







HENRY COUNTY GOVERNMENT

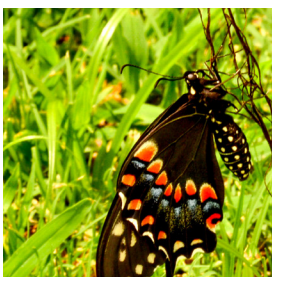
2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT













HENRY COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Prepared By:
Henry County Finance Department
David Smith, Director, Financial Services

INTRODUCTORY SECTION

HENRY COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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Board of Commissioners

June Wood
Chairman

Johnny Wilson
District I

Dee Clemmons
District II

Gary Barham
District III

Vivian Thomas
District IV

Bruce B. Holmes
District V

Administrators

Cheri Hobson-Matthews
County Manager

Brad Johnson
Assistant County Manager

Stephanie Braun
County Clerk

140 Henry Parkway
McDonough, GA 30253
770.288-6000
www.co.henry.ga.us

December 27, 2019

To the Honorable Chair, Distinguished Members of the County Commission and the Citizens of Henry County:

Ladies and Gentlemen:

We are honored to hereby present Henry County's Comprehensive Annual Financial Report. The report is as of and for the year ended June 30, 2019. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of Henry County. To provide a reasonable basis for making these representations, Henry County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to complete sufficient reliable information for the preparation of the County's financial statements in accordance with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the objective is to present reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups, and component units of Henry County. The necessary disclosures to enable the reader to gain an understanding of the County's financial activities have been included.

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, 2019. 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 HENRY COUNTY

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

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Henry County operates.

Local Economy.

Henry County is experiencing healthy economic expansion due to ongoing residential and commercial development. This is spurred by population growth and proximity to Atlanta and the Hartsfield-Jackson airport. 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.

In 2019 Henry County through its economic development organization The Henry County Development Authority (HCDA) will attract over $200M in capital investment and 1,500 new jobs in 2019. The community is expected to continue to be a desired location for firms looking to locate their business in Metro Atlanta. Advance Manufacturing and Logistics will continue to lead the way but with recent growth of professional service locations of Fortune™ 500 firms TSYS and Georgia Power, Henry County is poised to attract similar type facilities in the future. New Mid-range business travel hotels from Marriott, Hilton, IHG and other top brands have built in Henry County recently. Also, the first Dave and Busters in the "South Metro" sub-market has opened in McDonough. This is seen as a driver for additional destination retail and entertainment attracting visitors from neighboring communities and as far south as the Metro Macon market as well.

Henry County's tax base will likely continue expanding over the next several years due to economic expansion driven by population growth. The tax base is sizable at $24.9 billion in fiscal 2019. Assessed values, on which property taxes are based, had increased at a compound rate of 8.6% over the last five years. Further, developers are actively building new residential and commercial properties, contributing to tax base growth. 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.

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.

The County's financial position increased significantly over the past few years due to active long-term financial planning. The County appropriates funding for annual capital projects on a pay-go basis, and still managed to substantially grow reserves. Henry County ran four consecutive general fund surpluses through fiscal 2019, bringing total fund balance to $80.4 million (48.9% of general fund revenues) from $42.8 million (34.5% of revenues). Operating funds (general and SPLOST) were also strong, with available fund balance of $116.1 million (56.1% of operating revenues). The County's fund balance position exceeds the national Aaa median.

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. Subsequent to our fiscal year end but prior to issuance of this report, on November 1, 2019, Moody's Investor Services upgraded our rating to Aaa from Aa1.

Henry County's debt burden is very low and will remain manageable even with a potential $30 million general obligation bond issuance in 2020, which was approved by voters in November 2019. All the County's debt is fixed-rate. Principal amortization is rapid, with 96.3% of debt retired within 10 years. Debt service accounted for a modest 6.5% of operating expenditures in fiscal 2019. The County's net direct debt burden is supported by a 1% special purpose local option sales tax (SPLOST). SPLOST revenues were $39.9 million in fiscal 2019, up from $30.3 million in 2014. The current SPLOST IV expires March 31,2020, and voters approved the SPLOST V in November 2019 which is anticipated to generate $204 million over the next five years.

Major Initiatives

The County has developed several major initiatives for 2020 and the future. Below is a discussion of those initiatives that are expected to affect the County's near future financial position.

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 2019 include Blackhall over Rum Creek, Brannan Road at Campground, Elliot Road over Walnut Creek, Jodeco Road at Blackhall, and sewer to the Airport. Some of the major transportation projects in SPLOST IV that will be completed in Fiscal Year 2020 include South Cleveland Church, Campground Road at SR 155 and Simpson Mill Road at Hampton Locust Grove Road. 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 completed 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.

Purchase of a new enterprise resource planning (ERP) system and fleet modernization of public safety vehicles are just a few of the projects being done without raising the millage rate. The current property tax rate of 12.733 mills per $1,000 of assessed value has remained level since fiscal 2017. Other projects include various building repairs, remodels, and park improvements. 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.

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, 2018. This was the fourteenth 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 13th GFOA Award for Outstanding Achievement in Popular Financial Reporting (PAFR) for the fiscal year ended June 30, 2018. 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,

David Smith
Director, Financial Services

Cheri Hobson-Matthews
County Manager



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Henry County

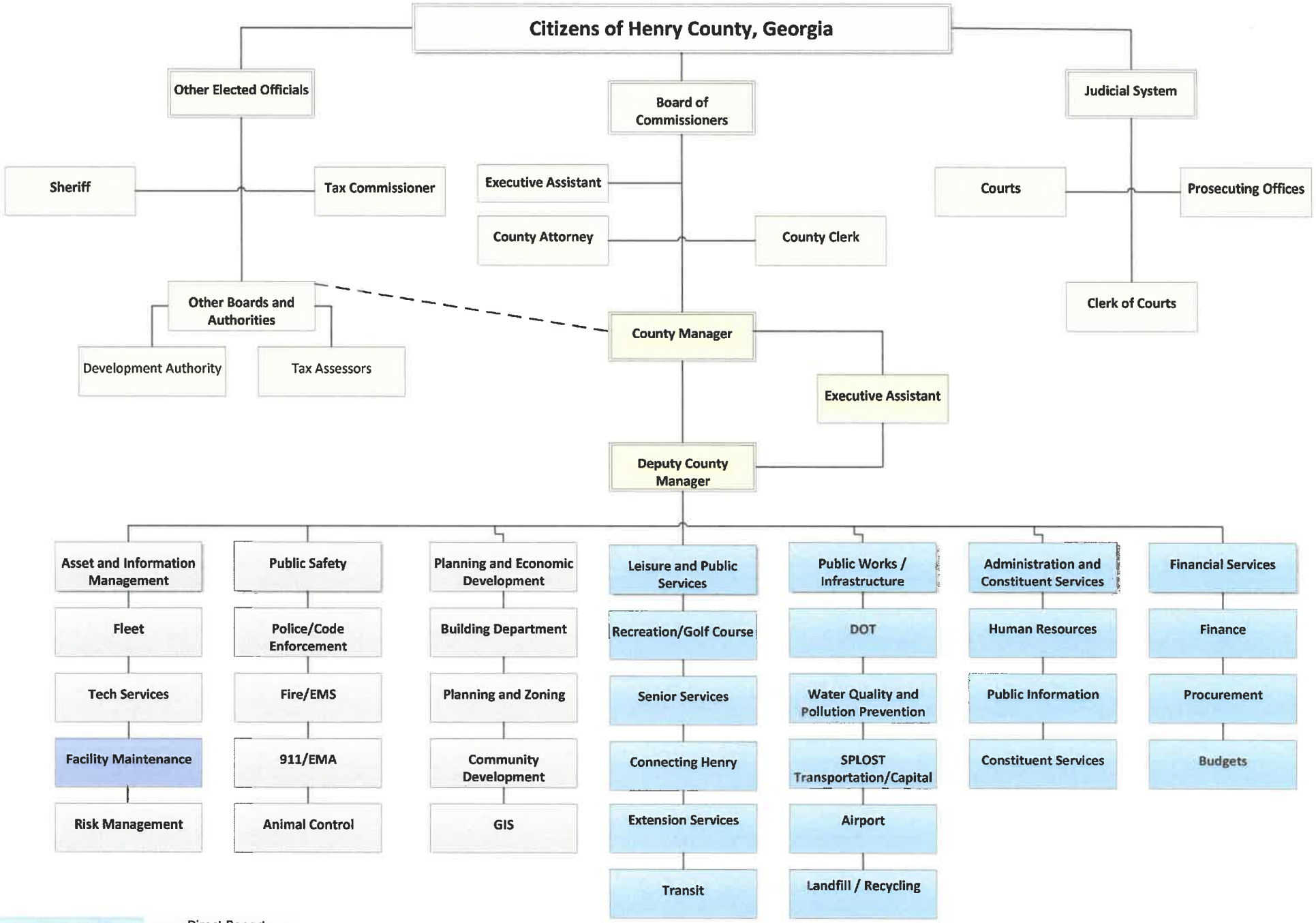
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO


Citizens of Henry County, Georgia
Other Elected Officials
Board of Commissioners
Judicial System
Sheriff
Tax Commissioner
Executive Assistant
County Attorney
County Clerk
Courts
Prosecuting Offices
Clerk of Courts
Other Boards and Authorities
Development Authority
Tax Assessors
County Manager
Executive Assistant
Deputy County Manager
Asset and Information Management
Fleet
Tech Services
Facility Maintenance
Risk Management
Public Safety
Police/Code Enforcement
Fire/EMS
911/EMA
Animal Control
Planning and Economic Development
Building Department
Planning and Zoning
Community Development
GIS
Leisure and Public Services
Recreation/Golf Course
Senior Services
Connecting Henry
Extension Services
Transit
Public Works / Infrastructure
DOT
Water Quality and Pollution Prevention
SPLOST Transportation/Capital
Airport
Landfill / Recycling
Administration and Constituent Services
Human Resources
Public Information
Constituent Services
Financial Services
Finance
Procurement
Budgets
Direct Report County Manager
Direct Report Deputy County Manager
Direct Report CM/DCM

HENRY COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2019

Elected Officials

Chairman, At Large	**June Wood**
District 1, Vice Chariman	**Johnny Wilson**
District 2	**Dee Clemons**
District 3	**Gary Barham**
District 4	**Vivian Thomas**
District 5	**Bruce Holmes**
Tax Commissioner	**Michael Harris**
Sheriff	**Keith McBrayer**
Clerk of Superior Court	**Barbara Harrison**
Superior Court Judge	**Holly Veal**
Superior Court Judge	**Trea Pipkin**
Superior Court Judge	**Brian Amero**
State Court Judge	**Ben Studdard**
State Court Judge	**Pandora Palmer**
State Court Judge	**Ernest Blount**
State Court Judge	**David Brown**
Probate Court Judge	**Kelley Powell**
Magistrate Court Judge	**Robert Godwin**
District Attorney	**Darius Pattillo**
Solicitor	**Pamela Bettis**

Principal Officials

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

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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, 2019, 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 0.22%, (0.01)%, 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, 2019, 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.

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 4 through 18), Schedule of Changes in the County's Total OPEB Liability and Related Ratios – OPEB Plan (on page 93), Schedule of Changes in the County's Net Pension Liability and Related Ratios – Retirement Plan (on page 94), Schedule of County Contributions – Retirement Plan (on page 95), Schedule of Proportionate Share of Net Pension Liability – Teachers' Retirement System of Georgia – Library System (on page 96), Schedule of Contributions – Teachers' Retirement System of Georgia – Library System (on page 97), Schedule of Proportionate Share of the Net OPEB Liability – State of Georgia Employers Post-Employment Benefit Fund – Library System (on page 98), Schedule of Contributions – State of Georgia School Employers Post Employment Benefit Fund (on page 99) 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 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, 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 Annotated ("O.C.G.A.") § 48-8-121, and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and 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, 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 27, 2019 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 27, 2019

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HENRY COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2019

As management of Henry County, Georgia (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2019. 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, 2019, the County's General Fund reported a total fund balance of $80,396,691, an increase of $9,190,170, or 12.9%, from prior fiscal year.
- Total assets and deferred outflows of resources of governmental and business-type activities exceeded liabilities and deferred inflows of resources at June 30, 2019, by $731,575,551 (total net position). This is an increase of $23,049,553 over the previous year.
- The 2014 Special Purpose Local Option Sales Tax ("SPLOST") generated total revenues of $42,703,619 and expended $33,615,561 leaving a fund balance of $35,722,454 at the end of fiscal year 2019.
- The 2008 SPLOST expended $4,425,670 on various projects leaving an ending fund balance of $3,144,507.
- During fiscal year 2019, Henry County's Airport completed its seventh fiscal year of operations with aggregate revenues and capital contributions of $2,243,706, offset by expenses of $1,070,835, leaving a net profit of $1,172,871. No operating transfers were made to support operations.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") 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 the 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 the 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 the County are the Airport (Atlanta Speedway Airport), Stormwater Utility, and the Cotton Fields Golf Course.

The Government-wide Financial Statements include not only the 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 19 - 24 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. The 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.

The 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 nonmajor 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 32 - 34 of this report.

The basic Governmental Fund Financial Statements can be found on pages 25 - 36. 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. The 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 (major fund), and The Cotton Fields Golf Course (non-major fund).

The basic proprietary fund financial statements can be found on pages 37 - 40 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 the 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 41 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 42 - 92 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 the County, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $731,575,551 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		
	2019	2018	**2019**	2018	**2019**	2018	**Variance**
Current and other assets	**$ 164,411,718**	$ 150,126,693	**$ 5,628,647**	$ 5,573,033	**$ 170,040,365**	$ 155,699,726	$ 14,340,639
Capital assets	**668,067,800**	663,407,513	**29,848,890**	28,546,205	**697,916,690**	691,953,718	5,962,972
Total assets	**832,479,518**	813,534,206	**35,477,537**	34,119,238	**867,957,055**	847,653,444	20,303,611
Deferred outflows of resources	**57,246,636**	23,290,700	**875,248**	266,193	**58,121,884**	23,556,893	34,564,991
Current liabilities	**22,953,263**	24,849,867	**670,410**	429,874	**23,623,673**	25,279,741	(1,656,068)
Long-term liabilities	**169,458,323**	131,889,343	**1,421,392**	533,852	**170,879,715**	132,423,195	38,456,520
Total liabilities	**192,411,586**	156,739,210	**2,091,802**	963,726	**194,503,388**	157,702,936	36,800,452
Deferred inflows of resources	**-**	4,925,113	**-**	56,290	**-**	4,981,403	(4,981,403)
Net position:							
Net investment in capital assets	**649,363,186**	635,654,846	**29,848,890**	28,546,205	**679,212,076**	664,201,051	15,011,025
Restricted	**54,214,779**	34,582,275	**-**	-	**54,214,779**	34,582,275	19,632,504
Unrestricted	**(6,263,397)**	4,923,462	**4,412,093**	4,819,210	**(1,851,304)**	9,742,672	(11,593,976)
Total net position	**$ 697,314,568**	$ 675,160,583	**$ 34,260,983**	$ 33,365,415	**$ 731,575,551**	$ 708,525,998	$ 23,049,553

The largest portion of the County's net position (93%) 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 the County's net position ($54,214,779 or 7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (-$1,851,304 or -.03%) may be used to meet the government's ongoing obligations to citizens and creditors.

There was an increase in current and other assets of $14,340,639 and an increase in capital assets of $5,962,972 creating a net increase of $20,303,611 in total assets. The primary reason for the increase 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, an increase in the tax digest avoiding increasing the property tax millage, and prudent department expense management. 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 $38,456,520. Current liabilities decreased by $1,656,068. The total increase in liabilities amounted to $36,800,452. The increase in liabilities was due to the increase in the net pension liability.

There was an increase of $19,632,504 in restricted net position reported in connection with the County's governmental activities due mainly to an increase in capital projects activity. 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 increased the County's Net Position by $22,153,985.

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
	2019	2018	**2019**	2018	**2019**	2018	**Pos. (Neg.)**
Program revenues:							
Charges for services	**$ 35,719,245**	$ 34,701,438	**$ 5,134,139**	$ 4,991,622	**$ 40,853,384**	$ 39,693,060	$ 1,160,324
Grants and contributions:							
Operating	**4,684,960**	3,529,677	**-**	-	**4,684,960**	3,529,677	1,155,283
Capital	**2,232,900**	1,284,941	**1,245,161**	1,534,045	**3,478,061**	2,818,986	659,075
General revenues:							
Property taxes	**90,243,816**	87,467,649	**-**	-	**90,243,816**	87,467,649	2,776,167
Sales taxes	**71,892,902**	61,629,877	**-**	-	**71,892,902**	61,629,877	10,263,025
Other taxes	**13,880,364**	12,709,244	**-**	-	**13,880,364**	12,709,244	1,171,120
Unrestricted investment earnings	**2,546,505**	1,368,864	**1,917**	22,101	**2,548,422**	1,390,965	1,157,457
Total revenues	**221,200,692**	202,691,690	**6,381,217**	6,547,768	**227,581,909**	209,239,458	18,342,451
Expenses, by function:							
General government	**44,735,810**	39,029,968	**-**	-	**44,735,810**	39,029,968	5,705,842
Judicial	**19,085,796**	16,552,041	**-**	-	**19,085,796**	16,552,041	2,533,755
Public safety	**96,463,959**	86,764,996	**-**	-	**96,463,959**	86,764,996	9,698,963
Public works	**16,219,606**	28,860,276	**-**	-	**16,219,606**	28,860,276	(12,640,670)
Health and welfare	**6,525,605**	5,717,268	**-**	-	**6,525,605**	5,717,268	808,337
Culture and recreation	**9,963,439**	8,768,250	**-**	-	**9,963,439**	8,768,250	1,195,189
Housing and development	**5,829,445**	4,644,787	**-**	-	**5,829,445**	4,644,787	1,184,658
Interest on long-term debt	**524,047**	679,366	**-**	-	**524,047**	679,366	(155,319)
Stormwater	**-**	-	**3,487,661**	3,546,405	**3,487,661**	3,546,405	(58,744)
Airport	**-**	-	**1,070,835**	1,038,741	**1,070,835**	1,038,741	32,094
Cotton Fields	**-**	-	**626,153**	-	**626,153**	-	626,153
Total expenses	**199,347,707**	191,016,952	**5,184,649**	4,585,146	**204,532,356**	195,602,098	8,930,258
Change in net position before transfers	**21,852,985**	11,674,738	**1,196,568**	1,962,622	**23,049,553**	13,637,360	9,412,193
Transfers	**301,000**	(2,059,000)	**(301,000)**	2,059,000	**-**	-	-
Increase in net position	**22,153,985**	9,615,738	**895,568**	4,021,622	**23,049,553**	13,637,360	$ 9,412,193
Net position, beginning of year, as restated	**675,160,583**	665,544,845	**33,365,415**	29,343,793	**708,525,998**	694,888,638	
Net position, end of year	**$ 697,314,568**	$ 675,160,583	**$ 34,260,983**	$ 33,365,415	**$ 731,575,551**	$ 708,525,998	

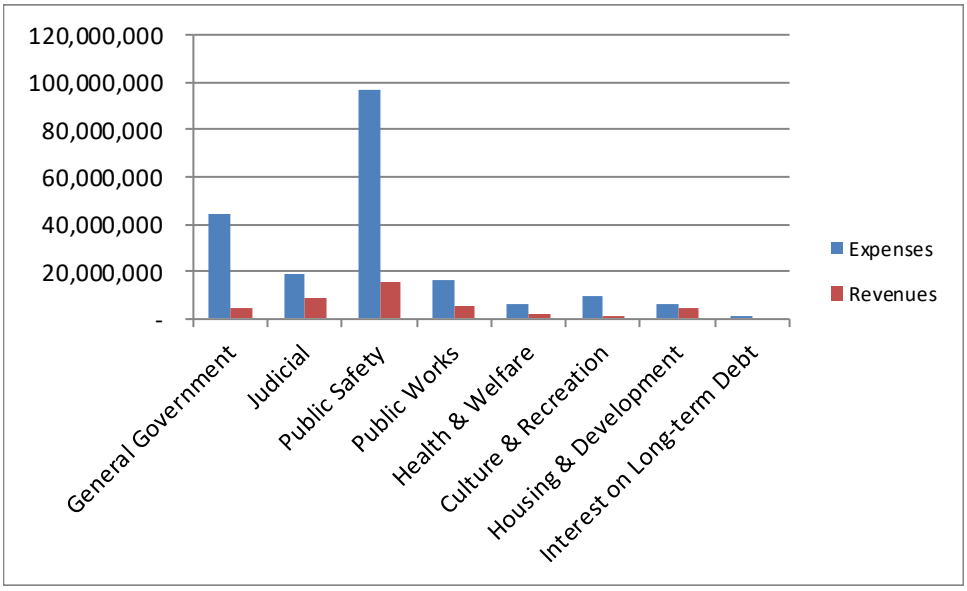
Operating grants increased by 1,155,283 (or 32.7%). Most of the increase is due to an increase in Public Safety activity. Capital grants increased by $659,075 during the year. This is mainly due to public works activity and airport construction (i.e. runway extension).

