TENNESSEE COMPTROLLER OF THE TREASURY

ANNUAL FINANCIAL REPORT

Henry County, Tennessee

For the Year Ended June 30, 2025



Jason E. Mumpower
Comptroller of the Treasury

DIVISION OF
LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT

HENRY COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2025

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

LEE ANN WEST, CPA, CGFM
Audit Manager

This financial report is available at www.comptroller.tn.gov.

HENRY COUNTY, TENNESSEE
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Summary of Audit Findings

Annual Financial Report
Henry County, Tennessee
For the Year Ended June 30, 2025

Scope

We have audited the basic financial statements of Henry County as of and for the year ended June 30, 2025.

Results

Our report on Henry County's financial statements is unmodified.

Our audit resulted in three findings and recommendations, which we have reviewed with Henry County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- The office had accounting deficiencies.
- Accounting records for accrued leave were not closed and available for audit by August 31, 2025.
- Competitive bids were not solicited for renovations at the recycling center and for the purchase of a skid steer.

TENNESSEE COMPTROLLER OF THE TREASURY

Introductory Section

HENRY COUNTY OFFICIALS

June 30, 2025

Officials

Randy Geiger, County Mayor
Richie Chilcutt, County Road Supervisor
Dr. Leah Watkins, Director of Schools
Randi French, Trustee
Scott Morrison, Assessor of Property
Donna Craig, County Clerk
Mike Wilson, Circuit, General Sessions, and Juvenile Courts Clerk
Albert Wade, Jr., Clerk and Master
Pam Martin, Register of Deeds
Josh Frey, Sheriff

Board of County Commissioners

Randy Geiger, County Mayor, Chairman
Patrick Burns
Dell Carter
Charles Elizondo
David Flowers
Missy Hamilton
David Hayes
Kenneth Humphreys
Melissa McElroy
Paul Neal
Gatlin Primrose
Monte Starks
David Travis
Marty Visser
David Webb
Ralph Wiles

Board of Education

Russ Orr, Chairman
Jordan Beddies
Jill Coker
Jim McCampbell
Rusty Wiles

Highway Commission

Cody Craig, Chairman
Roy Henry
Kyle Norwood
Michael Parker
Griffin Paschall
Mike Shinault

Audit Committee

Steve Greer, Chairman
Jill Coker
Andy Collins
Melanie Dodd
Kenneth Humphreys
Cody Craig

Financial Section

Jason E. Mumpower
Comptroller

Independent Auditor's Report

Henry County Mayor and
Board of County Commissioners
Henry County, Tennessee

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henry County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henry County, Tennessee, as of June 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Henry County Medical Center. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Henry County Medical Center, is based solely on the report of the other auditors. We were unable to determine Henry County Medical Center's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Henry County Emergency Communications District and the Henry County Tourism Development Authority, component units requiring discrete presentation, were not included in the county's financial statements. Also, we did not audit the financial statements of the Internal School Fund of the Henry County School Department (a discretely presented component unit), which represent 1.3 percent, 1.4 percent, and 2.5 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Henry County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

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

Cordell Hull Building | 425 Rep. John Lewis Way N. | Nashville, Tennessee 37243

Changes in Accounting Principle

As described in Note V.B., Henry County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and GASB Statement No. 102*, Certain Risk Disclosures.* GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Emphasis of Matter

We draw attention to Note I.D.9. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling ($63,287) for the primary government and ($119,917) for the discretely presented Henry County School Department. These restatements were necessary because of the transitional requirements of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Henry County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedule of school changes in the total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Henry County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Henry County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Henry County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

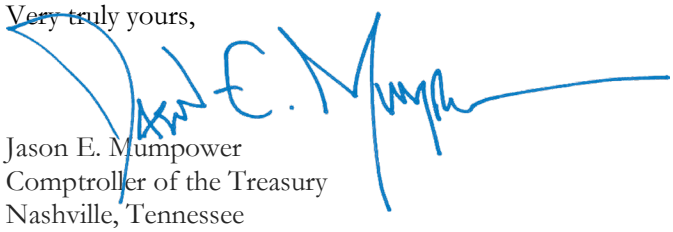
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information,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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026, on our consideration of Henry County'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 Henry 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's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 28, 2026

JEM/gc

Basic Financial Statements Section

HENRY COUNTY, TENNESSEE
Statement of Net Position
June 30, 2025

	Primary Government	Component Units	
	Governmental Activities	Henry County School Department	Henry County Hospital District
ASSETS			
Cash	$ 3,271	$ 900,852	$ 191,978
Equity in Pooled Cash and Investments	26,217,180	24,705,086	0
Inventories	0	1,752	0
Accounts Receivable	141,655	86,831	0
Due from Other Governments	3,122,599	2,708,486	0
Property Taxes Receivable	4,205,462	3,609,277	0
Allowance for Uncollectible Property Taxes	(59,833)	(51,357)	0
Other Current Assets	0	0	14,017
Notes Receivable	18,017,967	0	0
Leases Receivable	198,223	0	18,037,587
Net Pension Asset - Agent Plan	10,733,267	1,494,196	0
Net Pension Asset - Teacher Retirement Plan	0	154,023	0
Net Pension Asset - Teacher Legacy Pension Plan	0	5,599,201	0
Restricted Assets - Amounts Accumulated for Pension Benefits	0	513,053	0
Capital Assets:			
Assets Not Depreciated:			
Land	6,233,965	610,066	794,549
Construction in Progress	274,119	0	0
Assets Net of Accumulated Depreciation/Amortization:			
Buildings and Improvements	2,865,896	25,778,135	22,367,370
Infrastructure	12,092,646	0	0
Other Capital Assets	2,592,076	2,902,959	233,221
Total Assets	$ 86,638,493	$ 69,012,560	$ 41,638,722
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	$ 1,800	$ 0	$ 0
Pension Changes in Experience	683,496	1,601,032	0
Pension Changes in Assumptions	0	61,206	0
Pension Changes in Proportion	0	99,586	0
Pension Contributions after Measurement Date	843,854	1,146,706	0
OPEB Changes in Experience	0	122,005	0
OPEB Changes in Proportion	0	38,163	0
OPEB Changes in Assumptions	0	609,240	0
OPEB Contributions after Measurement Date	0	82,142	0
Total Deferred Outflows of Resources	$ 1,529,150	$ 3,760,080	$ 0

(Continued)

HENRY COUNTY, TENNESSEE
Statement of Net Position (Cont.)

	Primary Government	Component Units	
	Governmental Activities	Henry County School Department	Henry County Hospital District
LIABILITIES			
Accounts Payable	$ 485,379	$ 114,799	$ 65,092
Accrued Interest Payable	17,652	0	0
Payroll Deductions Payable	61,181	626,789	0
Contracts Payable	68,058	0	0
Due to Other Governments	29,496	0	0
Due to State of Tennessee	658	0	0
Noncurrent Liabilities:			
Due Within One Year - Debt	3,893,000	0	2,283,000
Due Within One Year - Other	33,911	216,303	0
Due in More Than One Year - Debt	19,356,415	0	15,734,967
Due in More Than One Year- Other	478,254	3,238,270	0
Total Liabilities	$ 24,424,004	$ 4,196,161	$ 18,083,059
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 3,948,362	$ 3,388,584	$ 0
Deferred Lease Receivable	198,223	0	19,616,967
Pension Changes in Experience	638,808	136,250	0
Pension Changes in Investment Earnings	1,590,926	1,337,954	0
Pension Changes in Proportion	0	34,579	0
OPEB Changes in Experience	0	137,972	0
OPEB Changes in Proportion	0	185,826	0
OPEB Changes in Assumptions	0	251,610	0
Total Deferred Inflows of Resources	$ 6,376,319	$ 5,472,775	$ 19,616,967
NET POSITION			
Net Investment in Capital Assets	$ 24,058,702	$ 29,291,160	$ 5,377,173
Restricted for:			
General Government	3,860,737	0	0
Finance	51,866	0	0
Administration of Justice	32,430	0	0
Public Safety	844,374	0	0
Public Health and Welfare	650,953	0	0
Highway/Public Works	4,819,632	0	0
Debt Service	0	0	0
Education	0	1,808,200	0
Operation of Non-instructional Services	0	1,472,386	0
Hybrid Retirement Stabilization Funds	0	513,053	0
Pensions	10,733,267	7,247,420	0
Unrestricted	12,315,359	22,771,485	(1,438,477)
Total Net Position	$ 57,367,320	$ 63,103,704	$ 3,938,696

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units: Henry County School Department	Net (Expense) Revenue and Changes in Net Position: Component Units: Henry County Hospital District
Primary Government:							
Governmental Activities:							
General Government	$ 1,060,950	$ 929,953	$ 1,719,282	$ 0	$ 1,588,285	$ 0	$ 0
Finance	1,033,537	1,261,590	0	0	228,053	0	0
Administration of Justice	1,166,788	641,510	93,547	0	(431,731)	0	0
Public Safety	5,748,877	1,856,734	534,035	11,200	(3,346,908)	0	0
Public Health and Welfare	634,805	511,700	447,650	0	324,545	0	0
Social, Cultural, and Recreational Services	404,229	0	30,030	0	(374,199)	0	0
Agriculture and Natural Resources	82,615	0	27,195	0	(55,420)	0	0
Highways	6,975,417	0	2,959,402	1,201,601	(2,814,414)	0	0
Education	0	0	2,460,422	0	2,460,422	0	0
Interest on Long-term Debt	167,765	0	0	0	(167,765)	0	0
Total Primary Government	$ 17,274,983	$ 5,201,487	$ 8,271,563	$ 1,212,801	$ (2,589,132)	$ 0	$ 0
Component Units:							
Henry County School Department	$ 43,548,295	$ 357,594	$ 8,848,502	$ 723,908	$ 0	$ (33,618,291)	$ 0
Henry County Hospital District	25,042,764	22,218,208	0	0	0	0	(2,824,556)
Total Component Units	$ 68,591,059	$ 22,575,802	$ 8,848,502	$ 723,908	$ 0	$ (33,618,291)	$ 0

(Continued)

HENRY COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Component Units: Henry County School Department	Component Units: Henry County Hospital District
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					$ 6,434,214	$ 5,371,828	$ 0
Property Taxes Levied for Debt Service					138,771	0	0
Local Option Sales Taxes					1,934,866	5,905,067	0
Hotel/Motel Tax					515,578	0	0
Wheel Tax					486,161	0	0
Litigation Tax					174,720	0	0
Business Tax					262,341	223,994	0
Wholesale Beer Tax					193,820	0	0
Other Local Taxes					38,557	895,211	0
Grants and Contributions Not Restricted to Specific Programs					1,977,939	25,292,152	0
Unrestricted Investment Income					2,211,284	97,554	577,128
Miscellaneous					757,161	429,861	23,057
Total General Revenues					$ 15,125,412	$ 38,215,667	$ 600,185
Extraordinary Items					$ 0	$ 0	$ (34,966,739)
Change in Net Position					$ 12,536,280	$ 4,597,376	$ (37,191,110)
Net Position, July 1, 2024					44,894,327	58,626,245	41,129,806
Restatement - See Note I.D.9.					(63,287)	(119,917)	0
Net Position, June 30, 2025					$ 57,367,320	$ 63,103,704	$ 3,938,696

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
June 30, 2025

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
ASSETS					
Cash	$ 0	$ 0	$ 0	$ 3,271	$ 3,271
Equity in Pooled Cash and Investments	8,220,720	5,546,943	7,090,640	5,358,877	26,217,180
Accounts Receivable	90,059	23,802	1,950	25,844	141,655
Due from Other Governments	1,371,694	1,723,986	0	26,919	3,122,599
Due from Other Funds	3,271	479,149	0	109,791	592,211
Property Taxes Receivable	2,710,080	1,089,139	89,051	317,192	4,205,462
Allowance for Uncollectible Property Taxes	(38,555)	(15,497)	(1,269)	(4,512)	(59,833)
Notes Receivable - Long-term	0	0	18,017,967	0	18,017,967
Leases Receivable - Long-term	0	0	198,223	0	198,223
Total Assets	$ 12,357,269	$ 8,847,522	$ 25,396,562	$ 5,837,382	$ 52,438,735
LIABILITIES					
Accounts Payable	$ 386,511	$ 0	$ 1,750	$ 97,118	$ 485,379
Payroll Deductions Payable	34,684	20,477	0	2,344	57,505
Contracts Payable	0	0	0	68,058	68,058
Due to Other Funds	479,149	0	0	113,062	592,211
Due to State of Tennessee	0	658	0	0	658
Due to Cities	0	0	0	29,496	29,496
Other Current Liabilities	3,676	0	0	0	3,676
Total Liabilities	$ 904,020	$ 21,135	$ 1,750	$ 310,078	$ 1,236,983

(Continued)

HENRY COUNTY, TENNESSEE
Balance Sheet - Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 2,544,417	$ 1,022,544	$ 83,595	$ 297,806	$ 3,948,362
Deferred Delinquent Property Taxes	115,457	46,416	3,804	13,511	179,188
Deferred Leases Receivable	0	0	198,223	0	198,223
Other Deferred/Unavailable Revenue	801,452	235,813	0	0	1,037,265
Total Deferred Inflows of Resources	$ 3,461,326	$ 1,304,773	$ 285,622	$ 311,317	$ 5,363,038
FUND BALANCES					
Restricted:					
Restricted for General Government	$ 144,574	$ 0	$ 0	$ 3,436,466	$ 3,581,040
Restricted for Finance	51,866	0	0	0	51,866
Restricted for Administration of Justice	32,430	0	0	0	32,430
Restricted for Public Safety	685,366	0	0	159,008	844,374
Restricted for Public Health and Welfare	30,370	0	0	607,072	637,442
Restricted for Other Operations	210,562	0	0	0	210,562
Restricted for Highways/Public Works	0	4,551,915	0	0	4,551,915
Restricted for Debt Service	0	0	18,017,967	0	18,017,967
Committed:					
Committed for General Government	1,341,868	0	0	0	1,341,868
Committed for Public Health and Welfare	70,712	0	0	915,051	985,763
Committed for Highways/Public Works	0	2,969,699	0	0	2,969,699
Committed for Capital Outlay	0	0	0	98,390	98,390
Committed for Debt Service	0	0	7,091,223	0	7,091,223
Unassigned	5,424,175	0	0	0	5,424,175
Total Fund Balances	$ 7,991,923	$ 7,521,614	$ 25,109,190	$ 5,215,987	$ 45,838,714
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 12,357,269	$ 8,847,522	$ 25,396,562	$ 5,837,382	$ 52,438,735

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit C-1)			$ 45,838,714
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	6,233,965	
Add: construction in progress		274,119	
Add: buildings and improvements net of accumulated depreciation		2,865,896	
Add: infrastructure net of accumulated depreciation		12,092,646	
Add: other capital assets net of accumulated depreciation		2,592,076	24,058,702
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loans payable	$	(18,017,967)	
Less: bonds payable		(5,200,000)	
Add: deferred amount on refunding		1,800	
Less: unamortized premium on debt		(31,448)	
Less: accrued interest payable		(17,652)	
Less: compensated absences payable		(512,165)	(23,777,432)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	$	1,527,350	
Less: deferred inflows of resources related to pensions		(2,229,734)	(702,384)
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			10,733,267
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			1,216,453
Net position of governmental activities (Exhibit A)			$ 57,367,320

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2025

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
Revenues					
Local Taxes	$ 7,709,240	$ 1,809,194	$ 177,218	$ 524,600	$ 10,220,252
Licenses and Permits	150,220	0	0	0	150,220
Fines, Forfeitures, and Penalties	192,783	0	0	66,558	259,341
Charges for Current Services	306,881	0	0	48,246	355,127
Other Local Revenues	763,028	80,164	2,123,909	370,085	3,337,186
Fees Received From County Officials	1,797,139	0	0	0	1,797,139
State of Tennessee	3,255,870	4,062,774	0	779,042	8,097,686
Federal Government	950,919	104,709	0	133,311	1,188,939
Other Governments and Citizens Groups	1,544,273	0	2,460,422	0	4,004,695
Total Revenues	$ 16,670,353	$ 6,056,841	$ 4,761,549	$ 1,921,842	$ 29,410,585
Expenditures					
Current:					
General Government	$ 1,484,078	$ 0	$ 0	$ 0	$ 1,484,078
Finance	1,203,052	0	0	0	1,203,052
Administration of Justice	1,289,828	0	0	18,874	1,308,702
Public Safety	5,893,427	0	0	63,772	5,957,199
Public Health and Welfare	515,835	0	0	1,321,941	1,837,776
Social, Cultural, and Recreational Services	391,694	0	0	0	391,694
Agriculture and Natural Resources	208,333	0	0	0	208,333
Other Operations	4,911,055	0	24,970	442,911	5,378,936
Highways	0	6,403,117	0	0	6,403,117

(Continued)

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	$ 0	$ 0	$ 5,303,668	$ 0	$ 5,303,668
Interest on Debt	0	0	170,212	0	170,212
Other Debt Service	0	0	32,000	0	32,000
Capital Projects	0	0	0	965,796	965,796
Total Expenditures	$ 15,897,302	$ 6,403,117	$ 5,530,850	$ 2,813,294	$ 30,644,563
Excess (Deficiency) of Revenues Over Expenditures	$ 773,051	$ (346,276)	$ (769,301)	$ (891,452)	$ (1,233,978)
Other Financing Sources (Uses)					
Notes Issued	$ 0	$ 0	$ 0	$ 700,635	$ 700,635
Other Loans Issued	0	0	1,869,756	0	1,869,756
Insurance Recovery	63,188	69,400	0	822,768	955,356
Transfers In	0	479,149	0	775,000	1,254,149
Transfers Out	(479,149)	0	0	(775,000)	(1,254,149)
Total Other Financing Sources (Uses)	$ (415,961)	$ 548,549	$ 1,869,756	$ 1,523,403	$ 3,525,747
Net Change in Fund Balances	$ 357,090	$ 202,273	$ 1,100,455	$ 631,951	$ 2,291,769
Fund Balance, July 1, 2024	7,634,833	7,319,341	24,008,735	4,584,036	43,546,945
Fund Balance, June 30, 2025	$ 7,991,923	$ 7,521,614	$ 25,109,190	$ 5,215,987	$ 45,838,714

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:		
Net change in fund balances - total governmental funds (Exhibit C-3)		$ 2,291,769
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	$ 1,806,393	
Less: current-year depreciation expense	(2,405,528)	(599,135)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	$ 11,200	
Less: book value of capital assets disposed	(4,561)	6,639
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 1,216,453	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(858,982)	357,471
(4) The issuance of long-term debt (e.g., notes, other loans, bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Less: change in deferred amount on refunding	$ (6,579)	
Less: note proceeds	(700,635)	
Less: other loan proceeds	(1,869,756)	
Add: change in premium on debt issuances	32,007	
Add: principal payments on notes	785,635	
Add: principal payments on other loans	2,208,033	
Add: principal payments on bonds	2,310,000	2,758,705
(5) 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 the governmental funds.		
Change in accrued interest on notes and bonds	$ 9,026	
Change in compensated absences payable	43,669	
Change in net pension asset	9,258,391	
Change in deferred outflows related to pensions	426,100	
Change in deferred inflows related to pensions	(2,016,355)	7,720,831
Change in net position of governmental activities (Exhibit B)		$ 12,536,280

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 7,709,240	$ 7,234,673	$ 7,234,673	$ 474,567
Licenses and Permits	150,220	211,000	211,000	(60,780)
Fines, Forfeitures, and Penalties	192,783	195,327	195,327	(2,544)
Charges for Current Services	306,881	356,350	356,350	(49,469)
Other Local Revenues	763,028	752,998	797,889	(34,861)
Fees Received From County Officials	1,797,139	1,755,000	1,755,000	42,139
State of Tennessee	3,255,870	3,964,284	5,165,680	(1,909,810)
Federal Government	950,919	25,119	101,064	849,855
Other Governments and Citizens Groups	1,544,273	44,568	1,525,969	18,304
Total Revenues	$ 16,670,353	$ 14,539,319	$ 17,342,952	$ (672,599)
Expenditures				
General Government				
County Commission	$ 69,266	$ 71,850	$ 71,850	$ 2,584
Board of Equalization	1,240	1,000	1,560	320
Other Boards and Committees	1,925	2,600	2,600	675
County Mayor/Executive	304,352	331,062	333,339	28,987
County Attorney	34,717	34,717	34,717	0
Election Commission	232,672	269,308	271,395	38,723
Register of Deeds	187,000	194,591	194,591	7,591
Building	113,846	115,979	115,979	2,133
County Buildings	151,022	153,000	153,000	1,978
Other General Administration	366,985	366,635	374,835	7,850
Preservation of Records	21,053	23,171	23,171	2,118
Finance				
Accounting and Budgeting	190,487	191,682	192,787	2,300
Property Assessor's Office	228,679	266,380	241,120	12,441
Reappraisal Program	160,340	167,566	202,826	42,486
County Trustee's Office	273,593	282,157	282,157	8,564
County Clerk's Office	349,953	361,479	363,976	14,023
Administration of Justice				
Circuit Court	269,426	291,002	291,002	21,576
General Sessions Court	140,672	144,426	144,426	3,754
General Sessions Judge	203,418	207,766	207,766	4,348

(Continued)

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
General Fund (Cont.)

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)				
Administration of Justice (Cont.)				
Chancery Court	$ 223,358	$ 231,274	$ 231,274	$ 7,916
Juvenile Court	333,846	361,785	366,328	32,482
Probate Court	91,825	95,237	95,237	3,412
Other Administration of Justice	27,283	26,000	41,000	13,717
Public Safety				
Sheriff's Department	3,120,992	3,096,713	3,254,253	133,261
Special Patrols	101,483	108,807	108,807	7,324
Drug Enforcement	236,476	230,718	276,800	40,324
Administration of the Sexual Offender Registry	6,674	6,000	7,598	924
Jail	1,940,658	1,906,358	2,122,583	181,925
Fire Prevention and Control	33,200	33,200	33,200	0
Rescue Squad	6,000	6,000	6,000	0
Other Emergency Management	338,823	152,235	410,164	71,341
County Coroner/Medical Examiner	109,121	83,000	119,953	10,832
Public Health and Welfare				
Local Health Center	111,201	123,634	127,869	16,668
Rabies and Animal Control	25,702	9,956	25,702	0
Ambulance/Emergency Medical Services	317,611	0	781,683	464,072
Maternal and Child Health Services	1,350	1,350	1,350	0
Alcohol and Drug Programs	3,363	7,000	7,000	3,637
Crippled Children Services	0	2,660	2,660	2,660
Other Local Health Services	14,600	17,800	17,800	3,200
General Welfare Assistance	42,008	45,537	151,026	109,018
Social, Cultural, and Recreational Services				
Adult Activities	151,582	173,987	173,987	22,405
Libraries	207,862	207,862	207,862	0
Parks and Fair Boards	5,250	5,250	5,250	0
Other Social, Cultural, and Recreational	27,000	27,500	27,500	500
Agriculture and Natural Resources				
Agricultural Extension Service	150,231	191,615	197,377	47,146
Soil Conservation	35,204	41,203	41,203	5,999
Flood Control	22,898	22,898	22,898	0

(Continued)

HENRY COUNTY, TENNESSEE

Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

General Fund (Cont.)

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Expenditures (Cont.)				
Other Operations				
Tourism	$ 710,468	$ 694,000	$ 710,468	$ 0
Industrial Development	75,000	75,000	75,000	0
Other Economic and Community Development	757,618	0	977,804	220,186
Airport	618,881	650,651	855,170	236,289
Veterans' Services	65,504	79,424	79,424	13,920
Other Charges	212,996	616,788	874,243	661,247
Contributions to Other Agencies	121,363	139,136	139,136	17,773
Employee Benefits	2,300,381	2,167,834	2,539,018	238,637
Miscellaneous	48,844	580,750	102,601	53,757
Total Expenditures	$ 15,897,302	$ 15,695,533	$ 18,720,325	$ 2,823,023
Excess (Deficiency) of Revenues Over Expenditures	$ 773,051	$ (1,156,214)	$ (1,377,373)	$ 2,150,424
Other Financing Sources (Uses)				
Insurance Recovery	$ 63,188	$ 1,000	$ 1,000	$ 62,188
Transfers In	0	382,182	610,550	(610,550)
City General Fund Transfer	0	27,299	27,299	(27,299)
Transfers Out	(479,149)	0	(479,149)	0
Total Other Financing Sources	$ (415,961)	$ 410,481	$ 159,700	$ (575,661)
Net Change in Fund Balance	$ 357,090	$ (745,733)	$ (1,217,673)	$ 1,574,763
Fund Balance, July 1, 2024	7,634,833	5,827,076	7,634,833	0
Fund Balance, June 30, 2025	$ 7,991,923	$ 5,081,343	$ 6,417,160	$ 1,574,763

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 1,809,194	$ 2,184,274	$ 2,184,274	$ (375,080)
Other Local Revenues	80,164	3,000	76,365	3,799
State of Tennessee	4,062,774	3,845,826	3,845,826	216,948
Federal Government	104,709	0	104,709	0
Total Revenues	$ 6,056,841	$ 6,033,100	$ 6,211,174	$ (154,333)
Expenditures				
Highways				
Administration	$ 278,705	$ 284,280	$ 286,254	$ 7,549
Highway and Bridge Maintenance	3,044,971	3,947,778	4,037,978	993,007
Operation and Maintenance of Equipment	602,197	736,998	736,998	134,801
Litter and Trash Collection	49,499	51,400	51,400	1,901
Other Charges	259,725	300,753	306,750	47,025
Employee Benefits	514,479	622,560	645,860	131,381
Capital Outlay	1,653,541	1,643,898	1,643,898	(9,643)
Total Expenditures	$ 6,403,117	$ 7,587,667	$ 7,709,138	$ 1,306,021
Excess (Deficiency) of Revenues Over Expenditures	$ (346,276)	$ (1,554,567)	$ (1,497,964)	$ 1,151,688
Other Financing Sources (Uses)				
Insurance Recovery	$ 69,400	$ 0	$ 69,400	$ 0
Transfers In	479,149	0	0	479,149
Total Other Financing Sources	$ 548,549	$ 0	$ 69,400	$ 479,149
Net Change in Fund Balance	$ 202,273	$ (1,554,567)	$ (1,428,564)	$ 1,630,837
Fund Balance, July 1, 2024	7,319,341	6,017,322	7,319,341	0
Fund Balance, June 30, 2025	$ 7,521,614	$ 4,462,755	$ 5,890,777	$ 1,630,837

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Net Position - Fiduciary Funds
June 30, 2025

	Custodial Funds
ASSETS	
Cash	$ 3,235,519
Equity in Pooled Cash and Investments	2,009,311
Accounts Receivable	29,952
Due from Other Governments	1,740,060
Property Taxes Receivable	5,093,746
Allowance for Uncollectible Property Taxes	(61,057)
Total Assets	$ 12,047,531
LIABILITIES	
Due to Other Taxing Units	$ 2,305,533
Total Liabilities	$ 2,305,533
DEFERRED INFLOWS OF RESOURCES	
Deferred Current Property Taxes	$ 4,768,314
Total Deferred Inflows of Resources	$ 4,768,314
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	$ 4,973,684
Total Net Position	$ 4,973,684

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
Statement of Changes in Net Position - Fiduciary Funds
For the Year Ended June 30, 2025

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	$ 6,783,730
Property Tax Collections for Other Governments	2,085,769
ADA - Educational Funds Collected for Cities	6,746,933
Fines/Fees and Other Collections	14,442,180
Drug Task Force Collections	708,327
Total Additions	$ 30,766,939
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	$ 6,783,730
Payment of Property Tax Collections for Other Governments	2,085,769
Payments to City School Systems	6,746,933
Payments to State	5,695,543
Payments to Cities, Individuals, and Others	8,110,390
Payment of Drug Task Force Expenses	1,087,047
Total Deductions	$ 30,509,412
Net Increase (Decrease) in Fiduciary in Net Position	$ 257,527
Net Position, July 1, 2024	4,716,157
Net Position, June 30, 2025	$ 4,973,684

The notes to the financial statements are an integral part of this statement.

