440,686)	(9,576,521)	(38,475)	(8,707,838)	1,344,213	(21,722,646)
Other financing sources (uses)						
Transfers in	605,117	5,327,500	-	-	-	11,223,741
Transfers out	-	(157,314)	-	-	(1,033,428)	(2,442,125)
Capital leases	-	2,802,089	-	-	-	2,802,089
Proceeds from sale of capital assets	-	-	-	-	-	4,297
Total other financing sources (uses)	605,117	7,972,275	-	-	(1,033,428)	11,588,002
Net change in fund balances	164,431	(1,604,246)	(38,475)	(8,707,838)	310,785	(10,134,644)
Fund balances (deficits), beginning of year	776,353	6,406,455	501,362	16,022,537	1,957,047	28,417,262
Fund balances (deficits), end of year	$ 940,784	$ 4,802,209	$ 462,887	$ 7,314,699	$ 2,267,832	$ 18,282,618

HENRY COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Confiscated Assets Fund			Hotel/Motel Tax Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues						
Taxes	$ -	$ -	$ -	$ 851,318	$ 851,317	$ (1)
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	1,051,141	1,051,140	(1)	-	-	-
Investment income	3,527	3,526	(1)	545	-	(545)
Miscellaneous	-	-	-	-	-	-
Total revenues	1,054,668	1,054,666	(2)	851,863	851,317	(546)
Expenditures						
Current:						
General government	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public safety	1,058,966	918,199	140,767	-	-	-
Housing and development	-	-	-	340,539	340,527	12
Culture and recreation	-	-	-	-	-	-
Total expenditures	1,058,966	918,199	140,767	340,539	340,527	12
Excess (deficiency) of revenues over (under) expenditures	(4,298)	136,467	140,765	511,324	510,790	(534)
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(511,324)	(510,790)	534
Proceeds from sale of capital assets	4,298	4,297	(1)	-	-	-
Total other financing sources (uses)	4,298	4,297	(1)	(511,324)	(510,790)	534
Net change in fund balances	-	140,764	140,764	-	-	-
Fund balances (deficits), beginning of year	1,608,565	1,608,565	-	-	-	-
Fund balances (deficits), end of year	$ 1,608,565	$ 1,749,329	$ 140,764	$ -	$ -	$ -

(Continued)

HENRY COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Law Library Fund			Court Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	141,873	140,103	(1,770)	865,480	861,757	(3,723)
Investment income	40	37	(3)	3,374	3,374	-
Miscellaneous	-	-	-	-	-	-
Total revenues	141,913	140,140	(1,773)	868,854	865,131	(3,723)
Expenditures						
Current:						
General government	-	-	-	-	-	-
Judicial	141,913	135,473	6,440	408,233	401,633	6,600
Public safety	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	141,913	135,473	6,440	408,233	401,633	6,600
Excess (deficiency) of revenues over (under) expenditures	-	4,667	4,667	460,621	463,498	2,877
Other financing sources (uses)						
Transfers in	-	-	-	227,097	227,096	(1)
Transfers out	-	-	-	(723,320)	(722,746)	574
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(496,223)	(495,650)	573
Net change in fund balances	-	4,667	4,667	(35,602)	(32,152)	3,450
Fund balances (deficits), beginning of year	52,884	52,884	-	604,410	604,410	-
Fund balances (deficits), end of year	$ 52,884	$ 57,551	$ 4,667	$ 568,808	$ 572,258	$ 3,450

(Continued)

HENRY COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Technology Fund			CDBG Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	1,044,968	1,041,923	(3,045)
Charges for services	-	94,026	94,026	-	-	-
Fines and forfeitures	102,830	-	(102,830)	-	-	-
Investment income	200	25	(175)	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	103,030	94,051	(8,979)	1,044,968	1,041,923	(3,045)
Expenditures						
Current:						
General government	-	-	-	-	-	-
Judicial	110,365	110,363	2	-	-	-
Public safety	-	-	-	-	-	-
Housing and development	-	-	-	1,044,968	1,035,012	9,956
Culture and recreation	-	-	-	-	-	-
Total expenditures	110,365	110,363	2	1,044,968	1,035,012	9,956
Excess (deficiency) of revenues over (under) expenditures	(7,335)	(16,312)	(8,977)	-	6,911	6,911
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(7,335)	(16,312)	(8,977)	-	6,911	6,911
Fund balances (deficits), beginning of year	75,581	75,581	-	464	464	-
Fund balances (deficits), end of year	$ 68,246	$ 59,269	$ (8,977)	$ 464	$ 7,375	$ 6,911

(Continued)

HENRY COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Henry First Fund			Juvenile Assistance Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	43,908	27,123	(16,785)
Investment income	84	84	-	1,560	1,559	(1)
Miscellaneous	23,296	20,555	(2,741)	-	-	-
Total revenues	23,380	20,639	(2,741)	45,468	28,682	(16,786)
Expenditures						
Current:						
General government	51	-	51	-	-	-
Judicial	-	-	-	45,468	22,076	23,392
Public safety	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-
Culture and recreation	23,329	21,997	1,332	-	-	-
Total expenditures	23,380	21,997	1,383	45,468	22,076	23,392
Excess (deficiency) of revenues over (under) expenditures	-	(1,358)	(1,358)	-	6,606	6,606
Other financing (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing (uses)	-	-	-	-	-	-
Net change in fund balances	-	(1,358)	(1,358)	-	6,606	6,606
Fund balances (deficits), beginning of year	365	365	-	391,536	391,536	-
Fund balances (deficits), end of year	$ 365	$ (993)	$ (1,358)	$ 391,536	$ 398,142	$ 6,606

(Continued)

HENRY COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Grant Fund			Neighborhood Stabilization 3 Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	1,098,318	722,570	(375,748)	26,294	23,151	(3,143)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous	126	125	(1)	-	-	-
Total revenues	1,098,444	722,695	(375,749)	26,294	23,151	(3,143)
Expenditures						
Current:						
General government	-	-	-	17,830	15,632	2,198
Judicial	-	-	-	-	-	-
Public safety	1,272,800	1,272,766	34	-	-	-
Housing and development	-	-	-	8,464	230	8,234
Culture and recreation	-	-	-	-	-	-
Total expenditures	1,272,800	1,272,766	34	26,294	15,862	10,432
Excess (deficiency) of revenues over (under) expenditures	(174,356)	(550,071)	(375,715)	-	7,289	7,289
Other financing sources (uses)						
Transfers in	192,203	192,202	(1)	-	-	-
Transfers out	(17,847)	(17,847)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	174,356	174,355	(1)	-	-	-
Net change in fund balances	-	(375,716)	(375,716)	-	7,289	7,289
Fund balances (deficits), beginning of year	(236,527)	(236,527)	-	256,230	256,230	-
Fund balances (deficits), end of year	$ (236,527)	$ (612,243)	$ (375,716)	$ 256,230	$ 263,519	$ 7,289

(Continued)

HENRY COUNTY, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Final Budget	Actual	Variance With Final Budget
Revenues			
Total revenues	$ -	$ -	$ -
Expenditures			
Debt service:			
Principal	4,183,231	4,282,261	(99,030)
Interest and fiscal charges	589,584	589,565	19
Total expenditures	4,772,815	4,871,826	(99,011)
Deficiency of revenues under expenditures	(4,772,815)	(4,871,826)	(99,011)
Other financing sources			
Transfers in	4,772,815	4,871,826	99,011
Total other financing sources	4,772,815	4,871,826	99,011
Net change in fund balances	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

NONMAJOR PROPRIETARY FUNDS

Operations of proprietary funds are designed to be self-supporting.