Property Taxes increased by $2,776,167 (or 3.2%) during the year. This increase is due primarily to the increase of the assessed value of real property. Sales taxes increased by $10,263,025 (or 16.7%) during the year. This is mainly due to an increase in retail activity.

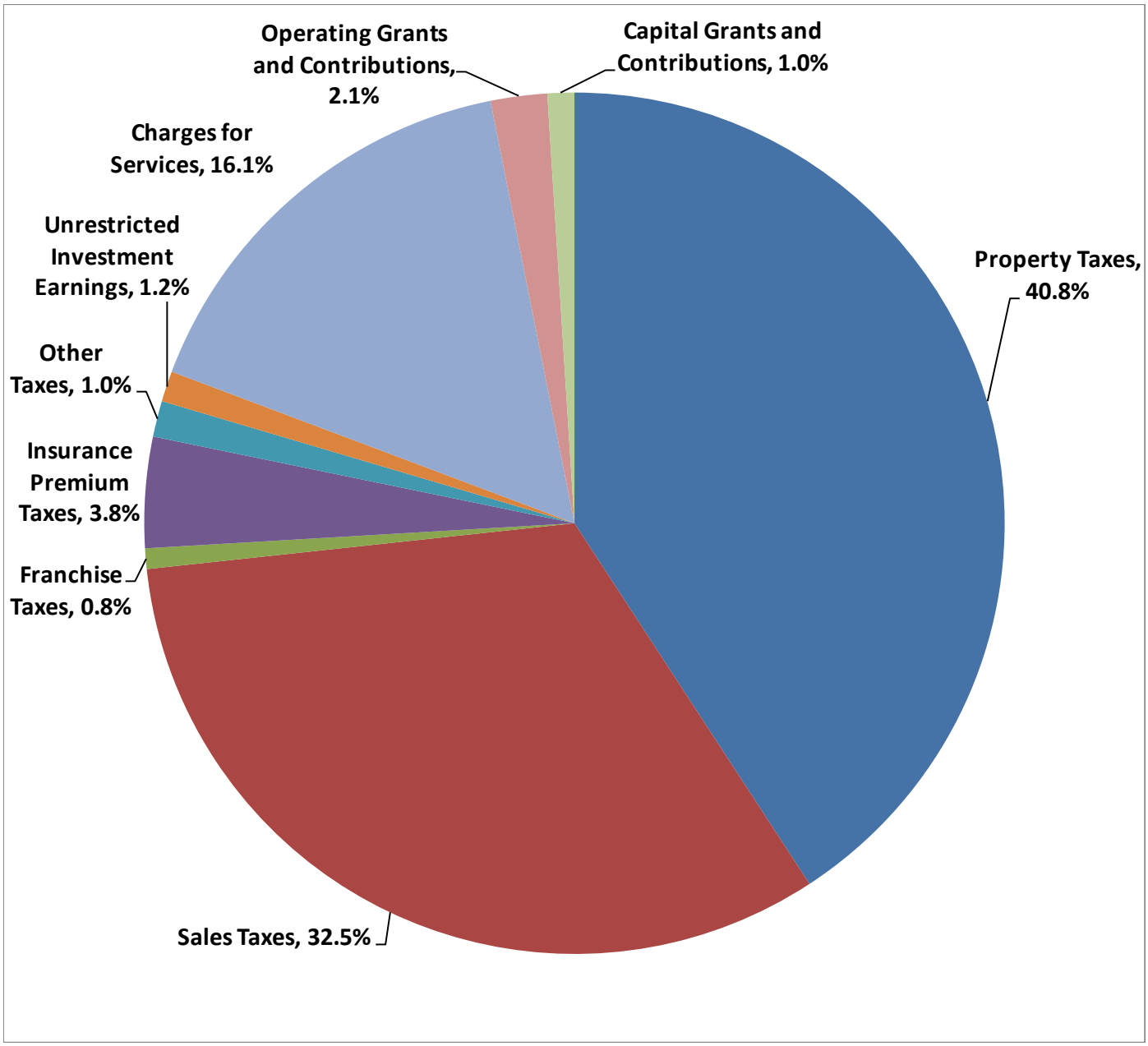
Total expenses were $8,930,258 (4.6%) higher than the prior fiscal year. The biggest areas of change were in the functional areas of:

- Public Safety increased by $9,698,963 (or 15%). This is mainly due to increased law enforcement activity, personnel services and new station openings.
- Public Works decreased by $12,640,670 (or 44%) due to deferring road resurfacing and decreased personnel costs.
- General Government increased by $5,705,842 (or 14%) due to an ERP conversion project and deferred building maintenance.
- Judicial increased by $2,533,755 (or 15%) due to increased law enforcement and court activity.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Business-type activities. The 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 2019, the Stormwater Fund realized operating revenues of $3,524,652 and incurred expenses of $3,487,661 thus creating an operating income of $36,991. Operating revenues increased by $94,164 due mainly to increased collection of fees over the previous year. Operating expenses increased from the prior year by $547,966 due mainly to salaries and benefits and purchased contracted services.

The County's enterprise fund for the **Airport** was created in fiscal year 2012, with the acquisition of Tara Field Airport. With the acquisition, the 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 requested the airport name be changed to Henry County Airport. The name was changed again to Atlanta Speedway Airport in 2017. The County is in the process of completing the improvements advocated by the Federal Aviation Administration ("FAA") in its Environmental Assessment report. Those recommended enhancements and improvements continue to be funded almost entirely (95%), by the 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 aircrafts 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 $1,245,161. In fiscal year 2019, the Airport realized operating revenues of $998,420 and incurred expenses of $1,070,835, creating an operating loss of $72,415 before capital contributions and transfers in of $1,245,161.

The 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 the 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 2019, the Cotton Fields Golf Course Fund realized operating revenues of $611,067 and incurred expenses of $626,153, creating operating loss of $15,086. A decrease in operating loss of $12,940 from the prior year.

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, 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 $136,948,339 as compared to the previous fiscal year which amounted to $122,806,492, an increase of $14,141,847 (or 11.5%).

Of the ending governmental fund balances $72,998,910 (or 53%) constitutes unassigned fund balance, which is available for spending at the government's discretion. An additional $1,328,734 is classified as nonspendable for prepaid items and inventories, and another $1,009,312 is assigned. The remaining fund balances totaling $61,611,383 is classified as restricted to indicate that it is not available for new spending because it has already been restricted for: capital projects ($41,901,288), debt service ($8,562,750) and other requirements ($11,147,345).

The **General Fund** is the chief operating fund of the County. At the end of the current fiscal year, net change in fund balance for the General Fund increased by $9,190,170. Unassigned fund balance of the General Fund was $74,279,873, while total fund balance reached $80,396,691. 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 50.0% of total General Fund expenditures, while total fund balance represents 53.8% of that same amount. The General Fund's nonspendable 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 SPLOST Referendum. These resources must be used for various capital projects and road improvements throughout the County. At the end of the 2019 fiscal year, the 2008 SPLOST Capital Projects Fund had a total fund balance of $3,144,507, a decrease of $4,170,192 from the prior year. The decrease in fund balance is due to large projects continuing to be completed each year with no revenues to offset. This is due to the ending of the collection of the one percent SPLOST (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 SPLOST. These resources must be used for various capital projects and road improvements throughout the County. At the end of the 2019 fiscal year, the 2014 SPLOST Capital Projects Fund had a total fund balance of $35,722,454, an increase of $9,088,058 from the prior year. The increase in fund balance is due to the SPLOST IV program being in its 5th full year. Many of the major projects are not under construction, and collections are higher than the prior fiscal year.

Proprietary Funds. The County's proprietary fund provides the same type of information found in the government-wide statements, but in more detail. The County has three enterprise funds: the Airport, Stormwater, and The Cotton Fields Golf Course. At the end of the current fiscal year, the County's proprietary funds reported ending net position of $34,260,983. The primary driver is an increase of $1,172,871 in the Airport Fund followed by decreases of $262,217 in the Stormwater Fund, and a decrease of $15,086 for the Cotton Fields Golf Course Fund. The Stormwater Fund continues to generate revenues to offset its expenses. Currently the Stormwater Fund has net position of $5,390,788. Of that amount, $1,048,964 is invested in capital assets and unrestricted of $4,341,824.

General Fund Budgetary Highlights

Although the final budget was amended upward from the original budget, cost controls in departmental expenses brought the General Fund actual expenditures $11,205,069 less than the final amended budget. This was due to a combined effort on the part of all of the departments to tightly manage their spending; as summarized below.

- General Government Activities actual spending were $2,042,031 less than the final budget. The most significant savings was in the public buildings function, with a savings of $451,001 followed by technology of $324,235, the tax commissioner of $229,419, and finance of $222,221.
- Judicial services actual spending was $555,924 less than the final budget.
- Public Safety functions actual expenditures was less than final budget by $529,490. Most of the savings were in the jail of $166,467 and Communications $332,201.
- Public Works actual spending was $4,212,479 less than the final budget. The most significant savings of $2,990,062 was from construction of roads and $1,183,426 was from DOT.
- Health and Welfare actual expenditures were less than the final budget by $541,063. Most of the savings were in transit of $345,326 and $195,731 from senior services.
- Culture and Recreation actual expenditures were $2,451,521 less than the final budget.
- Housing and Development had actual expenditures less than the final budget by $591,497. Most of the savings were in the building department function of $171,021 and $420,476 in planning and zoning.

Capital Asset and Debt Administration

Capital assets. The County's governmental activities investment in capital assets as of June 30, 2019, amounts to $668,067,800 (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	
	2019	2018	**2019**	2018	**2019**	2018
Land	**$ 102,823,968**	$ 99,402,791	**$ 22,246,936**	$ 22,246,936	**$ 125,070,904**	$ 121,649,727
Construction in progress	**76,353,228**	58,263,777	**3,707,445**	2,125,891	**80,060,673**	60,389,668
Buildings and improvements	**132,823,280**	138,071,694	**-**	-	**132,823,280**	138,071,694
Machinery and equipment	**20,161,034**	21,189,880	**1,068,409**	1,281,755	**21,229,443**	22,471,635
Infrastructure	**335,906,290**	346,479,371	**2,826,100**	2,891,623	**338,732,390**	349,370,994
Total	**$ 668,067,800**	$ 663,407,513	**$ 29,848,890**	$ 28,546,205	**$ 697,916,690**	$ 691,953,718

Governmental activities capital assets increased by $4,660,287. Transfers from construction in progress to depreciable capital assets accounted for a decrease of $5,904,689. Depreciation expense of governmental capital assets amounted to $25,406,350.

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 was in its fifth full year in fiscal year 2019, has many projects that were completed during the fiscal year and many 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 $1,302,685 offset by depreciation expense of $293,812. The largest element of the capital asset additions was the construction in progress at the airport for 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, the County had total bonded debt outstanding of $8,450,262, 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	
	2019	2018	**2019**	2018	**2019**	2018
General Obligation Debt	**$ 8,450,262**	$ 16,791,665	**$ -**	$ -	**$ 8,450,262**	$ 16,791,665
Total	**$ 8,450,262**	$ 16,791,665	**$ -**	$ -	**$ 8,450,262**	$ 16,791,665

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 were 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 SPLOST IV bond is to be paid back during fiscal years 2015 - 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. Interest rate changed from 4.40% to an average variable rate 1.854%. The bonds were originally issued to finance the acquisition of land. This revenue bond will be paid back during fiscal year 2016 thru 2022, versus the prior bond to 2032.

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

At the end of the current fiscal year the County maintained a "Aa1" issuer rating from Moody's and an "AA" rating from Standard & Poor's for general obligation debt. On November 1, 2019 Moody's upgraded its rating to Aaa from Aa1.

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 the County is $711,613,032 which is significantly in excess of the the 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 the County at June 30, 2019, is 3.1 %, which is a decrease from the 3.5% rate a year ago. Unemployment is comparable with the state 3.7% and national 3.8% levels. A very large sector of the County's local working population is in retail and logistics. Several retail and manufacturing expansions are underway. Developers are actively building new residential and commercial properties, contributing to tax base growth.
- Since the great recession, for the past six fiscal years, the local option sales tax collection ("LOST") has increased for the County. That statement continues to hold true for fiscal year 2019. Fiscal year 2019 LOST collection over fiscal year 2018 increased by 29.4%. It is anticipated that fiscal year 2020, will see another increase over 2019, to continue the upward trend in collections.
- The BOC was able to maintain the same County's General Fund millage rate for 2019 at 12.73 mills. The fiscal year 2020, budget process focused on balancing the budget, without increasing the millage rate and making use of additional property tax collections from increased assessments over the prior year.
- The County is designated a Community Development Block Grant ("CDBG") Program entitlement urban county by the U.S. Department of Housing and Urban Development. It completed its seventh program year on June 30, 2019. A total of $1,157,071 of CDBG funds were expended during fiscal year 2019.
- The 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 2019, 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. The 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 2020, and going forward, The County will continue to do its best to secure additional funding sources, such as fees, grants and private participation, to continue to construct roads and capital projects and purchase and improve 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, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 138,313,281	$ 4,865,831	$ 143,179,112
Investments	10,325,465	-	10,325,465
Receivables, net of allowances for uncollectibles	5,384,291	1,298,660	6,682,951
Due from other governments	8,223,304	259,911	8,483,215
Internal balances	836,643	(836,643)	-
Inventory	251,213	40,888	292,101
Prepaid items	1,077,521	-	1,077,521
Restricted assets:			
Cash and cash equivalents	-	-	-
Investments	-	-	-
Capital assets, non-depreciable	179,177,196	25,954,381	205,131,577
Capital assets, depreciable (net of accumulated depreciation)	488,890,604	3,894,509	492,785,113
Net pension asset	-	-	-
Total assets	832,479,518	35,477,537	867,957,055
DEFERRED OUTFLOWS OF RESOURCES			
Deferred refunding charges	-	-	-
OPEB	2,373,598	-	2,373,598
Pension	54,873,038	875,248	55,748,286
Total deferred outflows of resources	57,246,636	875,248	58,121,884

Component Units		
Health Department	Library System	Water Authority
$ 2,255,487	$ 858,268	$ 6,441,015
-	230,301	-
-	22,664	8,132,781
-	-	-
-	-	-
-	-	886,025
-	-	-
-	-	12,048,983
-	-	108,421,862
-	-	62,440,365
68,018	1,441,336	261,036,755
-	-	3,959,322
2,323,505	2,552,569	463,367,108
-	-	3,811,885
296,839	78,822	826,435
402,442	1,074,341	3,374,657
699,281	1,153,163	8,012,977

HENRY COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable	$ 6,725,331	$ 564,853	$ 7,290,184
Accrued liabilities	6,862,865	91,085	6,953,950
Due to other governments	7,567,008	5,593	7,572,601
Unearned revenue	1,550,489	8,879	1,559,368
Payable from restricted assets:			
Revenue bonds payable	-	-	-
Accrued interest payable	247,570	-	247,570
Non-current liabilities:			
Due within one year	21,100,534	-	21,100,534
Due in more than one year	16,436,931	-	16,436,931
Net pension liability due in more than one year	89,113,156	1,421,392	90,534,548
Total OPEB liability due in more than one year	42,807,702	-	42,807,702
Total liabilities	192,411,586	2,091,802	194,503,388
DEFERRED INFLOWS OF RESOURCES			
OPEB	-	-	-
Pension	-	-	-
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	649,363,186	29,848,890	679,212,076
Restricted for:			
Capital projects	34,504,684	-	34,504,684
Housing and development	1,213,403	-	1,213,403
Federal and State grants	259,930	-	259,930
Law enforcement purposes	1,926,409	-	1,926,409
Public safety purposes	7,747,603	-	7,747,603
Debt service	8,562,750	-	8,562,750
Health and welfare	-	-	-
Unrestricted	(6,263,397)	4,412,093	(1,851,304)
Total net position	$ 697,314,568	$ 34,260,983	$ 731,575,551

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

Component Units		
Health Department	Library System	Water Authority
$ 103,569	$ 85,051	$ 747,952
-	10,039	7,671,647
-	-	-
-	11,950	-
-	-	12,565,000
-	-	2,324,254
59,110	83,524	2,920,897
93,495	-	162,797,745
1,519,438	2,543,756	-
761,199	1,664,207	14,839,162
2,536,811	4,398,527	203,866,657
468,229	373,125	2,619,273
87,728	85,016	2,789,146
555,957	458,141	5,408,419
68,018	1,441,336	160,646,640
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	102,764,470
1,072,696	-	-
(1,210,696)	(2,592,272)	(1,306,101)
$ (69,982)	$ (1,150,936)	$ 262,105,009