HENRY COUNTY, TENNESSEE
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Henry County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Henry County:

A. Reporting Entity

Henry County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Henry County (the primary government) and its component units. The financial statements of the Henry County Emergency Communications District and the Henry County Tourism Development Authority, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

Discretely Presented Component Units – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The Henry County School Department operates the county's public school system, and the voters of Henry County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Henry County Hospital District provides healthcare to the citizens of Henry County, and the Henry County Commission appoints its governing body. Before the issuance of any debt instruments, the hospital must obtain the approval of the county commission.

The Henry County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Henry County, and the Henry County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Henry County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Henry County Tourism Development Authority provides programs designed to promote and advertise Henry County, and the Henry County Commission appoints its governing body. Before the issuance of any debt instruments, the authority must obtain the county commission's approval. The financial statements of the Henry County Tourism Development Authority were not material to the component units' opinion unit and therefore have been omitted from this report.

The Henry County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Henry County Hospital

District, the Henry County Emergency Communications District, and the Henry County Tourism Development Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Henry County Hospital District
P.O. Box 1030
Paris, TN 38242

Henry County Emergency Communications District
P.O. Box 1452
Paris, TN 8242

Henry County Tourism Development Authority
P.O. Box 7
Paris, TN 38242

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 nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Henry County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Henry County School Department component unit only reports governmental activities in the government-wide financial statements.

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

Henry County issues all debt for the discretely presented Henry County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2025.

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

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 fiduciary funds financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of 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.

Fund financial statements of Henry County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/find net position, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Henry County has no proprietary funds to report.

Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The fiduciary funds in total are reported in a single column.

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 become 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 other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Henry County considers grants and similar revenues to be available if they are collected within 120 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes custodial funds.

Henry County reports the following major governmental funds:

General Fund – This 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.

Highway/Public Works Fund – This special revenue fund accounts for transactions of the county's highway department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

General Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, Henry County reports the following fund types:

Capital Projects Funds – These funds account for capital expenditures, including construction and renovations, of the county.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Henry County, property tax collections to be forwarded to the cities of Cottage Grove, Henry, McKenzie, Paris, and Puryear, assets held in a custodial capacity for a watershed district, the city school system's share of educational revenues, and other restricted revenues held for the benefit of the Judicial District Drug Task Force.

The discretely presented Henry County School Department reports the following major governmental fund:

General Purpose School Fund – This fund is the primary operating fund for the school department. It is used to account for general operations of the school department.

Additionally, the Henry County School Department reports the following fund types:

Special Revenue Funds – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund – The Education Capital Projects Fund accounts for transactions involving building construction and renovations at the school department.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. To be consistent with the prior year's reporting, the FY 24 balances for the Internal School Fund are presented in this report. Using the prior year balances will not affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found on the Tennessee Comptroller of the Treasury's website.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges 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.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; bonds of any state or political subdivision

rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Henry County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Henry County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Henry County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.58 percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied,

which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Lease receivables are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received. Any accumulated interest on June 30 will result in accrued interest receivable in the governmental funds and government-wide financial statements.

Henry County has issued debt on behalf of the Henry County Hospital District, a discretely presented component unit that is part of Henry County's reporting entity. Henry County and the hospital district have entered into an agreement for the hospital district to repay Henry County for the debt service requirements as they become due. Henry County has recognized a note receivable for the debt.

3. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Henry County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Henry County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Henry County School Department has not withdrawn any funds from the trust to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

4. Capital Assets

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of $5,000 or more and an estimated useful life exceeding one year. Such

assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs 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.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	25
Other Capital Assets	5 - 10
Infrastructure:	
Roads	20 - 50
Bridges	20 - 50

5. Deferred Outflows/Inflows of Resources

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for a deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet. These items are from the following sources: current and delinquent property taxes, deferred lease receivables, pension and OPEB changes in experience, pension changes in investment earnings, pension and OPEB changes in proportionate share, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

It is the county's policy (except for the highway department) to permit employees to accumulate earned but unused vacation pay benefits up to 280 hours for the sheriff's department and up to 20 days for all other employees. The highway department's policy does not permit employees to accumulate earned but unused vacation pay benefits beyond employee anniversary dates. It is the discretely presented Henry County School

Department's policy to permit support personnel to accumulate earned but unused vacation pay benefits up to 30 days. Additionally, sheriff department employees accumulate earned but unused compensatory time.

It is the county and school department's policies to permit employees to accumulate earned but unused sick pay benefits up to 120 days for county employees, 200 hours for highway department employees, and an unlimited amount for school department employees.

All vacation pay and compensatory time are accrued when incurred in the government-wide financial statements for the county and its discretely presented component unit. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Henry County and the discretely presented school department do not have policies to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay, compensatory time, or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the applicable policies.

7. Long-term Debt and Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of 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.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable and lease obligations, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

8. Net Position and Fund Balance

In the government-wide financial statements, equity is classified as net position and displayed in three components:

a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

The government-wide Statement of Net Position reports $20,993,259 of restricted net position for the primary government, of which $278,954 is restricted by enabling legislation.

On June 30, 2025, Henry County had $5,200,000 in outstanding debt for capital purposes for the discretely presented Henry County School Department. The debt is a liability of Henry County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Henry County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the county commission, the county's highest level of decision-making authority and the Board of Education, the school department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's budget committee to make assignments for the general government. The Board of Education makes assignments for the school department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds. In the

other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

9. Restatements

With the implementation of GASB Statement 101, *Compensated Absences,* Henry County must recognize restatements to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Henry County School Department to record compensated absences liabilities. A restatement of ($63,287) has been presented to reflect the beginning balance of the primary government and ($119,917) for the discretely presented Henry County School Department.

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented Henry County School Department
Net Position, as previously reported	$ 44,894,327	$ 58,626,245
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(63,287)	(119,917)
Net Change in Beginning Net Position	$ (63,287)	$ (119,917)
Net Position, June 30, 2024, Restated	$ 44,831,040	$ 58,506,328

10. Changes To or Within the Financial Reporting Entity

Changes in Major Fund Classification (Column A)

Fund classifications are evaluated annually in accordance with the criteria established in GASB Statement No. 34. During fiscal year 2025, the following funds experienced changes in major fund status:

In the discretely presented Henry County School Department, the School Federal Projects Fund no longer met the quantitative thresholds and is presented as a nonmajor governmental fund. Prior-year amounts have been restated to reflect the fund within the Nonmajor Governmental Funds column.

These presentation changes are reported retrospectively in accordance with GASB Statement No. 100 and do not affect the previously reported total governmental fund balances or changes in fund balances.

	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
Discretely Presented Henry County School Department			
Major Funds:			
School Federal Projects	$ 162,692	$ (162,692)	$ 0
Nonmajor Funds	2,242,909	162,692	2,405,601
Total Governmental Funds Discretely Presented Henry County School Department	$ 2,405,601	$ 0	$ 2,405,601

E. Pension Plans

Primary Government

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 Henry County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Henry County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Pension Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Pension Plan of TCRS. Investments are reported at fair value.

Discretely Presented Henry County School Department

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 Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/ deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

F. Other Postemployment Benefit (OPEB) Plan

Discretely Presented Henry County School Department

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Henry County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Henry County School Department

Exhibit I-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

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

Primary Government

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the changes in net position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Henry County School Department

Exhibit I-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees and school department's Internal School Fund (special revenue funds), which are not budgeted, and the capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with (GAAP), except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and the GAAP basis is presented on the face of each budgetary schedule.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Henry County and the Henry County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose fair value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its

agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

The county had no pooled or nonpooled investments as of June 30, 2025.

TCRS Stabilization Trust

Legal Provisions. The Henry County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Henry County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2025, the Henry County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	$ 159,046
Developed Market International Equity	N/A	N/A	71,827
Emerging Market International Equity	N/A	N/A	20,522
U.S. Fixed Income	N/A	N/A	102,611
Real Estate	N/A	N/A	51,305
Short-term Securities	N/A	N/A	5,131
NAV - Private Equity and Strategic Lending	N/A	N/A	102,611
Total			$ 513,053

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained on the Tennessee Department of Treasury website.

B. Note Receivable

The note receivable in the General Debt Service Fund totaling $18,017,967 represents the balance of loan agreements the county entered into on behalf of the Henry County Hospital District and is included in the restricted fund balance account. The hospital district has agreed to contribute funds to the county to satisfy the debt requirements.

C. Lease Receivable

On September 1, 2019, Henry County entered into a lease agreement for the use of an existing hangar at the Henry County Airport. As of June 30, 2025, the remaining term is four years and two months, and the county will be receiving monthly payments ranging from $4,057 to $4,567. During the year, Henry County recognized $41,384 in lease revenue and $7,187 in interest revenue during the current fiscal year related to this lease. The lease has an annual interest rate of three percent. As of June 30, 2025, the lease receivable balance was $198,223.

The future receipts of the lease receivable include:

Year Ending June 30	Airport Hangar Lease		
	Principal	Interest	Total
2026	$ 44,081	$ 5,947	$ 50,028
2027	46,905	4,624	51,529
2028	49,858	3,217	53,075
2029	52,946	1,721	54,667
2030	4,433	133	4,566
Total	$ 198,223	$ 15,642	$ 213,865

D. Capital Assets

Capital assets activity for the year ended June 30, 2025, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	$ 6,233,965	$ 0	$ 0	$ 6,233,965
Construction in Progress	0	274,119	0	274,119
Total Capital Assets Not Depreciated	$ 6,233,965	$ 274,119	$ 0	$ 6,508,084
Capital Assets Depreciated:				
Buildings and Improvements	$ 11,300,759	$ 494,973	$ 0	$ 11,795,732
Infrastructure	55,106,964	0	0	55,106,964
Other Capital Assets	9,554,874	1,048,501	(446,602)	10,156,773
Total Capital Assets Depreciated	$ 75,962,597	$ 1,543,474	$ (446,602)	$ 77,059,469
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 8,628,250	$ 301,586	$ 0	$ 8,929,836
Infrastructure	41,736,490	1,277,828	0	43,014,318
Other Capital Assets	7,180,624	826,114	(442,041)	7,564,697
Total Accumulated Depreciation	$ 57,545,364	$ 2,405,528	$ (442,041)	$ 59,508,851
Total Capital Assets Depreciated, Net	$ 18,417,233	$ (862,054)	$ (4,561)	$ 17,550,618
Governmental Activities Capital Assets, Net	$ 24,651,198	$ (587,935)	$ (4,561)	$ 24,058,702

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

Governmental Activities:

General Government	$ 402,959
Finance	1,160
Administration of Justice	1,400
Public Safety	533,097
Public Health and Welfare	79,378
Social, Cultural, and Recreational Services	7,718
Highways/Public Works	1,379,816
Total Depreciation Expense - Governmental Activities	$ 2,405,528

Discretely Presented Henry County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	$ 610,066	$ 0	$ 0	$ 610,066
Construction in Progress	4,396,476	0	(4,396,476)	0
Total Capital Assets Not Depreciated	$ 5,006,542	$ 0	$ (4,396,476)	$ 610,066
Capital Assets Depreciated:				
Buildings and Improvements	$ 66,600,194	$ 5,738,440	$ 0	$ 72,338,634
Other Capital Assets	9,752,260	790,678	(499,034)	10,043,904
Total Capital Assets Depreciated	$ 76,352,454	$ 6,529,118	$ (499,034)	$ 82,382,538
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 45,144,377	$ 1,436,116	$ (19,994)	$ 46,560,499
Other Capital Assets	6,999,713	580,517	(439,285)	7,140,945
Total Accumulated Depreciation	$ 52,144,090	$ 2,016,633	$ (459,279)	$ 53,701,444
Total Capital Assets Depreciated, Net	$ 24,208,364	$ 4,512,485	$ (39,755)	$ 28,681,094
Governmental Activities Capital Assets, Net	$ 29,214,906	$ 4,512,485	$ (4,436,231)	$ 29,291,160

Depreciation expense was charged to functions of the discretely presented Henry County School Department as follows:

Governmental Activities:

Instruction	$ 658,856
Support Services	1,141,044
Operation of Non-instructional Services	216,733
Total Depreciation Expense - Governmental Activities	$ 2,016,633

E. Construction Commitments

On June 30, 2025, the county had uncompleted construction contracts of approximately $3,854,265 for the construction of a new health department building. Funding is expected to be received from federal grants.

F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	$ 3,271
Highway/Public Works	General	479,149
Nonmajor governmental	Nonmajor governmental	109,791
Discretely Presented School Department:		
Nonmajor governmental	General Purpose School	19,464

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2025, consisted of the following amounts:

Primary Government

	Transfers In		
Transfer Out	Highway/ Public Works Fund	Nonmajor governmental funds	Purpose
General Fund	$ 479,149	$ 0	Net wheel tax revenue
Nonmajor governmental funds	0	775,000	Capital outlay
Total	$ 479,149	$ 775,000	

Discretely Presented Henry County School Department

	Transfers In	
Transfers Out	General Purpose School Fund	Purpose
Nonmajor governmental funds	$ 93,482	Indirect costs
"	500	Title IV expenses
"	3,537	CTE expenses
"	963,509	ESSER expenses
"	18,200	HQIM Literacy expenses
"	178,779	To close fund
Total	$ 1,258,007	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

G. *Long-term Debt*

Primary Government

General Obligation Bonds and Notes

General Obligation Bonds - Henry County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Henry County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government, the discretely presented school department, and the discretely presented Henry County Hospital District. Capital outlay notes are issued to fund capital facilities. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. The other loans outstanding were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The other loans included in long-term debt as of June 30, 2025, will be retired from contributions by the Henry County Hospital District to the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2025, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-25
General Obligation Bonds	2 to 2.25%	5-1-29	$ 8,850,000	$ 4,655,000
General Obligation Bonds - Refunding	1.74	5-1-26	2,045,000	545,000
Other Loans - fixed rate	2.18 to 2.57	10-1-47	13,700,000	11,525,967
Other Loans	Variable	5-25-40	28,500,000	6,492,000

In a prior year, Henry County entered into a loan agreement with the Montgomery County Public Building Authority on behalf of the Henry County Hospital District. This loan agreement provided for the authority to make $16,500,000 available for loan to Henry County on an as-needed basis for various renovation and construction projects. Henry County has borrowed the entire amount of the loan. The loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily. On June 30, 2025, the variable interest rate was 3.42 percent.

In prior years, Henry County entered into loan agreements with the City of Clarksville Public Building Authority on behalf of the Henry County Hospital District for various renovation and construction projects as noted in the following table:

Series	Amount Available for Loan	Amount Drawn	Interest Rate	Balance 6-30-25
2012	$ 7,000,000	$ 7,000,000	Variable %	$ 1,072,000
2015	5,000,000	5,000,000	Variable	3,197,000
2018	9,200,000	9,200,000	2.57	7,178,967
2022	4,500,000	2,630,244	2.18	4,347,000

The variable interest rates on the $7,000,000 and $5,000,000 loans are adjusted weekly as determined by the remarketing agents and were 2.98 percent and 3.2 percent, respectively, on June 30, 2025.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2025, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds Principal	Interest	Total
2026	$ 1,610,000	$ 107,383	$ 1,717,383
2027	1,670,000	76,600	1,746,600
2028	1,705,000	43,200	1,748,200
2029	215,000	4,838	219,838
Total	$ 5,200,000	$ 232,021	$ 5,432,021

Year Ending June 30	Other Loans - Direct Placement Principal	Interest	Total
2026	$ 2,283,000	$ 453,000	$ 2,736,000
2027	2,363,000	382,000	2,745,000
2028	6,894,967	257,000	7,151,967
2029	368,000	163,000	531,000
2030	374,000	153,000	527,000
2031-2035	1,974,000	602,000	2,576,000
2036-2040	2,149,000	324,000	2,473,000
2041-2045	1,126,000	115,000	1,241,000
2046-2047	486,000	11,000	497,000
Total	$ 18,017,967	$ 2,460,000	$ 20,477,967

There is $25,109,190 available in the General Debt Service Fund to service long-term debt. However, $18,017,967 of this amount represents a Note Receivable due from the Henry County Hospital District and is not available for appropriation. Bonded debt per capita totaled $162, based on the 2020 federal census. Total debt per capita, including bonds and other loans, and unamortized debt premiums totaled $722, based on the 2020 federal census.

The school department and the Henry County Hospital District are currently contributing funds to service some of the debt issued on their behalf by the primary government as noted in the table below.

Discretely Presented Henry County School Department

Description of Debt		Outstanding 6-30-25
Bonds Payable		
Contributions from the General Purpose School Fund		
General Obligation High School Bonds, Series 2017	$	4,655,000
General Obligation Refunding Bonds, Series 2020		545,000
Total	$	5,200,000

Discretely Presented Henry County Hospital District

Description of Debt		Outstanding 6-30-25
Other Loans - Direct Placement		
Contributions from the Henry County Hospital District		
PBA of Montgomery County, Series 2002	$	2,223,000
PBA of City of Clarksville, Series 2012		1,072,000
PBA of City of Clarksville, Series 2015		3,197,000
PBA of City of Clarksville, Series 2018		7,178,967
PBA of City of Clarksville, Series 2022		4,347,000
Total	$	18,017,967

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2025, was as follows:

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans Direct Placement
Balance, July 1, 2024	$ 7,510,000	$ 85,000	$ 18,356,244
Additions	0	700,635	1,869,756
Reductions	(2,310,000)	(785,635)	(2,208,033)
Balance, June 30, 2025	$ 5,200,000	$ 0	$ 18,017,967
Balance Due Within One Year	$ 1,610,000	$ 0	$ 2,283,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	$	23,217,967
Less: Balance Due Within One Year - Debt		(3,893,000)
Add: Unamortized Premium on Debt		31,448
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	$	19,356,415

H. Long-term Obligations

Primary Government

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2025, was as follows:

Governmental Activities:

	Compensated Absences*
Balance, July 1, 2024	$ 555,834
Reductions	(43,669)
Balance, June 30, 2025	$ 512,165
Balance Due Within One Year	$ 33,911

*Restated beginning balance – See Note. I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	$	512,165
Less: Balance Due Within One Year - Other		(33,911)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$	478,254

Compensated absences will be paid from the employing funds, primarily the General Fund.

Discretely Presented Henry County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Henry County School Department for the year ended June 30, 2025, was as follows:

Governmental Activities:

	Compensated Absences*	Other Postemployment Benefits
Balance, July 1, 2024	$ 195,163	$ 2,965,382
Additions	38,756	349,149
Reductions	0	(93,877)
Balance, June 30, 2025	$ 233,919	$ 3,220,654
Balance Due Within One Year	$ 134,161	$ 82,142

*Restated beginning balance – See Note. I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	$ 3,454,573
Less: Balance Due Within One Year - Other	(216,303)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 3,238,270

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School Fund.

I. On-Behalf Payments

Discretely Presented Henry County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Henry County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were $56,119. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Henry County and the discretely presented Henry County School Department are exposed to various risks related to general liability, property, casualty, workers' compensation, health, and accident losses. The county and the school department decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. The county and the school department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

Henry County (except for school department employees) purchases commercial insurance for the risk associated with employee health coverage. Pre-65 age retirees are offered COBRA at their own expense for a maximum of 18 months. Currently, Henry County has no retirees that have chosen to remain on the insurance. Management advised that historically participation among retirees is very low and any liability resulting from this option would not be material to the financial statements. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The discretely presented Henry County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, Tennessee Code Annotated (TCA), all local education agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, TCA, provides for the LEGIF to be self-sustaining through member premiums.

B. Accounting Changes

GASB Statement No. 101, *Compensated Absences,* became effective for the fiscal year ending June 30, 2025. This statement updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures.

GASB Statement No. 102, *Certain Risk Disclosures,* became effective for the fiscal year ending June 30, 2025. This statement provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

C. Contingent Liabilities

The county has received various federal and state grants and other assistance for specific purposes that are subject to review and audit by grantor agencies. Such audits could result in reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. County management is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

There are several pending lawsuits in which the county is involved. Management estimates that any potential claims against the county not covered by insurance resulting from such litigation should not materially affect the county's financial statements.

D. Changes in Administration

On June 30, 2024, John Penn Ridgeway left the Office of County Mayor and was succeeded by Randy Geiger effective September 1, 2024.

On August 18, 2024, Ginger Cox left the Office of Assessor of Property and was succeeded by Scott Morrison effective August 19, 2024.

E. Joint Ventures

The Twenty-fourth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-fourth Judicial District; Benton, Carroll, Decatur, Hardin, and Henry counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial

district. Henry County made no contributions to the DTF for the year ended June 30, 2025, and does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

District Attorney General
P.O. Box 686
Huntingdon, TN 38344

The W.G. Rhea Paris – Henry County Library is a regional library owned by Henry County and the city of Paris and operated by the W.G. Rhea Paris – Henry County Library Board. The board includes seven members, four appointed by the Henry County Commission and three appointed by the city of Paris. Henry County has control over budgeting and financing the joint venture only to the extent of representation by the four board members appointed and is responsible for funding 50 percent of any deficits from operations. Henry County contributed $207,862 to the operations of the board during the year ended June 30, 2025. Complete financial statements for the W.G. Rhea Paris – Henry County Library can be obtained from the County Clerk's Office or the library board's administrative office at the following address:

Administrative Office:

W.G. Rhea Paris – Henry County Library
400 W. Washington Street
Paris, TN 38242

The Carroll - Henry County Railroad Authority was jointly created in November 1988 by Carroll and Henry counties. The authority was established as a conduit for payment of funds between the Tennessee Department of Transportation and the Kentucky – West Tennessee Railroad Company to rehabilitate the railroad between the Kentucky state line and Bruceton, Tennessee, including a line to Spinks, Tennessee. The authority comprises four members. One member from each county is appointed by the county commission, and each county mayor serves as a member and rotates every two years as chairman. Complete financial statements for the Carroll - Henry County Railroad Authority can be obtained from the Henry County Mayor's Office.

The Paris-Henry County Industrial Development Committee is a joint venture formed by an interlocal agreement between the city of Paris, Henry County, and the Paris-Henry County Chamber of Commerce. The purpose of the Industrial Development Committee is to provide for the planning, direction, and oversight of economic development for the city of Paris and Henry County. The committee is comprised of the director of economic development, the chief executive of the county or other designee, the mayor of Paris or other designee, one city commissioner, two county commissioners, the city manager of the city of Paris, and the current president of the chamber of commerce. Henry County contributed $75,000 to the Industrial Development Committee for the year ended June 30, 2025, and does not have an equity interest in this joint venture. Complete financial statements for the Industrial Development Committee can be obtained from its administrative office at the following address:

Administrative Office:

Paris-Henry County Industrial
Development Committee
2508 E. Wood Street
Paris, TN 38242

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information about the Pension Plan

Plan Description. Employees of Henry County and non-certified employees of the discretely presented Henry County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 87.78 percent and the non-certified employees of the discretely presented school department comprised 12.22 percent based on contribution data. The TCRS was created by state statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the Tennessee Department of Treasury website.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	617
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,375
Active Employees	795
Total	2,787

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Henry County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the

employer contribution for Henry County was $1,123,680 based on a rate of 5.56 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Henry County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Henry County's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability (asset) as of the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates 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 of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Henry County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	$ 152,158,512	$ 160,100,758	$ (7,942,246)
Changes for the Year:			
Service Cost	$ 3,932,277	$ 0	$ 3,932,277
Interest	10,291,010	0	10,291,010
Differences Between Expected and Actual Experience	1,128,090	0	1,128,090
Contributions-Employer	0	2,235,404	(2,235,404)
Contributions-Employees	0	2,028,432	(2,028,432)
Net Investment Income	0	15,478,079	(15,478,079)
Benefit Payments, Including Refunds of Employee Contributions	(7,262,777)	(7,262,777)	0
Administrative Expense	0	(105,321)	105,321
Net Changes	$ 8,088,600	$ 12,373,817	$ (4,285,217)
Balance, June 30, 2024	$ 160,247,112	$ 172,474,575	$ (12,227,463)

Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	87.78%	$ 140,664,915	$ 151,398,182	$ (10,733,267)
School Department	12.22%	19,582,197	21,076,393	(1,494,196)
Total		$ 160,247,112	$ 172,474,575	$ (12,227,463)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Henry County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

Henry County	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 8,511,004	$ (12,227,463)	$ (29,265,865)

Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, Henry County recognized (negative pension expense) of $2,208,337.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Henry County 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
Difference Between Expected and Actual Experience	$ 778,647	$ 727,738
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,812,402
Changes in Assumptions	0	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	1,123,680	N/A
Total	$ 1,902,327	$ 2,540,140

(1) The amount shown above for "Contributions Subsequent to the Measurement Date of June 30, 2024," will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

Allocation of Agent Plan Deferred Outflows of Resources and Deferred Inflows of Resources

		Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	87.78%	$ 1,527,350	$ 2,229,734
School Department	12.22%	374,977	310,406
Total		$ 1,902,327	$ 2,540,140

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	$ (2,312,608)
2027	2,453,019
2028	(946,696)
2029	(955,209)
2030	0
Thereafter	0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Discretely Presented Henry County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Henry County and non-certified employees of the discretely presented Henry County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees and non-certified employees of the discretely presented Henry County School Department comprised 87.78 percent and 12.22 percent, respectively, of the plan based on contribution data.

Discretely Presented Henry County School Department - Certified Employees - Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Henry County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the Tennessee Department of Treasury website.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded

liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025, to the Teacher Retirement Plan were $169,979, which is three percent of covered payroll. In addition, employer contributions of $51,920, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2025, the school department reported a liability (asset) of ($154,023) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.216140 percent. The proportion as of June 30, 2023, was 0.215444 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense of $132,576.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department 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
Difference Between Expected and Actual Experience	$ 12,723	$ 47,320
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	25,981
Changes in Assumptions	61,206	0
Changes in Proportion of Net Pension Liability (Asset)	35,798	5,499
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	169,979	N/A
Total	$ 279,706	$ 78,800

The school department's employer contributions of $169,979, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2026. 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	Amount
2026	$ (11,171)
2027	24,775
2028	(5,701)
2029	(5,559)
2030	7,212
Thereafter	21,371

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability (asset) in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

Mortality rates are based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best estimates 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 of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were

calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 406,208	$ (154,023)	$ (570,952)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Discretely Presented Henry County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Henry County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the Tennessee Department of Treasury website.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make

employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Henry County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were $696,901, which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability. Employer contributions to separately finance specific liabilities were $4,645 for the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to employees who have returned to work under a TCRS Return to Work program which requires employer contributions.