Cotton Field Golf Course Fund – This fund is accounts for revenues and expenses relating to the operations of the County owned golf course. All activities necessary to provide such services are accounted for in this fund.

Stormwater Fund – This fund accounts for revenues and expenses relating to the Stormwater services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2018

	Cotton Field Golf Course Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
ASSETS			
CURRENT ASSETS			
Cash	$ 20,260	$ 3,693,220	$ 3,713,480
Accounts receivable, net of allowances	-	1,161,991	1,161,991
Inventory	3,129	-	3,129
Total current assets	23,389	4,855,211	4,878,600
NONCURRENT ASSETS			
Capital assets, nondepreciable	-	5,000	5,000
Capital assets, depreciable, net of accumulated depreciation	8,893	1,250,580	1,259,473
Total noncurrent assets	8,893	1,255,580	1,264,473
Total assets	32,282	6,110,791	6,143,073
DEFERRED OUTFLOWS OF RESOURCES			
Pension	-	266,193	266,193
Total deferred outflows of resources	-	266,193	266,193
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	13,466	47,230	60,696
Accrued liabilities	12,167	67,078	79,245
Due to other funds	15,758	19,529	35,287
Due to other governments	1,250	-	1,250
Unearned revenue	17,667	-	17,667
Total current liabilities	60,308	133,837	194,145
NONCURRENT LIABILITIES			
Net pension liability	-	533,852	533,852
Total noncurrent liabilities	-	533,852	533,852
Total liabilities	60,308	667,689	727,997
DEFERRED INFLOWS OF RESOURCES			
Pension	-	56,290	56,290
Total deferred inflows of resources	-	56,290	56,290
NET POSITION			
Invested in capital assets	8,893	1,255,580	1,264,473
Unrestricted	(36,919)	4,397,425	4,360,506
Total net position	$ (28,026)	$ 5,653,005	$ 5,624,979

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

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Cotton Field Golf Course Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
Operating revenues:			
Charges for services:			
Golf course charges and fees	$ 578,319	$ -	$ 578,319
Stormwater fees	-	3,430,488	3,430,488
Miscellaneous revenue	365	-	365
Total operating revenues	578,684	3,430,488	4,009,172
Operating expenses:			
Salaries and benefits	258,934	1,673,456	1,932,390
Purchased/contracted services	214,569	609,023	823,592
Supplies and materials	129,527	435,016	564,543
Depreciation	3,680	222,200	225,880
Total operating expenses	606,710	2,939,695	3,546,405
Operating income (loss)	(28,026)	490,793	462,767
Nonoperating revenues:			
Investment income	-	19,323	19,323
Total nonoperating revenues	-	19,323	19,323
Income (loss) before transfers	(28,026)	510,116	482,090
Transfers out	-	(301,000)	(301,000)
Change in net position	(28,026)	209,116	181,090
Net position, beginning of year	-	5,443,889	5,443,889
Net position, end of year	$ (28,026)	$ 5,653,005	$ 5,624,979

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

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Cotton Field Golf Course Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 582,365	$ 3,291,634	$ 3,873,999
Payments to suppliers and service providers	(357,433)	(1,098,305)	(1,455,738)
Receipts from others	25,498	-	25,498
Payments to employees	(249,517)	(1,703,960)	(1,953,477)
Net cash provided by operating activities	913	489,369	490,282
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	-	(301,000)	(301,000)
Net cash used in noncapital financing activities	-	(301,000)	(301,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	-	19,323	19,323
Net cash provided by investing activities	-	19,323	19,323
Net increase in cash and cash equivalents	913	207,692	208,605
Cash and cash equivalents:			
Beginning of year	19,347	3,485,528	3,504,875
End of year	$ 20,260	$ 3,693,220	$ 3,713,480

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Cotton Field Golf Course Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ (28,026)	$ 490,793	$ 462,767
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	3,680	222,200	225,880
(Increase)/decrease in:			
Accounts receivable	1,085	(138,854)	(137,769)
Deferred outflows of resources	-	68,629	68,629
Due from other funds	27,767	-	27,767
Increase/(decrease) in:			
Accounts payable	4,474	(2,027)	2,447
Accrued liabilities	9,417	67,078	76,495
Net pension liabilities	-	(222,501)	(222,501)
Deferred inflows of resources	-	56,290	56,290
Unearned revenue	2,596	-	2,596
Due to other funds	(17,811)	(52,239)	(70,050)
	(2,269)	-	(2,269)
Net cash provided by operating activities	$ 913	$ 489,369	$ 490,282

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

HENRY COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2002 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Senior citizens center	$ 2,200,000	$ -	$ -	$ -	$ -
Stockbridge tag office and land acquisition	400,000	190,000	187,889	-	187,889
Court annex/judicial annex building	7,300,000	13,000,000	14,271,990	-	14,271,990
Community center(s) for family and youth activities	5,000,000	-	-	-	-
Library facilities	5,700,000	7,997,059	6,593,067	-	6,593,067
Animal shelter	1,000,000	1,185,600	1,162,565	-	1,162,565
Fire stations	2,200,000	2,969,000	3,200,511	-	3,200,511
Park and recreational facilities	12,000,000	12,475,000	10,656,109	-	10,656,109
Roads, streets, curbs, bike paths, gutters, sidewalks and bridges	85,016,659	79,000,000	84,063,532	40,821	84,104,353
City of Hampton	3,011,785	3,011,785	3,011,784	-	3,011,784
City of Locust Grove	1,822,417	1,822,417	1,822,418	-	1,822,418
City of McDonough	6,637,436	6,637,436	6,637,437	-	6,637,437
City of Stockbridge	7,711,703	7,711,703	7,711,703	-	7,711,703
Program management	-	4,000,000	10,894,131	-	10,894,131
	$ 140,000,000	$ 140,000,000	$ 150,213,136	$ 40,821	$ 150,253,957

HENRY COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2008 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Senior citizens center	$ 4,590,000	$ 2,706,763	$ 2,687,890	$ -	$ 2,687,890
Social services facilities	2,142,000	2,000,000	1,709,063	-	1,709,063
Parking deck	4,500,000	3,500,000	3,375,657	-	3,375,657
Library facilities	2,895,000	2,895,000	2,473,397	-	2,473,397
Civic center and performing arts center	1,000,000	-	70	-	70
Public safety facilities	8,768,000	2,939,409	5,357,908	-	5,357,908
Park and recreational facilities	11,250,000	8,009,156	10,658,124	-	10,658,124
Land acquisition	17,235,000	17,235,000	17,231,729	-	17,231,729
Roads, streets, curbs, bike paths, gutters, sidewalks and bridges	120,500,000	92,125,000	95,671,666	8,830,257	104,501,923
City of Hampton	6,120,000	4,545,305	4,070,056	-	4,070,056
City of Locust Grove	6,120,000	4,545,305	4,091,904	-	4,091,904
City of McDonough	21,474,000	15,948,671	14,783,604	671	14,784,275
City of Stockbridge	26,286,000	19,960,719	18,290,316	-	18,290,316
Program management	7,120,000	3,590,000	3,876,146	-	3,876,146
	$ 240,000,000	$ 180,000,328	184,277,530	8,830,928	193,108,458
Transfers to the Debt Service Fund for the purpose of repayment of principal and interest on debt. **(1)**			97,911,235	-	97,911,235
Total 2008 SPLOST Fund expenditures for the prior years and the current fiscal year.			$ 282,188,765	$ 8,830,928	$ 291,019,693

Note (1): Amount previously misreported on SPLOST schedule and represents transfers to Debt Service Fund for payment of principal and interest on SPLOST revenue bonds.

