



2017

Popular Annual Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2017



Popular Annual Financial Report For Fiscal Year Ended June 30, 2017



Gerri Schroder Debra March Dan K. Shaw
Councilwoman Ward I Mayor Councilman Ward II
Dan H. Stewart John F. Marz
Councilman Ward IV Councilman Ward III

City Management



Robert A. Murnane
City Manager



Gregory W. Blackburn
Assistant City Manager



Richard A. Derrick
Assistant City Manager &
Chief Financial Officer



Bristol S. Ellington
Assistant City Manager

Table Of Contents

Introduction



Overview.....	3
Purpose Statement	4
City Organization Chart	5
Strategic Plan	6
Executive Summary.....	7

Statistical



Community Profile	8
Recreation and Attractions	9
City of Henderson Demographics.....	10
Population and Assessed Valuation	12
Property Tax.....	13

Financial



Fund Overview	14
Budget by Department and Funding Source	15
Governmental Funds.....	16
Proprietary Funds.....	17
General Fund - Revenue by Source	18
General Fund - Expenditures	19
Statement of Net Position	20
Debt Outstanding.....	21

Glossary



Glossary of Terms.....	22
------------------------	----



Overview



Presented herewith is the Popular Annual Financial Report (PAFR) for Fiscal Year 2017. This document presents a summary of the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2017. The CAFR is presented in conformance with Generally Accepted Accounting Principals (GAAP) and was audited by PBTk, LLP. The CAFR contains the City's financial information in more depth and presents the full disclosure of all financial and non-financial events. The CAFR, as well as other City financial, budget, and strategic plan reports can be found on the City of Henderson website.

The PAFR is prepared on a non-GAAP basis and is unaudited as its condensed and simplified presentation does not include all segregated funds, required presentations, and all financial statements or notes to the financial statements. This presentation is intended to provide the citizenry of Henderson, and other interested parties, a better understanding of the financial workings of the City of Henderson.

It is important for citizens and taxpayers to know and understand the composition of the revenue received by the City, as well as how the City manages those resources. We take our fiscal responsibility seriously and understand fully that we are accountable to the residents of our great city. We will continue to strive to provide the services our community desires in an efficient manner while maximizing the use of the resources available.

Prepared By:

**Finance Department
Budget Division**

Jill R. Lynch, Budget Manager

City of Henderson
240 S. Water St.
Henderson, NV 89015
702-267-1770
cityofhenderson.com



A Place To Call Home



Purpose Statement



Our Vision

To Be America's Premier Community

Our Mission

Provide services and resources that enhance the quality of life to those who live, learn, work and play in our city

Our Values

Safety | Teamwork | Excellence | Professionalism

Our Priorities

Infrastructure

Invest in the community's infrastructure

Financial Sustainability

Long-term financial resiliency

Maturing Neighborhoods

Revitalize historic neighborhoods, and strengthen economic and community development

