



No. 23

# Henderson Earns 'C' Grade for its Finances

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## The Financial State of Henderson

A new analysis of the latest available audited financial report found Henderson has a Taxpayer Burden™ of \$2,200, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the city's elected officials have left Henderson with a \$213.8 million shortfall, which equates to a \$2,200 burden for every taxpayer.

Most of the city's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$1.6 billion in retirement benefits promised, the city has not funded \$401.3 million in pension and \$70.7 million in retiree health care benefits.

### Here's the truth:



Data included in this report is derived from the city of Henderson 2017 audited Comprehensive Annual Financial Report and retirement plans' reports.

# HENDERSON

## FINANCIAL BREAKDOWN

### FAST FACTS

- + Henderson has \$394.1 million available in assets to pay \$608 million worth of bills.
- + The outcome is a \$213.8 million shortfall and a \$2,200 Taxpayer Burden.
- + Henderson's reported net position is overstated by \$79.6 million, largely because the city delays recognizing losses incurred when the net pension liability increases.

### THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$3,182,796,000
Minus: Capital assets	-\$2,634,812,000
Restricted assets	-\$153,843,000
Assets available to pay bills	\$394,141,000
Minus: Bills	-\$607,964,000
Money needed to pay bills	-\$213,823,000
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Each taxpayer's share of this debt	-\$2,200

### BILLS THE CITY HAS ACCUMULATED

Bonds	\$230,418,000
Other liabilities	\$126,598,000
Minus: Debt related to capital assets	-\$221,011,000
Unfunded pension benefits	\$401,302,000
Unfunded retiree health care	\$70,657,000
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Bills	\$607,964,000

### 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.