HENRY COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2014 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Public safety facilities	$ 12,320,000	$ 12,320,000	$ 8,293,138	$ 2,607,411	$ 10,900,549
Technical college construction	5,000,000	5,000,000	2,500,000	2,500,000	5,000,000
Public safety vehicles and equipment	3,886,806	3,886,806	2,519,399	-	2,519,399
911 radio replacement	7,000,000	7,000,000	1,195,901	4,381,144	5,577,045
Senior services facilities	4,050,000	4,050,000	3,994,421	-	3,994,421
Park and recreational facilities	12,863,639	12,863,639	10,714,761	722,123	11,436,884
Sewer construction and improvements	4,000,000	4,000,000	4,000,000	-	4,000,000
Roads, streets, sidewalks and bridges	86,529,555	86,529,555	30,315,863	19,705,021	50,020,884
Transportation equipment	450,000	450,000	412,246	-	412,246
Airport FBO	1,000,000	1,000,000	-	44,905	44,905
Jail renovations	1,500,000	1,500,000	1,083,691	387,717	1,471,408
City of Hampton	5,528,430	5,528,430	2,957,584	1,050,143	4,007,727
City of Locust Grove	4,269,823	4,269,823	3,874,866	245,488	4,120,354
City of McDonough	17,449,743	17,449,743	8,998,778	7,174,838	16,173,616
City of Stockbridge	20,252,004	20,252,004	8,284,429	8,740,413	17,024,842
Program management	3,900,000	3,900,000	2,589,573	603,708	3,193,281
	$ 190,000,000	$ 190,000,000	$ 91,734,650	$ 48,162,911	$ 139,897,561
Repayment of interest on debt and bond issuance cost. Proceeds included in projects above.			4,381,000	8,559,400	
Total 2014 SPLOST Fund expenditures for the current fiscal year.			$ 96,115,650	$ 56,722,311	

AGENCY FUNDS

Tax Commissioner – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Sheriff – This fund is used to account for the collection of fines and bond forfeitures and the subsequent remittance to the applicable parties.

Flint Drug Task Force – This fund is used to account for the monies received by the task force.

The following agency funds are used to account for fines, fees and other monies collected by the courts and remitted to other parties in accordance with court orders and state law: **Clerk of Superior Court, Probate Court, Magistrate Court, State Court, and Juvenile Court.**

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	State Court	Juvenile Court	Flint Drug Task Force	Total
Cash and cash equivalents	$ 3,251,550	$ 3,161,294	$ 106,781	$ 106,853	$ 617,903	$ 370,252	$ 3,729	$ 880,867	$ 8,499,229
Taxes receivable	3,429,661	-	-	-	-	-	-	-	3,429,661
Total assets	$ 6,681,211	$ 3,161,294	$ 106,781	$ 106,853	$ 617,903	$ 370,252	$ 3,729	$ 880,867	$ 11,928,890
LIABILITIES									
Due to component unit	$ 152,663	$ 23,423	$ -	$ -	$ -	$ -	$ -	$ -	$ 176,086
Due to others	6,528,548	3,137,871	106,781	106,853	617,903	370,252	3,729	880,867	11,752,804
Total liabilities	$ 6,681,211	$ 3,161,294	$ 106,781	$ 106,853	$ 617,903	$ 370,252	$ 3,729	$ 880,867	$ 11,928,890

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 3,230,652	$ 168,656,277	$ 168,635,379	$ 3,251,550
Taxes receivable	3,146,540	3,429,661	3,146,540	3,429,661
	$ 6,377,192	$ 172,085,938	$ 171,781,919	$ 6,681,211
LIABILITIES				
Due to component unit	$ 83,206	$ 14,643,288	$ 14,573,831	$ 152,663
Due to others	6,293,986	160,590,097	160,355,535	6,528,548
	$ 6,377,192	$ 175,233,385	$ 174,929,366	$ 6,681,211
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 3,823,199	$ 6,957,175	$ 7,619,080	$ 3,161,294
LIABILITIES				
Due to component unit	$ 29,813	$ 266,076	$ 272,466	$ 23,423
Due to others	3,793,386	6,691,099	7,346,614	3,137,871
	$ 3,823,199	$ 6,957,175	$ 7,619,080	$ 3,161,294

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 191,637	$ 268,138	$ 352,994	$ 106,781
LIABILITIES				
Due to others	$ 191,637	$ 268,138	$ 352,994	$ 106,781
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 68,084	$ 806,622	$ 767,853	$ 106,853
LIABILITIES				
Due to others	$ 68,084	$ 806,622	$ 767,853	$ 106,853
SHERIFF				
ASSETS				
Cash and cash equivalents	$ 445,027	$ 1,686,733	$ 1,513,857	$ 617,903
LIABILITIES				
Due to others	$ 445,027	$ 1,686,733	$ 1,513,857	$ 617,903

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
STATE COURT				
ASSETS				
Cash and cash equivalents	$ 433,220	$ 5,124,454	$ 5,187,422	$ 370,252
LIABILITIES				
Due to others	$ 433,220	$ 5,124,454	$ 5,187,422	$ 370,252
JUVENILE COURT				
ASSETS				
Cash and cash equivalents	$ 2,682	$ 24,101	$ 23,054	$ 3,729
LIABILITIES				
Due to others	$ 2,682	$ 24,101	$ 23,054	$ 3,729
FLINT DRUG TASK FORCE				
ASSETS				
Cash and cash equivalents	$ 167,984	$ 1,432,840	$ 719,957	$ 880,867
LIABILITIES				
Due to others	$ 167,984	$ 1,432,840	$ 719,957	$ 880,867

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
TOTAL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 8,362,485	$ 184,956,340	$ 184,819,596	$ 8,499,229
Taxes receivable	3,146,540	3,429,661	3,146,540	3,429,661
	$ 11,509,025	$ 188,386,001	$ 187,966,136	$ 11,928,890
LIABILITIES				
Due to component unit	$ 113,019	$ 14,909,364	$ 14,846,297	$ 176,086
Due to others	11,396,006	176,624,084	176,267,286	11,752,804
	$ 11,509,025	$ 191,533,448	$ 191,113,583	$ 11,928,890

COMPONENT UNIT

HENRY COUNTY, GEORGIA

BALANCE SHEET
COMPONENT UNIT - LIBRARY SYSTEM
JUNE 30, 2018

ASSETS	
Cash and cash equivalents	$ 1,173,997
Investments	225,133
Accounts receivable	36,370
Prepaids	1,035
Total assets	$ 1,436,535
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 33,256
Accrued liabilities	96,028
Total liabilities	129,284
FUND BALANCE	
Unassigned	1,307,251
Total fund balance	1,307,251
Total liabilities and fund balance	$ 1,436,535

HENRY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPONENT UNIT - LIBRARY SYSTEM FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Revenues		
Intergovernmental	$	3,044,043
Investment income		4,906
Contributions		3,178
Other revenues		122,877
Total revenues		3,175,004
Expenditures		
Culture and recreation		3,103,040
Total expenditures		3,103,040
Net change in fund balance		71,964
Fund balance, beginning of year		1,235,287
Fund balance, end of year	$	1,307,251

STATISTICAL SECTION

This part of Henry County's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends ..... **128 - 133**
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity ..... **134 - 137**
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity ..... **138 - 140**
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information ..... **141 and 142**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information ..... **143 - 145**
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year. The County implemented GASB Statement 34 for the year ended June 30, 2003; schedules presenting government-wide information include information beginning in that year.