Community Safety

Provide quality public safety services and programs

Public Service Excellence

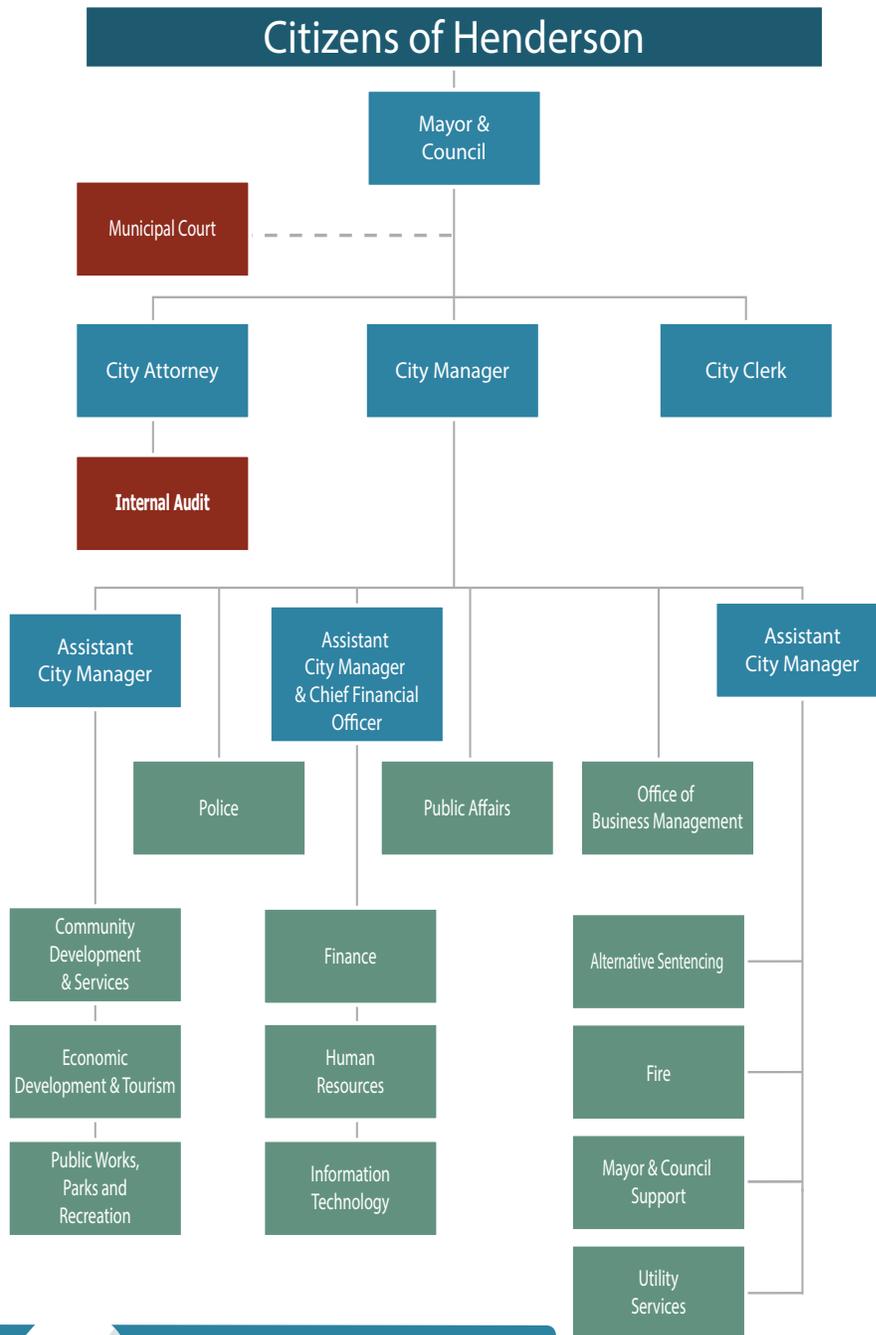
Delivery of effective and efficient services to the community

Environmental Resources

Provide solutions to environmental issues affecting the community



City Organization Chart



Key Fact

The City of Henderson has been awarded the Certificate of Achievement for Excellence in Financial Reporting from 1981 - 2016 and has submitted an application for Fiscal Year 2017.



Strategic Plan



The Strategic Plan is available on the City’s website or by contacting the City Manager’s Office.

Strategic planning is the cornerstone of effective public management. The City first began its performance planning efforts in 1999. Building upon these efforts, the 2014-2019 Strategic Plan enables the City to continue moving forward in a strategic direction while focusing on new opportunities Henderson faces as a result of changing economic and financial circumstances.



The plan identifies six priorities adopted by the City Council. Some priorities remain the same, but others represent new areas of focus. Progress will be measured in each of these priorities over the next five years.



Infrastructure

Invest in the community’s infrastructure

A properly funded infrastructure management and reinvestment program is essential to the long-term financial health of the City. Quality infrastructure such as roads, parks, trails and City facilities are a key factor in maintaining the quality of life for current and future residents. Offering the same standards of City infrastructure to future generations as is provided today will take innovative planning and focus on ensuring the effectiveness of all resources devoted to rehabilitation and replacement of City assets.