HENRY COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 44,735,810	$ 4,780,811	$ 94,669	$ -
Judicial	19,085,796	8,995,906	100,000	-
Public safety	96,463,959	13,417,946	2,086,216	-
Public works	16,219,606	3,564,860	-	2,232,900
Health and welfare	6,525,605	1,008,422	859,497	-
Culture and recreation	9,963,439	814,166	-	-
Housing and development	5,829,445	3,137,134	1,544,578	-
Interest on long-term debt	524,047	-	-	-
Total governmental activities	199,347,707	35,719,245	4,684,960	2,232,900
Business-type activities:				
Cotton Fields	626,153	611,067	-	-
Stormwater	3,487,661	3,524,652	-	-
Airport	1,070,835	998,420	-	1,245,161
Total business-type activities	5,184,649	5,134,139	-	1,245,161
Total primary government	$ 204,532,356	$ 40,853,384	$ 4,684,960	$ 3,478,061
Component units:				
Health Department	$ 1,941,456	$ 1,194,025	$ 1,283,125	$ -
Library System	5,116,440	-	3,031,977	-
Water Authority	70,315,390	60,612,666	-	8,157,855
Total component units	$ 77,373,286	$ 61,806,691	$ 4,315,102	$ 8,157,855
General revenues:				
Property taxes				
Sales taxes				
Franchise taxes				
Insurance premium taxes				
Other taxes				
Unrestricted investment earnings				
Gain on disposal of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position (deficit), beginning of year				
Net position (deficit), end of year				

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

Net (Expenses) Revenues and Changes in Net Position						
Primary Government				Component Units		
Governmental Activities	Business-type Activities	Total	Health Department	Library System	Water Authority
$ (39,860,330)	$ -	$ (39,860,330)	$ -	$ -	$ -
(9,989,890)	-	(9,989,890)	-	-	-
(80,959,797)	-	(80,959,797)	-	-	-
(10,421,846)	-	(10,421,846)	-	-	-
(4,657,686)	-	(4,657,686)	-	-	-
(9,149,273)	-	(9,149,273)	-	-	-
(1,147,733)	-	(1,147,733)	-	-	-
(524,047)	-	(524,047)	-	-	-
(156,710,602)	-	(156,710,602)	-	-	-
-	(15,086)	-	-	-	-
-	36,991	36,991	-	-	-
-	1,172,746	1,172,746	-	-	-
-	1,194,651	1,209,737	-	-	-
$ (156,710,602)	$ 1,194,651	$ (155,500,865)	$ -	$ -	$ -
$ -	$ -	$ -	$ 535,694	$ -	$ -
-	-	-	-	(2,084,463)	-
-	-	-	-	-	(1,544,869)
-	-	-	535,694	(2,084,463)	(1,544,869)
90,243,816	-	90,243,816	-	-	16,316,703
71,892,902	-	71,892,902	-	-	-
1,702,365	-	1,702,365	-	-	-
9,206,171	-	9,206,171	-	-	-
2,971,828	-	2,971,828	-	-	-
2,546,505	1,917	2,548,422	6,683	6,900	2,370,412
-	-	-	-	-	151,515
301,000	(301,000)	-	-	-	-
178,864,587	(299,083)	178,565,504	6,683	6,900	18,838,630
22,153,985	895,568	23,049,553	542,377	(2,077,563)	17,293,761
675,160,583	33,365,415	708,525,998	(612,359)	926,627	244,811,248
$ 697,314,568	$ 34,260,983	$ 731,575,551	$ (69,982)	$ (1,150,936)	$ 262,105,009

HENRY COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

ASSETS	General Fund	Neighborhood Stabilization Fund	E-911 Fund
Cash and cash equivalents	$ 72,973,833	$ 524,913	$ 4,429,777
Investments	2,473,549	-	6,262,555
Receivables, net of allowances for uncollectibles	4,388,661	2,580	759,199
Due from other governments	2,534,450	581,500	-
Due from other funds	10,884,714	-	-
Inventory	251,213	-	-
Prepaid items	1,077,521	-	-
Total assets	$ 94,583,941	$ 1,108,993	$ 11,451,531
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 2,379,882	$ 39	$ 11,237
Accrued liabilities	6,624,999	-	120,962
Due to other governments	170,404	-	-
Due to other funds	769,998	1,092,407	3,594,701
Unearned revenue	839,587	-	-
Total liabilities	10,784,870	1,092,446	3,726,900
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	2,303,525	-	-
Unavailable revenue - period of availability	1,098,855	581,500	-
Total deferred inflows of resources	3,402,380	581,500	-

2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 44,240,099	$ 16,144,659	$ 138,313,281
-	1,589,361	10,325,465
3,445	230,406	5,384,291
3,399,065	1,708,289	8,223,304
5,206	1,134,224	12,024,144
-	-	251,213
-	-	1,077,521
$ 47,647,815	$ 20,806,939	$ 175,599,219

$ 1,952,325	$ 2,381,848	$ 6,725,331
25,027	91,877	6,862,865
7,396,604	-	7,567,008
2,551,405	3,178,990	11,187,501
-	710,902	1,550,489
11,925,361	6,363,617	33,893,194
-	-	2,303,525
-	773,806	2,454,161
-	773,806	4,757,686

HENRY COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	General Fund	Neighborhood Stabilization Fund	E-911 Fund
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (CONTINUED)			
FUND BALANCES (DEFICITS)			
Nonspendable:			
Prepaids	$ 1,077,521	$ -	$ -
Inventories	251,213	-	-
Restricted:			
Capital projects	3,755,800	-	-
Housing and development	-	-	-
Federal and state grants	-	-	-
Citizen welfare	-	-	-
Law enforcement purposes	-	-	-
Public safety purposes	22,972	-	7,724,631
Debt service	-	-	-
Intergovernmental	-	-	-
Assigned:			
IT purposes	-	-	-
Facility maintenance purposes	-	-	-
Operations and maintenance	295,000	-	-
Parks and recreation purposes	-	-	-
Human resources	-	-	-
Transit purposes	500,000	-	-
Planning and zoning	214,312	-	-
Unassigned (Deficit):			
General fund	74,279,873	-	-
Special revenue funds	-	(564,953)	-
Total fund balances (deficits)	80,396,691	(564,953)	7,724,631
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 94,583,941	$ 1,108,993	$ 11,451,531

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.

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the

Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the fund

These deferred outflows of resources consist of pension related experience differences, assumption changes and contributions.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Other post employment benefit liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.

Net position of governmental activities

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

2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 1,077,521
-	-	251,213
27,159,704	10,985,784	41,901,288
-	1,213,403	1,213,403
-	259,930	259,930
-	-	-
-	1,926,409	1,926,409
-	-	7,747,603
8,562,750	-	8,562,750
-	-	-
-	-	-
-	-	-
-	-	295,000
-	-	-
-	-	-
-	-	500,000
-	-	214,312
-	-	74,279,873
-	(716,010)	(1,280,963)
35,722,454	13,669,516	136,948,339
$ 47,647,815	$ 20,806,939	
		668,067,800
		4,757,686
		2,373,598
		54,873,038
		(37,785,035)
		(42,807,702)
		(89,113,156)
		$ 697,314,568

HENRY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General Fund	Neighborhood Stabilization Fund	E-911 Fund
Revenues:			
Taxes	$ 133,960,536	$ -	$ -
Licenses and permits	2,060,789	-	-
Intergovernmental	1,343,658	-	-
Charges for services	18,655,662	-	5,408,687
Fines and forfeitures	5,271,038	-	-
Investment income	1,573,903	-	142,702
Contributions	66,544	-	-
Miscellaneous	1,261,718	-	-
Total revenues	164,193,848	-	5,551,389
Expenditures:			
Current:			
General government	20,606,239	5,693	-
Judicial	17,353,632	-	-
Public safety	86,478,216	-	4,402,907
Public works	8,112,097	-	-
Health and welfare	6,500,055	-	-
Culture and recreation	7,136,474	-	-
Housing and development	3,375,733	10	-
Intergovernmental	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	149,562,446	5,703	4,402,907
Excess (deficiency) of revenues over (under) expenditures	14,631,402	(5,703)	1,148,482
Other financing sources (uses):			
Transfers in	1,202,203	-	-
Transfers out	(6,801,450)	-	(702,082)
Proceeds from capital lease	-	-	-
Proceeds from sale of capital assets	158,015	36,024	-
Total other financing sources (uses)	(5,441,232)	36,024	(702,082)
Net change in fund balances	9,190,170	30,321	446,400
Fund balances (deficits), beginning of year	71,206,521	(595,274)	7,278,231
Fund balances (deficits), end of year	$ 80,396,691	$ (564,953)	$ 7,724,631

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

2014 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 39,910,822	$ 889,576	$ 174,760,934
-	1,319,465	3,380,254
-	2,592,554	3,936,212
-	94,344	24,158,693
-	1,431,637	6,702,675
760,985	68,915	2,546,505
-	-	66,544
2,031,812	430,402	3,723,932
42,703,619	6,826,893	219,275,749
-	14,188	20,626,120
-	566,491	17,920,123
-	3,196,278	94,077,401
-	-	8,112,097
-	-	6,500,055
-	20,206	7,156,680
-	2,189,984	5,565,727
6,344,201	-	6,344,201
18,710,360	8,617,122	27,327,482
7,765,000	4,556,904	12,321,904
796,000	539,555	1,335,555
33,615,561	19,700,728	207,287,345
9,088,058	(12,873,835)	11,988,404
-	8,544,308	9,746,511
-	(1,941,979)	(9,445,511)
-	1,647,805	1,647,805
-	10,599	204,638
-	8,260,733	2,153,443
9,088,058	(4,613,102)	14,141,847
26,634,396	18,282,618	122,806,492
$ 35,722,454	$ 13,669,516	$ 136,948,339

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, 2019

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	14,141,847
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.		4,809,496
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(149,209)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,924,943
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.		8,819,574
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.		(7,392,666)
Change in net position - governmental activities	$	22,153,985

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, 2019

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 81,534,173	$ 89,043,844	$ 88,987,668	$ (56,176)
Sales tax	27,869,000	31,982,084	31,982,080	(4)
Other taxes	12,615,400	13,371,833	12,990,788	(381,045)
Licenses and permits	2,752,278	2,379,788	2,060,789	(318,999)
Intergovernmental	1,018,024	1,344,832	1,343,658	(1,174)
Charges for services	17,174,095	17,363,862	18,655,662	1,291,800
Fines and forfeitures	4,187,000	5,271,042	5,271,038	(4)
Investment income	654,000	1,573,904	1,573,903	(1)
Contributions	-	66,546	66,544	(2)
Miscellaneous	2,838,370	1,267,938	1,261,718	(6,220)
Total revenues	150,642,340	163,665,673	164,193,848	528,175
Expenditures:				
General government:				
Board of commissioners	789,383	805,383	786,629	18,754
County clerk	184,149	184,149	178,927	5,222
Public information (Communication)	387,184	389,632	389,632	-
County manager	587,995	587,995	585,649	2,346
Tax commissioner	2,737,493	2,737,493	2,508,074	229,419
Finance	1,021,815	1,021,815	799,594	222,221
Technology	4,359,247	5,292,384	4,968,149	324,235
Human resources	791,356	791,356	659,005	132,351
Risk management	1,628,344	1,628,344	1,499,484	128,860
Budget	315,965	315,965	304,012	11,953
Purchasing	426,501	426,501	307,681	118,820
Tax assessors	3,069,272	3,069,272	2,887,628	181,644
Elections	1,033,560	1,083,560	1,001,668	81,892
Public buildings	3,392,912	3,581,066	3,130,065	451,001
Law	371,892	371,892	288,444	83,448
GIS Mapping	361,463	361,463	311,598	49,865
Other - unclassified	1,979,924	-	-	-
Total general government	23,438,455	22,648,270	20,606,239	2,042,031

(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, 2019

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Judicial:				
Judge of Superior Court	$ 452,308	$ 452,308	$ 382,474	$ 69,834
Clerk of Superior Court	2,104,203	2,104,203	2,058,045	46,158
Court reporter	164,886	183,223	182,536	687
Jury/Bailiff	233,500	233,500	229,128	4,372
District attorney	2,014,061	2,080,480	2,014,467	66,013
Public defender	1,154,675	1,177,871	1,176,400	1,471
Juvenile Court	2,122,691	2,122,733	1,971,874	150,859
State Court	2,239,834	2,337,625	2,337,625	-
State Court Solicitor	2,573,147	2,588,919	2,588,919	-
Clerk of State Court	1,587,915	1,619,888	1,619,888	-
DUI Court	90,825	90,825	384	90,441
Judges	12,573	12,573	8,944	3,629
Magistrate Court	1,202,010	1,220,666	1,098,206	122,460
Probate Court	1,400,103	1,400,853	1,400,853	-
Accountability Court	265,261	283,889	283,889	-
Total judicial	17,617,992	17,909,556	17,353,632	555,924
Public safety:				
Police	22,308,525	22,663,415	22,663,415	-
Fire	27,434,214	27,804,844	27,804,844	-
Fire Administration	3,920,968	3,926,453	3,926,453	-
E911/Emergency management	298,290	298,290	287,962	10,328
Communications	420,288	420,288	88,087	332,201
Sheriff	13,522,347	13,451,497	13,451,497	-
Sentence enforcement	1,097,630	1,097,630	1,091,929	5,701
Coroner	247,237	252,344	251,477	867
Animal control	914,573	936,187	936,187	-
Community Service	328,745	328,745	314,819	13,926
Jail	15,646,192	15,828,013	15,661,546	166,467
Total public safety	86,139,009	87,007,706	86,478,216	529,490

(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, 2019

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Public works:				
DOT	$ 3,904,209	$ 4,404,209	$ 3,220,783	$ 1,183,426
Construction and roads	7,230,648	6,453,063	3,463,001	2,990,062
Highways and Streets	39,154	55,164	55,164	-
Waste management	56,199	56,199	47,271	8,928
Maintenance shop	1,355,941	1,355,941	1,325,878	30,063
Total public works	12,586,151	12,324,576	8,112,097	4,212,479
Health and welfare:				
General health & wellness	437,387	627,866	627,860	6
Department of Family and Children Services	91,312	93,584	93,584	-
Family connection	90,784	94,772	94,772	-
Transit system	2,359,949	2,490,806	2,145,480	345,326
Senior services	3,711,458	3,723,090	3,527,359	195,731
Health	7,560	11,000	11,000	-
Total health and welfare	6,698,450	7,041,118	6,500,055	541,063
Culture and recreation:				
Recreation	6,529,575	7,014,159	4,605,171	2,408,988
Libraries	2,458,836	2,573,836	2,531,303	42,533
Total culture and recreation	8,988,411	9,587,995	7,136,474	2,451,521
Housing and development:				
Conservation - NRCS	65,740	66,696	66,696	-
Building department	2,302,038	2,345,018	2,173,997	171,021
Planning and zoning	1,167,415	1,420,415	999,939	420,476
Community Development	-	135,101	135,101	-
Total housing and development	3,535,193	3,967,230	3,375,733	591,497
Total expenditures	159,003,661	160,486,451	149,562,446	10,924,005
Excess (deficiency) of revenues over (under) expenditures	(8,361,321)	3,179,222	14,631,402	11,452,180
Other financing sources (uses):				
Transfers in	1,104,409	1,205,434	1,202,203	(3,231)
Transfers out	(4,547,005)	(6,557,569)	(6,801,450)	(243,881)
Proceeds from sale of capital assets	62,000	158,014	158,015	1
Total other financing sources (uses)	(3,380,596)	(5,194,121)	(5,441,232)	(247,111)
Net change in fund balances	(11,741,917)	(2,014,899)	9,190,170	11,205,069
Fund balances, beginning of year	71,206,521	71,206,521	71,206,521	-
Fund balances, end of year	$ 59,464,604	$ 69,191,622	$ 80,396,691	$ 11,205,069

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, 2019

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 131,616	$ 131,616	$ -	$ (131,616)
Miscellaneous	-	-	-	-
Total revenues	131,616	131,616	-	(131,616)
Expenditures:				
General government	131,616	131,606	5,693	125,913
Housing and development	-	10	10	-
Total expenditures	131,616	131,616	5,703	125,913
Excess (Deficiency) of revenues over/(under) expenditures	-	-	(5,703)	5,703
Other financing sources:				
Proceeds from sale of capital assets	-	-	36,024	(36,024)
Total other financing sources	-	-	36,024	(36,024)
Net change in fund balances	-	-	30,321	(30,321)
Fund balances (deficits), beginning of year	(595,274)	(595,274)	(595,274)	-
Fund balances (deficits), end of year	$ (595,274)	$ (595,274)	$ (564,953)	$ (30,321)

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, 2019

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 4,463,305	$ 5,408,689	$ 5,408,687	$ (2)
Investment Income	89,551	142,703	142,702	(1)
Total revenues	4,552,856	5,551,392	5,551,389	(3)
Expenditures:				
Public safety	4,221,304	5,584,930	4,402,907	1,182,023
Total expenditures	4,221,304	5,584,930	4,402,907	1,182,023
Excess (Deficiency) of revenues over/(under) expenditures	331,552	(33,538)	1,148,482	1,182,020
Other financing uses:				
Transfers out	(331,552)	(702,082)	(702,082)	-
Total other financing uses	(331,552)	(702,082)	(702,082)	-
Net change in fund balances	-	(735,620)	446,400	1,182,020
Fund balances, beginning of year	7,278,231	7,278,231	7,278,231	-
Fund balances, end of year	$ 7,278,231	$ 6,542,611	$ 7,724,631	$ 1,182,020

HENRY COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Major Proprietary Funds		Nonmajor Proprietary Fund	
	Airport Fund	Stormwater Fund	Cotton Field Golf Course Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash	$ 417,846	$ 4,371,558	$ 76,427	$ 4,865,831
Accounts receivable, net of allowances	14,589	1,284,071	-	1,298,660
Inventory	37,759	-	3,129	40,888
Due from other governments	259,911	-	-	259,911
Due from other funds	-	5,251	-	5,251
Total current assets	730,105	5,660,880	79,556	6,470,541
NONCURRENT ASSETS				
Capital assets, nondepreciable	25,949,381	5,000	-	25,954,381
Capital assets, depreciable, net of accumulated depreciation	2,844,501	1,043,964	6,044	3,894,509
Total noncurrent assets	28,793,882	1,048,964	6,044	29,848,890
Total assets	29,523,987	6,709,844	85,600	36,319,431
DEFERRED OUTFLOWS OF RESOURCES				
Pension	-	875,248	-	875,248
Total deferred outflows of resources	-	875,248	-	875,248
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	324,199	230,537	10,117	564,853
Accrued liabilities	7,451	70,429	13,205	91,085
Due to other funds	275,920	471,946	94,028	841,894
Due to other governments	3,110	-	2,483	5,593
Unearned revenue	-	-	8,879	8,879
Total current liabilities	610,680	772,912	128,712	1,512,304
NONCURRENT LIABILITIES				
Net pension liability	-	1,421,392	-	1,421,392
Total noncurrent liabilities	-	1,421,392	-	1,421,392
Total liabilities	610,680	2,194,304	128,712	2,933,696
NET POSITION				
Invested in capital assets	28,793,882	1,048,964	6,044	29,848,890
Unrestricted	119,425	4,341,824	(49,156)	4,412,093
Total net position	$ 28,913,307	$ 5,390,788	$ (43,112)	$ 34,260,983