HENRY COUNTY, GEORGIA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	$ 505,440,842	$ 523,541,747	$ 541,151,869	$ 558,373,308	$ 568,049,432	$ 581,339,331	$ 584,515,407	$ 582,115,380	$ 605,981,070	$ 635,654,846
Restricted	85,167,736	64,041,244	74,194,079	66,329,286	67,078,084	67,207,630	66,064,179	65,792,108	59,773,743	34,582,275
Unrestricted	(16,875,327)	27,989,497	6,976,252	10,225,852	18,815,503	21,943,635	13,312,997	35,713,779	30,235,803	4,923,462
Total governmental activities net position	$ 573,733,251	$ 615,572,488	$ 622,322,200	$ 634,928,446	$ 653,943,019	$ 670,490,596	$ 663,892,583	$ 683,621,267	$ 695,990,616	$ 675,160,583
Business-type activities:										
Net investment in capital assets	$ 454,613	$ 530,211	$ 420,441	$ 18,208,602	$ 20,954,950	$ 21,550,115	$ 21,716,004	$ 21,627,793	$ 24,807,885	$ 28,546,205
Unrestricted	1,351,941	1,819,598	2,793,970	1,102,775	1,325,934	4,461,391	4,573,809	5,187,176	4,535,908	4,819,210
Total business-type activities net position	$ 1,806,554	$ 2,349,809	$ 3,214,411	$ 19,311,377	$ 22,280,884	$ 26,011,506	$ 26,289,813	$ 26,814,969	$ 29,343,793	$ 33,365,415
Primary government:										
Net investment in capital assets	$ 505,895,455	$ 524,071,958	$ 541,572,310	$ 576,581,910	$ 589,004,382	$ 602,889,446	$ 606,231,411	$ 603,743,173	$ 630,788,955	$ 664,201,051
Restricted	85,167,736	64,041,244	74,194,079	66,329,286	67,078,084	67,207,630	66,064,179	65,792,108	59,773,743	34,582,275
Unrestricted	(15,523,386)	29,809,095	9,770,222	11,328,627	20,141,437	26,405,026	17,886,806	40,900,955	34,771,711	9,742,672
Total governmental activities net position	$ 575,539,805	$ 617,922,297	$ 625,536,611	$ 654,239,823	$ 676,223,903	$ 696,502,102	$ 690,182,396	$ 710,436,236	$ 725,334,409	$ 708,525,998

HENRY COUNTY, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009 (1)	2010 (2)	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General government	$ 44,743,867	$ 18,298,478	$ 26,348,081	$ 34,975,466	$ 30,586,221	$ 30,746,741	$ 33,767,721	$ 35,372,037	$ 41,927,026	$ 39,029,968
Judicial	15,188,353	15,437,238	15,705,199	15,055,740	15,218,800	15,033,248	15,274,717	16,222,745	16,659,528	16,552,041
Public safety	67,773,063	68,450,538	69,943,800	67,175,789	67,677,868	69,770,025	70,487,769	76,900,896	91,769,235	86,764,996
Public works	22,044,184	22,823,271	20,545,804	12,446,599	12,528,288	18,392,672	18,015,726	13,722,655	4,136,491	28,860,276
Health and welfare	5,921,341	8,665,724	7,780,437	6,147,579	6,465,665	5,173,914	5,262,317	6,578,244	8,042,763	5,717,268
Culture and recreation	8,219,168	5,564,695	6,003,414	7,317,595	7,062,545	6,823,060	6,981,232	12,352,146	12,392,537	8,768,250
Housing and development	4,792,273	8,269,563	5,801,955	5,086,200	8,166,587	11,721,615	14,259,564	10,314,651	7,828,012	4,644,787
Interest on long-term debt	3,664,069	4,904,526	4,123,448	3,260,617	2,469,786	1,543,873	1,989,276	1,380,993	813,111	679,366
Total governmental activities expenses	172,346,318	152,414,033	156,252,138	151,465,585	150,175,760	159,205,148	166,038,322	172,844,367	183,568,703	191,016,952
Business-type activities:										
Stormwater	1,899,938	2,041,355	1,835,134	1,848,896	2,053,165	2,683,451	2,546,551	2,636,702	3,461,535	3,546,405
Airport	-	-	-	774,400	875,056	865,506	803,658	776,602	890,852	1,038,741
Total business-type activities expenses	1,899,938	2,041,355	1,835,134	2,623,296	2,928,221	3,548,957	3,350,209	3,413,304	4,352,387	4,585,146
Total primary government expenses	$ 174,246,256	$ 154,455,388	$ 158,087,272	$ 154,088,881	$ 153,103,981	$ 162,754,105	$ 169,388,531	$ 176,257,671	$ 187,921,090	$ 195,602,098
Program revenues										
Governmental activities:										
Charges for services:										
Impact fee collection	$ 252,622	$ 286,181	$ 279,625	$ 305,584	$ 549,740	$ 1,128,877	$ 1,349,446	$ 1,676,513	$ 1,655,495	$ 1,673,265
Other housing and development	974,294	725,722	1,863,436	1,974,847	1,216,861	1,558,752	2,003,324	2,771,518	2,983,309	2,260,895
General government	4,236,884	4,048,418	5,535,436	4,910,433	4,503,567	4,437,315	4,701,686	4,686,304	5,581,743	4,741,725
Judicial	6,818,804	6,666,005	7,462,382	6,825,478	6,921,623	7,714,363	7,104,669	7,594,451	7,622,374	8,465,768
Public safety	9,663,280	11,616,705	7,843,410	7,454,139	9,609,647	11,047,407	11,139,752	10,537,526	10,906,831	12,496,319
Other activities	2,973,978	2,891,873	1,978,748	1,888,117	2,757,687	4,073,266	4,817,493	5,366,879	5,057,117	5,063,466
Operating grants and contributions	3,139,843	11,260,174	4,805,003	6,211,598	10,407,091	13,159,806	11,645,382	8,568,292	6,342,974	3,529,677
Capital grants and contributions	15,414,026	30,076,027	13,660,391	13,491,079	3,968,265	4,881,467	85,798	171,120	2,461,430	1,284,941
Total governmental activities program revenues	43,473,731	67,571,105	43,428,431	43,061,275	39,934,481	48,001,253	42,847,550	41,372,603	42,611,273	39,516,056
Business-type activities:										
Charges for services-Stormwater	2,855,662	2,942,581	2,996,834	3,006,424	2,988,384	2,983,539	3,233,088	3,319,354	3,919,328	4,009,172
Operating grants and contributions-Stormwater	-	835	-	-	-	-	-	85,000	-	-
Capital grants and contributions-Stormwater	-	22,500	-	-	-	-	-	-	-	-
Charges for services-Airport	-	-	-	758,120	877,974	908,244	970,366	783,287	760,793	982,450
Capital grants and contributions-Airport	-	-	-	15,255,658	2,205,618	530,038	179,123	47,934	2,246,996	1,534,045
Total business-type activities program revenues	2,855,662	2,965,916	2,996,834	19,020,202	6,071,976	4,421,821	4,382,577	4,235,575	6,927,117	6,525,667
Total primary government program revenues	$ 46,329,393	$ 70,537,021	$ 46,425,265	$ 62,081,477	$ 46,006,457	$ 52,423,074	$ 47,230,127	$ 45,608,178	$ 49,538,390	$ 46,041,723