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

Pension Liability (Assets). On June 30, 2025, the school department reported a liability (asset) of ($5,599,201) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.324994 percent. The proportion measured on June 30, 2023, was 0.325334 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized (negative pension expense) of $1,203,546.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department 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
Difference Between Expected and Actual Experience	$ 1,493,158	$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,090,497
Changes in Proportion of Net Pension Liability (Asset)	63,788	29,080
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	696,901	N/A
Total	$ 2,253,847	$ 1,119,577

The school department's employer contributions of $696,901 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2026. 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	Amount
2026	$ (623,460)
2027	2,203,928
2028	(568,945)
2029	(574,154)
2030	0
Thereafter	0

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

Mortality rates are based actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates 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 of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 7,112,925	$ (5,599,201)	$ (16,142,175)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions

footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed $283,136 and teachers contributed $171,772 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

The discretely presented Henry County School Department provides OPEB benefits to its retirees under the state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pool

Discretely Presented Henry County School Department

The school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified employees of the school department may then join the Tennessee Plan - Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The school department's total OPEB liability for the plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024, actuarial valuation of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.93%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.68% for pre-65 retirees in the 2024 calendar year, and decreasing annually over a 13-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed below

The discount rate was 3.93 percent, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2024, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

Changes in Assumptions. The discount rate changed from 3.65 percent as of the beginning of the measurement period to 3.93 percent as of the measurement date of June 30, 2024. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2024 plan year was revised from 10.31 percent to 10.68 percent.

Closed Local Education (LEP) OPEB Plan (Discretely Presented School Department)

Plan Description. Employees of the Henry County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits Provided. The Henry County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-301, TCA, establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Henry County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	14
Inactive Employees Entitled To But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	233
Total	248

A state insurance committee, created in accordance with Section 8-27-301, TCA, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid $82,142 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability – As of the Measurement Date

	Share of Collective Liability		
	Henry County School Department 60.802%	State of TN 39.198%	Total OPEB Liability
Balance July 1, 2023	$ 2,965,382	$ 1,947,013	$ 4,912,395
Changes for the Year:			
Service Cost	$ 146,317	$ 94,329	$ 240,646
Interest	112,785	72,712	185,497
Difference between Expected and Actual Experience	(6,847)	(4,414)	(11,261)
Changes in Proportion	21,438	(21,438)	0
Changes in Assumption	68,609	44,231	112,840
Benefit Payments	(87,030)	(56,108)	(143,138)
Net Changes	$ 255,272	$ 129,312	$ 384,584
Balance June 30, 2024	$ 3,220,654	$ 2,076,325	$ 5,296,979

The Henry County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Henry County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized $229,813 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Henry County School Department's proportionate share of the collective OPEB liability was 60.802 percent and the State of Tennessee's share was 39.198 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department recognized OPEB expense of $514,356, including the state's share of the expense. On June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	$ 122,005	$ 137,972
Changes in Proportion	38,163	185,826
Changes of Assumptions	609,240	251,610
Benefits Paid After the Measurement Date of June 30, 2024	82,142	0
Total	$ 851,550	$ 575,408

The amount shown above for "Benefits Paid After the Measurement Date" will be recognized as a reduction to OPEB liability in the following measurement period.

Amounts reported as deferred inflows and deferred outflows of resources (excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	School Department
2026	$ 25,441
2027	25,441
2028	34,676
2029	51,788
2030	32,256
Thereafter	24,398

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Proportionate Share of the Collective Total OPEB Liability	$ 3,468,415	$ 3,220,654	$ 2,985,086

Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate	1% Decrease 9.68 to 3.5%	Current Trend Rates 10.68 to 4.5%	1% Increase 11.68 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	$ 2,879,088	$ 3,220,654	$ 3,615,919

H. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by Chapter 10, Private Acts of 1995, and provisions of the County Purchasing Law of 1983, Section 5-14-201, Tennessee Code Annotated (TCA), which provides for purchases exceeding $25,000 to be made after public advertisement and solicitation of competitive bids.

Office of County Road Supervisor

Purchasing procedures for the highway department are governed by Chapter 326, Private Acts of 1972, as amended, and the Uniform Road Law, Section 54-7-113, TCA. The Uniform Road Law provides for purchases exceeding $25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Henry County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, TCA, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires that competitive bids be solicited through newspaper advertisement on all purchases exceeding $10,000.

I. Subsequent Event

On October 31, 2025, Henry County issued a capital outlay note totaling $470,939 for various capital projects.

VI. OTHER NOTES – DISCRETELY PRESENTED HENRY COUNTY HOSPITAL DISTRICT

A. Nature of Operations

1. Organization

The Henry County Hospital District is a political subdivision of Henry County, Tennessee. The hospital district provides comprehensive healthcare services through the operation of an acute care hospital, nursing home (healthcare center), home health agency (HHA), emergency medical services agency (EMS), and physician clinics. The hospital district is governed by a Board of Trustees under the authority of the Henry County Commission and the Henry County Hospital District. The Henry County Commission appoints the Board of Trustees of the hospital district, which may not issue debt without the county's approval. Under accounting principles generally accepted in the United States of America, the hospital district constitutes a component unit of the county for financial reporting purposes.

Effective June 1, 2024, the operations and certain assets of the healthcare center were transferred and sold, respectively, to a third party.

Effective July 1, 2020, a third party assumed all rights for the delivery of emergency medical services previously provided by EMS in the Henry County, Tennessee, service area.

2. Disposition

In July 2024, the Board of Trustees approved a resolution to enter into an operations transfer agreement and an associated lease agreement with West Tennessee Healthcare (WTH). The operations transfer agreement and lease agreement became effective on October 1, 2024. Under the terms of the operations transfer agreement, the hospital district transferred all of its right, title and interest in any and all assets it owned or used solely with respect to operations, other than the excluded assets as defined in the agreement which generally excluded all rights under the Tennessee Consolidated Retirement System (TCRS) pension plan and owned real property. The new operator also assumed substantially all liabilities of the hospital district, which generally excluded the TCRS pension plan balances and long-term debt. As part of the operations transfer agreement, the new operator agreed to provide healthcare services in the service area for 40 years from the effective date of the transaction. Additionally, for a period of 10 years after the effective date, the new operator will maintain and provide certain services within the service area, provided that such services are financially viable, supported by the community and necessary physician coverage is available. The new operator also agreed to make capital commitments of at least $10,000,000 with respect to the hospital district and other healthcare infrastructure within the service area during the five-year period immediately following the effective date.

Under the terms of the lease agreement, the hospital district leases to the new operator substantially all of the real property used in providing healthcare services in the service area. The lease agreement is for a term of 25 years beginning on the effective date and provides for rental payments to be made in amounts consistent with the hospital district's long-term debt service requirements. At the end of the lease term and upon repayment of all of the hospital district's long-term debt obligations or upon WTH's sale of all of its assets or a default under the lease, the hospital district will have a right of first refusal to reacquire all rights in the real property and the right to operate and manage the hospital and related business based on then fair market value amounts, as defined in the lease agreement. If this repurchase option is not exercised by the hospital district, the real property will transfer to WTH at the end of the lease term.

This transaction was accounted for in accordance with Governmental Accounting Standards Board (GASB) Statement No. 6, *Government Combinations and Disposals of Government Operations*. As a result of this transaction, the hospital district recognized an extraordinary item of ($25,663,344) in the Statement of Revenue, Expenses and Changes in Net Position for the year ended June 30, 2025, and derecognized the related assets and liabilities from the Statement of Net Position.

Simultaneously with the closing of the operations transfer agreement and lease agreement with WTH, all rights and obligations associated with the hospital district's participation in the Public Employee Pension Plan of TCRS were transferred to and assumed by the county. As a result of this arrangement, the hospital recognized an extraordinary item of ($9,303,395) in the Statement of Revenue, Expenses and Changes in Net Position for the year ended June 30, 2025.

Revenue and expenses associated with the transferred operations, which are included in the accompanying Statement of Revenue, Expenses and Changes in Net Position for the year ended June 30, 2025, are as follows:

Total operating revenue	$ 21,310,163
Total operating expenses	(22,781,690)
Operating loss	$ (1,471,527)
Total nonoperating expense	(216,309)
Excess of expenses over revenue before special and extraordinary income	$ (1,687,836)

B. Summary of Significant Accounting Policies

1. New and Upcoming Accounting Pronouncements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement requires compensated absences to be recognized as a liability when the benefits are earned by employees and are attributable to services already rendered. The liability should be measured based on the pay or salary rates in effect at the financial statement date. The guidance is effective for fiscal years beginning after December 15, 2023. The hospital district adopted GASB Statement No. 101 as of July 1, 2024. The adoption of this guidance did not have a material impact on the financial statements.

In June 2022, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. It requires disclosure of information in the notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The guidance is effective for fiscal years beginning after June 15, 2024. The hospital district adopted GASB Statement No. 102 as of July 1, 2024. The adoption of this guidance did not have a material impact on the financial statements.

In April 2024, the GASB released Statement 103, *Financial Reporting Model Improvements*, which addresses the presentation of the Statement of Revenues, Expenses, and Changes in Net Position. It will require separate sections and subtotals to be included in the statements for major component units and unusual or infrequent items. The guidance is effective for fiscal years beginning after June 15, 2025. Management is currently evaluating the impact of adoption.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement requires governments to disclose specific information about certain types of capital assets and additional disclosures for capital assets held for sale. The guidance is effective for fiscal years beginning after June 15, 2025. Management is currently evaluating the impact of adoption.

2. Basis of Presentation

The hospital district utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis, which is an economic resources measurement focus approach to accounting. In December 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*. In June 2011, GASB issued Statement No. 63*, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. GASB Statements No. 62 and No. 63 were effective for periods beginning after December 15, 2011. GASB Statement No. 62 makes the GASB Accounting Standards Codification the sole source of authoritative accounting technical literature for governmental entities in the United States of America.

3. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents are defined as cash on hand or in banks and investments with original maturities at date of purchase of less than three months, excluding assets limited as to use.

The hospital district makes authorized investments pursuant to the provisions granted under the Private Act Hospital Authority and applicable state laws. The hospital district's investment policy requires that investments be made only in U.S. government securities, U.S. Treasury and agency securities, mortgage-backed securities, collateralized mortgage obligations, certificates of deposits, repurchase agreements and mutual funds and exchange traded funds. Investments consist of certificates of deposit and cash and cash equivalents with original maturities of greater than three months as well as mutual funds and exchange traded funds. Those investments with original maturities greater than three months but less than one year are classified as short-term investments, while the remaining amount is classified as long-term. Amounts included in the balance sheet caption "Assets limited as to use" consist of certificates of deposit, cash and cash equivalents, mutual funds, and exchange traded funds. These investments are reported at fair market value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* Investment income is reported as nonoperating income (expense). Any changes in fair market value in the current year are recognized in the Statement of Revenue, Expenses, and Changes in Net Position as a component of investment income.

Custodial credit risk is the risk that, in the event of a bank failure, the hospital district's deposits may not be returned to it. State statutes require the hospital district's deposits to be secured and collateralized by the financial institutions. Substantially all of the hospital district's cash and cash equivalents and certificates of deposit are insured or collateralized by securities held by the financial institutions' trust department in the hospital district's name or through participation in the Tennessee Bank Collateral Pool. On June 30, 2025, the total carrying value of the hospital district's cash, cash equivalents and investments was $191,978, and the bank balance was $177,899.

4. Property and Equipment

Property and equipment acquisitions are recorded at cost or, if obtained through acquisition, at fair value as determined on the date of acquisition. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements 5-20 years, buildings and improvements 5-40 years, capital equipment 10-20 years, and major movable equipment 5-20 years.

5. Leases

The hospital district determines if an arrangement is a lease at inception of the contract. Right-to-use assets and lease liabilities, for leases where the hospital district is the lessee, and lease receivables and deferred inflows for lease obligations, for leases where the hospital district is the lessor, are recognized at the commencement date of the lease based on the present value of lease payments over the lease term. The hospital district uses an estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. The hospital district does not recognize a right-to-use asset, lease liability, lease receivable, or deferred inflow of resources for lease obligations or expected receipts for leases with an initial term of 12 months or less, but includes the expense or income associated with short-term leases in rent expense or other revenue, respectively, in the Statement of Revenue, Expenses and Changes in Net Position.

All leases where the hospital district was the lessee transferred to WTH on October 1, 2024. Certain of the hospital district's leases included one or more options to renew. The exercise of lease renewal options was at the hospital district's sole discretion. In general, the hospital district considered renewal options to be reasonably certain to be exercised and therefore, renewal options were generally recognized as part of the determination of the lease terms. The lease agreements did not contain any material residual value guarantees, restrictions, or covenants.

The hospital district determines whether they are the lessor if a contract conveys control of the right to use another entity's nonfinancial asset (the underlying asset) for a period of time in an exchange or exchange-like transaction. At the commencement of the lease term, the hospital district recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable plus any lease payments received at or before the commencement of the lease term that relate to future periods. Lease revenue is recognized over the lease term on a systematic and rational basis. The revenue is recognized as the deferred inflow of resources is reduced over the lease term. Interest revenue is recognized on the lease receivable using the effective interest method over the lease term.

6. Patient Service Revenue

The hospital district has agreements with third-party payors that provide for payments to the hospital district at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per-diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Patient service revenue is net of contractual adjustments and policy discounts of approximately $56 million for the year ended June 30, 2025. For the year ended June 30, 2025, approximately 59 percent of net patient service revenue was from Medicare and approximately 13 percent was from Medicaid/TennCare.

The hospital district provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the hospital district does not pursue collection of amounts determined to qualify as charity care, they are

not reported as revenue. These costs are estimated based on the ratio of total costs to gross charges and totaled approximately $436,000 for the year ended June 30, 2025.

7. Operating Activities

The hospital district defines operating activities as reported on the Statement of Revenue, Expenses, and Changes in Net Position as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Non-exchange transactions, including investment income, interest expense, and grants received for purposes other than capital asset acquisition are considered nonoperating revenue and expenses.

8. Pension Plan

Prior to the transfer of operations to WTH, hospital district employees were covered under the Tennessee Consolidated Retirement System (TCRS), a defined benefit plan. See Note VI.H. for further information related to the pension plan.

9. Risk Management

The hospital district is exposed to various risks of loss from medical malpractice; torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. Commercial insurance is purchased for claims arising from such matters.

10. Net Position

The hospital district's net position is classified in three components. The net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted net position is the noncapital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the hospital district, including amounts related to county contributions and bond indebtedness restricted for specific purposes. The unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted. The hospital district first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

11. Income Taxes

The hospital district is a not-for-profit corporation as described in Chapter 176 of the Private Acts and is exempt from federal income taxes pursuant to Section 115 of the Internal Revenue Code.

12. Performance Indicator

Excess of revenue over expenses (expenses over revenue) reflected in the accompanying Statement of Revenue, Expenses, and Changes in Net Position is a performance indicator.

13. Long-lived Assets

Management evaluates the recoverability of its investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

14. Use of Estimates

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

15. Emergency Medical Service Agreement

In exchange for the assignment of the EMS's rights to provide the emergency medical services (see Note VI.A.), the third party is to compensate the hospital district on a monthly basis in an amount equal to approximately $15,000 per month plus reimbursement for certain salaries and benefits, subject to adjustment as provided in the agreement. The initial term of the agreement is 3 years and was effective as of July 1, 2020. In May 2025, this agreement was renewed for an additional two-year period effective June 30, 2025. For the year ended June 30, 2025, the hospital district recognized approximately $501,000 in revenue under the agreement, which is presented within other revenue in the accompanying Statement of Revenue, Expenses and Changes in Net Position. Under the terms of the agreement, either party may terminate the agreement without cause upon 90 days written notice. As such, the agreement is accounted for as a short-term lease under GASB Statement No. 87, *Leases*.

C. Third-party Reimbursement Programs

The hospital district receives revenue under various third-party reimbursement programs, which include Medicare, TennCare, and other third-party payors. Contractual adjustments under third-party reimbursement programs represent the difference between the hospital district's billings at its established rates and the amounts reimbursed by third-party payors. They also include any differences between estimated third-party reimbursement settlements for prior years and subsequent tentative or final settlements. The adjustments resulting from tentative or final settlements to estimated reimbursement amounts resulted in an increase to revenue of approximately $236,000 for the year ended June 30, 2025.

1. Medicare

The hospital district is paid for substantially all services rendered to inpatient acute and psychiatric Medicare program beneficiaries under prospectively determined rates-per-discharge. Those rates vary according to a classification system that is based on clinical, diagnostic, and other factors. The hospital district is paid for outpatient and emergency medical services under a Medicare program known as the Ambulatory Payment Classification (APC) system. Under the APC system, outpatient services are classified into APC categories based on standard procedure codes (CPT-4 Codes) for the service provided and payment for the APC categories are determined using prospectively determined Federal payment rates adjusted for geographical area wage differences. The hospital district's provider-based rural health clinics (RHC) are paid an all-inclusive rate that is updated annually by the Medicare Economic Index (MEI). The hospital district's freestanding RHC is paid based on a fee schedule. The hospital district receives cash payments at an interim rate with final settlement determined after the hospital district's submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. The hospital district's classification of patients under the Medicare Prospective Payment System and the appropriateness of the patients' admissions are subject to validation reviews by the Medicare peer review organization.

2. Medicaid

The Medicaid program reimburses the hospital district for the cost of services rendered to Medicaid beneficiaries at a prospective rate, which is based on the lower of the reimbursable cost of services rendered or a reimbursement cap set by Medicaid. The reimbursement cap is expressed as a per diem.

3. TennCare

The State of Tennessee TennCare program is a managed care program, which provides healthcare coverage to those previously eligible for Medicaid as well as the uninsured population. The hospital district contracts with various managed care organizations, which offer both Health Maintenance Organization and Preferred Provider Organization healthcare products. Reimbursement to the hospital district is received through per diems, Diagnosis – Related Group payments, and discounted fees for services.

4. Commercial Payors

The hospital district has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the hospital district under these agreements includes prospectively determined rates per discharge and discounts from established rates.

D. Investments

The hospital district's investments and assets limited as to use were reported at estimated fair value based on quoted market prices or cost. The hospital district invested in money market funds, certificates of deposit, mutual funds, and exchange traded funds that were in accordance with the hospital district's investment policy. The following schedule summarizes the investment income in the statements of revenues, expenses, and changes in net position for the year ended June 30, 2025:

	6-30-25
Interest income and realized gain on investments	$ 166,127
Interest income on rental agreements	411,001
Excess of expenses over revenue before	
Total	$ 577,128

E. Property and Equipment

The major classifications and changes in property and equipment as of and for the year ended June 30, 2025, are as follows:

	Balance 7-1-24	Additions/ Transfers	Placed in Service/ Retirements	Balance 6-30-25
Land	$ 794,549	$ 0	$ 0	$ 794,549
Land Improvements	1,806,165	0	(99,583)	1,706,582
Building and Improvements	66,501,418	320,086	(1,839,941)	64,981,563
Machinery and Equipment	46,462,061	1,223,262	(46,587,776)	1,097,547
Right-to-use Leased Assets	13,925,346	0	(13,925,346)	0
Right-to-use Subscription-Based IT Assets	4,481,292	0	(4,481,292)	0
Total	$ 133,970,831	$ 1,543,348	$ (66,933,938)	$ 68,580,241
Less Allowance for Depreciation and Amortization:				
Land Improvements	$ (1,516,854)	$ (36,482)	$ 78,823	$ (1,474,513)
Building and Improvements	(42,695,469)	(1,664,534)	1,745,810	(42,614,193)
Machinery and Equipment	(43,226,185)	(361,894)	42,491,684	(1,096,395)
Right-to-use Leased Assets	(3,802,422)	(384,840)	4,187,262	0
Right-to-use Subscription-Based IT Assets	(2,037,213)	(315,239)	2,352,452	0
Total	$ (93,278,143)	$ (2,762,989)	$ 50,856,031	$ (45,185,101)
Subtotal	$ 40,692,688	$ (1,219,641)	$ (16,077,907)	$ 23,395,140
Construction in Progress	1,991,220	0	(1,991,220)	0
Total Capital Assets, Net	$ 42,683,908	$ (1,219,641)	$ (18,069,127)	$ 23,395,140

F. Long-term Debt

A schedule of changes in the hospital district's long-term debt as of and for the year ended June 30, 2025, is as follows:

	Balance 7-1-24	Additions	Reductions	Balance 6-30-25	Amounts Due Within One Year
Public Building Authority of the County of Montgomery, Tennessee - Series 2002	$ 3,256,000	$ 0	$ (1,033,000)	$ 2,223,000	$ 1,084,000
Public Building Authority of the City of Clarksville, TN:					
Series 2012	1,590,000	0	(518,000)	1,072,000	530,000
Series 2015	3,388,000	0	(191,000)	3,197,000	194,000
Series 2018	7,492,000	0	(313,033)	7,178,967	319,000
Series 2022	2,630,244	1,869,756	(153,000)	4,347,000	156,000
Equipment*	274,699	0	(274,699)	0	0
Total	$ 18,630,943	$ 1,869,756	$ (2,482,732)	$ 18,017,967	$ 2,283,000

*Total reductions include payments of $76,271 and balances transferred to WTH of $198,428.

During June 2002, the hospital district entered into a loan agreement with the Public Building Authority of the County of Montgomery, Tennessee, whereby the authority agreed to loan the hospital district up to $16,500,000 for the construction, acquisition, and enlargement of its buildings, structures, and facilities. As of June 30, 2025, the hospital district had outstanding borrowings of $2,223,000 under this agreement. The loan agreement bears interest at an adjustable rate (3.42 percent as of June 30, 2025) and is due in annual installments varying between $1,084,000 and $1,139,000 through May 25, 2027. The adjustable interest rate is adjusted daily as determined by the remarketing agent.

During January 2012, the hospital district entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee, whereby the authority agreed to loan the hospital district up to $7,000,000 to provide funding to finance certain public works projects, including the acquisition of the Kentucky Lake Surgery Center, LLC. As of June 30, 2025, the hospital district had outstanding borrowings of $1,072,000 under this obligation. The note bears interest at an adjustable rate (2.98 percent as of June 30, 2025) and is due in annual installments varying between $530,000 and $542,000 through May 25, 2027. The adjustable interest rate is adjusted weekly as determined by the remarketing agent.

During June 2015, the hospital district entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee, whereby the authority agreed to loan the hospital district up to $5,000,000 for the acquisition of the existing building and the construction, equipping, extension, and improvement of the hospital district's facilities, including the construction and equipping, extension and improvement of the hospital district's facilities, including the construction and equipping of a new operating room. As of June 30, 2025, the hospital district had outstanding borrowings of $3,197,000 under this obligation. The note bears interest at an adjustable rate (3.2 percent as of June 30, 2025) and is due in annual installments varying between $194,000 and

$234,000 through May 25, 2040. The adjustable interest rate is adjusted weekly as determined by the remarketing agent.

During February 2018, the hospital district entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee, whereby, the authority agreed to loan the hospital district up to $9,200,000 for the purpose of financing all or a portion of the costs of the acquisition, construction, renovation, equipping, extension, and improvement of the hospital district's facilities. As of June 30, 2025, the hospital district had outstanding borrowings of $7,178,967 under this obligation. The note bears interest at a fixed rate of 2.57 percent per annum and is due in annual installments varying between $319,000 and $491,000 through February 1, 2043. The loan agreement does contain a provision providing the lender the right to require the principal amount outstanding under the loan be repaid immediately at each five-year anniversary of the loan agreement. As of June 30, 2025, absent an election to extend, all balances would become due and payable on February 1, 2028. The maturity schedules that follow have been prepared accordingly.

During February 2022, the hospital district entered into a loan agreement with the Clarksville Building Authority, whereby the authority agreed to loan the hospital district up to $4,500,000 for the purpose of financing the acquisition, construction, renovation, equipping, extension, and improvement of the hospital district's facilities. As of June 30, 2025, the hospital district had outstanding borrowings of $4,347,000 under this obligation. The hospital district drew funds totaling $1,869,756 during the year ended June 30, 2025. The note bears interest at a fixed rate of 2.18 percent per annum and is due in annual installments varying between $156,000 and $246,000 through October 1, 2046. The first payment is due on October 1, 2024.

The agreements for the building authority loans and capital outlay note provide for certain events of default to include failure to pay obligations, failure to observe and perform covenants, making false representations or defaulting under other loan agreements. In the event of default, all amounts due under the building authority loans may become immediately due and payable. The full faith and credit of Henry County, Tennessee, is irrevocably pledged to pay principal, redemption premiums, if any, and interest on all loans and the capital outlay note. The note is secured by a pledge of the net revenues to be derived from the operation of the hospital district. The building authority loan and note agreements also contain provisions allowing ad valorem taxes to be levied and collected by Henry County, Tennessee, on all taxable property within Henry County should funds from the hospital district be insufficient to pay amounts due under the loans.

Pursuant to the agreements for the building authority loans, if the principal of all bonds issued under such loans are accelerated, and the bonds are paid by the remarketing agent, the repayment schedule applicable to such loans shall be recalculated over a term of 60 months from the date of such acceleration. The interest rate on the loan amounts after such acceleration shall adjust to the prime rate as defined in the agreements.

A summary of future maturities and interest of long-term debt, as of June 30, 2025, is as follows:

Year	Principal	Estimated Interest	Total Payments
2026	$ 2,283,000	$ 453,000	$ 2,736,000
2027	2,363,000	382,000	2,745,000
2028	6,894,967	257,000	7,151,967
2029	368,000	163,000	531,000
2030	374,000	153,000	527,000
2031-2035	1,974,000	602,000	2,576,000
2036-2040	2,149,000	324,000	2,473,000
2041-2045	1,126,000	115,000	1,241,000
2046-2047	486,000	11,000	497,000
Total	$ 18,017,967	$ 2,460,000	$ 20,477,967

G. Pension Plan

General Information About the Pension Plan

Plan Description. Employees of the hospital district, a component unit of Henry County, Tennessee, were provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administrative of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the Tennessee Department of Treasury website.

As a result of the transfer of operations to WTH, accounts with TCRS for all employees of the hospital district were frozen and the TCRS pension plan obligation and all related balances were assumed by and transferred to the county effective October 1, 2024.

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. The component units of Henry County make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Prior to the transfer of operations to WTH, for the year ended June 30, 2025, employer contributions for the hospital district to the Public Employee Retirement Plan were $371,184, which was 5.04 percent of covered payroll. By law, employer contributions for the Public Employee Retirement Plan are required to be paid. The TCRS may intercept Henry County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

H. Leases

The hospital district generates rental income primarily from the lease with WTH, which was effective on October 1, 2024. The arrangement conveys the right to use the real estate owned by the hospital district in exchange for rental payments in amounts which align with the hospital district's debt service. The lease term extends to September 2049. Rental revenue was $607,000 for the year ended June 30, 2025, and is included in lease revenue.

At the commencement, the lease receivable and deferred inflow of resources were measured at the present value of future payments. The present value on October 1, 2024, was approximately $20,224,000. The implied discount rate used in the effective interest method was 2.85 percent.