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, 2019

	Major Proprietary Funds		Nonmajor Proprietary Fund	
	Airport Fund	Stormwater Fund	Cotton Field Golf Course Fund	Totals
Operating revenues:				
Charges for services:				
Airport fees	$ 984,567	$ -	$ -	$ 984,567
Golf course charges and fees	-	-	610,797	610,797
Stormwater fees	-	3,524,652	-	3,524,652
Miscellaneous revenue	13,853	-	270	14,123
Total operating revenues	998,420	3,524,652	611,067	5,134,139
Operating expenses:				
Salaries and benefits	185,251	2,011,035	308,139	2,504,425
Purchased/contracted services	96,777	701,572	191,579	989,928
Supplies and materials	704,461	568,438	123,585	1,396,484
Depreciation	84,346	206,616	2,850	293,812
Total operating expenses	1,070,835	3,487,661	626,153	5,184,649
Operating income (loss)	(72,415)	36,991	(15,086)	(50,510)
Nonoperating revenues:				
Investment income	125	1,792	-	1,917
Total nonoperating revenues	125	1,792	-	1,917
Income (loss) before capital contributions and transfers	(72,290)	38,783	(15,086)	(48,593)
Capital contributions	1,245,161	-	-	1,245,161
Transfers out	-	(301,000)	-	(301,000)
Change in net position	1,172,871	(262,217)	(15,086)	895,568
Net position, beginning of year	27,740,436	5,653,005	(28,026)	33,365,415
Net position, end of year	$ 28,913,307	$ 5,390,788	$ (43,112)	$ 34,260,983

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, 2019

	Major Proprietary Funds		Nonmajor Proprietary Fund	
	Airport Fund	Stormwater Fund	Cotton Field Golf Course Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 988,722	$ 3,402,572	$ 602,278	$ 4,993,572
Payments to suppliers and service providers	(470,321)	(639,537)	(240,243)	(1,350,101)
Receipts from others	-	-	1,233	1,233
Payments to employees	(183,178)	(1,785,489)	(307,101)	(2,275,768)
Net cash provided by operating activities	335,223	977,546	56,167	1,368,936
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 CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property and equipment	(1,596,497)	-	-	(1,596,497)
Receipts from other governments	35,758	-	-	35,758
Proceeds from capital grants	1,245,161	-	-	1,245,161
Net cash used in capital and related financing activities	(315,578)	-	-	(315,578)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	125	1,792	-	1,917
Net cash provided by investing activities	125	1,792	-	1,917
Net increase in cash and cash equivalents	19,770	678,338	56,167	754,275
Cash and cash equivalents:				
Beginning of year	398,076	3,693,220	20,260	4,111,556
End of year	$ 417,846	$ 4,371,558	$ 76,427	$ 4,865,831

(Continued)

HENRY COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Major Proprietary Funds		Nonmajor Proprietary Fund	
	Airport Fund	Stormwater Fund	Cotton Field Golf Course Fund	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	$ (72,415)	$ 36,991	$ (15,086)	$ (50,510)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	84,346	206,616	2,850	293,812
(Increase)/decrease in:				
Accounts receivable	(9,698)	(122,080)	-	(131,778)
Inventory	(6,768)	-	-	(6,768)
Deferred outflows of resources	-	(609,055)	-	(609,055)
Due from other funds	-	(5,251)	-	(5,251)
Increase/(decrease) in:				
Accounts payable	62,689	183,307	(3,349)	242,647
Accrued liabilities	2,073	3,351	1,038	6,462
Net pension liabilities	-	887,540	-	887,540
Deferred inflows of resources	-	(56,290)	-	(56,290)
Unearned revenue	-	-	(8,788)	(8,788)
Due to other funds	274,996	452,417	78,270	805,683
Due to other governments	-	-	1,232	1,232
Net cash provided by operating activities	$ 335,223	$ 977,546	$ 56,167	$ 1,368,936

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

HENRY COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 8,851,021
Taxes receivable	6,853,901
Total assets	$ 15,704,922
LIABILITIES	
Due to component unit	$ 108,215
Due to others	15,596,707
Total liabilities	$ 15,704,922

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

NOTES TO FINANCIAL STATEMENTS

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.

Discretely Presented Component Units

Henry County Department of Public Health

The Henry County Department of Public Health (the "Health Department") 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 Health Department is presented as a governmental fund type component unit. The Health Department'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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Henry County Library System

The Henry County Library System (the "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 System is considered to be fiscally dependent on the County. The 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 "Water 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 Water Authority is governed by a Board of Commissioners which is appointed by Henry County. The County is obligated for the debt of the Water Authority and, therefore, a financial burden exists. The Water Authority is presented as a proprietary fund type component unit. Separate financial statements for the Water Authority may be obtained by writing to the Henry County Water Authority, 1695 Highway 20 West, McDonough, Georgia 30253.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

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.

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 (the "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 Governmental Services 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

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.

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 funds:

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

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

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 Fund*** is used to account for the operation and activities of the Cotton Field Golf Course.

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 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.

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."

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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.

- **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 $762,779 in the Grant Fund, $564,953 in the Neighborhood Stabilization Fund, $426,175 in the CDBG Fund and $4,941 in the Henry First Fund for the year ended June 30, 2019, due to the timing of grant reimbursements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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 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, 2019, 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	$	(10,870,437)
General obligation bonds payable		(8,155,000)
Plus: Issuance premium (to be amortized against interest expense)		(295,262)
Development Authority revenue bonds		(6,646,312)
Plus: Issuance premium (to be amortized against interest expense)		(134,207)
Compensated absences		(5,921,547)
Workers compensation		(3,270,000)
Claims and judgments		(1,836,000)
Landfill post-closure costs		(408,700)
Accrued interest		(247,570)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(37,785,035)

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	$	30,215,846
Depreciation expense		(25,406,350)
Net adjustment to increase *net change in fund balances - total governmental funds to arrive at change in net position - governmental activities*	$	4,809,496

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	$	(1,647,805)
Landfill post-closure costs		(18,525)
Claims and judgements payable		(1,836,000)
Principal repayments:		
Capital leases		2,851,388
Bonds payable		9,470,516
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at change in net position - governmental activities	$	8,819,574

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 "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." The details of this difference are as follows:

Capital leases payable	$	(10,870,437)
General obligation bonds payable		(8,155,000)
Plus: Issuance premium (to be amortized against interest expense)		(295,262)
Development Authority revenue bonds		(6,646,312)
Plus: Issuance premium (to be amortized against interest expense)		(134,207)
Compensated absences		(5,921,547)
Workers compensation		(3,270,000)
Claims and judgments		(1,836,000)
Landfill post-closure costs		(408,700)
Accrued interest		(247,570)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(37,785,035)

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

For the year ended June 30, 2019, the County reported deficit fund balances in the Neighborhood Stabilization Fund, CDBG Fund, Henry First Fund and the Grant Fund in the respective amounts of $564,953, $426,175, $4,941 and $762,779. The deficits are intended to be eliminated through future revenues.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2019, the following funds had expenditures exceeded the appropriations, which were funded by fund balance and transfers from other funds:

	Excess
Hotel/Motel Fund	
Housing and development	63,964
Neighborhood Stabilization 3 Fund	
General government	12,688

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2019, are summarized as follows:

Balances per Statement of Net Position:		
Cash - Primary government	$	143,179,112
Cash - Health Department		2,255,487
Cash - Library System		858,268
Cash - Water Authority		6,441,015
Investments - Primary government		10,325,465
Investments - Library System		230,301
Restricted assets:		
Cash - Water Authority		12,048,983
Investments - Water Authority		108,421,862
Balances per Statement of Fiduciary Net Position:		
Cash - Agency funds		8,851,021
	$	292,611,514
Cash deposited with financial institutions	$	173,633,886
Certificates of deposit		1,589,361
Cash deposited with Georgia Fund 1		117,388,267
	$	292,611,514

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, 2019, the investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2019, the County had the following investments:

Investment	Maturities	Fair Value
Primary government:		
Georgia Fund 1	39-day weighted average	$ 8,736,104
Certificates of deposit	6-month weighted average	1,589,361
		$ 10,325,465
Component units:		
Georgia Fund 1	39-day weighted average	$ 108,652,163

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, 2019, 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.") § 45-8-12(c) and as defined by GASB pronouncements.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2019, 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	Stormwater Fund	Nonmajor Governmental Funds	Total
Receivables:								
Taxes	$ 3,076,872	$ -	$ -	$ 3,399,065	$ -	$ -	$ 151,900	$ 6,627,837
Accounts	25,940,363	2,580	759,199	3,445	69,055	1,603,449	78,506	28,456,597
Other	2,534,450	581,500	-	-	259,911	-	1,708,289	5,084,150
Gross receivables	31,551,685	584,080	759,199	3,402,510	328,966	1,603,449	1,938,695	40,168,584
Less allowance for uncollectibles	(24,628,574)	-	-	-	(54,466)	(319,378)	-	(25,002,418)
Net total receivables	$ 6,923,111	$ 584,080	$ 759,199	$ 3,402,510	$ 274,500	$ 1,284,071	$ 1,938,695	$ 15,166,166

Property taxes attached as an enforceable lien on property as of February 18, 2020. Property taxes were levied on August 1, 2019, billed on August 21, 2019, and payable on or before November 16, 2019. The County bills and collects its own property taxes. Property taxes levied for 2019 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, 2019, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 99,402,791	$ -	$ -	$ 3,421,177	$ 102,823,968
Construction in progress	58,263,777	23,994,140	-	(5,904,689)	76,353,228
Total	157,666,568	23,994,140	-	(2,483,512)	179,177,196
Capital assets, being depreciated:					
Buildings and improvements	198,783,318	12,784	-	264,235	199,060,337
Machinery and equipment	86,989,310	2,656,469	(2,103,441)	130,314	87,672,652
Infrastructure	634,444,320	3,552,453	-	2,088,963	640,085,736
Total	920,216,948	6,221,706	(2,103,441)	2,483,512	926,818,725
Less accumulated depreciation for:					
Buildings and improvements	(60,711,624)	(5,525,433)	-	-	(66,237,057)
Machinery and equipment	(65,799,430)	(3,666,420)	1,954,232	-	(67,511,618)
Infrastructure	(287,964,949)	(16,214,497)	-	-	(304,179,446)
Total	(414,476,003)	(25,406,350)	1,954,232	-	(437,928,121)
Total capital assets, being depreciated, net	505,740,945	(19,184,644)	(149,209)	2,483,512	488,890,604
Governmental activities capital assets, net	$ 663,407,513	$ 4,809,496	$ (149,209)	$ -	$ 668,067,800

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Capital asset activity for the primary government for the year ended June 30, 2019, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated					
Land	$ 22,246,936	$ -	$ -	$ -	$ 22,246,936
Construction in progress	2,125,891	1,581,554	-	-	3,707,445
Total	24,372,827	1,581,554	-	-	25,954,381
Capital assets, being depreciated:					
Machinery and equipment	2,645,553	-	(6,000)	-	2,639,553
Infrastructure	3,136,787	14,943	-	-	3,151,730
Total	5,782,340	14,943	(6,000)	-	5,791,283
Less accumulated depreciation for:					
Machinery and equipment	(1,363,798)	(213,346)	6,000	-	(1,571,144)
Infrastructure	(245,164)	(80,466)	-	-	(325,630)
Total	(1,608,962)	(293,812)	6,000	-	(1,896,774)
Capital assets being depreciated, net	4,173,378	(278,869)	-	-	3,894,509
Business-type activities capital assets, net	$ 28,546,205	$ 1,302,685	$ -	$ -	$ 29,848,890

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	$	10,573,683
Judicial		161,491
Public safety		2,822,942
Public works		10,266,511
Health and welfare		194,519
Culture and recreation		1,303,199
Housing and development		84,005
Total depreciation expense - governmental activities	$	25,406,350
Business-type activities:		
Airport	$	84,346
Stormwater		206,616
Cotton Fields Golf Course		2,850
Total depreciation expense - business-type activities	$	293,812

B. Discretely Presented Component Unit – Library System

Capital asset activity for the Library System for the year ended June 30, 2019, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Buildings and improvements	$ 33,413	$ -	$ -	$ 33,413
Equipment	552,094	27,669	-	579,763
Books and materials	4,217,821	365,654	(389,343)	4,194,132
Total	4,803,328	393,323	(389,343)	4,807,308
Less accumulated depreciation for:				
Buildings and improvements	(18,883)	(1,981)	-	(20,864)
Equipment	(388,891)	(6,816)	-	(395,707)
Books and materials	(3,198,942)	(139,802)	389,343	(2,949,401)
Total	(3,606,716)	(148,599)	389,343	(3,365,972)
Total capital assets being depreciated, net	1,196,612	244,724	-	1,441,336
Total capital assets, net	$ 1,196,612	$ 244,724	$ -	$ 1,441,336

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES

Primary Government

Revenue Bonds

The Development Authority's revenue bonds outstanding, excluding the bond premium of $134,207 as of June 30, 2019, are as follows:

Purpose	Interest Rate	Due Date	Amount
Purchase of Land	4.40%	2022	$ 4,830,000
Purchase of Land	Variable	2033	1,816,312
			$ 6,646,312

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, 2019, are as follows:

Fiscal year ending June 30,	Principal	Interest
2020	$ 1,715,029	$ 156,320
2021	1,719,745	90,740
2022	1,724,672	41,207
2023	119,821	15,769
2024	125,200	14,423
2025-2029	715,542	49,712
2030-2034	526,303	9,375
	$ 6,646,312	$ 377,546

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 $292,262, at June 30, 2019, 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	$ 8,155,000
					$ 8,155,000

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

Fiscal year ending June 30,	Principal	Interest
2020	$ 8,155,000	$ 407,750
Total	$ 8,155,000	$ 407,750

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.

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

Primary Government (Continued)

Capital Leases (Continued)

The following is an analysis of assets leased under capital leases as of June 30, 2019:

Land	$	30,394,000
Buildings and improvements		7,479,958
Vehicles		9,538,260
Equipment		471,224
Assets leased under capital leases before depreciation		47,883,442
Less accumulated depreciation		(10,146,705)
Net assets leased under capital leases	$	37,736,737

For the year ended June 30, 2019, depreciation expense related to assets leased under capital leases totaled $755,882.

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, 2019:

Fiscal year ending June 30,		
2020	$	3,501,950
2021		2,658,916
2022		2,070,368
2023		1,748,805
2024		642,018
2025 – 2027		977,571
Total minimum lease payments		11,599,628
Less amount representing interest		(729,191)
Present value of future minimum lease payments	$	10,870,437

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

Primary Government (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, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 15,920,000	$ -	$ 7,765,000	$ 8,155,000	$ 8,155,000
Plus unamortized premium	871,665	-	576,403	295,262	295,262
General obligation bonds, net	16,791,665	-	8,341,403	8,450,262	8,450,262
Development Authority revenue bonds	8,351,828	-	1,705,516	6,646,312	1,715,029
Plus unamortized premium	254,473	-	120,266	134,207	78,673
Revenue bonds, net	8,606,301	-	1,825,782	6,780,519	1,793,702
Capital lease obligations	12,074,020	1,647,805	2,851,388	10,870,437	3,233,085
Landfill post-closure costs	390,175	18,525	-	408,700	35,300
Net pension liability	46,709,672	56,647,791	14,244,307	89,113,156	-
Workers compensation	3,180,000	1,040,897	950,897	3,270,000	1,820,000
Claims and judgements payable	-	1,836,000	-	1,836,000	-
Total OPEB liability	38,527,847	5,827,582	1,547,727	42,807,702	-
Compensated absences	5,609,663	7,841,018	7,529,134	5,921,547	5,768,185
Long-term liabilities - governmental	$ 131,889,343	$ 74,859,618	$ 37,290,638	$ 169,458,323	$ 21,100,534
Business-type activities:					
Net pension liability	$ 533,852	$ 903,556	$ 16,016	$ 1,421,392	$ -
Long-term liabilities - business-type	$ 533,852	$ 903,556	$ 16,016	$ 1,421,392	$ -
Component Units - Library					
Net pension liability	$ 2,282,276	$ 577,566	$ 316,086	$ 2,543,756	$ -
Compensated absences	74,912	83,525	74,913	83,524	83,524
Total OPEB liability	-	1,922,563	258,356	1,664,207	-
Long-term liabilities	$ 2,357,188	$ 2,583,654	$ 649,355	$ 4,291,487	$ 83,524

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, 2019, amounted to $23,154.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables as of June 30, 2019, are as follows:

	Payable Fund								
Receivable Fund	General Fund	Neighborhood Stabilization Fund	E-911 Fund	2014 SPLOST Fund	Airport Fund	Stormwater Fund	Nonmajor Enterprise Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 1,092,407	$ 3,224,171	$ 2,551,405	$ 275,920	471,946	$ 94,028	$ 3,174,837	$ 10,884,714
2014 SPLOST Fund	5,206	-	-	-	-	-	-	-	5,206
Stormwater Fund	5,251	-	-	-	-	-	-	-	5,251
Nonmajor Governmental Funds	759,541	-	370,530	-	-	-	-	4,153	1,134,224
Total	$ 769,998	$ 1,092,407	$ 3,594,701	$ 2,551,405	$ 275,920	471,946	$ 94,028	$ 3,178,990	$ 12,029,395

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.

Interfund transfers for the year ended June 30, 2019, are as follows:

	Transfers Out				
Transfers In	General Fund	E-911 Fund	Stormwater Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 331,552	$ 301,000	$ 569,651	$ 1,202,203
Nonmajor Governmental Funds	6,801,450	370,530	-	1,372,328	8,544,308
Total	$ 6,801,450	$ 702,082	$ 301,000	$ 1,941,979	$ 9,746,511

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

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, 2018, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	404
Inactive plan member entitled to but not receiving benefits	545
Active plan members	1,530
	2,479
Part-time active employees not participating in the Plan	14

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, 2019, 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 $10,108,288 for the year ended June 30, 2019.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2018, with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2018.