(Continued)

HENRY COUNTY, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009 (1)	2010 (2)	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense)/revenue:										
Governmental activities	$ (128,872,587)	$ (84,842,928)	$ (112,823,707)	$ (108,404,310)	$ (110,241,279)	$ (111,203,895)	$ (123,190,772)	$ (131,471,764)	$ (140,957,430)	$ (151,500,896)
Business-type activities	955,724	924,561	1,161,700	16,396,906	3,143,755	872,864	1,032,368	822,271	2,574,730	1,940,521
Total primary government net expense	$ (127,916,863)	$ (83,918,367)	$ (111,662,007)	$ (92,007,404)	$ (107,097,524)	$ (110,331,031)	$ (122,158,404)	$ (130,649,493)	$ (138,382,700)	$ (149,560,375)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 74,489,406	$ 73,046,611	$ 67,065,940	$ 62,637,760	$ 67,973,001	$ 67,371,942	$ 75,180,445	$ 81,982,432	$ 82,812,154	$ 87,467,649
Sales taxes	43,866,344	45,910,913	44,805,989	49,142,578	51,091,371	53,611,106	55,524,606	57,191,007	57,857,266	61,629,877
Other taxes	7,373,018	7,189,779	7,277,498	8,842,283	9,472,356	9,803,331	10,650,358	11,405,368	11,915,652	12,709,244
Unrestricted investment earnings	922,392	150,481	122,805	85,356	79,422	63,944	75,862	320,454	677,993	1,368,864
Transfers	-	384,381	301,187	302,579	214,401	(2,854,473)	301,000	301,187	63,714	(2,059,000)
Total governmental activities	126,651,160	126,682,165	119,573,419	121,010,556	128,830,551	127,995,850	141,732,271	151,200,448	153,326,779	161,116,634
Business-type activities:										
Unrestricted investment earnings	12,445	3,075	4,089	2,639	2,776	3,285	2,429	4,072	17,808	22,101
	-	-	-	-	37,377	-	-	-	-	-
Transfers	-	(384,381)	(301,187)	(302,579)	(214,401)	2,854,473	(301,000)	(301,187)	(63,714)	2,059,000
Total business-type activities	12,445	(381,306)	(297,098)	(299,940)	(174,248)	2,857,758	(298,571)	(297,115)	(45,906)	2,081,101
Total primary government	$ 126,663,605	$ 126,300,859	$ 119,276,321	$ 120,710,616	$ 128,656,303	$ 130,853,608	$ 141,433,700	$ 150,903,333	$ 153,280,873	$ 163,197,735
Change in Net Position										
Governmental activities	$ (2,221,427)	$ 41,839,237	$ 6,749,712	$ 12,606,246	$ 18,589,272	$ 16,791,955	$ 18,541,499	$ 19,728,684	$ 12,369,349	$ 9,615,738
Business-type activities	968,169	543,255	864,602	16,096,966	2,969,507	3,730,622	733,797	525,156	2,528,824	4,021,622
Total primary government	$ (1,253,258)	$ 42,382,492	$ 7,614,314	$ 28,703,212	$ 21,558,779	$ 20,522,577	$ 19,275,296	$ 20,253,840	$ 14,898,173	$ 13,637,360

(1) Significant increase in expenditures, Governmental Activities-General Government, for fiscal year 2009 is due to payments to municipalities within the County in accordance with the 2008 Special Purpose Local Option Sales Tax resolution.
(2) Increase in 2010 program revenues was substantially due to the ARRA funding provided for various projects.

HENRY COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011 (1)	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	$ 431,226	$ 317,909	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	42,407,776	39,243,083	-	-	-	-	-	-	-	-
Nonspendable:										
Prepaids	-	-	374,262	292,008	217,283	280,807	189,707	224,939	282,862	220,368
Inventories	-	-	-	-	190,966	230,202	260,205	280,729	158,982	265,127
Advances to other funds	-	-	4,071,741	5,287,840	3,155,660	-	-	-	-	-
Restricted:										
Capital projects					1,403,537	491,504	597,154	593,000	1,240,528	1,194,639
Public safety purposes	-	-	20,973	17,808	17,808	17,808	17,808	17,808	17,808	17,808
Assigned	-	-	-	-	3,016,357	194,980	5,615,482	5,783,748	12,448,233	10,244,308
Unassigned	-	-	31,756,420	31,764,728	35,501,521	41,608,532	45,440,368	56,244,935	53,519,303	58,684,990
Total General Fund	$ 42,839,002	$ 39,560,992	$ 36,223,396	$ 37,362,384	$ 43,503,132	$ 42,823,833	$ 52,120,724	$ 63,145,159	$ 67,667,716	$ 70,627,240
All Other Governmental Funds										
Reserved	$ 1,742,086	$ 1,659,116	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	7,893,812	11,026,010	-	-	-	-	-	-	-	-
Debt service funds	486,479	17,447,416	-	-	-	-	-	-	-	-
Capital projects funds	91,988,543	69,144,471	-	-	-	-	-	-	-	-
Nonspendable:										
Prepaids	-	-	-	-	-	75,600	37,800	-	-	-
Restricted:										
Capital projects	-	-	47,575,333	36,067,022	33,671,548	35,445,110	73,422,136	63,512,294	49,705,561	23,334,732
Housing and development	-	-	-	-	497,567	515,012	561,771	669,264	777,182	948,159
Federal and State grants	-	-	2,085,169	2,262,425	2,101,730	961,843	1,156,552	399,718	256,230	263,519
Citizen welfare	-	-	1,285,148	1,230,591	1,177,312	599,576	949,656	798,169	539,310	498,483
Law enforcement purposes	-	-	5,541,681	5,872,055	4,851,228	4,290,367	3,353,658	2,621,118	2,074,828	2,205,022
Public safety purposes	-	-	5,896,612	4,264,629	4,851,291	5,765,945	6,682,787	7,598,487	8,342,547	7,278,231
Debt service	-	-	18,318,820	18,632,934	18,876,436	19,120,465	4,383,409	4,381,000	8,559,400	8,561,000
Intergovernmental	-	-	-	-	-	-	-	14,798,767	11,739,668	9,719,335
Unassigned:										
Special revenue funds	-	-	-	-	(43,261)	(317,597)	(255,754)	(497,114)	(897,335)	(1,208,510)
Capital projects funds	-	-	(2,762,763)	(4,910,973)	-	-	-	-	-	-
Total all other governmental funds	$ 102,110,920	$ 99,277,013	$ 77,940,000	$ 63,418,683	$ 65,983,851	$ 66,456,321	$ 90,292,015	$ 94,281,703	$ 81,097,391	$ 51,599,971

(1) Beginning July 1, 2010, the County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