Future lease payments as of June 30, 2025, are as follows:

Year	Principal	Interest	Total
2026	$ 2,283,000	$ 551,000	$ 2,834,000
2027	2,363,000	465,000	2,828,000
2028	697,000	381,000	1,078,000
2029	712,000	360,000	1,072,000
2030	727,000	338,000	1,065,000
2031-2035	3,880,000	1,352,000	5,232,000
2036-2040	4,311,000	743,000	5,054,000
2041-2045	2,579,000	172,000	2,751,000
2046-2049	485,587	11,000	496,587
Total	$ 18,037,587	$ 4,373,000	$ 22,410,587

In prior years, the hospital district leased equipment and office space under financing lease agreements. As a result of the operations transfer agreement with WTH, all finance lease agreements transferred on October 1, 2024, to WTH. A schedule of changes in the hospital district's finance lease liabilities as of and for the years ended June 30, 2025, is as follows:

	Balance, 7-1-24	Reductions*	Balance, 6-30-25
Equipment	$ 1,465,746	$ (1,465,746)	$ 0
Office Space	8,946,527	(8,946,527)	0
Total	$ 10,412,273	$ (10,412,273)	$ 0

*Total reductions above include payments of $384,840 and balances transferred to WTH of $10,027,433.

I. Subscription-Based Information Technology Arrangements

The hospital district adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of July 1, 2022. As of October 1, 2024, all SBITAs and related obligations transferred to WTH. Amortization expense totaling $315,239 for the year ended June 30, 2025, is included in depreciation and amortization in the accompanying Statement of Revenue, Expenses and Changes in Net Position.

	SBITAs*
Balance, July 1, 2024	$ 2,541,310
Reductions	(2,541,310)
Balance, June 30, 2025	$ 0

*Total reduction above includes payments of $315,239 and balances transferred to WTH of $2,226,071.

J. Commitments and Contingencies

1. Litigation

In March 2024, the hospital district received a Civil Investigative Demand letter from the Department of Justice. The investigation primarily relates to air ambulance transports beginning January 2018 through the date of service of the Civil Investigative Demand. The hospital district has engaged legal counsel, is providing documentation requested and is fully cooperating with the investigation. Based on currently known facts, management is unable to estimate potential outcomes. As such, the hospital district has not recorded a liability related to this matter as of June 30, 2025. It is possible this estimate could change as the hospital district proceeds with this matter.

2. Insurance

The hospital district maintained commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages were $1,000,000 individually and $3,000,000 in the aggregate annually, which was within the current litigation settlement limitations established by the State of Tennessee for governmental entities. When the operations of the hospital district transferred to WTH, a medical malpractice tail policy was retained to apply to all claims arising from incidents occurring prior to September 30, 2024, at substantially the same terms as the coverage previously held. The hospital district is involved in litigation arising in the ordinary course of business; however, management is of the opinion that insurance coverages are adequate to cover any potential losses on asserted claims. Management is unaware of any incidents which would ultimately result in a loss in excess of the hospital district's insurance coverages.

3. Healthcare Industry

The delivery of personal and health care services entails an inherent risk of liability. Participants in the health care services industry have become subject to an increasing number of lawsuits alleging negligence or related legal theories, many of which involve large claims and result in the incurrence of significant exposure and defense costs. The hospital district and its subsidiaries are insured with respect to medical malpractice risk on a claims-made basis. The hospital district also maintains insurance for general liability, director and officer liability, and property. Certain policies are subject to deductibles. In addition to the insurance coverage provided, the hospital district indemnifies certain officers and directors for actions taken on behalf of the hospital district and its subsidiaries. Management is not aware of any claims against it or its subsidiaries, which would have a material financial impact.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare fraud and abuse. Recently,

government activity has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as repayments for patient services previously billed. Management believes that the hospital district is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

Management continues to implement policies, procedures, and compliance overview of organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 and other government statutes and regulations. The hospital district's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions, which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services (CMS) have implemented a Recovery Audit Contractors (RAC) program. The purpose of the program is to reduce improper Medicare and Medicaid payments though the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits and they are being compensated on a contingency basis, which is based on the amount of overpayments that are recovered. While management believes that all Medicare and Medicaid billings are proper and adequate support is maintained, certain aspects of Medicare and Medicaid billing, coding, and support are subject to interpretation and may be viewed differently by the RAC auditors. As the amount of any recovery is unknown, management has not recorded any reserves related to the RAC audit at this time.

4. Health Care Reform

In recent years, the United States health care industry has undergone significant changes at the federal and state levels, many of which have been aimed at reducing costs and increasing access to health insurance. The most prominent of these legislative reform efforts is the Affordable Care Act (ACA). These measures impact how health care services are delivered, reimbursed and covered. The ACA and other health care reforms are subject to ongoing changes, including legislative amendments, regulatory adjustments and legal challenges. The uncertainty surrounding future reforms, including proposals for government-sponsored health care options or changes to Medicare and Medicaid, could adversely affect the volume of insured individuals and reimbursement rates.

Health care companies are required to comply with complex regulatory requirements across federal, state and local levels. These regulations govern areas such as billing practices, the classification of care settings, patient eligibility, relationships with providers, data security and reimbursement models. In addition, recent initiatives around price transparency and out-of-network billing could affect pricing structures and relationships with providers, patients and payors. As these reforms evolve, they may result in additional compliance costs, changes in reimbursement levels or shifts in patient insurance coverage, all of which could materially impact financial performance and operations.

5. Functional Expenses

The following is a summary of management's functional classification of operating expenses:

Healthcare Services	$	18,655,974
General and Administrative		5,753,422
Total	$	24,409,396

6. Subsequent Event

In December 2025, the loan agreement with the Clarksville Building Authority (Series 2012), totaling $1,072,000 as of June 30, 2025, was repaid in full. The repayment was funded by WTH under the terms of the lease agreement.

Required Supplementary Information Section

HENRY COUNTY, TENNESSEE
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	$ 2,735,788	$ 2,932,504	$ 3,655,460	$ 3,728,833	$ 3,468,084	$ 3,605,112	$ 3,563,960	$ 4,053,486	$ 4,002,466	$ 3,932,277
Interest	6,550,762	7,021,449	7,426,112	7,754,432	8,211,664	8,658,390	8,988,491	9,458,364	9,925,106	10,291,010
Differences Between Actual and Expected Experience	661,325	(1,253,037)	(1,098,550)	58,047	(90,400)	(1,802,419)	(229,782)	106,348	(1,455,476)	1,128,090
Changes in Assumptions	0	0	2,298,195	0	0	0	9,632,087	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,945,664)	(3,791,860)	(4,264,858)	(4,558,616)	(5,389,212)	(5,740,065)	(5,993,560)	(6,605,549)	(6,699,438)	(7,262,777)
Net Change in Total Pension Liability	$ 6,002,211	$ 4,909,056	$ 8,016,359	$ 6,982,696	$ 6,200,136	$ 4,721,018	$ 15,961,196	$ 7,012,649	$ 5,772,658	$ 8,088,600
Total Pension Liability, Beginning	86,580,533	92,582,744	97,491,800	105,508,159	112,490,855	118,690,991	123,412,009	139,373,205	146,385,854	152,158,512
Total Pension Liability, Ending (a)	$ 92,582,744	$ 97,491,800	$ 105,508,159	$ 112,490,855	$ 118,690,991	$ 123,412,009	$ 139,373,205	$ 146,385,854	$ 152,158,512	$ 160,247,112
Plan Fiduciary Net Position										
Contributions - Employer	$ 2,134,430	$ 2,277,366	$ 1,776,175	$ 1,853,451	$ 1,890,621	$ 1,973,468	$ 1,985,886	$ 1,984,559	$ 2,118,007	$ 2,235,404
Contributions - Employee	1,644,936	1,764,066	1,780,358	1,885,082	1,915,557	1,980,609	2,033,389	1,998,127	1,910,292	2,028,432
Net Investment Income	2,909,038	2,586,869	11,309,530	9,137,097	8,781,030	6,197,384	33,327,478	(6,127,061)	10,170,754	15,478,079
Benefit Payments, Including Refunds of Employee Contributions	(3,945,664)	(3,791,860)	(4,264,858)	(4,558,616)	(5,389,212)	(5,740,065)	(5,993,560)	(6,605,549)	(6,699,438)	(7,262,777)
Administrative Expense	(42,315)	(67,983)	(76,116)	(86,369)	(80,003)	(83,128)	(57,593)	(66,595)	(85,728)	(105,321)
Other	0	383,761	(399,241)	0	0	(48)	0	0	0	0
Net Change in Plan Fiduciary Net Position	$ 2,700,425	$ 3,152,219	$ 10,125,848	$ 8,230,645	$ 7,117,993	$ 4,328,220	$ 31,295,600	$ (8,816,519)	$ 7,413,887	$ 12,373,817
Plan Fiduciary Net Position, Beginning	94,552,440	97,252,865	100,405,084	110,530,932	118,761,577	125,879,570	130,207,790	161,503,390	152,686,871	160,100,758
Plan Fiduciary Net Position, Ending (b)	$ 97,252,865	$ 100,405,084	$ 110,530,932	$ 118,761,577	$ 125,879,570	$ 130,207,790	$ 161,503,390	$ 152,686,871	$ 160,100,758	$ 172,474,575
Net Pension Liability (Asset), Ending (a - b)	$ (4,670,121)	$ (2,913,284)	$ (5,022,773)	$ (6,270,722)	$ (7,188,579)	$ (6,795,781)	$ (22,130,185)	$ (6,301,017)	$ (7,942,246)	$ (12,227,463)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.04%	102.99%	104.76%	105.57%	106.06%	105.51%	115.88%	104.30%	105.22%	107.63%
Covered Payroll	$ 32,321,287	$ 34,552,634	$ 35,525,263	$ 37,068,951	$ 37,811,386	$ 39,508,365	$ 39,763,625	$ 39,690,030	$ 38,093,643	$ 40,205,084
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(14.45)%	(8.43)%	(14.14)%	(16.92)%	(19.01)%	(17.20)%	(55.65)%	(15.88)%	(20.85)%	(30.41)%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, non-certified employees of the discretely presented school department, and employees of the discretely presented Henry County Medical Center.

HENRY COUNTY, TENNESSEE
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	$ 2,277,366	$ 1,538,244	$ 1,590,258	$ 1,622,153	$ 1,847,166	$ 1,858,789	$ 1,857,547	$ 2,118,007	$ 2,235,404	$ 1,123,680
Less: Contributions in Relation to the Actuarially Determined Contribution	(2,277,366)	(1,776,175)	(1,853,451)	(1,890,621)	(1,973,468)	(1,985,886)	(1,984,559)	(2,118,007)	(2,235,404)	(1,123,680)
Contribution Deficiency (Excess)	$ 0	$ (237,931)	$ (263,193)	$ (268,468)	$ (126,302)	$ (127,097)	$ (127,012)	$ 0	$ 0	$ 0
Covered Payroll	$ 34,552,634	$ 35,525,263	$ 37,068,951	$ 37,811,386	$ 39,508,365	$ 39,763,625	$ 39,690,030	$ 38,093,643	$ 40,205,084	$ 20,210,087
Contributions as a Percentage of Covered Payroll	6.59%	5.00%	5.00%	5.00%	5.00%	4.99%	5.00%	5.56%	5.56%	5.56%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, non-certified employees of the discretely presented school department, and employees of the discretely presented Henry County Medical Center.

HENRY COUNTY, TENNESSEE
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS
Discretely Presented Henry County School Department
For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 54,244	$ 87,959	$ 42,769	$ 53,663	$ 60,355	$ 71,417	$ 75,585	$ 122,988	$ 149,785	$ 169,979
Less: Contributions in Relation to the Contractually Required Contribution	(54,244)	(87,959)	(104,906)	(53,663)	(60,355)	(71,417)	(75,585)	(122,988)	(149,785)	(169,979)
Contribution Deficiency (Excess)	$ 0	$ 0	$ (62,137)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 1,356,099	$ 2,198,988	$ 2,622,661	$ 2,766,137	$ 2,973,170	$ 3,535,508	$ 3,760,453	$ 4,285,258	$ 5,077,482	$ 5,665,978
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

Note: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%
2020: Pension - 2.03%, SRT - 1.97%
2021: Pension - 2.02%, SRT - 1.98%
2022: Pension - 2.01%, SRT - 1.99%
2023: Pension - 2.87%, SRT - 1.13%
2024: Pension - 2.95%, SRT - 1.05%
2025: Pension - 3.00%, SRT - 1.00%

HENRY COUNTY, TENNESSEE
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Henry County School Department
For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 1,014,657	$ 981,433	$ 975,234	$ 1,086,921	$ 1,125,696	$ 1,093,182	$ 1,122,763	$ 917,424	$ 730,837	$ 696,901
Less: Contributions in Relation to the Contractually Required Contribution	(1,014,657)	(981,433)	(975,234)	(1,086,921)	(1,125,696)	(1,093,182)	(1,122,763)	(917,424)	(730,837)	(696,901)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 11,224,085	$ 10,856,577	$ 10,740,457	$ 10,391,217	$ 10,589,809	$ 10,644,417	$ 10,900,618	$ 10,557,240	$ 10,731,813	$ 10,957,563
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

HENRY COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS
Discretely Presented Henry County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.250102%	0.308201%	0.335037%	0.300117%	0.261397%	0.235606%	0.244974%	0.220206%	0.215444%	0.216140%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ (10,274)	$ (32,085)	$ (88,393)	$ (136,111)	$ (147,555)	$ (133,975)	$ (265,358)	$ (66,706)	$ (91,356)	$ (154,023)
Covered Payroll	$ 530,587	$ 1,356,099	$ 2,198,988	$ 2,622,661	$ 2,766,137	$ 2,973,170	$ 3,535,508	$ 3,760,453	$ 4,285,258	$ 5,077,482
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(2.13)%	(3.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%

HENRY COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Henry County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.320488%	0.310934%	0.307121%	0.306724%	0.309895%	0.318179%	0.324310%	0.331231%	0.325334%	0.324994%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ 131,283	$ 1,943,164	$ (100,486)	$ (1,079,334)	$ (3,186,275)	$ (2,426,346)	$ (13,988,281)	$ (4,062,237)	$ (3,835,602)	$ (5,599,201)
Covered Payroll	$ 11,997,463	$ 11,224,085	$ 10,856,577	$ 10,740,457	$ 10,391,217	$ 10,589,809	$ 10,644,417	$ 10,900,618	$ 10,557,240	$ 10,731,813
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.094254%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.17)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

HENRY COUNTY, TENNESSEE
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan
Discretely Presented Henry County School Department
For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	$ 177,720	$ 164,705	$ 157,448	$ 152,792	$ 202,293	$ 273,334	$ 211,824	$ 240,646
Interest	108,797	127,057	114,984	111,369	79,871	101,305	155,079	185,497
Changes in Benefit Terms	0	68,900	0	0	0	0	0	0
Differences Between Actual and Expected Experience	0	(573,762)	217,045	(56,179)	103,500	(8,244)	88,258	(11,261)
Changes in Assumptions or Other Inputs	(151,923)	98,118	(250,292)	383,662	781,672	(457,941)	374,021	112,840
Benefit Payments	(271,757)	(285,232)	(257,909)	(217,646)	(181,449)	(143,146)	(169,978)	(143,138)
Net Change in Total OPEB Liability	$ (137,163)	$ (400,214)	$ (18,724)	$ 373,998	$ 985,887	$ (234,692)	$ 659,204	$ 384,584
Total OPEB Liability, Beginning	3,684,099	3,546,936	3,146,722	3,127,998	3,501,996	4,487,883	4,253,191	4,912,395
Total OPEB Liability, Ending	$ 3,546,936	$ 3,146,722	$ 3,127,998	$ 3,501,996	$ 4,487,883	$ 4,253,191	$ 4,912,395	$ 5,296,979
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	$ 1,130,185	$ 1,019,500	$ 1,081,008	$ 1,163,822	$ 1,600,488	$ 1,510,559	$ 1,947,013	$ 2,076,325
Employer Proportionate Share of the Total OPEB Liability	2,416,751	2,127,222	2,046,990	2,338,174	2,887,395	2,742,632	2,965,382	3,220,654
Covered Employee Payroll	$ 13,839,020	$ 13,692,123	$ 13,805,342	$ 13,994,712	$ 14,403,881	$ 14,589,330	$ 15,679,381	$ 15,990,412
Net OPEB Liability as a Percentage of Covered Employee Payroll	17.46%	15.54%	14.83%	16.71%	20.05%	18.80%	18.91%	20.14%

Note 1: Ten years of data will be presented when available.

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

(b) The assumed initial trend rate applicable to plan years was revised as follows:

2019 plan year - from 5.4% to 6.75%
2020 plan year - from 6.75% to 6.03%
2021 plan year - from 6.03% to 9.02%
2022 plan year - from 9.02% to 7.36%
2023 plan year - from 7.36% to 8.37%
2024 plan year - from 8.37% to 10.31%
2025 plan year - from 10.31% to 10.68%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2025 were calculated based on the June 30, 2023, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Fair Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation; averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

Combining and Individual Fund Financial Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Henry County's garbage collection operations.

Drug Control Fund – The Drug Control Fund is used to account for revenues received from drug-related fines, forfeitures, and seizures.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for proceeds received from the American Rescue Plan Act.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register of deeds, and sheriff.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for the construction of the health department.

HENRY COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
ASSETS						
Cash	$ 0	$ 0	$ 0	$ 3,271	$ 3,271	$ 0
Equity in Pooled Cash and Investments	797,748	158,882	3,617,982	0	4,574,612	149,391
Accounts Receivable	25,718	126	0	0	25,844	0
Due from Other Governments	26,919	0	0	0	26,919	0
Due from Other Funds	109,791	0	0	0	109,791	0
Property Taxes Receivable	317,192	0	0	0	317,192	0
Allowance for Uncollectible Property Taxes	(4,512)	0	0	0	(4,512)	0
Total Assets	$ 1,272,856	$ 159,008	$ 3,617,982	$ 3,271	$ 5,053,117	$ 149,391
LIABILITIES						
Accounts Payable	$ 14,648	$ 0	$ 71,725	$ 0	$ 86,373	$ 10,745
Payroll Deductions Payable	2,344	0	0	0	2,344	0
Contracts Payable	0	0	0	0	0	0
Due to Other Funds	0	0	109,791	3,271	113,062	0
Due to Cities	29,496	0	0	0	29,496	0
Total Liabilities	$ 46,488	$ 0	$ 181,516	$ 3,271	$ 231,275	$ 10,745

(Continued)

HENRY COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	$ 297,806	$ 0	$ 0	$ 0	$ 297,806	$ 0
Deferred Delinquent Property Taxes	13,511	0	0	0	13,511	0
Total Deferred Inflows of Resources	$ 311,317	$ 0	$ 0	$ 0	$ 311,317	$ 0
FUND BALANCES						
Restricted:						
Restricted for General Government	$ 0	$ 0	$ 3,436,466	$ 0	$ 3,436,466	$ 0
Restricted for Public Safety	0	159,008	0	0	159,008	0
Restricted for Public Health and Welfare	0	0	0	0	0	40,256
Committed:						
Committed for Public Health and Welfare	915,051	0	0	0	915,051	0
Committed for Capital Outlay	0	0	0	0	0	98,390
Total Fund Balances	$ 915,051	$ 159,008	$ 3,436,466	$ 0	$ 4,510,525	$ 138,646
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,272,856	$ 159,008	$ 3,617,982	$ 3,271	$ 5,053,117	$ 149,391

(Continued)

HENRY COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds (Cont.)		
	Other Capital Projects	Total	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 0	$ 0	$ 3,271
Equity in Pooled Cash and Investments	634,874	784,265	5,358,877
Accounts Receivable	0	0	25,844
Due from Other Governments	0	0	26,919
Due from Other Funds	0	0	109,791
Property Taxes Receivable	0	0	317,192
Allowance for Uncollectible Property Taxes	0	0	(4,512)
Total Assets	$ 634,874	$ 784,265	$ 5,837,382
LIABILITIES			
Accounts Payable	$ 0	$ 10,745	$ 97,118
Payroll Deductions Payable	0	0	2,344
Contracts Payable	68,058	68,058	68,058
Due to Other Funds	0	0	113,062
Due to Cities	0	0	29,496
Total Liabilities	$ 68,058	$ 78,803	$ 310,078

(Continued)

HENRY COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds (Cont.)		
	Other Capital Projects	Total	Total Nonmajor Governmental Funds
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 0	$ 0	$ 297,806
Deferred Delinquent Property Taxes	0	0	13,511
Total Deferred Inflows of Resources	$ 0	$ 0	$ 311,317
FUND BALANCES			
Restricted:			
Restricted for General Government	$ 0	$ 0	$ 3,436,466
Restricted for Public Safety	0	0	159,008
Restricted for Public Health and Welfare	566,816	607,072	607,072
Committed:			
Committed for Public Health and Welfare	0	0	915,051
Committed for Capital Outlay	0	98,390	98,390
Total Fund Balances	$ 566,816	$ 705,462	$ 5,215,987
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 634,874	$ 784,265	$ 5,837,382

HENRY COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
Revenues						
Local Taxes	$ 519,600	$ 0	$ 5,000	$ 0	$ 524,600	$ 0
Fines, Forfeitures, and Penalties	0	66,558	0	0	66,558	0
Charges for Current Services	29,372	0	0	18,874	48,246	0
Other Local Revenues	181,345	0	180,740	0	362,085	8,000
State of Tennessee	26,919	0	752,123	0	779,042	0
Federal Government	0	0	50,000	0	50,000	16,634
Total Revenues	$ 757,236	$ 66,558	$ 987,863	$ 18,874	$ 1,830,531	$ 24,634
Expenditures						
Current:						
Administration of Justice	$ 0	$ 0	$ 0	$ 18,874	$ 18,874	$ 0
Public Safety	0	63,772	0	0	63,772	0
Public Health and Welfare	1,321,941	0	0	0	1,321,941	0
Other Operations	11,994	0	430,917	0	442,911	0
Capital Projects	0	0	0	0	0	690,935
Total Expenditures	$ 1,333,935	$ 63,772	$ 430,917	$ 18,874	$ 1,847,498	$ 690,935

(Continued)

HENRY COUNTY, TENNESSEE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
Excess (Deficiency) of Revenues Over Expenditures	$ (576,699)	$ 2,786	$ 556,946	$ 0	$ (16,967)	$ (666,301)
Other Financing Sources (Uses)						
Notes Issued	$ 0	$ 0	$ 0	$ 0	$ 0	$ 700,635
Insurance Recovery	822,768	0	0	0	822,768	0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	(775,000)	0	(775,000)	0
Total Other Financing Sources (Uses)	$ 822,768	$ 0	$ (775,000)	$ 0	$ 47,768	$ 700,635
Net Change in Fund Balances	$ 246,069	$ 2,786	$ (218,054)	$ 0	$ 30,801	$ 34,334
Fund Balance, July 1, 2024	668,982	156,222	3,654,520	0	4,479,724	104,312
Fund Balance, June 30, 2025	$ 915,051	$ 159,008	$ 3,436,466	$ 0	$ 4,510,525	$ 138,646

(Continued)

HENRY COUNTY, TENNESSEE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds (Cont.)		
	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Revenues			
Local Taxes	$ 0	$ 0	$ 524,600
Fines, Forfeitures, and Penalties	0	0	66,558
Charges for Current Services	0	0	48,246
Other Local Revenues	0	8,000	370,085
State of Tennessee	0	0	779,042
Federal Government	66,677	83,311	133,311
Total Revenues	$ 66,677	$ 91,311	$ 1,921,842
Expenditures			
Current:			
Administration of Justice	$ 0	$ 0	$ 18,874
Public Safety	0	0	63,772
Public Health and Welfare	0	0	1,321,941
Other Operations	0	0	442,911
Capital Projects	274,861	965,796	965,796
Total Expenditures	$ 274,861	$ 965,796	$ 2,813,294

(Continued)

HENRY COUNTY, TENNESSEE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds (Cont.)		
	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	$ (208,184)	$ (874,485)	$ (891,452)
Other Financing Sources (Uses)			
Notes Issued	$ 0	$ 700,635	$ 700,635
Insurance Recovery	0	0	822,768
Transfers In	775,000	775,000	775,000
Transfers Out	0	0	(775,000)
Total Other Financing Sources (Uses)	$ 775,000	$ 1,475,635	$ 1,523,403
Net Change in Fund Balances	$ 566,816	$ 601,150	$ 631,951
Fund Balance, July 1, 2024	0	104,312	4,584,036
Fund Balance, June 30, 2025	$ 566,816	$ 705,462	$ 5,215,987

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	$ 519,600	$ 501,161	$ 501,161	$ 18,439
Charges for Current Services	29,372	25,000	25,000	4,372
Other Local Revenues	181,345	200,100	200,100	(18,755)
State of Tennessee	26,919	0	30,500	(3,581)
Total Revenues	$ 757,236	$ 726,261	$ 756,761	$ 475
Expenditures				
Public Health and Welfare				
Sanitation Management	$ 684,537	$ 59,647	$ 882,415	$ 197,878
Recycling Center	573,722	613,358	643,858	70,136
Landfill Operation and Maintenance	63,284	75,000	75,000	11,716
Other Waste Disposal	398	2,500	2,500	2,102
Other Operations				
Other Charges	11,994	13,000	13,000	1,006
Total Expenditures	$ 1,333,935	$ 763,505	$ 1,616,773	$ 282,838
Excess (Deficiency) of Revenues Over Expenditures	$ (576,699)	$ (37,244)	$ (860,012)	$ 283,313
Other Financing Sources (Uses)				
Insurance Recovery	$ 822,768	$ 0	$ 822,768	$ 0
Total Other Financing Sources	$ 822,768	$ 0	$ 822,768	$ 0
Net Change in Fund Balance	$ 246,069	$ (37,244)	$ (37,244)	$ 283,313
Fund Balance, July 1, 2024	668,982	638,198	668,982	0
Fund Balance, June 30, 2025	$ 915,051	$ 600,954	$ 631,738	$ 283,313

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	$ 66,558	$ 37,000	$ 37,000	$ 29,558
Total Revenues	$ 66,558	$ 37,000	$ 37,000	$ 29,558
Expenditures				
Public Safety				
Drug Enforcement	$ 63,772	$ 76,500	$ 76,500	$ 12,728
Total Expenditures	$ 63,772	$ 76,500	$ 76,500	$ 12,728
Excess (Deficiency) of Revenues Over Expenditures	$ 2,786	$ (39,500)	$ (39,500)	$ 42,286
Net Change in Fund Balance	$ 2,786	$ (39,500)	$ (39,500)	$ 42,286
Fund Balance, July 1, 2024	156,222	39,500	156,222	0
Fund Balance, June 30, 2025	$ 159,008	$ 0	$ 116,722	$ 42,286

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	$ 5,000	$ 0	$ 0	$ 5,000
Other Local Revenues	180,740	75,000	119,601	61,139
State of Tennessee	752,123	0	757,123	(5,000)
Federal Government	50,000	0	0	50,000
Total Revenues	$ 987,863	$ 75,000	$ 876,724	$ 111,139
Expenditures				
Other Operations				
American Rescue Plan Act Grant #6	$ 430,917	$ 1,888,156	$ 1,762,777	$ 1,331,860
Total Expenditures	$ 430,917	$ 1,888,156	$ 1,762,777	$ 1,331,860
Excess (Deficiency) of Revenues Over Expenditures	$ 556,946	$ (1,813,156)	$ (886,053)	$ 1,442,999
Other Financing Sources (Uses)				
Transfers Out	$ (775,000)	$ 0	$ (775,000)	$ 0
Total Other Financing Sources	$ (775,000)	$ 0	$ (775,000)	$ 0
Net Change in Fund Balance	$ (218,054)	$ (1,813,156)	$ (1,661,053)	$ 1,442,999
Fund Balance, July 1, 2024	3,654,520	1,813,156	1,813,156	1,841,364
Fund Balance, June 30, 2025	$ 3,436,466	$ 0	$ 152,103	$ 3,284,363

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 177,218	$ 178,742	$ 178,742	$ (1,524)
Other Local Revenues	2,123,909	1,043,260	1,939,451	184,458
Other Governments and Citizens Groups	2,460,422	0	2,462,438	(2,016)
Total Revenues	$ 4,761,549	$ 1,222,002	$ 4,580,631	$ 180,918
Expenditures				
Other Operations				
Other Charges	$ 24,970	$ 20,000	$ 26,000	$ 1,030
Principal on Debt				
General Government	2,993,668	730,536	3,025,783	32,115
Education	2,310,000	2,310,000	2,310,000	0
Interest on Debt				
General Government	19,790	20,000	20,000	210
Education	150,422	150,438	150,438	16
Other Debt Service				
General Government	29,900	2,000	1,000,250	970,350
Education	2,100	2,000	3,750	1,650
Total Expenditures	$ 5,530,850	$ 3,234,974	$ 6,536,221	$ 1,005,371
Excess (Deficiency) of Revenues Over Expenditures	$ (769,301)	$ (2,012,972)	$ (1,955,590)	$ 1,186,289
Other Financing Sources (Uses)				
Other Loans Issued	$ 1,869,756	$ 0	$ 1,869,756	$ 0
Transfers In	0	2,312,000	0	0
Total Other Financing Sources	$ 1,869,756	$ 2,312,000	$ 1,869,756	$ 0
Net Change in Fund Balance	$ 1,100,455	$ 299,028	$ (85,834)	$ 1,186,289
Fund Balance, July 1, 2024	24,008,735	5,381,850	5,046,995	18,961,740
Fund Balance, June 30, 2025	$ 25,109,190	$ 5,680,878	$ 4,961,161	$ 20,148,029

CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by the county in a custodial capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Custodial Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial fund reporting focuses on net position and changes in net position. Custodial funds are distinguished from trust funds by the absence of a trust agreement or equivalent arrangement.

Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the state of Tennessee and forwarded to the various cities on a monthly basis.

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for property tax collections received by the county trustee on behalf of the cities of Cottage Grove, Henry, McKenzie, Paris, and Puryear. These collections are remitted monthly to the municipalities.

Watershed District Fund – The Watershed District Fund is used to account for prior years' acreage assessments collected on drainage district properties that are held in trust for the watershed district.

Special School District Fund – The Special School District Fund is used to account for property taxes collected for the Paris Special School District and the district's share of education revenues collected by the county that must be apportioned between the Henry County School System and the Paris Special School District on an average daily attendance basis. These collections are remitted to the Paris Special School District on a monthly basis.

Constitutional Officers - Custodial Fund – The Constitutional Officers - Custodial Fund is used to account for amounts collected in a custodial capacity by the county clerk, circuit, general sessions, and juvenile courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, litigants, heirs, and others.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

HENRY COUNTY, TENNESSEE
Combining Statement of Net Position - Custodial Funds
June 30, 2025

	Custodial Funds						
	Cities - Sales Tax	Cities - Property Tax	Watershed District	Special School District	Constitu - tional Officers - Custodial	Judicial District Drug	Total
ASSETS							
Cash	$ 0	$ 0	$ 0	$ 0	$ 3,228,334	$ 7,185	$ 3,235,519
Equity in Pooled Cash and Investments	0	16,893	1,606	287,149	0	1,703,663	2,009,311
Accounts Receivable	0	0	0	0	29,952	0	29,952
Due from Other Governments	1,212,615	0	0	524,501	0	2,944	1,740,060
Property Taxes Receivable	0	2,220,167	0	2,873,579	0	0	5,093,746
Allowance for Uncollectible Property Taxes	0	(23,840)	0	(37,217)	0	0	(61,057)
Total Assets	$ 1,212,615	$ 2,213,220	$ 1,606	$ 3,648,012	$ 3,258,286	$ 1,713,792	$ 12,047,531
LIABILITIES							
Due to Other Taxing Units	$ 1,212,615	$ 158,595	$ 0	$ 934,323	$ 0	$ 0	$ 2,305,533
Total Liabilities	$ 1,212,615	$ 158,595	$ 0	$ 934,323	$ 0	$ 0	$ 2,305,533
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	$ 0	$ 2,054,625	$ 0	$ 2,713,689	$ 0	$ 0	$ 4,768,314
Total Deferred Inflows of Resources	$ 0	$ 2,054,625	$ 0	$ 2,713,689	$ 0	$ 0	$ 4,768,314
NET POSITION							
Restricted for Individuals, Organizations, and Other Governments	$ 0	$ 0	$ 1,606	$ 0	$ 3,258,286	$ 1,713,792	$ 4,973,684
Total Net Position	$ 0	$ 0	$ 1,606	$ 0	$ 3,258,286	$ 1,713,792	$ 4,973,684

HENRY COUNTY, TENNESSEE
Combining Statement of Changes in Net Position - Custodial Funds
For the Year Ended June 30, 2025

	Custodial Funds						
	Cities - Sales Tax	Cities - Property Tax	Watershed District	Special School District	Constitu - tional Officers - Custodial	Judicial District Drug	Total
Additions							
Sales Tax Collections for Other Governments	$ 6,783,730	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,783,730
Property Tax Collections for Other Governments	0	2,085,769	0	0	0	0	2,085,769
ADA - Educational Funds Collected for Cities	0	0	0	6,746,933	0	0	6,746,933
Fines/Fees and Other Collections	0	0	0	0	14,442,180	0	14,442,180
Drug Task Force Collections	0	0	0	0	0	708,327	708,327
Total Additions	$ 6,783,730	$ 2,085,769	$ 0	$ 6,746,933	$ 14,442,180	$ 708,327	$ 30,766,939
Deductions							
Payment of Sales Tax Collections for Other Governments	$ 6,783,730	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,783,730
Payment of Property Tax Collections for Other Governments	0	2,085,769	0	0	0	0	2,085,769
Payments to City School Systems	0	0	0	6,746,933	0	0	6,746,933
Payments to State	0	0	0	0	5,695,543	0	5,695,543
Payments to Cities, Individuals, and Others	0	0	0	0	8,110,390	0	8,110,390
Payment of Drug Task Force Expenses	0	0	0	0	0	1,087,047	1,087,047
Total Deductions	$ 6,783,730	$ 2,085,769	$ 0	$ 6,746,933	$ 13,805,933	$ 1,087,047	$ 30,509,412
Change in Net Position	$ 0	$ 0	$ 0	$ 0	$ 636,247	$ (378,720)	$ 257,527
Net Position July 1, 2024	0	0	1,606	0	2,622,039	2,092,512	4,716,157
Net Position June 30, 2025	$ 0	$ 0	$ 1,606	$ 0	$ 3,258,286	$ 1,713,792	$ 4,973,684

HENRY COUNTY SCHOOL DEPARTMENT

This section presents combining and individual fund financial statements for the Henry County School Department, a discretely presented component unit. The school department uses a General Fund, three Special Revenue Funds, and a Capital Projects Fund.

General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the school department.

School Federal Projects Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

Internal School Fund – The Internal School Fund is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the school department.

HENRY COUNTY, TENNESSEE
Statement of Activities
Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 25,324,495	$ 0	$ 3,498,112	$ 0	$ (21,826,383)
Support Services	13,494,609	55,860	1,084,609	723,908	(11,630,232)
Operation of Non-instructional Services	4,729,191	301,734	4,265,781	0	(161,676)
Total Governmental Activities	$ 43,548,295	$ 357,594	$ 8,848,502	$ 723,908	$ (33,618,291)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 5,371,828
Local Option Sales Taxes					5,905,067
Business Tax					223,994
Other Local Taxes					895,211
Grants and Contributions Not Restricted to Specific Programs					25,292,152
Unrestricted Investment Earnings					97,554
Miscellaneous					429,861
Total General Revenues					$ 38,215,667
Change in Net Position					$ 4,597,376
Net Position, July 1, 2024					58,626,245
Restatement - See Note I.D.9.					(119,917)
Net Position, June 30, 2025					$ 63,103,704

HENRY COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
Discretely Presented Henry County School Department
June 30, 2025

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern-mental Funds	Total Governmental Funds
ASSETS			
Cash	$ 0	$ 900,852	$ 900,852
Equity in Pooled Cash and Investments	23,462,162	1,242,924	24,705,086
Inventories	0	1,752	1,752
Accounts Receivable	79,104	7,727	86,831
Due from Other Governments	2,259,696	448,790	2,708,486
Due from Other Funds	0	19,464	19,464
Property Taxes Receivable	3,609,277	0	3,609,277
Allowance for Uncollectible Property Taxes	(51,357)	0	(51,357)
Restricted Assets	513,053	0	513,053
Total Assets	$ 29,871,935	$ 2,621,509	$ 32,493,444
LIABILITIES			
Accounts Payable	$ 101,437	$ 13,362	$ 114,799
Payroll Deductions Payable	558,818	67,971	626,789
Due to Other Funds	19,464	0	19,464
Total Liabilities	$ 679,719	$ 81,333	$ 761,052
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 3,388,584	$ 0	$ 3,388,584
Deferred Delinquent Property Taxes	153,822	0	153,822
Other Deferred/Unavailable Revenue	553,795	0	553,795
Total Deferred Inflows of Resources	$ 4,096,201	$ 0	$ 4,096,201
FUND BALANCES			
Restricted:			
Restricted for Education	$ 855,024	$ 953,176	$ 1,808,200
Restricted for Operation of Non-instructional Services	0	1,472,386	1,472,386
Restricted for Hybrid Retirement Stabilization Funds	513,053	0	513,053
Committed:			
Committed for Education	7,893	0	7,893
Committed for Capital Projects	410,435	0	410,435
Assigned:			
Assigned for Public Safety	704,081	0	704,081
Assigned for Education	0	114,614	114,614
Assigned for Capital Projects	801,755	0	801,755
Unassigned	21,803,774	0	21,803,774
Total Fund Balances	$ 25,096,015	$ 2,540,176	$ 27,636,191
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 29,871,935	$ 2,621,509	$ 32,493,444

HENRY COUNTY, TENNESSEE

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Discretely Presented Henry County School Department

June 30, 2025

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:			
Total fund balances - balance sheet - governmental funds (Exhibit I-2)			$ 27,636,191
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	610,066	
Add: buildings and improvements net of accumulated depreciation		25,778,135	
Add: other capital assets net of accumulated depreciation		2,902,959	29,291,160
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	$	(233,919)	
Less: net OPEB liability		(3,220,654)	(3,454,573)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as a component of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	$	2,908,530	
Less: deferred inflows of resources related to pensions		(1,508,783)	
Add: deferred outflows of resources related to OPEB		851,550	
Less: deferred inflows of resources related to OPEB		(575,408)	1,675,889
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	$	1,494,196	
Add: net pension asset - teacher retirement plan		154,023	
Add: net pension asset - teacher legacy pension plan		5,599,201	7,247,420
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			707,617
Net position of governmental activities (Exhibit A)			$ 63,103,704

HENRY COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

	Major Funds		Nonmajor Funds	
	General Purpose School	*Formerly Major* School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues				
Local Taxes	$ 12,678,999	$ 0	$ 0	$ 12,678,999
Licenses and Permits	1,351	0	0	1,351
Charges for Current Services	103,709	0	253,609	357,318
Other Local Revenues	559,105	0	1,264,067	1,823,172
State of Tennessee	26,071,530	0	16,822	26,088,352
Federal Government	82,912	0	6,729,708	6,812,620
Other Governments and Citizens Groups	144,000	0	0	144,000
Total Revenues	$ 39,641,606	$ 0	$ 8,264,206	$ 47,905,812
Expenditures				
Current:				
Instruction	$ 19,264,385	$ 0	$ 2,186,325	$ 21,450,710
Support Services	11,877,909	0	814,041	12,691,950
Operation of Non-Instructional Services	937,813	0	3,866,747	4,804,560
Capital Outlay	1,594,513	0	4,511	1,599,024
Debt Service:				
Other Debt Service	2,460,422	0	0	2,460,422
Total Expenditures	$ 36,135,042	$ 0	$ 6,871,624	$ 43,006,666
Excess (Deficiency) of Revenues Over Expenditures	$ 3,506,564	$ 0	$ 1,392,582	$ 4,899,146
Other Financing Sources (Uses)				
Insurance Recovery	$ 88,435	$ 0	$ 0	$ 88,435
Transfers In	1,258,007	0	0	1,258,007
Transfers Out	0	0	(1,258,007)	(1,258,007)
Total Other Financing Sources (Uses)	$ 1,346,442	$ 0	$ (1,258,007)	$ 88,435
Net Change in Fund Balances	$ 4,853,006	$ 0	$ 134,575	$ 4,987,581
Change to or Within the Reporting Entity	0	(162,692)	162,692	0
Fund Balance, July 1, 2024	20,243,009	162,692	2,242,909	22,648,610
Fund Balance, June 30, 2025	$ 25,096,015	$ 0	$ 2,540,176	$ 27,636,191

HENRY COUNTY, TENNESSEE

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Discretely Presented Henry County School Department

For the Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:		
Net change in fund balances - total governmental funds (Exhibit I-4)		$ 4,987,581
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	$ 2,132,642	
Less: current-year depreciation expense	(2,016,633)	116,009
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(39,755)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 707,617	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(641,452)	66,165
(4) 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 the governmental funds.		
Change in compensated absences payable	$ (38,756)	
Change in net OPEB liability	(255,272)	
Change in deferred outflows related to OPEB	(70,714)	
Change in deferred inflows related to OPEB	123,585	
Change in net pension asset - agent plan	651,524	
Change in net pension asset - teacher retirement plan	62,667	
Change in net pension asset - teacher legacy pension plan	1,763,599	
Change in deferred outflows related to pensions	(1,687,926)	
Change in deferred inflows related to pensions	(1,081,331)	(532,624)
Change in net position of governmental activities (Exhibit B)		$ 4,597,376

HENRY COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Henry County School Department
June 30, 2025

	Special Revenue Funds			
	School Federal Projects	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 0	$ 0	$ 900,852	$ 900,852
Equity in Pooled Cash and Investments	107,902	1,135,022	0	1,242,924
Inventories	0	0	1,752	1,752
Accounts Receivable	0	7,727	0	7,727
Due from Other Governments	98,585	350,205	0	448,790
Due from Other Funds	19,464	0	0	19,464
Total Assets	$ 225,951	$ 1,492,954	$ 902,604	$ 2,621,509
LIABILITIES				
Accounts Payable	$ 3,353	$ 10,009	$ 0	$ 13,362
Payroll Deductions Payable	57,412	10,559	0	67,971
Total Liabilities	$ 60,765	$ 20,568	$ 0	$ 81,333
FUND BALANCES				
Restricted:				
Restricted for Education	$ 50,572	$ 0	$ 902,604	$ 953,176
Restricted for Operation of Non-instructional Services	0	1,472,386	0	1,472,386
Assigned:				
Assigned for Education	114,614	0	0	114,614
Total Fund Balances	$ 165,186	$ 1,472,386	$ 902,604	$ 2,540,176
Total Liabilities and Fund Balances	$ 225,951	$ 1,492,954	$ 902,604	$ 2,621,509

HENRY COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Fund	
	Formerly Major School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	Total Nonmajor Governmental Funds
Revenues						
Charges for Current Services	$ 0	$ 253,609	$ 0	$ 253,609	$ 0	$ 253,609
Other Local Revenues	0	65,157	1,196,660	1,261,817	2,250	1,264,067
State of Tennessee	0	16,822	0	16,822	0	16,822
Federal Government	4,086,599	2,643,109	0	6,729,708	0	6,729,708
Total Revenues	$ 4,086,599	$ 2,978,697	$ 1,196,660	$ 8,261,956	$ 2,250	$ 8,264,206
Expenditures						
Current:						
Instruction	$ 2,186,325	$ 0	$ 0	$ 2,186,325	$ 0	$ 2,186,325
Support Services	814,041	0	0	814,041	0	814,041
Operation of Non-Instructional Services	0	2,746,660	1,120,087	3,866,747	0	3,866,747
Capital Outlay	4,511	0	0	4,511	0	4,511
Total Expenditures	$ 3,004,877	$ 2,746,660	$ 1,120,087	$ 6,871,624	$ 0	$ 6,871,624
Excess (Deficiency) of Revenues Over Expenditures	$ 1,081,722	$ 232,037	$ 76,573	$ 1,390,332	$ 2,250	$ 1,392,582
Other Financing Sources (Uses)						
Transfers Out	$ (1,079,228)	$ 0	$ 0	$ (1,079,228)	$ (178,779)	$ (1,258,007)
Total Other Financing Sources (Uses)	$ (1,079,228)	$ 0	$ 0	$ (1,079,228)	$ (178,779)	$ (1,258,007)
Net Change in Fund Balances	$ 2,494	$ 232,037	$ 76,573	$ 311,104	$ (176,529)	$ 134,575
Change to or Within the Reporting Entity	162,692	0	0	162,692	0	162,692
Fund Balance, July 1, 2024	0	1,240,349	826,031	2,066,380	176,529	2,242,909
Fund Balance, June 30, 2025	$ 165,186	$ 1,472,386	$ 902,604	$ 2,540,176	$ 0	$ 2,540,176

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Henry County School Department
General Purpose School Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 12,678,999	$ 9,896,362	$ 9,969,079	$ 2,709,920
Licenses and Permits	1,351	1,500	1,500	(149)
Charges for Current Services	103,709	200,875	200,875	(97,166)
Other Local Revenues	559,105	261,750	712,805	(153,700)
State of Tennessee	26,071,530	24,523,668	27,951,963	(1,880,433)
Federal Government	82,912	0	43,925	38,987
Other Governments and Citizens Groups	144,000	0	114,000	30,000
Total Revenues	$ 39,641,606	$ 34,884,155	$ 38,994,147	$ 647,459
Expenditures				
Instruction				
Regular Instruction Program	$ 14,846,339	$ 14,739,241	$ 15,246,151	$ 399,812
Alternative Instruction Program	277,386	299,248	288,723	11,337
Special Education Program	2,511,496	2,909,905	2,687,338	175,842
Career and Technical Education Program	1,629,164	1,281,907	3,125,569	1,496,405
Support Services				
Attendance	226,752	242,718	243,068	16,316
Health Services	383,942	408,058	411,233	27,291
Other Student Support	1,047,475	998,505	1,102,588	55,113
Regular Instruction Program	1,027,297	1,051,742	1,053,417	26,120
Alternative Instruction Program	11,368	13,442	13,442	2,074
Special Education Program	135,990	140,603	140,629	4,639
Career and Technical Education Program	109,244	8,000	629,000	519,756
Technology	402,611	404,974	563,541	160,930
Other Programs	56,119	0	56,119	0
Board of Education	474,278	516,108	516,109	41,831
Director of Schools	282,383	306,273	307,414	25,031
Office of the Principal	1,921,431	2,018,810	2,032,730	111,299
Fiscal Services	294,952	295,240	295,843	891
Operation of Plant	2,062,406	2,178,381	2,238,381	175,975
Maintenance of Plant	1,003,514	973,199	1,168,610	165,096
Transportation	2,438,147	2,778,752	2,874,679	436,532

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Henry County School Department
General Purpose School Fund (Cont.)

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)				
Operation of Non-Instructional Services				
Food Service	$ 173,233	$ 0	$ 173,233	$ 0
Community Services	409,772	288,690	579,090	169,318
Early Childhood Education	354,808	351,661	365,686	10,878
Capital Outlay				
Regular Capital Outlay	1,594,513	211,298	2,252,487	657,974
Principal on Debt				
Education	0	2,247,650	0	0
Interest on Debt				
Education	0	273,240	0	0
Other Debt Service				
Education	2,460,422	0	2,520,890	60,468
Total Expenditures	$ 36,135,042	$ 34,937,645	$ 40,885,970	$ 4,750,928
Excess (Deficiency) of Revenues Over Expenditures	$ 3,506,564	$ (53,490)	$ (1,891,823)	$ 5,398,387
Other Financing Sources (Uses)				
Insurance Recovery	$ 88,435	$ 0	$ 80,000	$ 8,435
Transfers In	1,258,007	53,490	1,093,826	164,181
Total Other Financing Sources	$ 1,346,442	$ 53,490	$ 1,173,826	$ 172,616
Net Change in Fund Balance	$ 4,853,006	$ 0	$ (717,997)	$ 5,571,003
Fund Balance, July 1, 2024	20,243,009	9,771,409	9,771,409	10,471,600
Fund Balance, June 30, 2025	$ 25,096,015	$ 9,771,409	$ 9,053,412	$ 16,042,603

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Henry County School Department
School Federal Projects Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
State of Tennessee	$ 0	$ 0	$ 151,905	$ (151,905)
Federal Government	4,086,599	121,280	4,186,119	(99,520)
Total Revenues	$ 4,086,599	$ 121,280	$ 4,338,024	$ (251,425)
Expenditures				
Instruction				
Regular Instruction Program	$ 1,182,621	$ 0	$ 1,337,508	$ 154,887
Special Education Program	932,386	0	992,113	59,727
Career and Technical Education Program	71,318	70,280	71,318	0
Support Services				
Attendance	30,582	0	30,582	0
Health Services	0	0	5,000	5,000
Other Student Support	167,061	31,000	214,383	47,322
Regular Instruction Program	499,370	0	595,340	95,970
Special Education Program	103,028	15,000	103,655	627
Career and Technical Education Program	5,000	5,000	5,000	0
Technology	9,000	0	11,500	2,500
Transportation	0	0	7,991	7,991
Capital Outlay				
Regular Capital Outlay	4,511	0	4,511	0
Total Expenditures	$ 3,004,877	$ 121,280	$ 3,378,901	$ 374,024
Excess (Deficiency) of Revenues Over Expenditures	$ 1,081,722	$ 0	$ 959,123	$ 122,599
Other Financing Sources (Uses)				
Transfers In	$ 0	$ 0	$ 120,195	$ (120,195)
Transfers Out	(1,079,228)	0	(1,082,358)	3,130
Total Other Financing Sources	$ (1,079,228)	$ 0	$ (962,163)	$ (117,065)
Net Change in Fund Balance	$ 2,494	$ 0	$ (3,040)	$ 5,534
Changes to or Within the Financial Reporting Entity	162,692	0	0	162,692
Fund Balance, July 1, 2024	0	162,692	162,692	(162,692)
Fund Balance, June 30, 2025	$ 165,186	$ 162,692	$ 159,652	$ 5,534

HENRY COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Henry County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for Current Services	$ 253,609	$ 285,025	$ 285,025	$ (31,416)
Other Local Revenues	65,157	30,001	30,001	35,156
State of Tennessee	16,822	15,000	15,000	1,822
Federal Government	2,643,109	2,278,510	2,278,510	364,599
Total Revenues	$ 2,978,697	$ 2,608,536	$ 2,608,536	$ 370,161
Expenditures				
Operation of Non-Instructional Services				
Food Service	$ 2,746,660	$ 2,958,535	$ 2,958,535	$ 211,875
Total Expenditures	$ 2,746,660	$ 2,958,535	$ 2,958,535	$ 211,875
Excess (Deficiency) of Revenues Over Expenditures	$ 232,037	$ (349,999)	$ (349,999)	$ 582,036
Net Change in Fund Balance	$ 232,037	$ (349,999)	$ (349,999)	$ 582,036
Fund Balance, July 1, 2024	1,240,349	350,000	350,000	890,349
Fund Balance, June 30, 2025	$ 1,472,386	$ 1	$ 1	$ 1,472,385

Miscellaneous Schedules

HENRY COUNTY, TENNESSEE
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2025

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
NOTES PAYABLE								
Payable through General Debt Service Fund								
2019 Capital Outlay Note, Series 2019b	$ 425,000	2.55 %	8-7-19	8-7-24	$ 85,000	$ 0	$ 85,000	$ 0
2025 Capital Outlay Notes, Series 2025a	700,635	3.74	10-25-24	6-30-25	0	700,635	700,635	0
Total Notes Payable					$ 85,000	$ 700,635	$ 785,635	$ 0
OTHER LOANS PAYABLE								
Contributions Due by the Henry County Medical Center to the General Debt Service Fund								
Public Building Authority of the Montgomery County, TN - Series 2002	16,500,000	Variable	8-19-02	5-25-27	$ 3,256,000	$ 0	$ 1,033,000	$ 2,223,000
Public Building Authority of the City of Clarksville, TN - Series 2012	7,000,000	Variable	1-3-12	5-25-27	1,590,000	0	518,000	1,072,000
Public Building Authority of the City of Clarksville, TN - Series 2015	5,000,000	Variable	6-29-15	5-25-40	3,388,000	0	191,000	3,197,000
Public Building Authority of the City of Clarksville, TN - Series 2018	9,200,000	2.57	2-5-18	2-1-40	7,492,000	0	313,033	7,178,967
Public Building Authority of the City of Clarksville, TN - Series 2022	4,500,000	2.18	2-28-22	10-1-47	2,630,244	1,869,756	153,000	4,347,000
Total Other Loans Payable					$ 18,356,244	$ 1,869,756	$ 2,208,033	$ 18,017,967
BONDS PAYABLE								
Payable through General Debt Service Fund								
Rural School Refunding Bonds, Series 2013	6,145,000	2 to 4	1-2-13	5-1-25	$ 465,000	$ 0	$ 465,000	$ 0
General Obligation High School Bonds, Series 2017	8,850,000	2 to 2.25	11-3-17	5-1-29	5,290,000	0	635,000	4,655,000
General Obligation School Refunding Bonds, Series 2020	2,045,000	1.74	2-12-20	5-1-26	1,755,000	0	1,210,000	545,000
Total Bonds Payable					$ 7,510,000	$ 0	$ 2,310,000	$ 5,200,000

HENRY COUNTY, TENNESSEE
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2026	$ 2,283,000	$ 453,000	$ 2,736,000
2027	2,363,000	382,000	2,745,000
2028	6,894,967	257,000	7,151,967
2029	368,000	163,000	531,000
2030	374,000	153,000	527,000
2031	381,000	142,000	523,000
2032	388,000	131,000	519,000
2033	395,000	121,000	516,000
2034	401,000	109,000	510,000
2035	409,000	99,000	508,000
2036	415,000	88,000	503,000
2037	422,000	77,000	499,000
2038	429,000	65,000	494,000
2039	438,000	53,000	491,000
2040	445,000	41,000	486,000
2041	216,000	33,000	249,000
2042	220,000	28,000	248,000
2043	225,000	23,000	248,000
2044	230,000	18,000	248,000
2045	235,000	13,000	248,000
2046	240,000	8,000	248,000
2047	246,000	3,000	249,000
Total	$ 18,017,967	$ 2,460,000	$ 20,477,967

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	$ 1,610,000	$ 107,383	$ 1,717,383
2027	1,670,000	76,600	1,746,600
2028	1,705,000	43,200	1,748,200
2029	215,000	4,838	219,838
Total	$ 5,200,000	$ 232,021	$ 5,432,021

HENRY COUNTY, TENNESSEE
Schedule of Notes Receivable
June 30, 2025

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-25
PRIMARY GOVERNMENT						
General Debt Service Fund						
Hospital Debt	Henry County Hospital District	$ 42,200,000	8-19-02	10-1-46	Variable	$ 18,017,967
Total Notes Receivable						$ 18,017,967

HENRY COUNTY, TENNESSEE
Schedule of Leases Receivable
June 30, 2025

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate	Balance 7-1-24	Deductions	Balance 6-30-25
PRIMARY GOVERNMENT								
General Debt Service Fund								
Airport Hangar Rental	Air Evac EMS, Inc.	$ 470,983	9-1-19	9-1-29	3 %	$ 239,607	$ 41,384	$ 198,223
Total Leases Receivable						$ 239,607	$ 41,384	$ 198,223

HENRY COUNTY, TENNESSEE
Schedule of Transfers
Primary Government and Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	Highway/Public Works	Net wheel tax revenue	$ 479,149
Other Special Revenue	Other Capital Projects	Capital outlay	775,000
Total Transfers Primary Government			$ 1,254,149
DISCRETELY PRESENTED HENRY COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	$ 93,482
"	"	Title IV expenses	500
"	"	CTE expenses	3,537
"	"	ESSER expenses	963,509
"	"	HQIM Literacy expenses	18,200
Education Capital Projects	"	To close fund	178,779
Total Transfers Discretely Presented Henry County School Department			$ 1,258,007

HENRY COUNTY, TENNESSEE
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Mayor - Randy Geiger (9-1-24 to 6-30-25)		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 105,890			
County Road Supervisor		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 104,776			
Certified public administrator supplement	1,323			
Total compensation	$ 106,099			
Director of Schools		State Board of Education and	(1)	Tennessee Risk Management Trust
Base salary	$ 179,639	County Board of Education		
Chief executive officer training supplement	1,000			
Bonus	400			
Total compensation	$ 181,039			
Trustee		Section 8-24-102, *TCA*	$ 1,682,833	RLI Insurance Company
Base salary	$ 95,251			
Certified public administrator supplement	1,323			
Total compensation	$ 96,574			
Assessor of Property - Ginger Cox (7-1-24 to 8-18-24)		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 11,905			
Assessor of Property - Scott Morrison (8-19-24 to 6-30-25)		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 83,346			
Total Assessor of Property compensation	$ 95,251			
County Clerk		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 95,251			
Certified public administrator supplement	1,323			
Total compensation	$ 96,574			
Circuit, General Sessions and Juvenile Courts Clerk		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 95,251			
Certified public administrator supplement	1,323			
Total compensation	$ 96,574			
Clerk and Master		Section 8-24-102, *TCA*, and	(1)	Tennessee Risk Management Trust
Base salary	$ 95,251	Chancery Court Judge		
Special commissioner fees	15,173			
Total compensation	$ 110,424			
Register of Deeds		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 95,251			
Certified public administrator supplement	1,323			
Total compensation	$ 96,574			
Sheriff		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 104,776			
Superintendent of workhouse	10,478			
Law enforcement training supplement	1,600			
Total compensation	$ 116,854			
Administrator of Elections		Section 2-12-208, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 85,726			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

(1) Official is under the employee fidelity insurance coverage.