Actuarial Assumptions

The total pension liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.00%, including inflation
Investment rate of return	7.00%, 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, 2018, valuation were based on the results of an actuarial experience study for 2014.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

Actuarial Assumptions (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, 2018, 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 7.00%. 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)

Actuarial Assumptions (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, 2019, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	$ 208,960,563	$ 161,717,039	$ 47,243,524
Changes for the year:			
Service cost	7,104,057	-	7,104,057
Interest	14,804,890	-	14,804,890
Differences between expected and actual experience	4,551,110	-	4,551,110
Assumption changes	22,141,586	-	22,141,586
Contributions - employer	-	8,548,693	(8,548,693)
Contributions - employee	-	5,711,630	(5,711,630)
Net investment income	-	(7,830,098)	7,830,098
Benefit payments, including refunds of employee contributions	(9,510,378)	(9,510,378)	-
Administrative expenses	-	(253,622)	253,622
Other changes	-	(865,984)	865,984
Net changes	39,091,265	(4,199,759)	43,291,024
Balances at June 30, 2019	$ 248,051,828	$ 157,517,280	$ 90,534,548

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

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

Actuarial Assumptions (Continued)

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

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
County's net pension liability	$ 124,421,645	$ 90,534,548	$ 62,342,415

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, 2018, and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2019, the County recognized pension expense of $16,634,737. At June 30, 2019 the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 14,194,211
Other changes in assumptions	24,715,619
Net difference between projected and actual earnings on pension plan investments	11,570,832
County contributions subsequent to the measurement date	5,267,624
Total	$ 55,748,286

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 (Continued)

County contributions subsequent to the measurement date of $5,267,624, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,		
2020	$	10,009,202
2021		9,845,549
2022		11,477,615
2023		5,990,860
2024		1,404,769
Thereafter		11,752,667
Total	$	50,480,662

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.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

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 2019. The Library System's contractually required contribution rate for the year ended June 30, 2019, was 18.04% of annual payroll. System contributions to TRS were $353,914 for the year ended June 30, 2019.

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

At June 30, 2019, 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, 2018. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2017. An expected total pension liability as of June 30, 2018, 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, 2018. At June 30, 2018, the System's proportion was 0.013704%, which was an increase of 0.001424% from its proportion measured as of June 30, 2017. For the year ended June 30, 2019, the System recognized pension expense of $406,021. At June 30, 2019, 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	$ -	$ 69,551
Changes in assumptions	38,384	-
Differences between expected and actual experience	168,400	5,243
Changes in proportion and differences between System contributions and proportionate share of contributions	513,643	10,222
System contributions subsequent to the measurement date	353,914	-
Total	$ 1,074,341	$ 85,016

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 $353,914 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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,		
2020	$	274,605
2021		215,548
2022		79,908
2023		58,009
2024		7,341
Total	$	635,411

Actuarial Assumptions

The total pension liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017, 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

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, 2017, valuation were based on the results of an actuarial experience for the period July 2009 – June 2014.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

Actuarial Assumptions (Continued)

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.

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.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Library System – Component Unit (Continued)

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	$ 4,246,257	$ 2,543,756	$ 1,140,808

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 June 30, 2018:

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

Contributions

The Board of Commissioners has elected to fund the OPEB plan on a "pay as you go" basis. The County contributed $1,547,727 to the OPEB Plan in fiscal year June 30, 2019. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Board of Commissioners.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

Total OPEB Liability of the County

The County's total OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018.

Actuarial assumptions. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.50%
Healthcare Cost Trend Rate:	6.50% 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.

Discount rate

The discount rate used to measure the total OPEB liability was 3.50%. 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, 2019.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

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, 2019, were as follows:

	Total OPEB Liability (a)
Balances at June 30, 2018	$ 38,527,847
Changes for the year:	
Service cost	1,666,129
Interest	1,461,363
Differences between expected and actual experience	-
Assumption changes	2,700,090
Service buy back	-
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds of employee contributions	(1,547,727)
Net changes	4,279,855
Balances at June 30, 2019	$ 42,807,702

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.

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 (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	1.00% Decrease (2.50%)	Current Discount Rate (3.50%)	1.00% Increase (4.50%)
County's total OPEB liability	$ 51,165,650	$ 42,807,702	$ 36,350,996

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Primary Government (Continued)

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	$ 35,746,995	$ 42,807,702	$ 52,165,933

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, 2019, the County recognized OPEB expense of $3,453,984. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Other changes in assumptions	$ 2,373,598
Total	$ 2,373,598

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit

Plan Description.

The Library participates in the State of Georgia School Employees Postemployment Benefit Fund (the "School OPEB Fund") which is another post-employment benefit ("OPEB") plan administered by the State of Georgia Department of Community Health ("DCH"). Certified teachers and non-certified employees of the Library as defined in §20-2-875 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit post-employment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health ("DCH Board"). Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the DCH Board. The School OPEB Fund is included in the State of Georgia Comprehensive Annual Financial Report, which is publicly available and can be obtained at https://sao.georgia.gov/comprehensive-annual-financial-reports.

Benefits Provided.

The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies, and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PSERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

Contributions.

As established by the Board of Community Health, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the School OPEB Fund from the Library System were $76,570 for the year ended June 30, 2019. Active employees are not required to contribute to the School OPEB Fund.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the Library System reported a liability of $1,664,207 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2017. An expected total OPEB liability as of June 30, 2018, was determined using standard roll-forward techniques. The Library System's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2018. At June 30, 2018, the Library System's proportion was 0.013094%, which was a decrease of 0.000156% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Library System recognized OPEB expense of $59,415. At June 30, 2019, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB investments	$ -	$ 37,854
Changes of assumptions	-	281,925
Differences between expected and actual experience	2,252	-
Changes in proportion and differences between Library contributions and proportionate share of contributions	-	53,346
Library contributions subsequent to the measurement date	76,570	-
	$ 78,822	$ 373,125

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit (Continued)

Library contributions subsequent to the measurement date of $76,570 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:

2020	$	(72,581)
2021		(72,581)
2022		(72,581)
2023		(72,716)
2024		(58,870)
2025		(21,544)
Total	$	(370,873)

Actuarial assumptions.

The total OPEB liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2018:

Inflation	2.75%
Salary Increases	TRS – 3.25-9.00%, including inflation PSERS – N/A
Long-term expected rate of return	7.30%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate:	
Pre-Medicare eligible	7.50%
Medicare eligible	5.50%
Ultimate trend rate	
Pre-Medicare eligible	4.75%
Medicare eligible	4.75%
Year of ultimate trend rate	
Pre-Medicare eligible	2028
Medicare eligible	2022

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit (Continued)

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB as follows:

- For TRS Members: The RP-2000 White Collar Mortality Table projected to 2025 with projection scale BB (set forward one year for males) was used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females) was used for death after disability retirement.

- For PSERS Members: The RP-2000 Blue Collar Mortality Table projected to 2025 with projection scale BB (set forward three years for males and two years for females) was used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward five years for both males and females) was used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the pension system, which covered the five-year period ending June 30, 2014.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2017 valuation were based on a review of recent plan experience done concurrently with the June 30, 2017 valuation

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit (Continued)

The long-term expected rate of return on OPEB 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 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. During fiscal year 2018, the School OPEB Fund updated its investment strategy to a more long-term approach. 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 Stocks - Large Cap	37.20	9.00
Domestic Stocks - Mid Cap	3.40	12.00
Domestic Stocks - Small Cap	1.40	13.50
Int'l Stocks - Developed Mkt	17.80	8.00
Int'l Stocks - Emerging Mkt	5.20	12.00
Alternatives	5.00	10.50
Total	100.00 %	

*Rates shown are net of the 2.75% assumed rate of inflation

Discount rate

The discount rate has changed since the prior measurement date from 3.58% to 3.87%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.87% was used as the discount rate. This is comprised mainly of the yield or index rate for 20 year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.87% per the Bond Buyer Index). The projection of cash flows used to determine the discount rate assumed that plan contributions from members and the State of Georgia will be made at the current level as budgeted and then averaged over the prior five years. Projected future benefit payments for all current plan members were projected through 2118. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make OPEB payments for inactive employees through year 2018. Therefore, the calculated discount rate of 3.87% was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Library System – Component Unit (Continued)

Sensitivity of the Library's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Library's proportionate share of the net OPEB liability calculated using the discount rate of 3.87%, as well as what the Library's proportionate share of the net 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 rate:

	1% Decrease (2.87%)	Current discount rate (3.87%)	1% Increase (4.87%)
Library's proportionate share of the net OPEB liability	$ 1,943,272	$ 1,664,207	$ 1,439,170

Sensitivity of the Library's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate. The following presents the Library's proportionate share of the net OPEB liability calculated using the healthcare cost trend rates of 4.75% to 7.50%, as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.75% to 6.50%) or 1-percentage-point higher (5.75% to 8.50%) than the current rates:

	1% Decrease (3.75% to 6.50%)	Current discount rate (4.75% to 7.50%)	1% Increase (5.75% to 8.50%)
Library's proportionate share of the net OPEB liability	$ 1,399,112	$ 1,664,207	$ 2,002,989

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, 2019, the County collected $889,509 of Hotel/Motel taxes. Of this amount, $355,804, or 40.0%, was given to the Chamber. The remaining funds of $533,705, 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.

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 $3,270,000 as of June 30, 2019, 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.

NOTE 14. RISK MANAGEMENT (CONTINUED)

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, 2019, the County has an estimated eight years of monitoring remaining. Engineering studies estimate post-closure costs of approximately $408,700 over the eight-year period. These costs are based on what it would cost to perform all post-closure care as of June 30, 2019. 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, 2019, the County has contractual commitments on uncompleted contracts of approximately $12,366,674.

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 $780,000. The County also has a probable liability in the amount of $1,836,000. 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, 2019, the County paid $258,685 in such dues. Membership in the ARC is required by the O.C.G.A. § 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

REQUIRED SUPPLEMENTARY INFORMATION

HENRY COUNTY, GEORGIA

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

Primary Government

	2019	2018
Total OPEB liability		
Service cost	**$ 1,666,129**	$ 1,604,052
Interest on total OPEB liability	**1,461,363**	1,408,221
Changes of assumptions	**2,700,090**	-
Benefit payments, including refunds of employee contributions	**(1,547,727)**	(1,728,712)
Net change in total OPEB liability	**4,279,855**	1,283,561
Total OPEB liability - beginning	**38,527,847**	37,244,286
Total OPEB liability - ending	**$ 42,807,702**	$ 38,527,847
Covered payroll	**$ 62,422,511**	$ 59,591,896
County's total OPEB liability as a percentage of covered payroll	**68.58%**	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 AND RELATED RATIOS
RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED JUNE 30,

Primary Government

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	$ **7,104,057**	$ 5,628,669	$ 5,503,364	$ 5,000,446	$ 4,959,819
Interest on total pension liability	**14,804,890**	13,384,359	12,347,697	11,084,210	10,373,273
Differences between expected and actual experience	**4,551,110**	9,111,692	4,202,644	2,927,252	-
Changes of assumptions	**22,141,586**	380,195	5,945,296	5,035,153	-
Benefit payments, including refunds of employee contributions	**(9,510,378)**	(8,312,412)	(7,733,814)	(6,667,304)	(5,040,560)
Net change in total pension liability	**39,091,265**	20,192,503	20,265,187	17,379,757	10,292,532
Total pension liability - beginning	**208,960,563**	188,768,060	168,502,873	151,123,116	140,830,584
Total pension liability - ending (a)	$ **248,051,828**	$ 208,960,563	$ 188,768,060	$ 168,502,873	$ 151,123,116
Plan fiduciary net position					
Contributions - employer	$ **8,548,693**	$ 8,724,645	$ 6,929,270	$ 6,351,188	$ 6,757,421
Contributions - employee	**5,711,630**	5,584,296	5,203,848	4,288,639	3,760,592
Net investment income	**(7,830,098)**	21,993,140	9,171,407	919,240	7,496,020
Benefit payments, including refunds of employee contributions	**(9,510,378)**	(8,312,412)	(7,733,814)	(6,913,483)	(6,312,011)
Administrative expenses	**(253,622)**	(239,453)	(236,600)	(246,354)	(214,659)
Other	**(865,984)**	(1,159,160)	(1,039,289)	(1,190,092)	-
Net change in fiduciary net position	**(4,199,759)**	26,591,056	12,294,822	3,209,138	11,487,363
Plan fiduciary net position - beginning	**161,717,039**	135,125,983	122,831,161	119,622,023	108,134,660
Plan fiduciary net position - ending (b)	$ **157,517,280**	$ 161,717,039	$ 135,125,983	$ 122,831,161	$ 119,622,023
County's net pension liability - ending (a) - (b)	$ **90,534,548**	$ 47,243,524	$ 53,642,077	$ 45,671,712	$ 31,501,093
Plan fiduciary net position as a percentage of total pension liability	**63.50%**	77.39%	71.58%	72.90%	79.16%
Covered payroll	**$ 72,205,562**	$ 70,868,528	$ 68,643,051	$ 67,545,053	$ 61,866,545
County's net pension liability as a percentage of covered payroll	**125.38%**	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

	2019	2018	2017	2016	2015
Actuarially determined contribution	**$ 8,699,271**	$ 8,817,892	$ 7,119,509	$ 6,706,985	$ 6,959,148
Contributions in relation to the actuarially determined contribution	**8,807,899**	8,925,992	7,117,423	6,509,170	6,757,492
Contribution deficiency (excess)	**$ (108,628)**	$ (108,100)	$ 2,086	$ 197,815	$ 201,656
Covered payroll	**82,156,227**	75,022,832	72,801,748	67,308,138	64,316,373
Contributions as a percentage of covered payroll	**10.72%**	11.90%	9.78%	9.67%	10.51%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation date	January 1, 2018
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

	2019	2018	2017	2016	2015
System's proportion of the net pension liability	**0.013704%**	0.012280%	0.009404%	0.009277%	0.009537%
System's proportionate share of the net pension liability	**$ 2,543,756**	$ 2,282,276	$ 1,940,150	$ 1,412,331	$ 1,204,874
System's covered payroll	**$ 1,772,207**	$ 1,270,695	$ 968,188	$ 889,845	$ 923,034
System's proportionate share of the net pension liability as a percentage of covered payroll	**143.54%**	179.61%	200.39%	158.72%	130.53%
Plan fiduciary net position as a percentage of the total pension liability	**80.27%**	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

	2019	2018	2017	2016	2015
Contractually required contribution	$ **274,373**	$ 201,213	$ 147,196	$ 128,776	$ 109,273
Contributions made in relation to the contractually required contribution	**(274,373)**	(201,213)	(147,196)	(128,776)	(109,273)
Contribution deficit (excess)	$ **-**	$ -	$ -	$ -	$ -
System's covered payroll	$ **1,520,986**	$ 1,772,207	$ 1,270,695	$ 968,188	$ 889,845
Contributions made as a percentage of covered payroll	**18.04%**	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

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, 2019, reported in that schedule:

Valuation date	June 30, 2017
Cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28.4 years
Actuarial asset valuation method	Five-year smoothed market
Inflation rate	2.75%
Salary increases	3.25% - 9.00%, including inflation
Investment rate of return	7.50% net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE OF GEORGIA SCHOOL EMPLOYEES POST-EMPLOYMENT
BENEFIT FUND - LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30

	2019	2018
System's proportion of the net OPEB liability (%)	**0.013094 %**	0.013250 %
System's proportionate share of the net OPEB liability	**$ 1,664,207**	$ 1,861,620
System's covered payroll	**$ 1,772,207**	$ 1,270,695
System's proportionate share of the net OPEB liability as a percentage of its covered payroll	**93.91 %**	146.50 %
Plan fiduciary net position as a percentage of the total OPEB liability	**2.93 %**	1.61 %

HENRY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
STATE OF GEORGIA SCHOOL EMPLOYEES POST-EMPLOYMENT BENEFIT FUND - LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30

	2019	2018
Contractually required contribution	**$ 76,570**	$ 67,867
Contributions in relation to the contractually required contribution	**(76,570)**	(67,867)
Contribution deficiency (excess)	**$ -**	$ -
System's covered payroll	**$ 1,520,986**	$ 1,772,207
Contributions as a percentage of covered payroll	**5.03** %	3.83 %

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

HENRY COUNTY, GEORGIA

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.