HENRY COUNTY, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	$ 124,012,176	$ 127,223,623	$ 120,367,567	$ 120,875,692	$ 129,960,585	$ 129,946,751	$ 141,518,030	$ 150,678,742	$ 152,710,036	$ 161,710,151
Licenses and permits	1,779,532	1,514,676	1,746,290	1,782,488	2,478,957	3,342,798	4,035,859	5,076,445	5,264,626	4,672,390
Intergovernmental	6,699,402	23,150,424 (4)	11,128,485	15,527,987	12,270,254	11,905,814	13,067,370	8,730,112	6,733,685	3,634,568
Charges for services	16,486,172	17,267,981	13,248,419	14,337,943	16,157,841	17,300,085	17,742,126	18,041,262	19,719,268	19,616,312
Fines and forfeitures	5,897,161	6,655,157	8,969,504	6,323,064	5,338,546	6,334,417	5,826,167	6,085,039	5,998,702	6,700,216
Investment income	922,392	328,794 (5)	208,600	114,916	103,533	80,754	122,674	431,345	872,316	1,699,641
Contributions	125,886	62,356	65,416	218,557	176,882	169,162	55,561	19,227	41,323	68,090
Miscellaneous	2,353,065	2,177,306	1,906,379	1,847,551	1,981,956	3,923,290	4,072,809	3,677,113	4,396,708	4,436,677
Total revenues	$ 158,275,786	$ 178,380,317	$ 157,640,660	$ 161,028,198	$ 168,468,554	$ 173,003,071	$ 186,440,596	$ 192,739,285	$ 195,736,664	$ 202,538,045
Expenditures										
General government	$ 15,980,259	$ 14,958,074	$ 15,051,731	$ 14,284,302	$ 14,396,316	$ 15,346,942	$ 16,141,411	$ 17,872,200	$ 18,030,302	$ 19,840,090
Judicial	14,999,832	15,257,216	15,007,861	14,497,032	14,729,088	14,723,977	15,116,597	15,867,789	16,261,786	16,536,108
Public safety	64,700,470	66,683,701	63,053,313	61,873,370	61,683,411	66,892,442	70,829,859	71,553,175	78,747,725	85,462,779
Public works	11,648,255	11,939,937	8,081,124	7,573,243	7,236,563	11,888,381	10,747,741	10,348,783	10,528,258	9,729,069
Health and welfare	6,077,107	6,005,433	5,731,958	5,659,113	5,899,710	4,880,925	4,882,143	5,251,452	5,265,719	5,626,290
Culture and recreation	7,947,472	7,113,640	6,538,889	5,522,185	5,172,911	5,439,156	5,861,528	6,244,639	6,903,675	6,781,234
Housing and development	4,915,781	8,333,524	5,652,700	4,992,210	8,085,404	11,720,659	14,276,338	10,193,473	8,188,140	4,954,197
Intergovernmental	25,896,678 (1)	2,523,364	2,412,181	2,951,666	3,264,382	2,354,873	6,297,008	7,812,021	8,020,676	17,211,554
Capital outlay	31,337,084	41,606,362	39,907,052	30,750,262	12,886,361	11,110,932	17,468,408	23,821,687	43,089,861	49,763,827
Debt service:										
Principal retirement	31,772,244 (2)	5,647,610	21,881,414	23,073,807	23,870,927	23,492,183	23,016,736	7,178,756	7,546,521	11,752,261
Interest and fiscal charges	3,283,190	4,850,133	4,921,323	4,109,729	3,317,296	2,543,420	2,088,994	1,991,406	1,919,189	1,678,965
Issuance costs	757,501	-					391,757	143,059	-	-
Total expenditures	219,315,873	184,918,994	188,239,546	175,286,919	160,542,369	170,393,890	187,118,520	178,278,440	204,501,852	229,336,374
Excess (deficiency) of revenues over (under) expenditures	(61,040,087)	(6,538,677)	(30,598,886)	(14,258,721)	7,926,185	2,609,181	(677,924)	14,460,845	(8,765,188)	(26,798,329)

(Continued)

HENRY COUNTY, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Financing Sources (Uses)										
Capital leases	$ -	$ -	$ 5,559,590	$ 569,151	$ -	$ -	$ -	$ -	$ -	$ -
Issuance of bonds	87,240,000 (3)	-	-	-	-	-	29,630,000 (6)	9,645,000 (7)	-	-
Premium on bonds	3,753,281	-	-	-	-	-	3,785,757	707,285	-	-
Payments to escrow agent	-	-	-	-	-	-	-	(10,203,708)	-	-
Transfers in	31,651,693	32,149,630	33,096,106	33,109,231	38,694,400	28,336,995	7,618,766	12,533,308	12,004,422	12,781,047
Transfers out	(31,651,693)	(31,765,249)	(32,794,919)	(32,806,652)	(38,479,999)	(31,191,468)	(7,317,766)	(12,232,121)	(11,940,708)	(14,840,047)
Proceeds from sale of capital assets	61,677	42,379	63,500	4,662	142,615	38,463	93,752	103,514	39,719	96,625
Total other financing sources (uses)	91,054,958	426,760	5,924,277	876,392	357,016	(2,816,010)	33,810,509	553,278	103,433	(1,962,375)
Net change in fund balances	$ 30,014,871	$ (6,111,917)	$ (24,674,609)	$ (13,382,329)	$ 8,283,201	$ (206,829)	$ 33,132,585	$ 15,014,123	$ (8,661,755)	$ (28,760,704)
Debt service as a percentage of noncapital expenditures	14.0%	18.7%	7.6%	17.5%	18.3%	20.3%	16.3%	6.0%	5.8%	7.4%

(1) Amounts represent payments to municipalities within the County in accordance with the 2008 Special Purpose Local Option Sales Tax resolution. Also includes proceeds from bonds issued on behalf of the municipalities.
(2) The County retired the $7.235 million in general obligation bonds issued in 2008, along with normal debt service requirements.
(3) The County issued $87.24 million in general obligation bonds in 2009.
(4) Revenues increased in 2010 substantially due to increased ARRA funding for various projects.
(5) Interest earned on SPLOST funds are reported as program income-capital grants and contributions- beginning in 2010.
(6) The County issued $29.63 million in general obligation bonds in fiscal year 2015.
(7) The County issued $9.645 million in revenue bonds in fiscal year 2016.

HENRY COUNTY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other (1)					
2009	5,139,260,358	2,452,100,370	504,161,380	8,800,752	1,343,128,210	6,761,194,650	10.97	16,902,986,625	40%
2010	5,100,209,854	2,444,597,311	521,749,210	10,237,167	1,355,121,921	6,721,671,621	10.97	16,804,179,053	40%
2011	4,148,277,699	2,295,735,115	450,888,710	10,241,711	1,195,578,627	5,709,564,608	11.75	14,273,911,520	40%
2012	3,761,782,236	2,289,954,941	458,020,740	9,796,885	1,257,127,218	5,262,427,584	11.75	13,156,068,960	40%
2013	3,022,034,746	2,386,381,854	478,457,190	8,195,509	1,254,042,188	4,641,027,111	14.50	11,602,567,778	40%
2014	3,034,741,148	2,426,561,125	495,286,040	8,991,946	1,250,359,481	4,715,220,778	14.50	11,788,051,945	40%
2015	3,571,245,625	2,538,835,322	407,309,750	8,692,776	1,308,650,163	5,217,433,310	14.30	13,043,583,275	40%
2016	3,983,559,997	2,685,707,573	305,971,820	8,775,263	1,329,555,852	5,654,458,801	13.87	14,136,147,003	40%
2017	4,435,554,023	2,925,492,842	227,952,810	8,001,091	1,417,330,098	6,179,670,668	12.73	15,449,176,670	40%
2018	4,847,645,599	3,040,284,134	169,265,750	7,105,668	1,502,301,571	6,561,999,580	12.73	16,404,998,950	40%

Source: Henry County Tax Commissioner

(1) Includes Heavy Equipment, Mobile Homes, and Timber.