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2025

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Local Taxes					
County Property Taxes					
Current Property Tax	$ 3,858,073	$ 451,455	$ 0	$ 0	$ 0
Trustee's Collections - Prior Year	96,585	11,372	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	29,702	3,532	0	0	0
Interest and Penalty	20,081	2,354	0	0	0
Pickup Taxes	4,204	492	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	5,000	0
Payments in-Lieu-of Taxes - Local Utilities	59,272	6,936	0	0	0
Payments in-Lieu-of Taxes - Other	122,828	14,373	0	0	0
County Local Option Taxes					
Local Option Sales Tax	1,897,568	0	0	0	0
Hotel/Motel Tax	514,036	0	0	0	0
Wheel Tax	486,161	0	0	0	0
Litigation Tax - General	143,524	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	168,155	19,999	0	0	0
Mixed Drink Tax	39,039	0	0	0	0
Statutory Local Taxes					
Bank Excise Tax	77,661	9,087	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Local Taxes (Cont.)					
Statutory Local Taxes (Cont.)					
Wholesale Beer Tax	$ 192,351	$ 0	$ 0	$ 0	$ 0
Total Local Taxes	$ 7,709,240	$ 519,600	$ 0	$ 5,000	$ 0
Licenses and Permits					
Licenses					
Animal Registration	$ 16,192	$ 0	$ 0	$ 0	$ 0
Cable TV Franchise	134,028	0	0	0	0
Total Licenses and Permits	$ 150,220	$ 0	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	$ 6,140	$ 0	$ 0	$ 0	$ 0
Officers Costs	12,405	0	0	0	0
Drug Control Fines	7,269	0	1,805	0	0
DUI Treatment Fines	712	0	0	0	0
Data Entry Fee - Circuit Court	1,178	0	0	0	0
Courtroom Security Fee	694	0	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court					
Fines	$ 19,912	$ 0	$ 0	$ 0	$ 0
Officers Costs	76,458	0	0	0	0
Game and Fish Fines	2,846	0	0	0	0
Drug Control Fines	7,857	0	6,309	0	0
Drug Court Fees	5,444	0	0	0	0
Jail Fees	815	0	0	0	0
DUI Treatment Fines	9,196	0	0	0	0
Data Entry Fee - General Sessions Court	11,413	0	0	0	0
Courtroom Security Fee	382	0	0	0	0
Victims Assistance Assessments	21,250	0	0	0	0
Juvenile Court					
Fines	255	0	0	0	0
Officers Costs	2,190	0	0	0	0
Data Entry Fee - Juvenile Court	1,167	0	0	0	0
Courtroom Security Fee	52	0	0	0	0
Chancery Court					
Officers Costs	2,040	0	0	0	0
Data Entry Fee - Chancery Court	3,108	0	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)					
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	$ 0	$ 0	$ 58,444	$ 0	$ 0
Total Fines, Forfeitures, and Penalties	$ 192,783	$ 0	$ 66,558	$ 0	$ 0
Charges for Current Services					
General Service Charges					
Sale of Electricity	$ 27,755	$ 0	$ 0	$ 0	$ 0
Surcharge - Waste Tire Disposal	0	29,372	0	0	0
Work Release Charges for Board	103,938	0	0	0	0
Other General Service Charges	59	0	0	0	0
Fees					
Airport Fees	46,781	0	0	0	0
Copy Fees	94	0	0	0	0
Greenbelt Late Application Fee	350	0	0	0	0
Telephone Commissions	53,903	0	0	0	0
Additional Fees - Titling and Registration	35,769	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	18,874
Data Processing Fee - Register	11,888	0	0	0	0
Data Processing Fee - Sheriff	4,375	0	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Charges for Current Services (Cont.)					
Fees (Cont.)					
Sexual Offender Registration Fee - Sheriff	$ 7,150	$ 0	$ 0	$ 0	$ 0
Data Processing Fee - County Clerk	4,124	0	0	0	0
Subscription and Electronic Filing Fee - Chancery	7,300	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	3,395	0	0	0	0
Total Charges for Current Services	$ 306,881	$ 29,372	$ 0	$ 0	$ 18,874
Other Local Revenues					
Recurring Items					
Investment Income	$ 0	$ 0	$ 0	$ 136,139	$ 0
Lease/Rentals/PPP	162,014	0	0	0	0
Lease/PPP Interest	0	0	0	0	0
Commissary Sales	61,871	0	0	0	0
Sale of Gasoline	340,663	0	0	0	0
Sale of Recycled Materials	0	181,345	0	0	0
Miscellaneous Refunds	44,189	0	0	0	0
Nonrecurring Items					
Gain on Disposal of Property	4,475	0	0	0	0
Sale of Equipment	44,891	0	0	44,601	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Other Local Revenues (Cont.)					
Nonrecurring Items (Cont.)					
Contributions and Gifts	$ 8,200	$ 0	$ 0	$ 0	$ 0
Performance Bond Forfeitures	18,025	0	0	0	0
Other Local Revenues					
Other Local Revenues	78,700	0	0	0	0
Total Other Local Revenues	$ 763,028	$ 181,345	$ 0	$ 180,740	$ 0
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	$ 527,291	$ 0	$ 0	$ 0	$ 0
Circuit Court Clerk	61,925	0	0	0	0
General Sessions Court Clerk	169,379	0	0	0	0
Clerk and Master	101,796	0	0	0	0
Juvenile Court Clerk	70,614	0	0	0	0
Register	166,184	0	0	0	0
Sheriff	16,589	0	0	0	0
Trustee	683,361	0	0	0	0
Total Fees Received From County Officials	$ 1,797,139	$ 0	$ 0	$ 0	$ 0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
State of Tennessee					
General Government Grants					
Juvenile Services Program	$ 9,000	$ 0	$ 0	$ 0	$ 0
Airport Maintenance Program	15,000	0	0	0	0
Aging Programs	4,913	0	0	0	0
Public Safety Grants					
Law Enforcement Training Programs	57,316	0	0	0	0
Health and Welfare Grants					
Other Health and Welfare Grants	66,079	0	0	0	0
Public Works Grants					
State Aid Program	0	0	0	0	0
Litter Program	0	0	0	0	0
Other State Revenues					
Resort District Sales Tax	1,493,201	0	0	0	0
Beer Tax	17,752	0	0	0	0
Vehicle Certificate of Title Fees	9,025	0	0	0	0
Alcoholic Beverage Tax	99,437	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	117,343	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	752,123	0
State Revenue Sharing - Telecommunications	56,935	0	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	General	Special Revenue Funds: Solid Waste / Sanitation	Special Revenue Funds: Drug Control	Special Revenue Funds: Other Special Revenue	Special Revenue Funds: Constitu - tional Officers - Fees
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
State Shared Sports Gaming Privilege Tax	$ 45,002	$ 0	$ 0	$ 0	$ 0
Contracted Prisoner Boarding	689,087	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	550,136	26,919	0	0	0
Other State Revenues	10,480	0	0	0	0
Total State of Tennessee	$ 3,255,870	$ 26,919	$ 0	$ 752,123	$ 0
Federal Government					
Federal Through State					
Disaster Relief	$ 0	$ 0	$ 0	$ 0	$ 0
Homeland Security Grants	13,625	0	0	0	0
American Rescue Plan Act Grant #1	741,394	0	0	50,000	0
American Rescue Plan Act Grant #2	16,225	0	0	0	0
American Rescue Plan Act Grant #3	47,031	0	0	0	0
Other Federal through State	126,044	0	0	0	0

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Federal Government (Cont.)					
Direct Federal Revenue					
Other Direct Federal Revenue	$ 6,600	$ 0	$ 0	$ 0	$ 0
Total Federal Government	$ 950,919	$ 0	$ 0	$ 50,000	$ 0
Other Governments and Citizens Groups					
Other Governments					
Contributions	$ 848,871	$ 0	$ 0	$ 0	$ 0
Contracted Services	19,068	0	0	0	0
Citizens Groups					
Donations	125,016	0	0	0	0
Other					
Other	404,162	0	0	0	0
Opioid Settlement Funds - Past Remediation	147,156	0	0	0	0
Total Other Governments and Citizens Groups	$ 1,544,273	$ 0	$ 0	$ 0	$ 0
Total	$ 16,670,353	$ 757,236	$ 66,558	$ 987,863	$ 18,874

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Local Taxes					
County Property Taxes					
Current Property Tax	$ 1,550,950	$ 126,717	$ 0	$ 0	$ 5,987,195
Trustee's Collections - Prior Year	38,699	3,528	0	0	150,184
Circuit Clerk/Clerk and Master Collections - Prior Years	11,940	922	0	0	46,096
Interest and Penalty	8,066	664	0	0	31,165
Pickup Taxes	1,690	138	0	0	6,524
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	5,000
Payments in-Lieu-of Taxes - Local Utilities	48,562	1,952	0	0	116,722
Payments in-Lieu-of Taxes - Other	49,377	4,046	0	0	190,624
County Local Option Taxes					
Local Option Sales Tax	0	0	0	0	1,897,568
Hotel/Motel Tax	0	0	0	0	514,036
Wheel Tax	0	0	0	0	486,161
Litigation Tax - General	0	0	0	0	143,524
Litigation Tax - Jail, Workhouse, or Courthouse	0	31,196	0	0	31,196
Business Tax	68,690	5,497	0	0	262,341
Mixed Drink Tax	0	0	0	0	39,039
Statutory Local Taxes					
Bank Excise Tax	31,220	2,558	0	0	120,526

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Local Taxes (Cont.)					
Statutory Local Taxes (Cont.)					
Wholesale Beer Tax	$ 0	$ 0	$ 0	$ 0	$ 192,351
Total Local Taxes	$ 1,809,194	$ 177,218	$ 0	$ 0	$ 10,220,252
Licenses and Permits					
Licenses					
Animal Registration	$ 0	$ 0	$ 0	$ 0	$ 16,192
Cable TV Franchise	0	0	0	0	134,028
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 0	$ 150,220
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	$ 0	$ 0	$ 0	$ 0	$ 6,140
Officers Costs	0	0	0	0	12,405
Drug Control Fines	0	0	0	0	9,074
DUI Treatment Fines	0	0	0	0	712
Data Entry Fee - Circuit Court	0	0	0	0	1,178
Courtroom Security Fee	0	0	0	0	694

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court					
Fines	$ 0	$ 0	$ 0	$ 0	$ 19,912
Officers Costs	0	0	0	0	76,458
Game and Fish Fines	0	0	0	0	2,846
Drug Control Fines	0	0	0	0	14,166
Drug Court Fees	0	0	0	0	5,444
Jail Fees	0	0	0	0	815
DUI Treatment Fines	0	0	0	0	9,196
Data Entry Fee - General Sessions Court	0	0	0	0	11,413
Courtroom Security Fee	0	0	0	0	382
Victims Assistance Assessments	0	0	0	0	21,250
Juvenile Court					
Fines	0	0	0	0	255
Officers Costs	0	0	0	0	2,190
Data Entry Fee - Juvenile Court	0	0	0	0	1,167
Courtroom Security Fee	0	0	0	0	52
Chancery Court					
Officers Costs	0	0	0	0	2,040
Data Entry Fee - Chancery Court	0	0	0	0	3,108

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Fines, Forfeitures, and Penalties (Cont.)					
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	$ 0	$ 0	$ 0	$ 0	$ 58,444
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 0	$ 259,341
Charges for Current Services					
General Service Charges					
Sale of Electricity	$ 0	$ 0	$ 0	$ 0	$ 27,755
Surcharge - Waste Tire Disposal	0	0	0	0	29,372
Work Release Charges for Board	0	0	0	0	103,938
Other General Service Charges	0	0	0	0	59
Fees					
Airport Fees	0	0	0	0	46,781
Copy Fees	0	0	0	0	94
Greenbelt Late Application Fee	0	0	0	0	350
Telephone Commissions	0	0	0	0	53,903
Additional Fees - Titling and Registration	0	0	0	0	35,769
Special Commissioner Fees/Special Master Fees	0	0	0	0	18,874
Data Processing Fee - Register	0	0	0	0	11,888
Data Processing Fee - Sheriff	0	0	0	0	4,375

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Charges for Current Services (Cont.)					
Fees (Cont.)					
Sexual Offender Registration Fee - Sheriff	$ 0	$ 0	$ 0	$ 0	$ 7,150
Data Processing Fee - County Clerk	0	0	0	0	4,124
Subscription and Electronic Filing Fee - Chancery	0	0	0	0	7,300
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	3,395
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 0	$ 355,127
Other Local Revenues					
Recurring Items					
Investment Income	$ 0	$ 2,075,145	$ 0	$ 0	$ 2,211,284
Lease/Rentals/PPP	0	41,384	0	0	203,398
Lease/PPP Interest	0	7,187	0	0	7,187
Commissary Sales	0	0	0	0	61,871
Sale of Gasoline	0	0	0	0	340,663
Sale of Recycled Materials	9,010	0	0	0	190,355
Miscellaneous Refunds	6,799	193	0	0	51,181
Nonrecurring Items					
Gain on Disposal of Property	0	0	0	0	4,475
Sale of Equipment	64,355	0	8,000	0	161,847

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Other Local Revenues (Cont.)					
Nonrecurring Items (Cont.)					
Contributions and Gifts	$ 0	$ 0	$ 0	$ 0	$ 8,200
Performance Bond Forfeitures	0	0	0	0	18,025
Other Local Revenues					
Other Local Revenues	0	0	0	0	78,700
Total Other Local Revenues	$ 80,164	$ 2,123,909	$ 8,000	$ 0	$ 3,337,186
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	$ 0	$ 0	$ 0	$ 0	$ 527,291
Circuit Court Clerk	0	0	0	0	61,925
General Sessions Court Clerk	0	0	0	0	169,379
Clerk and Master	0	0	0	0	101,796
Juvenile Court Clerk	0	0	0	0	70,614
Register	0	0	0	0	166,184
Sheriff	0	0	0	0	16,589
Trustee	0	0	0	0	683,361
Total Fees Received From County Officials	$ 0	$ 0	$ 0	$ 0	$ 1,797,139

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
State of Tennessee					
General Government Grants					
Juvenile Services Program	$ 0	$ 0	$ 0	$ 0	$ 9,000
Airport Maintenance Program	0	0	0	0	15,000
Aging Programs	0	0	0	0	4,913
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	57,316
Health and Welfare Grants					
Other Health and Welfare Grants	0	0	0	0	66,079
Public Works Grants					
State Aid Program	1,201,601	0	0	0	1,201,601
Litter Program	36,258	0	0	0	36,258
Other State Revenues					
Resort District Sales Tax	0	0	0	0	1,493,201
Beer Tax	0	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	0	9,025
Alcoholic Beverage Tax	0	0	0	0	99,437
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	117,343
State Revenue Sharing - T.V.A.	0	0	0	0	752,123
State Revenue Sharing - Telecommunications	0	0	0	0	56,935

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
State Shared Sports Gaming Privilege Tax	$ 0	$ 0	$ 0	$ 0	$ 45,002
Contracted Prisoner Boarding	0	0	0	0	689,087
Gasoline and Motor Fuel Tax	2,767,838	0	0	0	2,767,838
Hybrid/Electric Vehicle Registration Fee	35,743	0	0	0	35,743
Petroleum Special Tax	21,334	0	0	0	21,334
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	0	577,055
Other State Revenues	0	0	0	0	10,480
Total State of Tennessee	$ 4,062,774	$ 0	$ 0	$ 0	$ 8,097,686
Federal Government					
Federal Through State					
Disaster Relief	$ 104,709	$ 0	$ 0	$ 0	$ 104,709
Homeland Security Grants	0	0	0	0	13,625
American Rescue Plan Act Grant #1	0	0	16,634	0	808,028
American Rescue Plan Act Grant #2	0	0	0	0	16,225
American Rescue Plan Act Grant #3	0	0	0	0	47,031
Other Federal through State	0	0	0	66,677	192,721

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Federal Government (Cont.)					
Direct Federal Revenue					
Other Direct Federal Revenue	$ 0	$ 0	$ 0	$ 0	$ 6,600
Total Federal Government	$ 104,709	$ 0	$ 16,634	$ 66,677	$ 1,188,939
Other Governments and Citizens Groups					
Other Governments					
Contributions	$ 0	$ 2,460,422	$ 0	$ 0	$ 3,309,293
Contracted Services	0	0	0	0	19,068
Citizens Groups					
Donations	0	0	0	0	125,016
Other					
Other	0	0	0	0	404,162
Opioid Settlement Funds - Past Remediation	0	0	0	0	147,156
Total Other Governments and Citizens Groups	$ 0	$ 2,460,422	$ 0	$ 0	$ 4,004,695
Total	$ 6,056,841	$ 4,761,549	$ 24,634	$ 66,677	$ 29,410,585

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Local Taxes						
County Property Taxes						
Current Property Tax	$ 5,139,381	$ 0	$ 0	$ 0	$ 0	$ 5,139,381
Trustee's Collections - Prior Year	128,223	0	0	0	0	128,223
Circuit Clerk/Clerk and Master Collections - Prior Years	39,563	0	0	0	0	39,563
Interest and Penalty	26,733	0	0	0	0	26,733
Pickup Taxes	5,601	0	0	0	0	5,601
Payments in-Lieu-of Taxes - T.V.A.	3,165	0	0	0	0	3,165
Payments in-Lieu-of Taxes - Local Utilities	78,826	0	0	0	0	78,826
Payments in-Lieu-of Taxes - Other	163,620	0	0	0	0	163,620
County Local Option Taxes						
Local Option Sales Tax	5,869,641	0	0	0	0	5,869,641
Wheel Tax	852,231	0	0	0	0	852,231
Business Tax	223,994	0	0	0	0	223,994
Mixed Drink Tax	44,568	0	0	0	0	44,568
Statutory Local Taxes						
Bank Excise Tax	103,453	0	0	0	0	103,453
Total Local Taxes	$ 12,678,999	$ 0	$ 0	$ 0	$ 0	$ 12,678,999

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Licenses and Permits						
Licenses						
Marriage Licenses	$ 1,351	$ 0	$ 0	$ 0	$ 0	$ 1,351
Total Licenses and Permits	$ 1,351	$ 0	$ 0	$ 0	$ 0	$ 1,351
Charges for Current Services						
Education Charges						
Lunch Payments - Adults	$ 0	$ 0	$ 30,404	$ 0	$ 0	$ 30,404
A la Carte Sales	0	0	223,205	0	0	223,205
Receipts from Individual Schools	7,209	0	0	0	0	7,209
Community Service Fees - Adults	48,125	0	0	0	0	48,125
Other Charges for Services	48,375	0	0	0	0	48,375
Total Charges for Current Services	$ 103,709	$ 0	$ 253,609	$ 0	$ 0	$ 357,318
Other Local Revenues						
Recurring Items						
Investment Income	$ 44,967	$ 0	$ 50,337	$ 0	$ 2,250	$ 97,554
Lease/Rentals/PPP	7,250	0	0	0	0	7,250
Sale of Materials and Supplies	579	0	0	0	0	579
Miscellaneous Refunds	406,040	0	14,820	0	0	420,860

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Other Local Revenues (Cont.)						
Nonrecurring Items						
Damages Recovered from Individuals	$ 1,172	$ 0	$ 0	$ 0	$ 0	$ 1,172
Contributions and Gifts	98,821	0	0	0	0	98,821
Other Local Revenues						
Other Local Revenues	276	0	0	1,196,660	0	1,196,936
Total Other Local Revenues	$ 559,105	$ 0	$ 65,157	$ 1,196,660	$ 2,250	$ 1,823,172
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	$ 56,119	$ 0	$ 0	$ 0	$ 0	$ 56,119
State Education Funds						
Tennessee Investment in Student Achievement	22,722,394	0	0	0	0	22,722,394
TISA - On-behalf Payments	65,666	0	0	0	0	65,666
Early Childhood Education	341,039	0	0	0	0	341,039
School Food Service	0	0	16,822	0	0	16,822
Energy Efficient School Initiative	12,302	0	0	0	0	12,302
Driver Education	16,838	0	0	0	0	16,838
Other State Education Funds	1,140	0	0	0	0	1,140

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
State of Tennessee (Cont.)						
State Education Funds (Cont.)						
Paid Parental Leave	$ 125,522	$ 0	$ 0	$ 0	$ 0	$ 125,522
Career Ladder Program	20,477	0	0	0	0	20,477
Other Vocational	445,127	0	0	0	0	445,127
Other State Revenues						
State Revenue Sharing - T.V.A.	1,976,522	0	0	0	0	1,976,522
Other State Grants	288,384	0	0	0	0	288,384
Total State of Tennessee	$ 26,071,530	$ 0	$ 16,822	$ 0	$ 0	$ 26,088,352
Federal Government						
Federal Through State						
USDA School Lunch Program	$ 0	$ 0	$ 1,662,070	$ 0	$ 0	$ 1,662,070
USDA - Commodities	0	0	157,569	0	0	157,569
Breakfast	0	0	700,228	0	0	700,228
USDA - Other	0	0	43,242	0	0	43,242
USDA Food Service Equipment Grant	0	0	80,000	0	0	80,000
Vocational Education - Basic Grants to States	0	109,396	0	0	0	109,396
Title I Grants to Local Education Agencies	0	1,090,268	0	0	0	1,090,268

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Federal Government (Cont.)						
Federal Through State (Cont.)						
Special Education - Grants to States	$ 43,925	$ 843,667	$ 0	$ 0	$ 0	$ 887,592
Special Education Preschool Grants	0	47,558	0	0	0	47,558
Rural Education	0	95,547	0	0	0	95,547
Eisenhower Professional Development State Grants	0	317,936	0	0	0	317,936
COVID-19 Grant #3	0	1,292,692	0	0	0	1,292,692
Other Federal through State	38,987	289,535	0	0	0	328,522
Total Federal Government	$ 82,912	$ 4,086,599	$ 2,643,109	$ 0	$ 0	$ 6,812,620
Other Governments and Citizens Groups						
Other Governments						
Contributions	$ 144,000	$ 0	$ 0	$ 0	$ 0	$ 144,000
Total Other Governments and Citizens Groups	$ 144,000	$ 0	$ 0	$ 0	$ 0	$ 144,000
Total	$ 39,641,606	$ 4,086,599	$ 2,978,697	$ 1,196,660	$ 2,250	$ 47,905,812

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2025

General Fund

General Government

County Commission

Board and Committee Members Fees	$ 44,500	
Dues and Memberships	1,850	
Travel	22,916	
Total County Commission		$ 69,266

Board of Equalization

Other Per Diem and Fees	$ 1,240	
Total Board of Equalization		1,240

Other Boards and Committees

Board and Committee Members Fees	$ 1,925	
Total Other Boards and Committees		1,925

County Mayor/Executive

County Official/Administrative Officer	$ 105,890	
Secretary(ies)	42,408	
Custodial Personnel	52,710	
Maintenance Personnel	86,415	
Other Salaries and Wages	6,000	
Dues and Memberships	2,239	
Lease/SBITA Payments	1,172	
Maintenance and Repair Services - Office Equipment	200	
Postal Charges	399	
Travel	4,437	
Other Contracted Services	780	
Office Supplies	1,202	
In Service/Staff Development	500	
Total County Mayor/Executive		304,352

County Attorney

Other Per Diem and Fees	$ 34,717	
Total County Attorney		34,717

Election Commission

County Official/Administrative Officer	$ 85,726	
Deputy(ies)	42,219	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)
General Government (Cont.)
Election Commission (Cont.)