HENRY COUNTY, GEORGIA

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, 2019

	Confiscated Assets Fund	Hotel/Motel Tax Fund
ASSETS		
Cash and cash equivalents	$ 1,415,647	$ 359,805
Investments	-	-
Accounts receivable	-	151,900
Due from other governments	15,225	-
Due from other funds	7	-
Total assets	$ 1,430,879	$ 511,705
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable	$ 48,306	$ 99,060
Accrued liabilities	-	-
Due to other funds	3,171	195,513
Unearned revenue	-	-
Total liabilities	51,477	294,573
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - period of availability	-	-
FUND BALANCES		
Restricted		
Capital projects	-	-
Housing and development	-	217,132
Federal and state grants	-	-
Law enforcement purposes	1,379,402	-
Unassigned	-	-
Total fund balances (deficits)	1,379,402	217,132
Total liabilities, deferred inflows of resources and fund balances	$ 1,430,879	$ 511,705

(Continued)

Special Revenue		
Law Library Fund	Court Fund	Technology Fund
$ 112,457	$ 713,965	$ 76,340
-	-	-
-	-	-
-	27,446	-
-	-	-
$ 112,457	$ 741,411	$ 76,340
$ -	$ 1,259	$ -
-	14,303	-
6,000	247,964	-
-	-	-
6,000	263,526	-
-	-	-
-	-	76,340
-	-	-
-	-	-
106,457	-	-
-	477,885	-
106,457	477,885	76,340
$ 112,457	$ 741,411	$ 76,340

HENRY COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue		
	CDBG Fund	Henry First Fund	Juvenile Assistance Fund
ASSETS			
Cash and cash equivalents	$ -	$ 45,041	$ 362,044
Investments	-	-	-
Accounts receivable	-	-	78,506
Due from other governments	802,478	-	-
Due from other funds	4,153	-	-
Total assets	$ 806,631	$ 45,041	$ 440,550
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 188,455	$ -	$ -
Accrued liabilities	2,698	-	-
Due to other funds	521,563	8,194	-
Unearned revenue	520,090	41,788	-
Total liabilities	1,232,806	49,982	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - period of availability	-	-	-
FUND BALANCES			
Restricted			
Capital projects	-	-	-
Housing and development	-	-	-
Federal and state grants	-	-	-
Law enforcement purposes	-	-	440,550
Unassigned	(426,175)	(4,941)	-
Total fund balances (deficits)	(426,175)	(4,941)	440,550
Total liabilities, deferred inflows of resources and fund balances	$ 806,631	$ 45,041	$ 440,550

(Continued)

		Debt Service
Grant Fund	Neighborhood Stabilization 3 Fund	Debt Service Fund
$ 191,470	$ 419,586	$ -
-	-	-
-	-	-
606,018	257,122	-
-	-	-
$ 797,488	$ 676,708	$ -
$ 16,158	$ -	$ -
66,851	70	-
811,550	159,586	-
149,024	-	-
1,043,583	159,656	-
516,684	257,122	-
-	-	-
-	-	-
-	259,930	-
-	-	-
(762,779)	-	-
(762,779)	259,930	-
$ 797,488	$ 676,708	$ -

HENRY COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

			Capital Projects
	Development Authority Fund	Capital Asset Fund	2002 SPLOST Fund
ASSETS			
Cash and cash equivalents	$ 1,047,370	$ 4,766,148	$ 463,072
Investments	-	-	-
Accounts receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	-	1,130,064	-
Total assets	$ 1,047,370	$ 5,896,212	$ 463,072
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 44,084	$ 1,018,924	$ -
Accrued liabilities	7,015	-	-
Due to other funds	-	393,878	-
Unearned revenue	-	-	-
Total liabilities	51,099	1,412,802	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - period of availability	-	-	-
FUND BALANCES			
Restricted			
Capital projects	-	4,483,410	463,072
Housing and development	996,271	-	-
Federal and state grants	-	-	-
Law enforcement purposes	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	996,271	4,483,410	463,072
Total liabilities, deferred inflows of resources and fund balances	$ 1,047,370	$ 5,896,212	$ 463,072

2008 SPLOST Fund	Impact Fees Fund	Total
$ 3,180,626	$ 2,991,088	$ 16,144,659
1,589,361	-	1,589,361
-	-	230,406
-	-	1,708,289
-	-	1,134,224
$ 4,769,987	$ 2,991,088	$ 20,806,939
$ 942,936	$ 22,666	$ 2,381,848
940	-	91,877
681,604	149,967	3,178,990
-	-	710,902
1,625,480	172,633	6,363,617
-	-	773,806
3,144,507	2,818,455	10,985,784
-	-	1,213,403
-	-	259,930
-	-	1,926,409
-	-	(716,010)
3,144,507	2,818,455	13,669,516
$ 4,769,987	$ 2,991,088	$ 20,806,939

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Confiscated Assets Fund	Hotel/Motel Tax Fund
Revenues		
Taxes	$ -	$ 889,576
Licenses and permits	-	-
Intergovernmental	-	-
Charges for services	-	-
Fines and forfeitures	290,800	-
Investment income	654	-
Miscellaneous	-	-
Total revenues	291,454	889,576
Expenditures		
Current:		
General government	-	-
Judicial	-	-
Public safety	661,381	-
Housing and development	-	355,804
Culture and recreation	-	-
Capital outlay	-	-
Debt service:		
Principal	-	-
Interest and fiscal charges	-	-
Total expenditures	661,381	355,804
Excess (deficiency) of revenues over (under) expenditures	(369,927)	533,772
Other financing sources (uses)		
Transfers in	-	-
Transfers out	-	(316,640)
Capital leases	-	-
Proceeds from sale of capital assets	-	-
Total other financing sources (uses)	-	(316,640)
Net change in fund balances	(369,927)	217,132
Fund balances (deficits), beginning of year	1,749,329	-
Fund balances (deficits), end of year	$ 1,379,402	$ 217,132

(Continued)

Special Revenue		
Law Library Fund	Court Fund	Technology Fund
$ -	$ -	$ -
-	-	-
-	-	-
-	-	94,344
161,784	921,323	-
14	267	26
-	-	-
161,798	921,590	94,370
-	-	-
112,892	360,838	77,299
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
112,892	360,838	77,299
48,906	560,752	17,071
-	71,553	-
-	(726,678)	-
-	-	-
-	-	-
-	(655,125)	-
48,906	(94,373)	17,071
57,551	572,258	59,269
$ 106,457	$ 477,885	$ 76,340

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue		
	CDBG Fund	Henry First Fund	Juvenile Assistance Fund
Revenues			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	723,521	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	57,730
Investment income	-	96	140
Miscellaneous	-	29,031	-
Total revenues	723,521	29,127	57,870
Expenditures			
Current:			
General government	-	-	-
Judicial	-	-	15,462
Public safety	-	12,869	-
Housing and development	1,157,071	-	-
Culture and recreation	-	20,206	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	1,157,071	33,075	15,462
Excess (deficiency) of revenues over (under) expenditures	(433,550)	(3,948)	42,408
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Capital leases	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(433,550)	(3,948)	42,408
Fund balances (deficits), beginning of year	7,375	(993)	398,142
Fund balances (deficits), end of year	$ (426,175)	$ (4,941)	$ 440,550

(Continued)

Grant Fund	Neighborhood Stabilization 3 Fund	Debt Service Debt Service Fund
$ -	$ -	$ -
-	-	-
1,869,033	-	-
-	-	-
-	-	-
-	-	-
28,125	-	-
1,897,158	-	-
-	14,188	-
-	-	-
2,522,028	-	-
-	-	-
-	-	-
-	-	-
-	-	4,556,904
-	-	539,555
2,522,028	14,188	5,096,459
(624,870)	(14,188)	(5,096,459)
479,937	-	5,096,459
(5,603)	-	-
-		-
-	10,599	-
474,334	10,599	5,096,459
(150,536)	(3,589)	-
(612,243)	263,519	-
$ (762,779)	$ 259,930	$ -

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

			Capital Projects
	Development Authority Fund	Capital Asset Fund	2002 SPLOST Fund
Revenues			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	10,143	1,918	185
Miscellaneous	172,158	-	-
Total revenues	182,301	1,918	185
Expenditures			
Current:			
General government	-	-	-
Judicial	-	-	-
Public safety	-	-	-
Housing and development	677,109	-	-
Culture and recreation	-	-	-
Capital outlay	-	4,038,560	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	677,109	4,038,560	-
Excess (deficiency) of revenues over (under) expenditures	(494,808)	(4,036,642)	185
Other financing sources (uses)			
Transfers in	550,295	2,346,064	-
Transfers out	-	(276,026)	-
Capital leases	-	1,647,805	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	550,295	3,717,843	-
Net change in fund balances	55,487	(318,799)	185
Fund balances (deficits), beginning of year	940,784	4,802,209	462,887
Fund balances (deficits), end of year	$ 996,271	$ 4,483,410	$ 463,072

2008 SPLOST Fund	Impact Fees Fund	Total
$ -	$ -	$ 889,576
-	1,319,465	1,319,465
-	-	2,592,554
-	-	94,344
-	-	1,431,637
54,390	1,082	68,915
201,088	-	430,402
255,478	1,320,547	6,826,893
-	-	14,188
-	-	566,491
-	-	3,196,278
-	-	2,189,984
-	-	20,206
4,425,670	152,892	8,617,122
-	-	4,556,904
-	-	539,555
4,425,670	152,892	19,700,728
(4,170,192)	1,167,655	(12,873,835)
-	-	8,544,308
-	(617,032)	(1,941,979)
-	-	1,647,805
-	-	10,599
-	(617,032)	8,260,733
(4,170,192)	550,623	(4,613,102)
7,314,699	2,267,832	18,282,618
$ 3,144,507	$ 2,818,455	$ 13,669,516

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, 2019

	Confiscated Assets Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	290,802	290,800	(2)
Investment income	655	654	(1)
Miscellaneous	-	-	-
Total revenues	291,457	291,454	(3)
Expenditures			
Current:			
General government	-	-	-
Judicial	-	-	-
Public safety	677,813	661,381	16,432
Housing and development	-	-	-
Culture and recreation	-	-	-
Total expenditures	677,813	661,381	16,432
Excess (deficiency) of revenues over (under) expenditures	(386,356)	(369,927)	16,429
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(386,356)	(369,927)	16,429
Fund balances (deficits), beginning of year	1,749,329	1,749,329	-
Fund balances (deficits), end of year	$ 1,362,973	$ 1,379,402	$ 16,429

(Continued)

Hotel/Motel Tax Fund		
Final Budget	Actual	Variance with Final Budget
$ 608,480	$ 889,576	$ 281,096
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
608,480	889,576	281,096
-	-	-
-	-	-
-	-	-
291,840	355,804	(63,964)
-	-	-
291,840	355,804	(63,964)
316,640	533,772	217,132
-	-	-
(316,640)	(316,640)	-
-	-	-
(316,640)	(316,640)	-
-	217,132	217,132
-	-	-
$ -	$ 217,132	$ 217,132

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, 2019

	Law Library Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	164,522	161,784	(2,738)
Investment income	20	14	(6)
Miscellaneous	-	-	-
Total revenues	164,542	161,798	(2,744)
Expenditures			
Current:			
General government	-	-	-
Judicial	164,542	112,892	51,650
Public safety	-	-	-
Housing and development	-	-	-
Culture and recreation	-	-	-
Total expenditures	164,542	112,892	51,650
Excess (deficiency) of revenues over (under) expenditures	-	48,906	48,906
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	48,906	48,906
Fund balances (deficits), beginning of year	57,551	57,551	-
Fund balances (deficits), end of year	$ 57,551	$ 106,457	$ 48,906

(Continued)

Court Fund		
Final Budget	Actual	Variance with Final Budget
$ -	$ -	$ -
-	-	-
-	-	-
921,323	921,323	-
276	267	(9)
-	-	-
921,599	921,590	(9)
-	-	-
364,679	360,838	3,841
-	-	-
-	-	-
-	-	-
364,679	360,838	3,841
556,920	560,752	3,832
75,135	71,553	(3,582)
(726,710)	(726,678)	32
-	-	-
(651,575)	(655,125)	(3,550)
(94,655)	(94,373)	282
572,258	572,258	-
$ 477,603	$ 477,885	$ 282

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, 2019

	Technology Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for services	94,500	94,344	(156)
Fines and forfeitures	-	-	-
Investment income	30	26	(4)
Miscellaneous	-	-	-
Total revenues	94,530	94,370	(160)
Expenditures			
Current:			
General government	-	-	-
Judicial	94,530	77,299	17,231
Public safety	-	-	-
Housing and development	-	-	-
Culture and recreation	-	-	-
Total expenditures	94,530	77,299	17,231
Excess (deficiency) of revenues over (under) expenditures	-	17,071	17,071
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	17,071	17,071
Fund balances (deficits), beginning of year	59,269	59,269	-
Fund balances (deficits), end of year	$ 59,269	$ 76,340	$ 17,071

(Continued)

CDBG Fund		
Final Budget	Actual	Variance with Final Budget
$ -	$ -	$ -
1,981,795	723,521	(1,258,274)
-	-	-
-	-	-
-	-	-
-	-	-
1,981,795	723,521	(1,258,274)
-	-	-
-	-	-
-	-	-
1,981,795	1,157,071	824,724
-	-	-
1,981,795	1,157,071	824,724
-	(433,550)	(433,550)
-	-	-
-	-	-
-	-	-
-	-	-
-	(433,550)	(433,550)
7,375	7,375	-
$ 7,375	$ (426,175)	$ (433,550)

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, 2019

	Henry First Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	97	96	(1)
Miscellaneous	32,980	29,031	(3,949)
Total revenues	33,077	29,127	(3,950)
Expenditures			
Current:			
General government	-	-	-
Judicial	-	-	-
Public safety	12,870	12,869	1
Housing and development	-	-	-
Culture and recreation	20,207	20,206	1
Total expenditures	33,077	33,075	2
Excess (deficiency) of revenues over (under) expenditures	-	(3,948)	(3,948)
Other financing (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing (uses)	-	-	-
Net change in fund balances	-	(3,948)	(3,948)
Fund balances (deficits), beginning of year	(993)	(993)	-
Fund balances (deficits), end of year	$ (993)	$ (4,941)	$ (3,948)

(Continued)

Juvenile Assistance Fund		
Final Budget	Actual	Variance with Final Budget
$ -	$ -	$ -
-	-	-
-	-	-
39,442	57,730	18,288
399	140	(259)
-	-	-
39,841	57,870	18,029
-	-	-
39,841	15,462	24,379
-	-	-
-	-	-
-	-	-
39,841	15,462	24,379
-	42,408	42,408
-	-	-
-	-	-
-	-	-
-	-	-
-	42,408	42,408
398,142	398,142	-
$ 398,142	$ 440,550	$ 42,408

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, 2019

	Grant Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	2,055,466	1,869,033	(186,433)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	-	-	-
Miscellaneous	28,125	28,125	-
Total revenues	2,083,591	1,897,158	(186,433)
Expenditures			
Current:			
General government	-	-	-
Judicial	-	-	-
Public safety	2,705,297	2,522,028	183,269
Housing and development	-	-	-
Culture and recreation	-	-	-
Total expenditures	2,705,297	2,522,028	183,269
Excess (deficiency) of revenues over (under) expenditures	(621,706)	(624,870)	(3,164)
Other financing sources (uses)			
Transfers in	627,309	479,937	(147,372)
Transfers out	(5,603)	(5,603)	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	621,706	474,334	(147,372)
Net change in fund balances	-	(150,536)	(150,536)
Fund balances (deficits), beginning of year	(612,243)	(612,243)	-
Fund balances (deficits), end of year	$ (612,243)	$ (762,779)	$ (150,536)

Neighborhood Stabilization 3 Fund		
Final Budget	Actual	Variance with Final Budget
$ -	$ -	$ -
1,500	-	(1,500)
-	-	-
-	-	-
-	-	-
-	-	-
1,500	-	(1,500)
1,500	14,188	(12,688)
-	-	-
-	-	-
-	-	-
-	-	-
1,500	14,188	(12,688)
-	(14,188)	(14,188)
-	-	-
-	-	-
-	10,599	10,599
-	10,599	10,599
-	(3,589)	(3,589)
263,519	263,519	-
$ 263,519	$ 259,930	$ (3,589)

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, 2019

	Final Budget	Actual	Variance With Final Budget
Revenues			
Total revenues	$ -	$ -	$ -
Expenditures			
Debt service:			
Principal	4,666,816	4,556,904	109,912
Interest and fiscal charges	758,075	539,555	218,520
Total expenditures	5,424,891	5,096,459	328,432
Deficiency of revenues under expenditures	(5,424,891)	(5,096,459)	328,432
Other financing sources			
Transfers in	5,424,891	5,096,459	(328,432)
Total other financing sources	5,424,891	5,096,459	(328,432)
Net change in fund balances	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

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HENRY COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2002 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Project	Original Estimated Cost	Current Estimated Cost
Senior citizens center	$ 2,200,000	$ -
Stockbridge tag office and land acquisition	400,000	190,000
Court annex/judicial annex building	7,300,000	13,000,000
Community center(s) for family and youth activities	5,000,000	-
Library facilities	5,700,000	7,997,059
Animal shelter	1,000,000	1,185,600
Fire stations	2,200,000	2,969,000
Park and recreational facilities	12,000,000	12,475,000
Roads, streets, curbs, bike paths, gutters, sidewalks and bridges	85,016,659	79,000,000
City of Hampton	3,011,785	3,011,785
City of Locust Grove	1,822,417	1,822,417
City of McDonough	6,637,436	6,637,436
City of Stockbridge	7,711,703	7,711,703
Program management	-	4,000,000
	$ 140,000,000	$ 140,000,000

	Prior Years	Current Year	Total
	$ -	$ -	$ -
	187,889	-	187,889
	14,271,990	-	14,271,990
	-	-	-
	6,593,067	-	6,593,067
	1,162,565	-	1,162,565
	3,200,511	-	3,200,511
	10,656,109	-	10,656,109
	84,104,353	-	84,104,353
	3,011,784	-	3,011,784
	1,822,418	-	1,822,418
	6,637,437	-	6,637,437
	7,711,703	-	7,711,703
	10,894,131	-	10,894,131
	$ 150,253,957	$ -	$ 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, 2019

Project	Original Estimated Cost	Current Estimated Cost
Senior citizens center	$ 4,590,000	$ 2,706,763
Social services facilities	2,142,000	2,000,000
Parking deck	4,500,000	3,500,000
Library facilities	2,895,000	2,895,000
Civic center and performing arts center	1,000,000	-
Public safety facilities	8,768,000	2,939,409
Park and recreational facilities	11,250,000	8,009,156
Land acquisition	17,235,000	17,235,000
Roads, streets, curbs, bike paths, gutters, sidewalks and bridges	120,500,000	92,125,000
City of Hampton	6,120,000	4,545,305
City of Locust Grove	6,120,000	4,545,305
City of McDonough	21,474,000	15,948,671
City of Stockbridge	26,286,000	19,960,719
Program management	7,120,000	3,590,000
	$ 240,000,000	$ 180,000,328

Transfers to the Debt Service Fund for the purpose of repayment of principal and interest on debt. **(1)**

Total 2008 SPLOST Fund expenditures for the prior years and the current fiscal year.

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.

	Prior Years	Current Year	Total
$	2,687,890	$ -	$ 2,687,890
	1,709,063	-	1,709,063
	3,375,657	-	3,375,657
	2,473,397	-	2,473,397
	70	-	70
	5,357,908	-	5,357,908
	10,658,124	-	10,658,124
	17,231,729	-	17,231,729
	104,501,923	4,425,334	108,927,257
	4,070,056	-	4,070,056
	4,091,904	-	4,091,904
	14,784,275	336	14,784,611
	18,290,316	-	18,290,316
	3,876,146	-	3,876,146
	193,108,458	4,425,670	197,534,128
	97,911,235	-	97,911,235
$	291,019,693	$ 4,425,670	$ 295,445,363

HENRY COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2014 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Project	Original Estimated Cost	Current Estimated Cost
Public safety facilities	$ 12,320,000	$ 12,320,000
Technical college construction	5,000,000	5,000,000
Public safety vehicles and equipment	3,886,806	3,886,806
911 radio replacement	7,000,000	7,000,000
Senior services facilities	4,050,000	4,050,000
Park and recreational facilities	12,863,639	12,863,639
Sewer construction and improvements	4,000,000	4,000,000
Roads, streets, sidewalks and bridges	86,529,555	86,529,555
Transportation equipment	450,000	450,000
Airport FBO	1,000,000	1,000,000
Jail renovations	1,500,000	1,500,000
City of Hampton	5,528,430	5,528,430
City of Locust Grove	4,269,823	4,269,823
City of McDonough	17,449,743	17,449,743
City of Stockbridge	20,252,004	20,252,004
Program management	3,900,000	3,900,000
	$ 190,000,000	$ 190,000,000

Repayment of interest on debt and bond issuance cost. Proceeds included in projects above.

Total 2014 SPLOST Fund expenditures for the current fiscal year.