HENRY COUNTY, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per $1,000 of assessed value)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Henry County rates										
Maintenance & Operations										
Unincorporated	13.89	13.71	14.89	18.52	18.71	18.39	17.65	16.45	16.28	16.15
Insurance Reduction (1)	-	-	-	-	-	-	-	-	-	-
Municipal rates										
McDonough (2)	2.59	2.59	3.45	4.39	4.39	4.38	4.92	4.56	4.30	4.08
Stockbridge	-	-	-	-	-	-	-	-	-	-
Hampton	-	-	-	-	-	-	-	-	-	-
Locust Grove	-	-	-	-	-	-	-	-	-	-
LOST Reduction	(2.92)	(2.92)	(3.14)	(4.02)	(4.21)	(4.09)	(3.78)	(3.71)	(3.55)	(3.42)
Police Protection	-	-	1.72	1.91	1.94	1.92	1.79	1.89	1.68	1.81
Fire Protection	1.22	1.22	1.15	1.02	0.68	0.60	0.57	0.56	0.50	0.62
Planning and Development	-	-	0.23	0.14	0.10	0.02	0.01	0.02	-	-
Water Authority	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Hospital Authority	1.00	1.00	1.00	-	-	-	-	-	-	-
Board of Education										
Maintenance & Operations	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Debt Service	3.06	3.06	3.06	3.63	3.63	3.63	3.63	3.63	3.63	3.63
State of Georgia	0.25	0.25	0.25	0.20	0.15	0.10	0.05	-	-	-
Total Unincorporated	37.28	37.28	38.06	40.33	40.28	40.03	39.55	38.36	38.36	38.36
Total Municipalities (3), (4)										
McDonough	38.14	38.14	38.42	41.65	41.58	41.32	42.10	40.45	40.48	40.01
Stockbridge	37.02	37.02	38.06	40.33	40.28	40.03	39.55	38.36	38.36	38.36
Hampton	36.17	36.17	36.35	38.34	38.29	38.04	37.76	36.48	36.68	36.55
Locust Grove	35.87	35.87	36.11	38.28	38.08	37.83	37.75	36.46	36.68	36.55
Total Direct Tax Rate	10.97	10.97	11.75	14.50	14.50	14.30	13.87	12.73	12.73	12.73

Source: Henry County Tax Commissioner

(1) Insurance reduction is applied only to unincorporated rates.

(2) Fire protection included in City of McDonough rate.

(3) Beginning in 2000, all cities except Stockbridge received a reduction for police services.

(4) Beginning in 2006, the cities of McDonough and Hampton received a reduction for planning and development services.

HENRY COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Henry Co Development Authority	$ 88,708,376	1	1.35 %	$		%
Georgia Power Company	43,723,477	2	0.67	27,093,491	2	0.40
Atlanta Motor Speedway	35,819,360	3	0.55	26,988,200	1	0.40
US Industrial REIT	25,522,840	4	0.39	18,830,480	4	0.28
Norfolk Southern Combined	26,990,392	5	0.41	18,325,853	6	0.27
Big Box Property Owner A, LLC	23,118,200	6	0.35			
Kens Food Inc	33,380,627	7	0.51	23,008,444	7	0.34
Directv LLC	21,577,176	8	0.33			
Trees of Avalon LLC	19,230,312	9	0.29			
RPAI McDonough Henry Town	19,734,320	10	0.30			
Inland Western McDonough				21,643,560	3	0.32
Cardinal Health 103, Inc.				42,267,114	9	0.63
BellSouth Telecom				18,665,407	5	0.28
Prologis-MacQuarie US, LLC				16,868,400	8	0.25
WP Atlanta NP LLC				15,721,960	10	0.23
Totals	$ 337,805,080		5.15 %	$ 229,412,909		3.41 %

The fiscal year 2018 total taxable assessed value is: 6,561,999,580
The fiscal year 2009 total taxable assessed value is: 6,722,848,475

Source: Henry County Tax Commissioner

Note: Several taxpayers pay varying millage rates which can account for higher assessed value, but less tax.

HENRY COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	$ 224,099,576	$ 211,348,395	94.3 %	$ 9,633,458	$ 220,981,853	98.6 %
2010	232,661,093	220,510,188	94.8	12,162,480	232,672,668	100.0
2011	205,764,434	193,893,667	94.2	11,764,074	205,657,741	99.9
2012	190,525,178	181,582,275	95.3	8,481,108	190,063,383	99.8
2013	171,146,444	165,774,289	96.9	5,372,155	171,146,444	100.0
2014	172,499,793	167,977,729	97.4	4,084,658	172,062,387	99.7
2015	193,276,894	188,413,250	97.5	3,376,296	191,789,546	99.2
2016	212,123,295	208,089,985	98.1	3,294,368	211,384,353	99.7
2017	227,730,138	223,762,249	98.3	3,583,226	227,345,475	99.8
2018	244,488,313	238,793,983	97.7	1,333,771	240,127,754	98.2

Source: Henry County Tax Commissioner

HENRY COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Bonded Debt: General Obligation Bonds	Percentage of Actual Property Value (1)	Per Capita (2)	Other Governmental Activities Debt: Revenue Bonds	Other Governmental Activities Debt: Capital Lease Obligations	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
2009	$ 90,814,551	0.54 %	$ 471	-	$ 58,362,818	$ 149,177,369	2.56 %	$ 774
2010	90,099,640 (3)	0.54	463	-	52,715,208	142,814,848	2.36	735
2011	73,629,729	0.52	354	-	52,148,384	125,778,113	2.00	605
2012	55,959,818	0.43	267	-	46,598,728	102,558,546	1.57	490
2013	37,599,907	0.32	178	-	40,372,801	77,972,708	1.14	369
2014	18,695,000	0.16	87	12,186,000 (4)	22,882,032	53,763,032	0.82	251
2015	33,118,399	0.25	151	12,186,000	18,560,296	63,864,695	0.88	292
2016	29,096,063 (5)	0.21	130	12,351,201	14,537,452	55,984,716	0.77	250
2017	25,050,527	0.16	109	10,464,671	11,852,995	47,368,193	0.63	207
2018	16,791,665	0.10	72	8,606,301	12,074,020	37,471,986	0.44	160

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(3) The County issued $87.24 million of general obligation bonds in 2009.

(4) The County implemented GASB 61 requiring the inclusion of the Development Authority as a blended component unit.

(5) The County issued $29.63 million of general obligation bonds in fiscal year 2015.