Election Commission	$ 2,640	
Election Workers	39,361	
Communication	717	
Data Processing Services	17,187	
Lease/SBITA Payments	2,290	
Legal Notices, Recording, and Court Costs	4,583	
Postal Charges	12,077	
Printing, Stationery, and Forms	1,789	
Rentals	100	
Travel	871	
Other Contracted Services	9,409	
Data Processing Supplies	2,693	
Natural Gas	128	
Office Supplies	8,579	
Other Charges	2,303	
Total Election Commission		$ 232,672

Register of Deeds

County Official/Administrative Officer	$ 95,251	
Deputy(ies)	71,551	
Data Processing Services	12,882	
Dues and Memberships	1,007	
Lease/SBITA Payments	2,200	
Maintenance and Repair Services - Office Equipment	807	
Postal Charges	993	
Travel	1,257	
Office Supplies	861	
Other Charges	191	
Total Register of Deeds		187,000

Building

Maintenance Personnel	$ 40,132
Part-time Personnel	15,045
Communication	25
Maintenance and Repair Services - Buildings	14,307
Other Contracted Services	2,320

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
General Government (Cont.)		
Building (Cont.)		
Custodial Supplies	$ 5,647	
Utilities	36,370	
Total Building		$ 113,846
County Buildings		
Communication	$ 62,142	
Natural Gas	20,974	
Utilities	67,906	
Total County Buildings		151,022
Other General Administration		
Maintenance and Repair Services - Buildings	$ 88,840	
Maintenance and Repair Services - Equipment	780	
Maintenance and Repair Services - Vehicles	4,869	
Rentals	1,497	
Other Contracted Services	11,570	
Custodial Supplies	4,884	
Small Tools	601	
Building and Contents Insurance	247,885	
Other Charges	6,059	
Total Other General Administration		366,985
Preservation of Records		
Part-time Personnel	$ 18,574	
Other Supplies and Materials	1,000	
Other Charges	1,479	
Total Preservation of Records		21,053
Finance		
Accounting and Budgeting		
Supervisor/Director	$ 83,776	
Deputy(ies)	75,368	
Bonus Payments	1,000	
Data Processing Services	21,392	
Lease/SBITA Payments	1,397	
Maintenance and Repair Services - Office Equipment	250	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)
Finance (Cont.)

Accounting and Budgeting (Cont.)			
Postal Charges	$ 1,842		
Data Processing Supplies	3,529		
Office Supplies	1,933		
Total Accounting and Budgeting		$	190,487
Property Assessor's Office			
County Official/Administrative Officer	$ 95,251		
Deputy(ies)	112,154		
Data Processing Services	3,500		
Dues and Memberships	1,850		
Lease/SBITA Payments	3,152		
Maintenance and Repair Services - Office Equipment	87		
Postal Charges	2,482		
Travel	790		
Office Supplies	2,606		
Other Supplies and Materials	1,954		
Other Charges	384		
Data Processing Equipment	4,469		
Total Property Assessor's Office			228,679
Reappraisal Program			
Deputy(ies)	$ 63,314		
Part-time Personnel	10,555		
Contracts with Private Agencies	50,870		
Data Processing Services	28,411		
Maintenance and Repair Services - Vehicles	1,152		
Postal Charges	210		
Gasoline	4,002		
Other Charges	1,826		
Total Reappraisal Program			160,340
County Trustee's Office			
County Official/Administrative Officer	$ 95,251		
Deputy(ies)	109,982		
Part-time Personnel	1,837		
Data Processing Services	25,854		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Finance (Cont.)			
County Trustee's Office (Cont.)			
Dues and Memberships	$ 1,900		
Legal Notices, Recording, and Court Costs	468		
Postal Charges	2,611		
Printing, Stationery, and Forms	1,500		
Travel	4,000		
Other Contracted Services	4,901		
Office Supplies	3,000		
In Service/Staff Development	1,000		
Other Charges	21,289		
Total County Trustee's Office		$	273,593
County Clerk's Office			
County Official/Administrative Officer	$ 95,251		
Deputy(ies)	181,379		
Part-time Personnel	13,804		
Communication	1,280		
Data Processing Services	22,546		
Dues and Memberships	1,277		
Lease/SBITA Payments	1,377		
Maintenance and Repair Services - Office Equipment	732		
Postal Charges	17,944		
Travel	3,500		
Data Processing Supplies	6,509		
Office Supplies	2,908		
Other Charges	560		
Data Processing Equipment	886		
Total County Clerk's Office			349,953
Administration of Justice			
Circuit Court			
County Official/Administrative Officer	$ 95,251		
Deputy(ies)	109,855		
Part-time Personnel	6,924		
Jury and Witness Expense	5,107		
Communication	1,430		
Data Processing Services	21,724		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)
Administration of Justice (Cont.)
Circuit Court (Cont.)

Dues and Memberships	$ 1,242	
Maintenance Agreements	2,498	
Maintenance and Repair Services - Office Equipment	2,400	
Postal Charges	3,199	
Travel	2,048	
Other Contracted Services	375	
Office Supplies	15,774	
Other Charges	599	
Data Processing Equipment	1,000	
Total Circuit Court		$ 269,426

General Sessions Court

Deputy(ies)	$ 140,672	
Total General Sessions Court		140,672

General Sessions Judge

Judge(s)	$ 189,714	
Assistant(s)	8,752	
Dues and Memberships	1,773	
Travel	2,918	
Periodicals	261	
Total General Sessions Judge		203,418

Chancery Court

County Official/Administrative Officer	$ 95,251	
Deputy(ies)	107,048	
Data Processing Services	7,004	
Dues and Memberships	754	
Lease/SBITA Payments	1,807	
Legal Notices, Recording, and Court Costs	719	
Maintenance and Repair Services - Office Equipment	101	
Postal Charges	1,914	
Travel	686	
Data Processing Supplies	1,631	
Office Supplies	3,972	
In Service/Staff Development	150	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Administration of Justice (Cont.)			
Chancery Court (Cont.)			
Other Charges	$ 671		
Data Processing Equipment	450		
Furniture and Fixtures	1,200		
Total Chancery Court		$	223,358
Juvenile Court			
Deputy(ies)	$ 41,607		
Probation Officer(s)	69,163		
Youth Service Officer(s)	44,872		
Social Workers	51,112		
Part-time Personnel	23,074		
Communication	2,870		
Contracts with Other Public Agencies	4,989		
Data Processing Services	2,111		
Lease/SBITA Payments	1,113		
Maintenance and Repair Services - Office Equipment	739		
Maintenance and Repair Services - Vehicles	182		
Postal Charges	300		
Travel	149		
Other Contracted Services	76,034		
Gasoline	219		
Office Supplies	14,903		
Other Supplies and Materials	281		
Other Charges	128		
Total Juvenile Court			333,846
Probate Court			
Deputy(ies)	$ 75,632		
Data Processing Services	7,004		
Dues and Memberships	543		
Lease/SBITA Payments	2,319		
Maintenance and Repair Services - Office Equipment	20		
Postal Charges	800		
Data Processing Supplies	1,620		
Office Supplies	2,043		
In Service/Staff Development	249		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Administration of Justice (Cont.)			
Probate Court (Cont.)			
Other Charges	$ 316		
Office Equipment	1,279		
Total Probate Court		$	91,825
Other Administration of Justice			
Legal Services	$ 11,652		
Other Contracted Services	15,631		
Total Other Administration of Justice			27,283
Public Safety			
Sheriff's Department			
County Official/Administrative Officer	$ 115,254		
Assistant(s)	66,043		
Supervisor/Director	43,311		
Deputy(ies)	548,826		
Investigator(s)	328,993		
Lieutenant(s)	57,094		
Sergeant(s)	364,357		
Secretary to Board	4,025		
Salary Supplements	62,200		
Dispatchers/Radio Operators	176,553		
Clerical Personnel	41,823		
Attendants	39,318		
Part-time Personnel	49,490		
School Resource Officer	473,581		
Longevity Pay	27,300		
Overtime Pay	52,436		
Bonus Payments	1,800		
Other Salaries and Wages	66,745		
Communication	6,191		
Data Processing Services	56,041		
Dues and Memberships	2,300		
Lease/SBITA Payments	2,197		
Maintenance and Repair Services - Buildings	8,797		
Maintenance and Repair Services - Equipment	5,796		
Maintenance and Repair Services - Vehicles	76,398		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Public Safety (Cont.)		
Sheriff's Department (Cont.)		
Postal Charges	$ 784	
Towing Services	3,535	
Travel	15,420	
Other Contracted Services	26,642	
Custodial Supplies	41	
Gasoline	133,796	
Law Enforcement Supplies	7,153	
Office Supplies	13,284	
Tires and Tubes	8,797	
Uniforms	12,810	
Utilities	114,316	
Other Supplies and Materials	3,952	
Refunds	7,698	
In Service/Staff Development	8,470	
Other Charges	14,195	
Furniture and Fixtures	3,210	
Law Enforcement Equipment	49,415	
Motor Vehicles	20,605	
Total Sheriff's Department		$ 3,120,992
Special Patrols		
Nightwatchmen	$ 101,483	
Total Special Patrols		101,483
Drug Enforcement		
Deputy(ies)	$ 165,666	
Clerical Personnel	47,300	
Overtime Pay	12,523	
Bonus Payments	10,500	
Medical Insurance	107	
Dental Insurance	380	
Total Drug Enforcement		236,476
Administration of the Sexual Offender Registry		
Other Charges	$ 6,674	
Total Administration of the Sexual Offender Registry		6,674

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Public Safety (Cont.)		
Jail		
Lieutenant(s)	$ 109,635	
Medical Personnel	37,582	
Guards	714,217	
Clerical Personnel	81,974	
Cafeteria Personnel	40,987	
Maintenance Personnel	52,270	
Temporary Personnel	128,693	
Part-time Personnel	32,402	
Longevity Pay	6,550	
Overtime Pay	40,539	
Other Salaries and Wages	39,151	
Data Processing Services	8,439	
Lease/SBITA Payments	4,638	
Maintenance and Repair Services - Buildings	26,933	
Maintenance and Repair Services - Equipment	4,890	
Maintenance and Repair Services - Vehicles	3,058	
Medical and Dental Services	147,797	
Transportation - Other than Students	37,471	
Custodial Supplies	43,667	
Drugs and Medical Supplies	31,957	
Food Preparation Supplies	4,918	
Food Supplies	267,613	
Law Enforcement Supplies	1,226	
Prisoners Clothing	10,635	
Uniforms	6,783	
Other Supplies and Materials	3,808	
Other Charges	52,326	
Furniture and Fixtures	499	
Total Jail		$ 1,940,658
Fire Prevention and Control		
Contributions	$ 33,200	
Total Fire Prevention and Control		33,200
Rescue Squad		
Contributions	$ 6,000	
Total Rescue Squad		6,000

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Public Safety (Cont.)			
Other Emergency Management			
Supervisor/Director	$ 29,090		
Part-time Personnel	17,800		
Social Security	2,908		
Pensions	1,483		
Employer Medicare	680		
Communication	2,302		
Maintenance and Repair Services - Equipment	286		
Maintenance and Repair Services - Vehicles	1,885		
Rentals	1,200		
Travel	1,580		
Utilities	5,049		
Other Supplies and Materials	2,900		
Other Charges	9,185		
Communication Equipment	13,001		
Other Equipment	249,474		
Total Other Emergency Management		$	338,823
County Coroner/Medical Examiner			
Other Per Diem and Fees	$ 47,128		
Pauper Burials	500		
Other Contracted Services	60,168		
Other Supplies and Materials	1,325		
Total County Coroner/Medical Examiner			109,121
Public Health and Welfare			
Local Health Center			
Medical Personnel	$ 52,096		
Bonus Payments	1,243		
Social Security	3,237		
Pensions	2,722		
Medical Insurance	7,694		
Unemployment Compensation	210		
Employer Medicare	756		
Communication	1,942		
Contracts with Government Agencies	22,120		
Dues and Memberships	423		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Local Health Center (Cont.)		
Maintenance and Repair Services - Buildings	$ 3,299	
Maintenance and Repair Services - Office Equipment	611	
Other Contracted Services	9,600	
Custodial Supplies	2,248	
Drugs and Medical Supplies	151	
Office Supplies	1,352	
Other Supplies and Materials	741	
Other Charges	756	
Total Local Health Center		$ 111,201
Rabies and Animal Control		
Contracts with Other Public Agencies	$ 8,000	
Other Charges	17,702	
Total Rabies and Animal Control		25,702
Ambulance/Emergency Medical Services		
Medical Personnel	$ 256,953	
Bonus Payments	150	
Social Security	15,223	
Pensions	13,319	
Medical Insurance	8,393	
Employer Medicare	3,560	
Workers' Compensation Insurance	20,013	
Total Ambulance/Emergency Medical Services		317,611
Maternal and Child Health Services		
Contributions	$ 1,350	
Total Maternal and Child Health Services		1,350
Alcohol and Drug Programs		
Contributions	$ 1,000	
Drug Treatment	2,363	
Total Alcohol and Drug Programs		3,363
Other Local Health Services		
Contributions	$ 14,600	
Total Other Local Health Services		14,600

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
General Welfare Assistance		
Other Charges	$ 42,008	
Total General Welfare Assistance		$ 42,008
Social, Cultural, and Recreational Services		
Adult Activities		
Supervisor/Director	$ 40,425	
Social Workers	32,186	
Bus Drivers	9,048	
Part-time Personnel	20,996	
Other Salaries and Wages	13,502	
Social Security	6,623	
Handling Charges and Administrative Costs	847	
Pensions	3,704	
Unemployment Compensation	1,239	
Employer Medicare	1,656	
Communication	1,099	
Lease/SBITA Payments	879	
Maintenance and Repair Services - Office Equipment	97	
Maintenance and Repair Services - Vehicles	435	
Postal Charges	489	
Travel	2,701	
Other Contracted Services	5,032	
Gasoline	1,609	
Office Supplies	1,980	
Other Supplies and Materials	553	
Other Charges	6,482	
Total Adult Activities		151,582
Libraries		
Contributions	$ 207,862	
Total Libraries		207,862
Parks and Fair Boards		
Contributions	$ 5,250	
Total Parks and Fair Boards		5,250

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Other Social, Cultural, and Recreational		
Contributions	$ 27,000	
Total Other Social, Cultural, and Recreational		$ 27,000
Agriculture and Natural Resources		
Agricultural Extension Service		
Salary Supplements	$ 52,800	
Secretary(ies)	5,836	
Part-time Personnel	15,151	
Social Security	2,893	
Pensions	9,679	
Employer Medicare	677	
Other Fringe Benefits	12,320	
Communication	5,018	
Dues and Memberships	345	
Lease/SBITA Payments	3,298	
Rentals	10,000	
Travel	6,500	
Other Contracted Services	1,075	
Custodial Supplies	5,741	
Office Supplies	675	
Utilities	16,024	
Workers' Compensation Insurance	18	
Other Charges	781	
Data Processing Equipment	1,400	
Total Agricultural Extension Service		150,231
Soil Conservation		
Secretary(ies)	$ 31,048	
Social Security	1,901	
Pensions	1,600	
Unemployment Compensation	210	
Employer Medicare	445	
Total Soil Conservation		35,204
Flood Control		
Contributions	$ 22,898	
Total Flood Control		22,898

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Other Operations		
Tourism		
Contributions	$ 710,468	
Total Tourism		$ 710,468
Industrial Development		
Contributions	$ 75,000	
Total Industrial Development		75,000
Other Economic and Community Development		
Other Contracted Services	$ 757,618	
Total Other Economic and Community Development		757,618
Airport		
Supervisor/Director	$ 49,594	
Part-time Personnel	2,173	
Other Salaries and Wages	96,485	
Social Security	8,976	
Pensions	7,644	
Employer Medicare	2,100	
Communication	2,890	
Maintenance and Repair Services - Buildings	3,232	
Maintenance and Repair Services - Equipment	6,891	
Maintenance and Repair Services - Vehicles	229	
Travel	1,055	
Remittance of Revenue Collected	13,593	
Other Contracted Services	5,293	
Diesel Fuel	4,367	
Gasoline	202,988	
Office Supplies	819	
Utilities	13,117	
Liability Insurance	4,743	
Other Charges	1,124	
Airport Improvement	191,318	
Office Equipment	250	
Total Airport		618,881

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)
Other Operations (Cont.)

Veterans' Services			
County Official/Administrative Officer	$ 34,396		
Part-time Personnel	23,668		
Other Salaries and Wages	3,329		
Maintenance and Repair Services - Vehicles	898		
Transportation - Other than Students	140		
Travel	423		
Gasoline	1,047		
Office Supplies	1,100		
Data Processing Equipment	503		
Total Veterans' Services		$	65,504
Other Charges			
Advertising	$ 1,391		
Audit Services	14,168		
Dues and Memberships	14,855		
Pest Control	8,400		
Other Supplies and Materials	2,327		
Trustee's Commission	130,518		
Other Charges	41,337		
Total Other Charges			212,996
Contributions to Other Agencies			
Contributions	$ 18,636		
Matching Share	75,000		
Remittance of Revenue Collected	27,727		
Total Contributions to Other Agencies			121,363
Employee Benefits			
Longevity Pay	$ 15,500		
Bonus Payments	5,294		
Social Security	424,247		
Pensions	683,200		
Medical Insurance	909,090		
Unemployment Compensation	39,075		
Employer Medicare	94,942		
Workers' Compensation Insurance	129,033		
Total Employee Benefits			2,300,381

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Other Operations (Cont.)			
Miscellaneous			
Contracts with Government Agencies	$ 48,250		
Other Contracted Services	594		
Total Miscellaneous		$ 48,844	
Total General Fund			$ 15,897,302
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Sanitation Management			
Supervisor/Director	$ 42,687		
Social Security	2,606		
Pensions	2,212		
Medical Insurance	7,694		
Unemployment Compensation	210		
Employer Medicare	609		
Advertising	236		
Dues and Memberships	175		
Postal Charges	38		
Travel	175		
Office Supplies	145		
Other Capital Outlay	627,750		
Total Sanitation Management		$ 684,537	
Recycling Center			
Foremen	$ 41,578		
Truck Drivers	245,468		
Longevity Pay	3,800		
Overtime Pay	797		
Bonus Payments	1,500		
Social Security	17,597		
Pensions	13,838		
Medical Insurance	70,673		
Unemployment Compensation	2,274		
Employer Medicare	4,115		
Communication	1,750		
Freight Expenses	18,000		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Recycling Center (Cont.)			
Maintenance and Repair Services - Buildings	$ 3,340		
Maintenance and Repair Services - Equipment	19,075		
Maintenance and Repair Services - Office Equipment	109		
Maintenance and Repair Services - Vehicles	19,945		
Pest Control	216		
Towing Services	100		
Custodial Supplies	1,038		
Drugs and Medical Supplies	150		
Food Supplies	3,390		
Gasoline	45,898		
Natural Gas	430		
Office Supplies	69		
Road Signs	245		
Small Tools	599		
Tires and Tubes	5,524		
Utilities	10,925		
Wire	7,450		
Other Supplies and Materials	1,614		
Other Charges	5,296		
Other Equipment	26,919		
Total Recycling Center		$ 573,722	
Landfill Operation and Maintenance			
Contracts with Government Agencies	$ 63,284		
Total Landfill Operation and Maintenance		63,284	
Other Waste Disposal			
Disposal Fees	$ 398		
Total Other Waste Disposal		398	
Other Operations			
Other Charges			
Trustee's Commission	$ 11,994		
Total Other Charges		11,994	
Total Solid Waste/Sanitation Fund			$ 1,333,935

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Drug Control Fund			
Public Safety			
Drug Enforcement			
Dues and Memberships	$ 455		
Maintenance and Repair Services - Vehicles	18		
Towing Services	600		
Animal Food and Supplies	999		
Trustee's Commission	760		
Law Enforcement Equipment	9,409		
Motor Vehicles	51,531		
Total Drug Enforcement		$ 63,772	
Total Drug Control Fund			$ 63,772
Other Special Revenue Fund			
Other Operations			
American Rescue Plan Act Grant #6			
Trustee's Commission	$ 7,571		
Building Improvements	145,075		
Building Purchases	121,630		
Other Capital Outlay	156,641		
Total American Rescue Plan Act Grant #6		430,917	
Total Other Special Revenue Fund			430,917
Constitutional Officers - Fees Fund			
Administration of Justice			
Chancery Court			
Special Commissioner Fees/Special Master Fees	$ 18,874		
Total Chancery Court		$ 18,874	
Total Constitutional Officers - Fees Fund			18,874
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 104,776		
Assistant(s)	47,720		
Salary Supplements	2,323		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Administration (Cont.)			
Secretary(ies)	$ 43,914		
Clerical Personnel	44,087		
Custodial Personnel	7,276		
Longevity Pay	12,900		
Board and Committee Members Fees	7,811		
Maintenance and Repair Services - Buildings	3,550		
Postal Charges	648		
Printing, Stationery, and Forms	500		
Travel	1,437		
Custodial Supplies	305		
Drugs and Medical Supplies	766		
Office Supplies	632		
Other Charges	60		
Total Administration		$	278,705
Highway and Bridge Maintenance			
Salary Supplements	$ 170		
Equipment Operators	416,014		
Truck Drivers	438,256		
Laborers	231,968		
Overtime Pay	20,234		
Other Contracted Services	100,107		
Asphalt - Hot Mix	748,792		
Asphalt - Liquid	454,548		
Concrete	7,047		
Crushed Stone	440,477		
General Construction Materials	563		
Other Road Materials	20		
Pipe	170,204		
Road Signs	6,330		
Small Tools	5,585		
Other Charges	4,656		
Total Highway and Bridge Maintenance			3,044,971
Operation and Maintenance of Equipment			
Mechanic(s)	$ 189,156		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)
Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)			
Overtime Pay	$ 5,062		
Maintenance and Repair Services - Equipment	7,459		
Diesel Fuel	151,924		
Equipment and Machinery Parts	143,865		
Garage Supplies	4,414		
Gasoline	41,408		
Ice	118		
Lubricants	14,706		
Propane Gas	787		
Small Tools	1,380		
Tires and Tubes	34,272		
Other Supplies and Materials	6,943		
Other Charges	703		
Total Operation and Maintenance of Equipment		$	602,197
Litter and Trash Collection			
Educational Assistants	$ 6,458		
Other Salaries and Wages	28,280		
Advertising	7,441		
Instructional Supplies and Materials	5,393		
Other Charges	1,927		
Total Litter and Trash Collection			49,499
Other Charges			
Communication	$ 7,235		
Data Processing Services	23,257		
Dues and Memberships	3,729		
Evaluation and Testing	1,809		
Legal Notices, Recording, and Court Costs	648		
Utilities	10,575		
Water and Sewer	1,325		
Premiums on Corporate Surety Bonds	50		
Trustee's Commission	67,305		
Vehicle and Equipment Insurance	47,512		
Workers' Compensation Insurance	94,592		
In Service/Staff Development	1,438		
Other Charges	250		
Total Other Charges			259,725

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Employee Benefits			
Social Security	$ 96,453		
Pensions	82,816		
Medical Insurance	302,528		
Unemployment Compensation	10,124		
Employer Medicare	22,558		
Total Employee Benefits		$ 514,479	
Capital Outlay			
Engineering Services	$ 175		
Lease/SBITA Payments	2,134		
Highway Equipment	241,729		
Motor Vehicles	167,868		
Plant Operation Equipment	14,985		
State Aid Projects	1,226,650		
Total Capital Outlay		1,653,541	
Total Highway/Public Works Fund			$ 6,403,117
General Debt Service Fund			
Other Operations			
Other Charges			
Trustee's Commission	$ 24,970		
Total Other Charges		$ 24,970	
Principal on Debt			
General Government			
Principal on Notes	$ 785,635		
Principal on Other Loans	2,208,033		
Total General Government		2,993,668	
Education			
Principal on Bonds	$ 2,310,000		
Total Education		2,310,000	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Debt Service Fund (Cont.)			
Interest on Debt			
General Government			
Interest on Notes	$ 19,790		
Total General Government		$ 19,790	
Education			
Interest on Bonds	$ 150,422		
Total Education		150,422	
Other Debt Service			
General Government			
Contributions	$ 29,900		
Total General Government		29,900	
Education			
Bank Charges	$ 2,100		
Total Education		2,100	
Total General Debt Service Fund			$ 5,530,850
General Capital Projects Fund			
Capital Projects			
General Administration Projects			
Airport Improvement	$ 45,575		
Building Improvements	344,710		
Data Processing Equipment	8,454		
Motor Vehicles	208,992		
Transportation Equipment	67,113		
Other Equipment	6,293		
Other Capital Outlay	9,798		
Total General Administration Projects		$ 690,935	
Total General Capital Projects Fund			690,935
Other Capital Projects #1 Fund			
Capital Projects			
General Administration Projects			
Engineering Services	$ 236,189		
Building Construction	38,672		
Total General Administration Projects		$ 274,861	
Total Other Capital Projects #1 Fund			274,861
Total Governmental Funds - Primary Government			$ 30,644,563

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department
For the Year Ended June 30, 2025

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 9,224,851	
Career Ladder Program	12,995	
Homebound Teachers	3,628	
Salary Supplements	393,137	
Educational Assistants	418,600	
Bonus Payments	182,320	
Other Salaries and Wages	62,499	
Certified Substitute Teachers	73,095	
Non-certified Substitute Teachers	190,737	
Social Security	603,781	
Pensions	697,702	
Medical Insurance	1,347,509	
Employer Medicare	142,001	
Other Fringe Benefits	6,345	
Maintenance and Repair Services - Equipment	9,539	
Other Contracted Services	178,834	
Instructional Supplies and Materials	421,888	
Textbooks - Electronic	47,073	
Textbooks - Bound	218,574	
Other Supplies and Materials	24,983	
TISA - On-behalf Payments	65,666	
Other Charges	284,773	
Regular Instruction Equipment	235,809	
Total Regular Instruction Program		$ 14,846,339
Alternative Instruction Program		
Teachers	$ 220,386	
Social Security	13,016	
Pensions	14,016	
Medical Insurance	25,454	
Employer Medicare	3,044	
Other Fringe Benefits	73	
Instructional Supplies and Materials	1,397	
Total Alternative Instruction Program		277,386

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Special Education Program		
Teachers	$ 1,165,299	
Career Ladder Program	500	
Homebound Teachers	32,583	
Educational Assistants	464,151	
Speech Pathologist	129,715	
Certified Substitute Teachers	16,880	
Non-certified Substitute Teachers	25,158	
Social Security	103,949	
Pensions	119,436	
Medical Insurance	305,390	
Employer Medicare	24,683	
Other Contracted Services	96,419	
Instructional Supplies and Materials	8,609	
Other Supplies and Materials	6,338	
Special Education Equipment	12,386	
Total Special Education Program		$ 2,511,496
Career and Technical Education Program		
Teachers	$ 1,074,689	
Certified Substitute Teachers	2,331	
Non-certified Substitute Teachers	8,148	
Social Security	61,227	
Pensions	69,108	
Medical Insurance	151,730	
Employer Medicare	14,718	
Other Fringe Benefits	486	
Instructional Supplies and Materials	145,390	
Vocational Instruction Equipment	101,337	
Total Career and Technical Education Program		1,629,164
Support Services		
Attendance		
Supervisor/Director	$ 86,947	
Other Salaries and Wages	39,148	
Social Security	5,982	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Attendance (Cont.)			
Pensions	$ 6,570		
Medical Insurance	23,987		
Employer Medicare	1,399		
Other Fringe Benefits	233		
Other Contracted Services	62,219		
Other Supplies and Materials	267		
Total Attendance		$	226,752
Health Services			
Supervisor/Director	$ 49,950		
Medical Personnel	191,730		
Other Salaries and Wages	30,748		
Social Security	15,527		
Pensions	14,996		
Medical Insurance	53,127		
Employer Medicare	3,631		
Other Fringe Benefits	292		
Travel	1,177		
Other Contracted Services	500		
Drugs and Medical Supplies	6,474		
Other Supplies and Materials	11,528		
In Service/Staff Development	4,262		
Total Health Services			383,942
Other Student Support			
Guidance Personnel	$ 518,911		
Secretary(ies)	57,383		
Other Salaries and Wages	68,848		
Social Security	32,993		
Pensions	43,707		
Medical Insurance	92,800		
Employer Medicare	8,775		
Other Fringe Benefits	1,959		
Evaluation and Testing	19,796		
Internet Connectivity	114,000		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Other Student Support (Cont.)			
Travel	$ 1,046		
Other Supplies and Materials	3,145		
In Service/Staff Development	2,500		
Other Charges	11,801		
Other Equipment	69,811		
Total Other Student Support		$	1,047,475
Regular Instruction Program			
Supervisor/Director	$ 420,922		
Career Ladder Program	2,000		
Librarians	262,444		
Clerical Personnel	36,289		
Educational Assistants	21,993		
Social Security	44,464		
Pensions	47,416		
Medical Insurance	92,153		
Employer Medicare	10,583		
Other Fringe Benefits	122		
Travel	30,648		
Library Books/Media	30,805		
In Service/Staff Development	27,326		
Other Charges	132		
Total Regular Instruction Program			1,027,297
Alternative Instruction Program			
Supervisor/Director	$ 10,000		
Social Security	566		
Pensions	636		
Employer Medicare	132		
Travel	34		
Total Alternative Instruction Program			11,368
Special Education Program			
Supervisor/Director	$ 86,133		
Secretary(ies)	20,238		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)
Special Education Program (Cont.)

