



HENDERSON FINANCES IN DECENT SHAPE

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THE FINANCIAL STATE OF HENDERSON

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. Henderson ranks No. 23, earning it a "C" on TIA's grading scale.

Decisions by city officials have left the city with a debt burden of \$197.3 million, according to TIA's analysis of its 2016 financial filings. That burden equates to \$2,100 for every Henderson taxpayer.

Henderson's financial problems are largely driven by entitlement obligations in the form of pension benefits. The city has \$421.2 million in funded pension promises and \$34.5 million in unfunded retiree healthcare benefits. While Henderson has promised these benefits, little money has been set aside to fund them.

These statistics are jarring, but what's also alarming is that city government officials continue to hide significant amounts of retirement debt from their balance sheets, despite new rules to increase financial transparency. This skewed financial data gives residents a false impression of their city's overall financial health.

23

Rank

**\$197.3
million**

Money needed
to pay bills

-\$2,100

Taxpayer
Burden™

C

Financial grade

HENDERSON FINANCIAL BREAKDOWN

FAST FACTS

- + Henderson has \$386.2 million available in assets to pay \$583.4 million worth of bills.
- + The outcome is a \$197.3 million shortfall and a \$2,100 Taxpayer Burden™.
- + The city reports most of its retirement liabilities on its balance sheet, but \$72.2 million of pension and retiree healthcare obligations are still excluded.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$3,109,883,000
<i>Minus:</i> Capital assets	-\$2,566,366,000
Restricted assets	-\$157,347,000
Assets available to pay bills	\$386,170,000
<i>Minus:</i> Bills	-\$583,443,000
Money needed to pay bills	-\$197,273,000
Each taxpayer's share of this debt	-\$2,100

BILLS THE CITY HAS ACCUMULATED

Bonds	\$232,572,000
Other liabilities	\$127,892,000
<i>Minus:</i> Debt related to capital assets	-\$232,671,000
Unfunded pension benefits	\$421,193,000
Unfunded retiree healthcare	\$34,457,000
Bills	\$583,443,000

GRADE: C

Bottom line: Henderson's Taxpayer Burden™ is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other cities, Henderson still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.