HENRY COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund	Total	of Estimated Actual Taxable Value of Property (2)	Bonded Debt Per Capita (3)
2009	$ 90,814,551	$ -	$ 90,814,551	0.54%	471
2010	90,099,640	17,447,416	72,652,224	0.43%	374
2011	73,629,729	18,318,820	55,310,909	0.39%	266
2012	55,959,818	18,632,934	37,326,884	0.28%	178
2013	37,599,907	18,876,436	18,723,471	0.16%	89
2014	18,695,000	18,695,000	-	0.00%	-
2015	33,118,399	4,383,409	28,734,990	0.22%	131
2016	29,096,063	4,381,000	24,715,063	0.17%	111
2017	25,050,527	8,559,400	16,491,127	0.11%	72
2018	16,791,665	8,561,000	8,230,665	0.05%	35

NOTE:
Details regarding Henry County's outstanding debt can be found in the notes to the financial statements.

(1) Presented net of original issuance discounts and premiums.
(2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(3) See the Schedule of Demographic and Economic Statistics for personal income and population data.

HENRY COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	$ 676,119,465	$ 672,167,162	$ 570,956,461	$ 526,242,758	$ 464,102,711	$ 471,522,078	$ 521,743,331	$ 565,445,880	$ 617,967,067	$ 656,199,958
Total net debt applicable to limit	90,814,551	90,099,640	73,629,729	55,959,818	37,599,907	18,695,000	33,118,399	29,096,063	25,050,527	16,791,665
Legal debt margin	$ 585,304,914	$ 582,067,522	$ 497,326,732	$ 470,282,940	$ 426,502,804	$ 452,827,078	$ 488,624,932	$ 536,349,817	$ 592,916,540	$ 639,408,293
Total net debt applicable to the limit as a percentage of debt limit	13.43%	13.40%	12.90%	10.63%	8.10%	3.96%	6.35%	5.15%	4.05%	2.56%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	$ 6,561,999,580
Debt limit (10% of assessed value)	656,199,958
Debt applicable to limit:	
General obligation bonds	16,791,665
Less: Amount set aside for repayment of General obligation debt	-
Total net debt applicable to limit	16,791,665
Legal debt margin	$ 639,408,293

NOTE: Under state finance law, the County's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

HENRY COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2009	192,800	$ 5,821,827	$ 29,126	33.4	40,370	10.1 %
2010	194,400	6,054,490	28,804	33.4	40,791	10.0
2011	207,800	6,296,670	30,143	31.0	40,951	10.9
2012	209,500	6,548,536	31,509	35.3	40,290	9.5
2013	211,300	6,810,478	32,578	35.3	40,440	8.1
2014	214,500	6,596,125	31,242	35.6	41,000	7.5
2015	218,700	7,224,263	33,779	36.5	41,000	6.1
2016	223,600	7,224,263	33,779	36.0	42,000	5.1
2017	229,000	7,549,198	34,671	36.3	39,500	5.0
2018	234,800	8,540,563	37,821	36.5	42,000	3.5

(1) Source: Bureau of Economic Analysis: Regional Data, Atlanta Regional Commission 2009-2018
(2) Source: Bureau of Economic Analysis
(3) Source: Bureau of Economic Analysis
(4) Source: Henry County Board of Education
(5) Source: Georgia Department of Labor

NOTE: 2011 and 2012 per capita and personal income are estimates based on past regional trends.

HENRY COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

	2018			2009		
Employer	Employees (1)	Rank	Percentage of Total County Employment (2)	Employees (1)	Rank	Percentage of Total County Employment (2)
Henry County Board of Education	4953	1	4.35 %	5,100	1	5.56 %
Henry County Board of Commissioners	1700	2	1.49	1,796	2	1.96
Luxottica Retail Group	1600	3	1.40			
Piedmont Henry	1453	4	1.28			
WalMart Supercenter	1341	5	1.18	1,143	4	1.25
PVH	800	6	0.70			
Home Depot DFC #6777	606	7	0.53			
Georgia Power Company	550	8	0.48	580	6	0.63
Federal Aviation Administration	500	9	0.44	831	5	0.91
TSYS	250	10	0.22			
Henry Medical Center				1,566	3	1.71
Briggs & Stratton fka Snapper				454	7	0.49
Symcor				489	8	0.53
Southern States, Inc.				345	9	0.38
Georgia Crown Distributing Company				280	10	0.31
Totals	13,753		12.07 %	12,584		13.73 %

(1) Source: Henry County Development Authority

(2) Source: U.S. Bureau of Labor Statistics, Georgia Department of Labor, workforce - 113,925 (September 2018)

HENRY COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
General Government	576	639	615	591	411	541	440	436	469	443
Public Safety and										
Police & Sheriff										
Officers	302	368	296	281	328	270	402	424	419	426
Civilians	53	53	53	57	53	49	53	51	53	54
Corrections	160	157	163	162	162	163	163	163	166	153
Fire										
Firefighters	264	265	260	242	270	268	267	273	310	332
Civilians	27	27	27	27	12	12	11	10	11	11
Highways and streets										
Engineering	24	19	19	16	15	15	12	16	14	10
Maintenance	84	80	74	66	68	75	86	84	64	73
Social services	100	101	73	82	62	93	101	95	95	112
Culture and recreation	71	66	50	58	36	72	73	63	76	82
Total	1,661	1,775	1,630	1,582	1,417	1,558	1,608	1,615	1,677	1,696

Source: Department of Community Affairs Annual Survey of Government Employment for March of each year.

HENRY COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN CALENDAR YEARS

	Calendar Year									
Function	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Police										
Physical arrest	6,715	6,652	6,498	5,556	5,986	5,947	5,541	5,688	4,861	4,369
Parking violations	83	20	58	44	31	46	122	45	32	39
Traffic violations	65,394	66,061	65,105	50,492	71,254	67,553	58,560	51,233	42,438	32,930
Fire										
Calls answered	19,240	20,245	21,581	23,902	22,497	22,364	23,518	25,082	26,508	26,566
Inspections	8,431	11,856	8,382	7,335	6,731	5,678	6,502	5,178	7,466	6,199
Highways and streets										
Street resurfacing	56	56	65	40	34	20	12	19	19	23
Culture and recreation										
Athletic field permits issued	121,576	125,544	151,826	193,575	193,698	207,634	40,272	39,054	36,306	41,021
Community center admissions	79,143	79,876	59,473	58,518	42,803	42,677	105,124	196,370	187,815	218,190

NOTE: Indicators are not available for the general government function.
NOTE: Departments maintain statistical information on a calendar-year basis.

Sources: Various County Departments.

HENRY COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function/Program	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Police										
Stations	4	5	5	4	3	3	3	3	3	3
Patrol Units	310	230	196	196	314	310	311	311	311	290
Patrol Zones	20	20	20	20	20	20	20	20	20	20
Fire Stations	13	13	13	13	13	13	13	13	14	16
Public Works										
Streets (miles)	1,221	1,230	1,236	1,238	1,237	1,238	1,238	1,239	1,244	1,246
Traffic Signals	27	30	32	32	35	35	35	37	37	38
Culture and Recreation										
Park Acreage	1,258.2	1,268.7	1,271	1,271	1,271	1,271	1,271	1,283	1,283	1,283
Playgrounds	33	33	33	33	33	33	33	33	34	34
Baseball/Softball Diamonds	74	74	73	73	73	73	73	73	73	73
Soccer/Football Fields	27	us	33	33	33	33	33	33	33	33
Community Centers	9	10	10	10	10	10	10	10	11	11

NOTE: No capital asset indicators are available for the general government function.

NOTE: Street miles only includes County maintained roads.

Source: Various County Departments.

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