Social Security	$ 6,299	
Pensions	6,603	
Medical Insurance	15,244	
Employer Medicare	1,473	
Total Special Education Program		$ 135,990
Career and Technical Education Program		
Travel	$ 5,868	
In Service/Staff Development	13,917	
Other Equipment	89,459	
Total Career and Technical Education Program		109,244
Technology		
Supervisor/Director	$ 95,297	
Data Processing Personnel	117,190	
Social Security	11,734	
Pensions	12,577	
Medical Insurance	43,023	
Employer Medicare	2,744	
Maintenance and Repair Services - Equipment	3,500	
Internet Connectivity	38,481	
Travel	3,282	
Software	74,783	
Total Technology		402,611
Other Programs		
On-behalf Payments to OPEB	$ 56,119	
Total Other Programs		56,119
Board of Education		
Secretary to Board	$ 5,619	
Board and Committee Members Fees	7,350	
Social Security	668	
Pensions	312	
Life Insurance	9,993	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)
Board of Education (Cont.)

Medical Insurance	$ 1,808	
Unemployment Compensation	5,155	
Employer Medicare	178	
Audit Services	15,000	
Dues and Memberships	9,735	
Legal Services	10,422	
Travel	933	
Other Contracted Services	3,796	
Liability Insurance	41,250	
Trustee's Commission	242,532	
Workers' Compensation Insurance	93,500	
In Service/Staff Development	8,587	
Refund to Applicant for Criminal Investigation	6,237	
Other Charges	11,203	
Total Board of Education		$ 474,278

Director of Schools

County Official/Administrative Officer	$ 179,639	
Clerical Personnel	19,795	
Other Salaries and Wages	1,000	
Social Security	11,303	
Pensions	12,246	
Medical Insurance	21,376	
Employer Medicare	2,643	
Other Fringe Benefits	146	
Communication	3,111	
Dues and Memberships	680	
Postal Charges	4,331	
Other Contracted Services	7,784	
Office Supplies	7,249	
In Service/Staff Development	5,997	
Other Charges	2,539	
Administration Equipment	2,544	
Total Director of Schools		282,383

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)

Office of the Principal			
Principals	$ 583,634		
Career Ladder Program	1,000		
Accountants/Bookkeepers	153,737		
Assistant Principals	540,564		
Secretary(ies)	188,009		
Social Security	85,234		
Pensions	91,286		
Medical Insurance	220,431		
Employer Medicare	19,934		
Other Fringe Benefits	292		
Communication	14,307		
Dues and Memberships	1,475		
Travel	1,306		
Office Supplies	10,480		
Other Charges	9,742		
Total Office of the Principal		$	1,921,431
Fiscal Services			
Accountants/Bookkeepers	$ 123,706		
Other Salaries and Wages	59,679		
Social Security	10,828		
Pensions	10,196		
Medical Insurance	26,384		
Employer Medicare	2,591		
Other Fringe Benefits	97		
Dues and Memberships	50		
Travel	723		
Other Contracted Services	55,562		
Office Supplies	779		
In Service/Staff Development	4,357		
Total Fiscal Services			294,952
Operation of Plant			
Custodial Personnel	$ 644,286		
Social Security	38,920		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Operation of Plant (Cont.)		
Pensions	$ 19,236	
Medical Insurance	62,173	
Employer Medicare	9,102	
Laundry Service	1,880	
Travel	2,439	
Other Contracted Services	102,408	
Custodial Supplies	125,633	
Electricity	646,390	
Natural Gas	123,411	
Water and Sewer	79,079	
Other Supplies and Materials	4,868	
Boiler Insurance	10,450	
Building and Contents Insurance	177,680	
Plant Operation Equipment	14,451	
Total Operation of Plant		$ 2,062,406
Maintenance of Plant		
Supervisor/Director	$ 70,852	
Maintenance Personnel	328,999	
Social Security	23,481	
Pensions	20,540	
Medical Insurance	61,799	
Employer Medicare	5,492	
Other Fringe Benefits	263	
Communication	1,400	
Laundry Service	4,237	
Other Contracted Services	112,632	
Other Supplies and Materials	317,014	
In Service/Staff Development	475	
Maintenance Equipment	8,836	
Other Equipment	47,494	
Total Maintenance of Plant		1,003,514
Transportation		
Supervisor/Director	$ 72,526	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Transportation (Cont.)		
Mechanic(s)	$ 128,558	
Bus Drivers	780,301	
Clerical Personnel	37,099	
Other Salaries and Wages	23,399	
In-service Training	4,900	
Social Security	55,161	
Pensions	45,266	
Medical Insurance	198,098	
Employer Medicare	14,289	
Other Fringe Benefits	972	
Communication	924	
Contracts with Parents	31,309	
Laundry Service	4,273	
Maintenance and Repair Services - Vehicles	36,358	
Medical and Dental Services	7,320	
Other Contracted Services	13,811	
Diesel Fuel	250,695	
Garage Supplies	1,385	
Gasoline	17,363	
Lubricants	31,570	
Tires and Tubes	49,022	
Vehicle Parts	142,143	
Other Supplies and Materials	3,813	
Vehicle and Equipment Insurance	38,500	
In Service/Staff Development	3,109	
Other Charges	6,410	
Transportation Equipment	439,573	
Total Transportation		$ 2,438,147
Operation of Non-Instructional Services		
Food Service		
Food Service Equipment	$ 173,233	
Total Food Service		173,233

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)		
Operation of Non-Instructional Services (Cont.)		
Community Services		
Supervisor/Director	$ 32,709	
Teachers	135,776	
Educational Assistants	41,322	
Other Salaries and Wages	72,820	
Social Security	16,377	
Pensions	17,235	
Medical Insurance	18,200	
Employer Medicare	3,874	
Communication	3,762	
Travel	1,910	
Other Contracted Services	2,956	
Food Supplies	3,617	
Instructional Supplies and Materials	4,461	
Other Supplies and Materials	3,099	
Other Charges	51,654	
Total Community Services		$ 409,772
Early Childhood Education		
Teachers	$ 190,523	
Educational Assistants	72,342	
Certified Substitute Teachers	476	
Non-certified Substitute Teachers	420	
Social Security	15,236	
Pensions	17,075	
Medical Insurance	45,122	
Employer Medicare	3,563	
Food Supplies	8,911	
Instructional Supplies and Materials	1,140	
Total Early Childhood Education		354,808
Capital Outlay		
Regular Capital Outlay		
Architects	$ 34,885	
Other Contracted Services	9,800	
Building Improvements	1,513,413	
Other Capital Outlay	36,415	
Total Regular Capital Outlay		1,594,513

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

General Purpose School Fund (Cont.)			
Other Debt Service			
Education			
Contributions	$ 2,460,422		
Total Education		$ 2,460,422	
Total General Purpose School Fund			$ 36,135,042
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 591,584		
Educational Assistants	142,336		
Other Salaries and Wages	41,416		
Certified Substitute Teachers	504		
Non-certified Substitute Teachers	5,992		
Social Security	43,214		
Pensions	48,608		
Medical Insurance	131,549		
Employer Medicare	10,358		
Instructional Supplies and Materials	107,225		
Software	56,459		
Regular Instruction Equipment	3,376		
Total Regular Instruction Program		$ 1,182,621	
Special Education Program			
Teachers	$ 339,293		
Educational Assistants	299,014		
Speech Pathologist	70,134		
Social Security	41,318		
Pensions	43,896		
Medical Insurance	95,551		
Employer Medicare	9,680		
Instructional Supplies and Materials	13,767		
Other Supplies and Materials	3,927		
Special Education Equipment	15,806		
Total Special Education Program		932,386	

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Instruction (Cont.)			
Career and Technical Education Program			
Instructional Supplies and Materials	$ 24,038		
Vocational Instruction Equipment	47,280		
Total Career and Technical Education Program		$	71,318
Support Services			
Attendance			
Supervisor/Director	$ 23,027		
Social Security	1,318		
Pensions	1,465		
Medical Insurance	4,292		
Employer Medicare	308		
Other Supplies and Materials	172		
Total Attendance			30,582
Other Student Support			
Social Workers	$ 56,989		
Other Salaries and Wages	46,557		
Social Security	5,747		
Pensions	7,173		
Medical Insurance	16,504		
Employer Medicare	1,347		
Other Supplies and Materials	1,608		
In Service/Staff Development	12,261		
Other Charges	18,875		
Total Other Student Support			167,061
Regular Instruction Program			
Supervisor/Director	$ 77,969		
Instructional Coaches	80,072		
Other Salaries and Wages	36,630		
Social Security	13,238		
Pensions	14,805		
Medical Insurance	6,778		
Employer Medicare	3,096		
Other Contracted Services	54,600		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Regular Instruction Program (Cont.)			
Other Supplies and Materials	$ 2,038		
In Service/Staff Development	208,894		
Other Charges	1,250		
Total Regular Instruction Program		$ 499,370	
Special Education Program			
Psychological Personnel	$ 64,709		
Social Security	3,506		
Pensions	5,177		
Medical Insurance	13,816		
Employer Medicare	820		
Other Supplies and Materials	15,000		
Total Special Education Program		103,028	
Career and Technical Education Program			
In Service/Staff Development	$ 5,000		
Total Career and Technical Education Program		5,000	
Technology			
Other Equipment	$ 9,000		
Total Technology		9,000	
Capital Outlay			
Regular Capital Outlay			
Building Construction	$ 3,741		
Building Improvements	770		
Total Regular Capital Outlay		4,511	
Total School Federal Projects Fund			$ 3,004,877
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 65,200		
Accountants/Bookkeepers	20,238		

(Continued)

HENRY COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Henry County School Department (Cont.)

Central Cafeteria Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Food Service (Cont.)			
Cafeteria Personnel	$ 757,210		
Social Security	48,945		
Pensions	42,400		
Medical Insurance	149,359		
Employer Medicare	11,412		
Maintenance and Repair Services - Equipment	4,065		
Travel	2,288		
Other Contracted Services	53,195		
Food Supplies	1,141,171		
Uniforms	817		
USDA - Commodities	157,569		
Other Supplies and Materials	60,317		
In Service/Staff Development	12,530		
Other Charges	198		
Food Service Equipment	219,746		
Total Food Service		$ 2,746,660	
Total Central Cafeteria Fund			$ 2,746,660
Internal School Fund			
Operation of Non-Instructional Services			
Community Services			
Other Charges	$ 1,120,087		
Total Community Services		$ 1,120,087	
Total Internal School Fund			1,120,087
Total Governmental Funds - Henry County School Department			$ 43,006,666

Single Audit Section

Jason E. Mumpower
Comptroller

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Henry County Mayor and
Board of County Commissioners
Henry County, Tennessee

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henry County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Henry County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated January 28, 2026. Our report includes references to other auditors who audited the financial statements of the discretely presented Henry County Medical Center and the Internal School Fund of the Henry County School Department (a discretely presented component unit), as described in our report on Henry County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2025-001(A,C).

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Henry County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-001(B), 2025-002, and 2025-003.

Henry County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Henry County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Henry County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 28, 2026

JEM/gc

Jason E. Mumpower
Comptroller

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Henry County Mayor and
Board of County Commissioners
Henry County, Tennessee

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Henry County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Henry County's major federal programs for the year ended June 30, 2025. Henry County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Henry County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Henry County, Tennessee, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Henry County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

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

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

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

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Henry County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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

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

Report on Internal Control Over Compliance

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

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

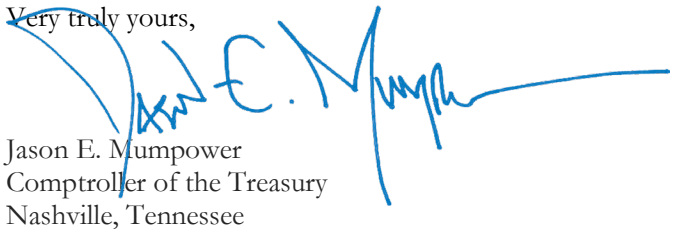
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henry County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Henry County's basic financial statements. We issued our report thereon dated January 28, 2026, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 28, 2026

JEM/gc

HENRY COUNTY, TENNESSEE, AND THE HENRY COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8)
For the Year-Ended June 30, 2025

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures	
U.S. Department of Agriculture:					
Passed-through State Department of Education:					
Child Nutrition Cluster: (3)					
School Breakfast Program	10.553	N/A	$ 0	$ 700,228	
National School Lunch Program	10.555	N/A	0	1,705,312	(6)
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	0	80,000	
Passed-through State Department of Agriculture:					
Child Nutrition Cluster: (3)					
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	0	157,569	(6)
Passed-through State Department of Health:					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	34360-17525	0	9,371	
Total U.S. Department of Agriculture				$ 2,652,480	
U.S. Department of Defense:					
Passed-through State Department of General Services:					
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	0	$ 16,581	
Total U.S. Department of Defense				$ 16,581	
U.S. Department of Transportation:					
Passed-through State Department of Transportation:					
Airport Improvement Program	20.106	40100-51008	0	$ 54,192	
Passed-through State Department of Safety and Homeland Security:					
Alcohol Open Container Requirements	20.607	(4)	0	9,742	
Total U.S. Department of Transportation				$ 63,934	
U.S. Department of the Treasury:					
Passed-through State Department of Environment and Conservation:					
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	32701-05151	(7) 757,619	$ 757,619	(6)
Passed-through State Department of Education:					
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	0	38,987	(6)
Passed-through State Department of Health:					
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	(5)	0	66,677	(6)
Direct Program:					
COVID 19 - Local Assistance and Tribal Consistency Fund (ARP)	21.032	N/A	0	66,634	
Total U.S. Department of the Treasury				$ 929,917	
U.S. Department of Education:					
Passed-through State Department of Education:					
Title I Grants to Local Educational Agencies	84.010	N/A	0	$ 1,086,617	
Special Education Cluster (IDEA): (3)					
Special Education - Grants to States	84.027	N/A	0	888,951	
Special Education - Preschool Grants	84.173	N/A	0	47,558	
Career and Technical Education - Basic Grants to States	84.048	N/A	0	110,896	
Rural Education	84.358	N/A	0	95,547	
Supporting Effective Instruction State Grants	84.367	N/A	0	305,936	
Comprehensive Literacy Development	84.371	N/A	0	88,562	
Student Support and Academic Enrichment Program	84.424	N/A	0	89,770	
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	0	1,292,692	
Passed-through State Department of Human Services:					
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	0	121,500	
Total U.S. Department of Education				$ 4,128,029	
U.S. Department of Health and Human Services:					
Passed-through Northwest Tennessee Development District:					
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	NW41017	0	$ 92	
Aging Cluster: (3)					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	NW41017	0	25,025	
Passed-through State Department of Health:					
Maternal and Child Health Services Block Grant to the States	93.994	34360-17525	0	7,497	
Total U.S. Department of Health and Human Services				$ 32,614	

(Continued)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	34101-04525	$ 0	$ 104,709 (6)
COVID 19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	34101-38224	0	47,031 (6)
Emergency Management Performance Grants	97.042	34101-23124	0	20,125
Homeland Security Grant Program	97.067	(5)	0	13,625
Total U.S. Department of Homeland Security				$ 185,490
Total Expenditures of Federal Grants				$ 8,009,045

State Grants		Contract Number	
Safe Baby Grant - State Department of Mental Health and Substance Abuse Services	N/A	(5)	$ 84,547
State Senior Center - Northwest Tennessee Development District	N/A	NW41017	4,913
Juvenile Court State Supplement Funds - State Commission on Children and Youth	N/A	35910-10389	9,000
Truancy Prevention Program - State Department of Children's Services	N/A	(5)	49,638
Early Childhood Education - State Department of Education	N/A	N/A	341,039
Innovative School Models - State Department of Education	N/A	N/A	445,127
COVID 19 - Learning Camp Transportation - State Department of Education	N/A	N/A	40,031
Public School Security Grant - State Department of Education	N/A	N/A	15,681
Safe Schools Act - State Department of Education	N/A	N/A	
State School Improvement Grant (SSIG) - State Department of Education	N/A	N/A	
COVID 19 - Summer Learning Camps - State Department of Education	N/A	N/A	183,034
Used Oil Grant - State Department of Environment and Conservation	N/A	N/A	26,919
Mental Health Transport Grant - State Department of Finance and Administration	N/A	(5)	16,402
Preventive Health and Human Services - State Department of Health	N/A	34360-17525	66,079
Statewide School Resource Officer Grant - State Department of Safety and Homeland Security	N/A	34901-01536	375,000
Litter Grant - State Department of Transportation	N/A	40100-51196	36,258
T-Hangar and Apron Pavement Rehabilitation - Design - State Department of Transportation	N/A	40100-40400	16,373
Airport Maintenance Program - State Department of Transportation	N/A	40100-51199	15,000
Grounds Maintenance Equipment Grant - State Department of Transportation	N/A	40100-51199	15,700
Pond Mitigation Study - State Department of Transportation	N/A	40100-49630	27,195
Training Equipment Grant - Tennessee Corrections Institute	N/A	31609-0103	14,919
Total State Grants			$ 1,782,855

ALN = Assistance Listing Number
N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Henry County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
(3) Child Nutrition Cluster total $2,563,109; Special Education Cluster (IDEA) total $936,509; Aging Cluster total $25,025.
(4) Z-24-THS-130: $2,493; Z-25-THS-136: $7,249
(5) Information not available.
(6) Total for ALN 10.555 is $1,862,881; Total for ALN 21.027 is $863,283; Total for ALN 97.036 is $151,740.
(7) SUBRECIPIENT AMOUNTS

Subrecipient	ALN	Amounts Provided to Subrecipients
Paris-Henry County Industrial Development Board	21.027	$ 757,619
Total amounts provided to subrecipients		$ 757,619

(8) CONSOLIDATED ADMINISTRATION
The following amounts were consolidated for administration purposes:

Program Title	ALN	Amounts Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	$ 68,873
Supporting Effective Instruction State Grants	84.367	3,938
Total amounts consolidated for administration purposes		$ 72,811

HENRY COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2025

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Henry County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
OFFICE OF COUNTY MAYOR					
2024	207	2024-001	The General Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2024	207	2024-002	Purchase orders were not issued properly.	N/A	Corrected
OFFICE OF SHERIFF					
2024	208	2024-003	Deficiencies were noted with a bank account that had not been recorded on the cash journal.	N/A	Corrected
2024	209	2024-004	The office had deficiencies in filing its annual financial report.	N/A	Corrected

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

HENRY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Henry County is unmodified.

2. Internal Control Over Financial Reporting:

   * Material weakness identified? **NO**

   * Significant deficiency identified? **YES**

3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:

   * Material weakness identified? **NO**

   * Significant deficiency identified? **NONE REPORTED**

5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**

7. Identification of Major Federal Programs:

   * Assistance Listing Numbers: 10.553 and 10.555 — Child Nutrition Cluster: School Breakfast Program and National School Lunch Program

   * Assistance Listing Number: 21.027 — COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)

8. Dollar threshold used to distinguish between Type A and Type B Programs. **$750,000**

9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2025-001

THE OFFICE HAD ACCOUNTING DEFICIENCIES

(A. and C. – Internal Control – Significant Deficiency Under *Government Auditing Standards;* B. - Noncompliance Under *Government Auditing Standards)*

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies exist due to a lack of management oversight and a lack of understanding of internal controls.

A. During the year, the office did not accurately reconcile its check clearing bank account or accurately prepare lists of outstanding checks. On January 7, 2026, a list of outstanding checks as of June 30, 2025, was prepared; however, the account did not reconcile with the general ledger by $10,903 since all errors had not been corrected or identified. The monthly reconciliation of bank statements and the accurate preparation of lists of outstanding checks are necessary procedures to ensure all transactions are recorded properly in the accounting records. The trustee's office maintains this bank clearing account for checks written by the county mayor's office; however, the mayor's office is responsible for reconciling this account with the trustee's general ledger balance.

B. The office did not reconcile the General Fund's general ledger cash account with county trustee's reports on a monthly basis. On December 9, 2025, auditors requested the cash reconciliations for the fiscal year ended June 30, 2025, and as of January 21, 2026, the reconciliations had not been completed. Additionally, the office has also not reconciled the General Fund's general ledger cash account for the period July 2025 through December 2025. Section 9-2-138, *Tennessee Code Annotated*, requires officials to reconcile their respective fund accounts with the trustee's reports monthly. Failure to reconcile the general ledger cash account with the county trustee's reports increases the risks that errors may occur and not be detected. The cash balance was determined by substantive tests and alternative audit procedures.

C. General ledger payroll liability accounts were not reconciled with subsidiary payroll records and payments each month in the General Fund. As a result, unidentified balances accumulated in the liability accounts for several payroll deductions. Sound business practices dictate that payroll liability accounts should be reconciled with payroll reports and payments monthly. The failure to regularly reconcile payroll liability accounts is a significant deficiency that increases the risk that errors will not be discovered and corrected in a timely manner.

RECOMMENDATION

Bank statements should be reconciled accurately with the general ledger monthly, and any errors should be corrected promptly. Accurate lists of outstanding checks should be prepared monthly. The office should reconcile its general ledger cash account with the county trustee's reports monthly as required by state statute, and any errors should be corrected promptly. General ledger payroll liability accounts should be reconciled monthly with payroll reports and payments, and any errors should be corrected promptly.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with the finding. We will focus on getting caught up with our cash reconciliations, and we will begin reconciling our payroll liability accounts monthly.

FINDING 2025-002

ACCOUNTING RECORDS FOR ACCRUED LEAVE WERE NOT CLOSED AND AVAILABLE FOR AUDIT BY AUGUST 31, 2025

(Noncompliance Under *Government Auditing Standards)*

Accrued leave accounting records were not closed and available for audit by August 31, 2025, as required by Section 9-2-102, *Tennessee Code Annotated*. This statute provides that records should be available for audit no later than two months after the close of the June 30 fiscal year. The accrued leave accounting records were made available to auditors on January 5, 2026. The failure to maintain accounting records on a current basis diminishes the usefulness of the financial records as a management tool, results in the loss of accounting controls, and increases the risk that errors will not be discovered and corrected timely. This deficiency can be attributed to a lack of management oversight.

RECOMMENDATION

Management should close all accounting records, including accrued leave accounting records, for the fiscal year ended June 30 and have those records available for audit by the following August 31.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with the finding. Going forward, all accounting records will be closed by August 31st.

FINDING 2025-003

COMPETITIVE BIDS WERE NOT SOLICITED FOR RENOVATIONS AT THE RECYCLING CENTER AND FOR THE PURCHASE OF A SKID STEER

(Noncompliance Under *Government Auditing Standards)*

Competitive bids were not solicited for renovations at the recycling center ($98,258) and for the purchase of a skid steer ($44,057). Purchasing procedures for the office are governed by Chapter 10, Private Acts of 1995, and provisions of the County Purchasing Law of 1983, Sections 5-14-201, *Tennessee Code Annotated,* which requires all purchases exceeding $25,000 to be made based on competitive bids solicited through public advertisement. The failure to solicit competitive bids could result in the county paying more than the most competitive price. This deficiency is the result of a lack of management oversight and the failure to follow state statutes.

RECOMMENDATION

All purchases should be made in compliance with applicable state statutes.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with the finding. In the future, competitive bids will be solicited when applicable.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

HENRY COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2025

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
OFFICE OF COUNTY MAYOR		
2025-001	The office had accounting deficiencies.	210
2025-002	Accounting records for accrued leave were not closed and available for audit by August 31, 2025.	211
2025-003	Competitive bids were not solicited for renovations at the recycling center and for the purchase of a skid steer.	212

OFFICE OF THE COUNTY MAYOR
RANDY GEIGER

County of Henry

P. O. Box 7
PARIS, TENNESSEE 38242
PHONE: (731) 642-5212
FAX: (731) 642-6531
EMAIL: RGEIGER@HENRYCOUNTYTN.ORG

Corrective Action Plan

FINDING THE OFFICE HAD ACCOUNTING DEFICIENCIES

Corrective Action Plan Prepared by:
Randy Geiger, County Mayor

Person Responsible for Implementing the Corrective Action:
Randy Geiger, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2026

Repeat Finding:
No

Reason Corrective Action was not taken in the prior year:
N/A

Planned Corrective Action:
We will focus getting caught up on our cash reconciliations, and we will begin reconciling our payroll liability accounts monthly.

OFFICE OF THE COUNTY MAYOR
RANDY GEIGER

County of Henry

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Corrective Action Plan

FINDING ACCOUNTING RECORDS FOR ACCRUED LEAVE WERE NOT CLOSED AND AVAILABLE FOR AUDIT BY AUGUST 31, 2025

Corrective Action Plan Prepared by:
Randy Geiger, County Mayor

Person Responsible for Implementing the Corrective Action:
Randy Geiger, County Mayor

Anticipated Completion Date of Corrective Action:
August 31, 2026

Repeat Finding:
No

Reason Corrective Action was not taken in the prior year:
N/A

Planned Corrective Action:
Going forward, all accounting records will be closed by August 31st.

OFFICE OF THE COUNTY MAYOR
RANDY GEIGER

County of Henry

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Corrective Action Plan

FINDING COMPETITIVE BIDS WERE NOT SOLICITED FOR RENOVATIONS AT THE RECYCLING CENTER AND FOR THE PURCHASE OF A SKID STEER

Corrective Action Plan Prepared by:
Randy Geiger, County Mayor

Person Responsible for Implementing the Corrective Action:
Randy Geiger, County Mayor

Anticipated Completion Date of Corrective Action:
August 31, 2026

Repeat Finding:
No

Reason Corrective Action was not taken in the prior year:
N/A

Planned Corrective Action:
In the future, competitive bids will be solicited when applicable.

Signature

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Henry County.

HENRY COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Henry County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.