	Prior Years	Current Year	Total
$	10,900,549	$ 1,959,923	$ 12,860,472
	5,000,000	-	5,000,000
	2,519,399	-	2,519,399
	5,577,045	631,301	6,208,346
	3,994,421	12,784	4,007,205
	11,436,884	2,336,201	13,773,085
	4,000,000	0	4,000,000
	50,020,884	13,218,599	63,239,483
	412,246	0	412,246
	44,905	133,139	178,044
	1,471,408	-	1,471,408
	4,007,727	1,140,822	5,148,549
	4,120,354	320,361	4,440,715
	16,173,616	1,789,518	17,963,134
	17,024,842	3,093,501	20,118,343
	3,193,281	418,412	3,611,693
$	139,897,561	$ 25,054,561	$ 164,952,122
	-	8,561,000	
$	139,897,561	$ 33,615,561	

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HENRY COUNTY, GEORGIA

NONMAJOR 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, 2019

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court
Cash and cash equivalents	$ 3,277,168	$ 3,100,457	$ 182,642	$ 86,715
Taxes receivable	6,853,901	-	-	-
Total assets	$ 10,131,069	$ 3,100,457	$ 182,642	$ 86,715
LIABILITIES				
Due to component unit	$ 74,714	$ 33,501	$ -	$ -
Due to others	10,056,355	3,066,956	182,642	86,715
Total liabilities	$ 10,131,069	$ 3,100,457	$ 182,642	$ 86,715

Sheriff	State Court	Juvenile Court	Flint Drug Task Force	Total
$ 569,353	$ 483,919	$ 1,549	$ 1,149,218	$ 8,851,021
-	-	-	-	6,853,901
$ 569,353	$ 483,919	$ 1,549	$ 1,149,218	$ 15,704,922
$ -	$ -	$ -	$ -	$ 108,215
569,353	483,919	1,549	1,149,218	15,596,707
$ 569,353	$ 483,919	$ 1,549	$ 1,149,218	$ 15,704,922

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 3,251,550	$ 180,854,188	$ 180,828,570	$ 3,277,168
Taxes receivable	3,429,661	6,853,901	3,429,661	6,853,901
	$ 6,681,211	$ 187,708,089	$ 184,258,231	$ 10,131,069
LIABILITIES				
Due to component unit	$ 152,663	$ 15,650,099	$ 15,728,048	$ 74,714
Due to others	6,528,548	175,156,878	171,629,071	10,056,355
	$ 6,681,211	$ 190,806,977	$ 187,357,119	$ 10,131,069
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 3,161,294	$ 6,872,404	$ 6,933,241	$ 3,100,457
LIABILITIES				
Due to component unit	$ 23,423	$ 298,049	$ 287,971	$ 33,501
Due to others	3,137,871	6,574,355	6,645,270	3,066,956
	$ 3,161,294	$ 6,872,404	$ 6,933,241	$ 3,100,457
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 106,781	$ 427,816	$ 351,955	$ 182,642
LIABILITIES				
Due to others	$ 106,781	$ 427,816	$ 351,955	$ 182,642
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 106,853	$ 853,586	$ 873,724	$ 86,715
LIABILITIES				
Due to others	$ 106,853	$ 853,586	$ 873,724	$ 86,715

(Continued)

HENRY COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
SHERIFF				
ASSETS				
Cash and cash equivalents	$ 617,903	$ 1,461,312	$ 1,509,862	$ 569,353
LIABILITIES				
Due to others	$ 617,903	$ 1,461,312	$ 1,509,862	$ 569,353
STATE COURT				
ASSETS				
Cash and cash equivalents	$ 370,252	$ 5,773,860	$ 5,660,193	$ 483,919
LIABILITIES				
Due to others	$ 370,252	$ 5,773,860	$ 5,660,193	$ 483,919
JUVENILE COURT				
ASSETS				
Cash and cash equivalents	$ 3,729	$ 7,453	$ 9,633	$ 1,549
LIABILITIES				
Due to others	$ 3,729	$ 7,453	$ 9,633	$ 1,549
FLINT DRUG TASK FORCE				
ASSETS				
Cash and cash equivalents	$ 880,867	$ 667,260	$ 398,909	$ 1,149,218
LIABILITIES				
Due to others	$ 880,867	$ 667,260	$ 398,909	$ 1,149,218
TOTAL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 8,499,229	$ 196,917,879	$ 196,566,087	$ 8,851,021
Taxes receivable	3,429,661	6,853,901	3,429,661	6,853,901
	$ 11,928,890	$ 203,771,780	$ 199,995,748	$ 15,704,922
LIABILITIES				
Due to component unit	$ 176,086	$ 15,948,148	$ 16,016,019	$ 108,215
Due to others	11,752,804	190,922,520	187,078,617	15,596,707
	$ 11,928,890	$ 206,870,668	$ 203,094,636	$ 15,704,922

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COMPONENT UNIT

HENRY COUNTY, GEORGIA

BALANCE SHEET
COMPONENT UNIT – LIBRARY SYSTEM
JUNE 30, 2019

ASSETS		
Cash and cash equivalents	$	858,268
Investments		230,301
Accounts receivable		22,664
Total assets	$	1,111,233
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	85,051
Accrued liabilities		10,039
Deferred Revenue		11,950
Total liabilities		107,040
FUND BALANCE		
Unassigned		1,004,193
Total fund balance		1,004,193
Total liabilities and fund balance	$	1,111,233

HENRY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPONENT UNIT – LIBRARY SYSTEM FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Revenues		
Intergovernmental	$	2,915,484
Investment income		6,900
Contributions		2,138
Other revenues		114,355
Total revenues		3,038,877
Expenditures		
Culture and recreation		3,341,935
Total expenditures		3,341,935
Net change in fund balance		(303,058)
Fund balance, beginning of year		1,307,251
Fund balance, end of year	$	1,004,193

STATISTICAL SECTION

HENRY COUNTY, GEORGIA

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 ..... **135 – 146**
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 ..... **147 – 154**
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity ..... **155 – 159**
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 ..... **160 – 162**
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 ..... **163 - 168**
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			
	2010	2011	2012	2013
Governmental activities:				
Net investment in capital assets	$ 505,440,842	$ 523,541,747	$ 541,151,869	$ 558,373,308
Restricted	85,167,736	64,041,244	74,194,079	66,329,286
Unrestricted	(16,875,327)	27,989,497	6,976,252	10,225,852
Total governmental activities net position	$ 573,733,251	$ 615,572,488	$ 622,322,200	$ 634,928,446
Business-type activities:				
Net investment in capital assets	$ 454,613	$ 530,211	$ 420,441	$ 18,208,602
Unrestricted	1,351,941	1,819,598	2,793,970	1,102,775
Total business-type activities net position	$ 1,806,554	$ 2,349,809	$ 3,214,411	$ 19,311,377
Primary government:				
Net investment in capital assets	$ 505,895,455	$ 524,071,958	$ 541,572,310	$ 576,581,910
Restricted	85,167,736	64,041,244	74,194,079	66,329,286
Unrestricted	(15,523,386)	29,809,095	9,770,222	11,328,627
Total governmental activities net position	$ 575,539,805	$ 617,922,297	$ 625,536,611	$ 654,239,823

Fiscal Year						
2014	2015	2016	2017	2018	2019
$ 568,049,432	$ 581,339,331	$ 584,515,407	$ 582,115,380	$ 605,981,070	$ 649,363,186
67,078,084	67,207,630	66,064,179	65,792,108	59,773,743	54,214,779
18,815,503	21,943,635	13,312,997	35,713,779	30,235,803	(6,263,397)
$ 653,943,019	$ 670,490,596	$ 663,892,583	$ 683,621,267	$ 695,990,616	$ 697,314,568
$ 20,954,950	$ 21,550,115	$ 21,716,004	$ 21,627,793	$ 24,807,885	$ 29,848,890
1,325,934	4,461,391	4,573,809	5,187,176	4,535,908	4,412,093
$ 22,280,884	$ 26,011,506	$ 26,289,813	$ 26,814,969	$ 29,343,793	$ 34,260,983
$ 589,004,382	$ 602,889,446	$ 606,231,411	$ 603,743,173	$ 630,788,955	$ 679,212,076
67,078,084	67,207,630	66,064,179	65,792,108	59,773,743	54,214,779
20,141,437	26,405,026	17,886,806	40,900,955	34,771,711	(1,851,304)
$ 676,223,903	$ 696,502,102	$ 690,182,396	$ 710,436,236	$ 725,334,409	$ 731,575,551

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2009 [1]	2010 [2]	2012	2013
Expenses				
Governmental activities:				
General government	$ 44,743,867	$ 18,298,478	$ 26,348,081	$ 34,975,466
Judicial	15,188,353	15,437,238	15,705,199	15,055,740
Public safety	67,773,063	68,450,538	69,943,800	67,175,789
Public works	22,044,184	22,823,271	20,545,804	12,446,599
Health and welfare	5,921,341	8,665,724	7,780,437	6,147,579
Culture and recreation	8,219,168	5,564,695	6,003,414	7,317,595
Housing and development	4,792,273	8,269,563	5,801,955	5,086,200
Interest on long-term debt	3,664,069	4,904,526	4,123,448	3,260,617
Total governmental activities expenses	172,346,318	152,414,033	156,252,138	151,465,585
Business-type activities:				
Stormwater	1,899,938	2,041,355	1,835,134	1,848,896
Airport	-	-	-	774,400
Cotton Fields	-	-	-	-
Total business-type activities expenses	1,899,938	2,041,355	1,835,134	2,623,296
Total primary government expenses	$ 174,246,256	$ 154,455,388	$ 158,087,272	$ 154,088,881
Program revenues				
Governmental activities:				
Charges for services:				
Impact fee collection	$ 252,622	$ 286,181	$ 279,625	$ 305,584
Other housing and development	974,294	725,722	1,863,436	1,974,847
General government	4,236,884	4,048,418	5,535,436	4,910,433
Judicial	6,818,804	6,666,005	7,462,382	6,825,478
Public safety	9,663,280	11,616,705	7,843,410	7,454,139
Other activities	2,973,978	2,891,873	1,978,748	1,888,117
Operating grants and contributions	3,139,843	11,260,174	4,805,003	6,211,598
Capital grants and contributions	15,414,026	30,076,027	13,660,391	13,491,079
Total governmental activities program revenues	43,473,731	67,571,105	43,428,431	43,061,275
Business-type activities:				
Charges for services - Stormwater	2,855,662	2,942,581	2,996,834	3,006,424
Operating grants and contributions - Stormwater	-	835	-	-
Capital grants and contributions - Stormwater	-	22,500	-	-
Charges for services - Airport	-	-	-	758,120
Capital grants and contributions - Airport	-	-	-	15,255,658
Charges for Services - Cotton Fields	-	-	-	-
Total business-type activities program revenues	2,855,662	2,965,916	2,996,834	19,020,202
Total primary government program revenues	$ 46,329,393	$ 70,537,021	$ 46,425,265	$ 62,081,477

(Continued)

Fiscal Year					
2014	2015	2016	2017	2018	2019
$ 30,586,221	$ 30,746,741	$ 33,767,721	$ 35,372,037	$ 41,927,026	$ 44,735,810
15,218,800	15,033,248	15,274,717	16,222,745	16,659,528	19,085,796
67,677,868	69,770,025	70,487,769	76,900,896	91,769,235	96,463,959
12,528,288	18,392,672	18,015,726	13,722,655	4,136,491	16,219,606
6,465,665	5,173,914	5,262,317	6,578,244	8,042,763	6,525,605
7,062,545	6,823,060	6,981,232	12,352,146	12,392,537	9,963,439
8,166,587	11,721,615	14,259,564	10,314,651	7,828,012	5,829,445
2,469,786	1,543,873	1,989,276	1,380,993	813,111	524,047
150,175,760	159,205,148	166,038,322	172,844,367	183,568,703	199,347,707
2,053,165	2,683,451	2,546,551	2,636,702	3,461,535	3,487,661
875,056	865,506	803,658	776,602	890,852	1,070,835
-	-	-	-	-	626,153
2,928,221	3,548,957	3,350,209	3,413,304	4,352,387	5,184,649
$ 153,103,981	$ 162,754,105	$ 169,388,531	$ 176,257,671	$ 187,921,090	$ 204,532,356
$ 549,740	$ 1,128,877	$ 1,349,446	$ 1,676,513	$ 1,655,495	$ 1,319,465
1,216,861	1,558,752	2,003,324	2,771,518	2,983,309	1,817,669
4,503,567	4,437,315	4,701,686	4,686,304	5,581,743	4,780,811
6,921,623	7,714,363	7,104,669	7,594,451	7,622,374	8,995,906
9,609,647	11,047,407	11,139,752	10,537,526	10,906,831	13,417,946
2,757,687	4,073,266	4,817,493	5,366,879	5,057,117	5,387,448
10,407,091	13,159,806	11,645,382	8,568,292	6,342,974	4,684,960
3,968,265	4,881,467	85,798	171,120	2,461,430	2,232,900
39,934,481	48,001,253	42,847,550	41,372,603	42,611,273	42,637,105
2,988,384	2,983,539	3,233,088	3,319,354	3,919,328	3,524,652
-	-	-	85,000	-	-
-	-	-	-	-	-
877,974	908,244	970,366	783,287	760,793	998,420
2,205,618	530,038	179,123	47,934	2,246,996	1,245,161
-	-	-	-	-	611,067
6,071,976	4,421,821	4,382,577	4,235,575	6,927,117	6,379,300
$ 46,006,457	$ 52,423,074	$ 47,230,127	$ 45,608,178	$ 49,538,390	$ 49,016,405

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2009 [1]	2010 [2]	2012	2013
Net (expense)/revenue:				
Governmental activities	$ (128,872,587)	$ (84,842,928)	$ (112,823,707)	$ (108,404,310)
Business-type activities	955,724	924,561	1,161,700	16,396,906
Total primary government net expense	$ (127,916,863)	$ (83,918,367)	$ (111,662,007)	$ (92,007,404)
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
Sales taxes	43,866,344	45,910,913	44,805,989	49,142,578
Other taxes	7,373,018	7,189,779	7,277,498	8,842,283
Unrestricted investment earnings	922,392	150,481	122,805	85,356
Transfers	-	384,381	301,187	302,579
Total governmental activities	126,651,160	126,682,165	119,573,419	121,010,556
Business-type activities:				
Unrestricted investment earnings	12,445	3,075	4,089	2,639
	-	-	-	-
Transfers	-	(384,381)	(301,187)	(302,579)
Total business-type activities	12,445	(381,306)	(297,098)	(299,940)
Total primary government	$ 126,663,605	$ 126,300,859	$ 119,276,321	$ 120,710,616
Change in Net Position				
Governmental activities	$ (2,221,427)	$ 41,839,237	$ 6,749,712	$ 12,606,246
Business-type activities	968,169	543,255	864,602	16,096,966
Total primary government	$ (1,253,258)	$ 42,382,492	$ 7,614,314	$ 28,703,212

[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.

2014	2015	2016	2017	2018	2019
$ (110,241,279)	$ (111,203,895)	$ (123,190,772)	$ (131,471,764)	$ (140,957,430)	$ (156,710,602)
3,143,755	872,864	1,032,368	822,271	2,574,730	1,194,651
$ (107,097,524)	$ (110,331,031)	$ (122,158,404)	$ (130,649,493)	$ (138,382,700)	$ (155,515,951)
$ 67,973,001	$ 67,371,942	$ 75,180,445	$ 81,982,432	$ 82,812,154	$ 90,243,816
51,091,371	53,611,106	55,524,606	57,191,007	57,857,266	71,892,902
9,472,356	9,803,331	10,650,358	11,405,368	11,915,652	13,880,364
79,422	63,944	75,862	320,454	677,993	2,546,505
214,401	(2,854,473)	301,000	301,187	63,714	301,000
128,830,551	127,995,850	141,732,271	151,200,448	153,326,779	178,864,587
2,776	3,285	2,429	4,072	17,808	1,917
37,377	-	-	-	-	-
(214,401)	2,854,473	(301,000)	(301,187)	(63,714)	(301,000)
(174,248)	2,857,758	(298,571)	(297,115)	(45,906)	(299,083)
$ 128,656,303	$ 130,853,608	$ 141,433,700	$ 150,903,333	$ 153,280,873	$ 178,565,504
$ 18,589,272	$ 16,791,955	$ 18,541,499	$ 19,728,684	$ 12,369,349	$ 22,153,985
2,969,507	3,730,622	733,797	525,156	2,528,824	895,568
$ 21,558,779	$ 20,522,577	$ 19,275,296	$ 20,253,840	$ 14,898,173	$ 23,049,553

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2010	2011	2011 [1]	2013
General Fund				
Reserved	$ 431,226	$ 317,909	$ -	$ -
Unreserved	42,407,776	39,243,083	-	-
Nonspendable:				
Prepaids	-	-	374,262	292,008
Inventories	-	-	-	-
Advances to other funds	-	-	4,071,741	5,287,840
Restricted:				
Capital projects				
Public safety purposes	-	-	20,973	17,808
Assigned	-	-	-	-
Unassigned	-	-	31,756,420	31,764,728
Total General Fund	$ 42,839,002	$ 39,560,992	$ 36,223,396	$ 37,362,384
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	-	-	-	-
Restricted:				
Capital projects	-	-	47,575,333	36,067,022
Housing and development	-	-	-	-
Federal and State grants	-	-	2,085,169	2,262,425
Citizen welfare	-	-	1,285,148	1,230,591
Law enforcement purposes	-	-	5,541,681	5,872,055
Public safety purposes	-	-	5,896,612	4,264,629
Debt service	-	-	18,318,820	18,632,934
Intergovernmental	-	-	-	-
Unassigned:				
Special revenue funds	-	-	-	-
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

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

Fiscal Year						
2014	2015	2016	2017	2018	2019
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
217,283	280,807	189,707	224,939	282,862	1,077,521
190,966	230,202	260,205	280,729	158,982	251,213
3,155,660	-	-	-	-	-
1,403,537	491,504	597,154	593,000	1,240,528	3,755,800
17,808	17,808	17,808	17,808	17,808	22,972
3,016,357	194,980	5,615,482	5,783,748	12,448,233	795,000
35,501,521	41,608,532	45,440,368	56,244,935	53,519,303	74,279,873
$ 43,503,132	$ 42,823,833	$ 52,120,724	$ 63,145,159	$ 67,667,716	$ 80,182,379
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	75,600	37,800	-	-	-
33,671,548	35,445,110	73,422,136	63,512,294	49,705,561	38,145,488
497,567	515,012	561,771	669,264	777,182	1,213,403
2,101,730	961,843	1,156,552	399,718	256,230	259,930
1,177,312	599,576	949,656	798,169	539,310	-
4,851,228	4,290,367	3,353,658	2,621,118	2,074,828	1,926,409
4,851,291	5,765,945	6,682,787	7,598,487	8,342,547	7,724,631
18,876,436	19,120,465	4,383,409	4,381,000	8,559,400	8,562,750
-	-	-	14,798,767	11,739,668	-
(43,261)	(317,597)	(255,754)	(497,114)	(897,335)	(1,280,963)
-	-	-	-	-	-
$ 65,983,851	$ 66,456,321	$ 90,292,015	$ 94,281,703	$ 81,097,391	$ 56,551,648

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes	$ 124,012,176	$ 127,223,623	$ 120,367,567	$ 120,875,692
Licenses and permits	1,779,532	1,514,676	1,746,290	1,782,488
Intergovernmental	6,699,402	23,150,424 (4)	11,128,485	15,527,987
Charges for services	16,486,172	17,267,981	13,248,419	14,337,943
Fines and forfeitures	5,897,161	6,655,157	8,969,504	6,323,064
Investment income	922,392	328,794 (5)	208,600	114,916
Contributions	125,886	62,356	65,416	218,557
Miscellaneous	2,353,065	2,177,306	1,906,379	1,847,551
Total revenues	$ 158,275,786	$ 178,380,317	$ 157,640,660	$ 161,028,198
Expenditures				
General government	$ 15,980,259	$ 14,958,074	$ 15,051,731	$ 14,284,302
Judicial	14,999,832	15,257,216	15,007,861	14,497,032
Public safety	64,700,470	66,683,701	63,053,313	61,873,370
Public works	11,648,255	11,939,937	8,081,124	7,573,243
Health and welfare	6,077,107	6,005,433	5,731,958	5,659,113
Culture and recreation	7,947,472	7,113,640	6,538,889	5,522,185
Housing and development	4,915,781	8,333,524	5,652,700	4,992,210
Intergovernmental	25,896,678 (1)	2,523,364	2,412,181	2,951,666
Capital outlay	31,337,084	41,606,362	39,907,052	30,750,262
Debt service:				
Principal retirement	31,772,244 (2)	5,647,610	21,881,414	23,073,807
Interest and fiscal charges	3,283,190	4,850,133	4,921,323	4,109,729
Issuance costs	757,501	-		
Total expenditures	219,315,873	184,918,994	188,239,546	175,286,919
Excess (deficiency) of revenues over (under) expenditures	(61,040,087)	(6,538,677)	(30,598,886)	(14,258,721)

(Continued)

Fiscal Year				
2014	2015	2016	2017	2018
$ 129,960,585	$ 129,946,751	$ 141,518,030	$ 150,678,742	$ 152,710,036
2,478,957	3,342,798	4,035,859	5,076,445	5,264,626
12,270,254	11,905,814	13,067,370	8,730,112	6,733,685
16,157,841	17,300,085	17,742,126	18,041,262	19,719,268
5,338,546	6,334,417	5,826,167	6,085,039	5,998,702
103,533	80,754	122,674	431,345	872,316
176,882	169,162	55,561	19,227	41,323
1,981,956	3,923,290	4,072,809	3,677,113	4,396,708
$ 168,468,554	$ 173,003,071	$ 186,440,596	$ 192,739,285	$ 195,736,664
$ 14,396,316	$ 15,346,942	$ 16,141,411	$ 17,872,200	$ 18,030,302
14,729,088	14,723,977	15,116,597	15,867,789	16,261,786
61,683,411	66,892,442	70,829,859	71,553,175	78,747,725
7,236,563	11,888,381	10,747,741	10,348,783	10,528,258
5,899,710	4,880,925	4,882,143	5,251,452	5,265,719
5,172,911	5,439,156	5,861,528	6,244,639	6,903,675
8,085,404	11,720,659	14,276,338	10,193,473	8,188,140
3,264,382	2,354,873	6,297,008	7,812,021	8,020,676
12,886,361	11,110,932	17,468,408	23,821,687	43,089,861
23,870,927	23,492,183	23,016,736	7,178,756	7,546,521
3,317,296	2,543,420	2,088,994	1,991,406	1,919,189
		391,757	143,059	-
160,542,369	170,393,890	187,118,520	178,278,440	204,501,852
7,926,185	2,609,181	(677,924)	14,460,845	(8,765,188)

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2010	2011	2012	2013
Other Financing Sources (Uses)				
Capital leases	$ -	$ -	$ 5,559,590	$ 569,151
Issuance of bonds	87,240,000 [3]	-	-	-
Premium on bonds	3,753,281	-	-	-
Payments to escrow agent	-	-	-	-
Transfers in	31,651,693	32,149,630	33,096,106	33,109,231
Transfers out	(31,651,693)	(31,765,249)	(32,794,919)	(32,806,652)
Proceeds from sale of capital assets	61,677	42,379	63,500	4,662
Total other financing sources (uses)	91,054,958	426,760	5,924,277	876,392
Net change in fund balances	$ 30,014,871	$ (6,111,917)	$ (24,674,609)	$ (13,382,329)
Debt service as a percentage of noncapital expenditures	14.0%	18.7%	7.6%	17.5%

[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 requiremen

[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.

Fiscal Year					
2014	2015	2016	2017	2018
$ -	$ -	$ -	$ -	$ -
-	-	29,630,000 [6]	9,645,000 [7]	-
-	-	3,785,757	707,285	-
-	-	-	(10,203,708)	-
38,694,400	28,336,995	7,618,766	12,533,308	12,004,422
(38,479,999)	(31,191,468)	(7,317,766)	(12,232,121)	(11,940,708)
142,615	38,463	93,752	103,514	39,719
357,016	(2,816,010)	33,810,509	553,278	103,433
$ 8,283,201	$ (206,829)	$ 33,132,585	$ 15,014,123	$ (8,661,755)
18.3%	20.3%	16.3%	6.0%	5.8%

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	
	Residential Property	Commercial Property	Motor Vehicles	Other [1]
2010	$ 5,100,209,854	$ 2,444,597,311	$ 521,749,210	$ 10,237,167
2011	4,148,277,699	2,295,735,115	450,888,710	10,241,711
2012	3,761,782,236	2,289,954,941	458,020,740	9,796,885
2013	3,022,034,746	2,386,381,854	478,457,190	8,195,509
2014	3,034,741,148	2,426,561,125	495,286,040	8,991,946
2015	3,571,245,625	2,538,835,322	407,309,750	8,692,776
2016	3,983,559,997	2,685,707,573	305,971,820	8,775,263
2017	4,435,554,023	2,925,492,842	227,952,810	8,001,091
2018	4,847,645,599	3,040,284,134	169,265,750	7,105,668
2019	5,260,890,366	4,547,355,794	126,596,220	6,896,749

Source: Henry County Tax Commissioner

[1] Includes Heavy Equipment, Mobile Homes, and Timber.

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
$ 1,355,121,921	$ 6,721,671,621	10.97	$ 16,804,179,053	40%
1,195,578,627	5,709,564,608	11.75	14,273,911,520	40%
1,257,127,218	5,262,427,584	11.75	13,156,068,960	40%
1,254,042,188	4,641,027,111	14.50	11,602,567,778	40%
1,250,359,481	4,715,220,778	14.50	11,788,051,945	40%
1,308,650,163	5,217,433,310	14.30	13,043,583,275	40%
1,329,555,852	5,654,458,801	13.87	14,136,147,003	40%
1,417,330,098	6,179,670,668	12.73	15,449,176,670	40%
1,502,301,571	6,561,999,580	12.73	16,404,998,950	40%
2,825,608,811	7,116,130,318	12.73	17,790,325,795	40%

HENRY COUNTY, GEORGIA

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

	Fiscal Year			
	2010	2011	2012	2013
Henry County rates				
Maintenance & Operations				
Unincorporated	13.71	14.89	18.52	18.71
Insurance Reduction [1]	-	-	-	-
Municipal rates				
McDonough [2]	2.59	3.45	4.39	4.39
Stockbridge	-	-	-	-
Hampton	-	-	-	-
Locust Grove	-	-	-	-
LOST Reduction	(2.92)	(3.14)	(4.02)	(4.21)
Police Protection	-	1.72	1.91	1.94
Fire Protection	1.22	1.15	1.02	0.68
Planning and Development	-	0.23	0.14	0.10
Water Authority	2.00	2.00	2.00	2.00
Hospital Authority	1.00	1.00	-	-
Board of Education				
Maintenance & Operations	20.00	20.00	20.00	20.00
Debt Service	3.06	3.06	3.63	3.63
State of Georgia	0.25	0.25	0.20	0.15
Total Unincorporated	37.28	38.06	40.33	40.28
Total Municipalities [3] [4]				
McDonough	38.14	38.42	41.65	41.58
Stockbridge	37.02	38.06	40.33	40.28
Hampton	36.17	36.35	38.34	38.29
Locust Grove	35.87	36.11	38.28	38.08
Total Direct Tax Rate	10.97	11.75	14.50	14.50

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.

Fiscal Year					
2014	2015	2016	2017	2018	2019
18.39	17.65	16.45	16.28	16.15	15.95
-	-	-	-	-	-
4.38	4.92	4.56	4.30	4.08	3.81
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(4.09)	(3.78)	(3.71)	(3.55)	(3.42)	(3.21)
1.92	1.79	1.89	1.68	1.81	1.55
0.60	0.57	0.56	0.50	0.62	0.57
0.02	0.01	0.02	-	-	0.01
2.00	2.00	2.00	2.00	2.00	2.00
-	-	-	-	-	-
20.00	20.00	20.00	20.00	20.00	20.00
3.63	3.63	3.63	3.63	3.63	3.63
0.10	0.05	-	-	-	-
40.03	39.55	38.36	38.36	38.36	38.36
41.32	42.10	40.45	40.48	40.01	40.04
40.03	39.55	38.36	38.36	38.36	38.36
38.04	37.76	36.48	36.68	36.55	36.81
37.83	37.75	36.46	36.68	36.55	36.81
14.30	13.87	12.73	12.73	12.73	12.73

HENRY COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2019		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Luxottica NA Distribution LLC	$ 1,219,330,746	1	17.13 %
Henry Co Development Authority	100,017,014	2	1.41
Georgia Power Company	47,988,110	3	0.67
Atlanta Motor Speedway	35,853,240	4	0.50
Kens Food Inc	32,262,991	5	0.45
Norfolk Southern Combined	27,153,141	6	0.38
US Industrial REIT	25,522,840	7	0.36
Big Box Property Owner A, LLC	22,859,600	8	0.32
Directv LLC	20,506,089	9	0.29
Fairfield McDonough LLC	19,240,162	10	0.27
Cardinal Health 103, Inc.			
Prologis-MacQuarie US, LLC			
BellSouth Telecom			
Inland Western McDonough			
Trees of Avalon			
Totals	$ 1,550,733,933		21.79 %

The fiscal year 2019 total taxable assessed value is:	7,116,130,318
The fiscal year 2010 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.

2010		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
$		%
15,743,060	10	0.23
29,637,240	2	0.44
-		-
22,869,352	3	0.34
19,835,735	7	0.30
20,856,200	4	0.31
47,979,724	1	0.71
15,754,800	9	0.23
19,997,125	6	0.30
20,719,240	5	0.31
17,954,616	8	0.27
$ 231,347,092		3.44 %

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	
		Amount	Percentage of Levy
2010	$ 232,661,093	$ 220,510,188	94.8 %
2011	205,764,434	193,893,667	94.2
2012	190,525,178	181,582,275	95.3
2013	171,146,444	165,774,289	96.9
2014	172,499,793	167,977,729	97.4
2015	193,276,894	188,413,250	97.5
2016	212,123,295	208,089,985	98.1
2017	227,730,138	223,762,249	98.3
2018	244,488,313	238,793,983	97.7
2019	267,182,391	258,913,367	96.9

Source: Henry County Tax Commissioner

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
$ 12,162,480	$ 232,672,668	100.0 %
11,764,074	205,657,741	99.9
8,481,108	190,063,383	99.8
5,372,155	171,146,444	100.0
4,084,658	172,062,387	99.7
3,376,296	191,789,546	99.2
3,294,368	211,384,353	99.7
3,583,226	227,345,475	99.8
1,333,771	240,127,754	98.2
2,550,442	261,463,809	97.9

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)
2010	$ 90,099,640		0.54 %	$ 463
2011	73,629,729	(3)	0.52	354
2012	55,959,818		0.43	267
2013	37,599,907		0.32	178
2014	18,695,000		0.16	87
2015	33,118,399		0.25	151
2016	29,096,063		0.21	130
2017	25,050,527	(5)	0.16	109
2018	16,791,665		0.10	72
2019	8,450,262		0.05	35

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.

Other Governmental Activities Debt					
Revenue Bonds	Capital Lease Obligations	Total Primary Government	Percentage of Personal Income (2)		Per Capita (2)
$ -	$ 52,715,208	$ 142,814,848	2.36	%	$ 735
-	52,148,384	125,778,113	2.00		605
-	46,598,728	102,558,546	1.57		490
-	40,372,801	77,972,708	1.14		369
12,186,000	22,882,032	53,763,032	0.82		251
12,186,000 (4)	18,560,296	63,864,695	0.88		292
12,351,201	14,537,452	55,984,716	0.77		250
10,464,671	11,852,995	47,368,193	0.63		207
8,606,301	12,074,020	37,471,986	0.44		160
6,780,519	10,870,437	26,101,218	0.29		108

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	Percentage of Estimated Actual Taxable Value of Property (2)	Bonded Debt Per Capita (3)
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
2019	8,450,262	8,562,750	(112,488)	0.00%	(0)

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.

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HENRY COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,			
	2010	2011	2012	2013
Debt limit	$ 672,167,162	$ 570,956,461	$ 526,242,758	$ 464,102,711
Total net debt applicable to limit	90,099,640	73,629,729	55,959,818	37,599,907
Legal debt margin	$ 582,067,522	$ 497,326,732	$ 470,282,940	$ 426,502,804
Total net debt applicable to the limit as a percentage of debt limit	13.40%	12.90%	10.63%	8.10%

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.

2014	2015	2016	2017	2018	2019
$ 471,522,078	$ 521,743,331	$ 565,445,880	$ 617,967,067	$ 656,199,958	$ 711,613,032
18,695,000	33,118,399	29,096,063	25,050,527	16,791,665	8,450,262
$ 452,827,078	$ 488,624,932	$ 536,349,817	$ 592,916,540	$ 639,408,293	$ 703,162,770
3.96%	6.35%	5.15%	4.05%	2.56%	1.19%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	$ 7,116,130,318
Debt limit (10% of assessed value)	711,613,032
Debt applicable to limit:	
General obligation bonds	8,450,262
Less: Amount set aside for repayment of General obligation debt	-
Total net debt applicable to limit	8,450,262
Legal debt margin	$ 703,162,770

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)
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
2019	240,900	9,021,034	39,184	36.7	42,000	3.1

(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.

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HENRY COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

	2019		
Employer	Employees (1)	Rank	Percentage of Total County Employment (2)
Henry County Board of Education	4950	1	4.31 %
Luxottica Retail Group	2000	2	1.74
Piedmont Henry	1800	3	1.57
Henry County Board of Commissioners	1700	4	1.48
WalMart Supercenter	1341	5	1.17
PVH	1000	6	0.87
Federal Aviation Administration	1000	7	0.87
Carters, Inc.	635	8	0.55
Home Depot DFC #6777	606	9	0.53
Georgia Power Company	550	10	0.48
Ken's Foods, Inc.			
Southern States, Inc.			
Georgia Crown Distributing Company			
Suntrust Bank			
Snapper			
Totals	15,582		13.57 %

(1) **Source:** Henry County Development Authority

(2) **Source:** U.S. Bureau of Labor Statistics, Georgia Department of Labor, workforce - 114,777 (October 2019)

2010		
Employees (1)	Rank	Percentage of Total County Employment (2)
5,000	1	5.45 %
1,570	3	1.71
1,744	2	1.90
1,350	4	1.47
706	5	0.77
560	8	0.61
330	9	0.36
280	10	0.31
560	7	0.61
616	6	0.67
12,716		13.86 %

HENRY COUNTY, GEORGIA

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

	Full-time Equivalent Employees as of June 30,			
	2010	2011	2012	2013
Function				
General Government	639	615	591	411
Public Safety and				
Police & Sheriff				
Officers	368	296	281	328
Civilians	53	53	57	53
Corrections	157	163	162	162
Fire				
Firefighters	265	260	242	270
Civilians	27	27	27	12
Highways and streets				
Engineering	19	19	16	15
Maintenance	80	74	66	68
Social services	101	73	82	62
Culture and recreation	66	50	58	36
Total	1,775	1,630	1,582	1,417

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

2014	2015	2016	2017	2018	2019
541	440	436	469	443	445
270	402	424	419	426	382
49	53	51	53	54	51
163	163	163	166	153	151
268	267	273	310	332	346
12	11	10	11	11	11
15	12	16	14	10	10
75	86	84	64	73	71
93	101	95	95	112	94
72	73	63	76	82	35
1,558	1,608	1,615	1,677	1,696	1,596

HENRY COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN CALENDAR YEARS

	Calendar Year			
	2010	2011	2012	2013
Function				
Police				
Physical arrest	6,652	6,498	5,556	5,986
Parking violations	20	58	44	31
Traffic violations	66,061	65,105	50,492	71,254
Fire				
Calls answered	20,245	21,581	23,902	22,497
Inspections	11,856	8,382	7,335	6,731
Highways and streets				
Street resurfacing	56	65	40	34
Culture and recreation				
Athletic field permits issued	125,544	151,826	193,575	193,698
Community center admissions	79,876	59,473	58,518	42,803

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

Sources: Various County Departments.

2014	2015	2016	2017	2018	2019
5,947	5,541	5,688	4,861	4,369	4,416
46	122	45	32	39	11
67,553	58,560	51,233	42,438	32,930	29,067
22,364	23,518	25,082	26,508	26,566	28,829
5,678	6,502	5,178	7,466	6,199	4,041
20	12	19	19	23	6
207,634	40,272	39,054	36,306	41,021	36,946
42,677	105,124	196,370	187,815	218,190	208,969

HENRY COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Function/Program				
Police				
Stations	5	5	4	3
Patrol Units	230	196	196	314
Patrol Zones	20	20	20	20
Fire Stations	13	13	13	13
Public Works				
Streets (miles)	1,230	1,236	1,238	1,237
Traffic Signals	30	32	32	35
Culture and Recreation				
Park Acreage	1,268.7	1,271	1,271	1,271
Playgrounds	33	33	33	33
Baseball/Softball Diamonds	74	73	73	73
Soccer/Football Fields	us	33	33	33
Community Centers	10	10	10	10

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

NOTE: Street miles only includes County maintained roads.

Source: Various County Departments.

2014	2015	2016	2017	2018	2019
3	3	3	3	3	3
310	311	311	311	290	226
20	20	20	20	20	20
13	13	13	14	16	16
1,238	1,238	1,239	1,244	1,246	1,249
35	35	37	37	38	43
1,271	1,271	1,283	1,283	1,283	1,444
33	33	33	34	34	34
73	73	73	73	73	74
33	33	33	33	33	33
10	10	10	11	11	11