Financial Stability

Ensure long-term financial resiliency

The City of Henderson continues to deal with the effects of the national economic crisis that began in 2008. The State of Nevada was hit particularly hard by the collapse of the real estate market. The City’s revenue structure, in particular property tax, saw sharp declines in 2008 that are still being felt today. The City’s objective is to recover from the current period of fiscal stress and to implement policies and practices that will help it become more adaptable to changing financial conditions so that it can withstand economic downturns in the future.



Maturing Neighborhoods

Revitalize historic neighborhoods, and strengthen economic and community development

People are attracted to Henderson because of the great quality of life it provides. Residents value its urban centers and suburban neighborhoods as indicated by high citizen survey results. A premier park system and diverse opportunities for recreation and the arts are essential components of our quality of life.

Community Safety

Provide quality public safety services and programs

A critical function of the City of Henderson is to ensure the safety and security of its citizens. The City is dedicated to allocating resources to providing facilities and programs to ensure that it is a national leader in developing the techniques and capacity to respond to emergencies of all kinds.

Public Service Excellence

Deliver effective and efficient services to the community

The citizens of Henderson benefit when the City is run efficiently, promotes policies and practices that enhance sound financial management and is focused on providing high quality services and programs. In Fiscal Year 2012, the City established the Henderson Management Initiative to demonstrate a commitment to public service excellence.

Environmental Resources

Provide solutions to environmental issues affecting the community

Our community’s demand for natural resources continues to increase. The City must continue its proactive approach to managing these resources in order to ensure their availability for the future. This requires continued coordination with other governmental entities in the area.



Executive Summary



Current State of Affairs

The City of Henderson is located in the southeastern part of Clark County, Nevada. With a population of approximately 300,000, Henderson is the second largest city in the State of Nevada. The City provides a full range of services including police and fire protection; municipal court; detention facilities; water and sewer services; the construction and maintenance of boulevards, streets and other public infrastructure; recreational facilities and activities; cultural events; and a municipal golf course.

Located just seven miles from the famous Las Vegas Strip, the City of Henderson is known throughout the nation for its premiere master planned residential communities, outstanding parks and recreational facilities, cultural activities, and business community.

The City maintains 22 active governmental funds, including the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds as well 12 Proprietary Funds, including Enterprise Funds and Internal Service Funds. The total revenue and other financing sources (e.g. debt proceeds, land sales, etc.), excluding transfers-in for Fiscal Year 2017 is \$527.5 million. Of this amount, the General Fund represented \$247.6 million, or 47% of the total revenue. The City's Proprietary Funds generated \$191.1 million in operating and \$9.2 million in non-operating revenue, for a combined \$200.3 million, or 38% of the total revenue.

The General Fund is the largest of the City's funds and comprises of most of the core functions for the City including, General Government, Judicial, Public Safety, Public Works, Culture & Recreation, and Community Support.

The General Fund largest expenses for Fiscal Year 2017 consisted of 58% for Public Safety, 18% General Government, and 15% for Culture & Recreation.

As of June 30 2017, the total City assets exceeded its liabilities by \$2.44 billion (net position). Governmental Accounting Standards Board Statement (GASB) 68, Accounting and Financial Reporting for Pensions, requires the City to record its proportionate share of the collective net pension liability of the Nevada Public Employees Retirement System and related deferred inflows and outflows. However, per Nevada Revised Statutes, respective participating public employers are not liable for any obligation of the Public Employees Retirement System, as of June 30, 2017, the City had unrestricted net assets of \$312 million excluding the net pension liability.

Looking Ahead to Fiscal Year 2018

The City's General Fund is highly dependent on consolidated tax (primarily consisting of sales taxes) and property taxes. Visitor volume in the Las Vegas valley reached the highest level it has ever been, a record high of 42.97 million visitors for the year ending January 2017. Visitor spending also reached the highest level it has ever been with spending exceeding \$35.5 billion in 2016. Additionally, the assessed valuations in the City of Henderson are expected to increase for the Fiscal Year 2018 by approximately 5.3%. Although these increases do not represent a one-for-one increase in tax revenue the City is anticipating moderate revenue growth for the coming year.

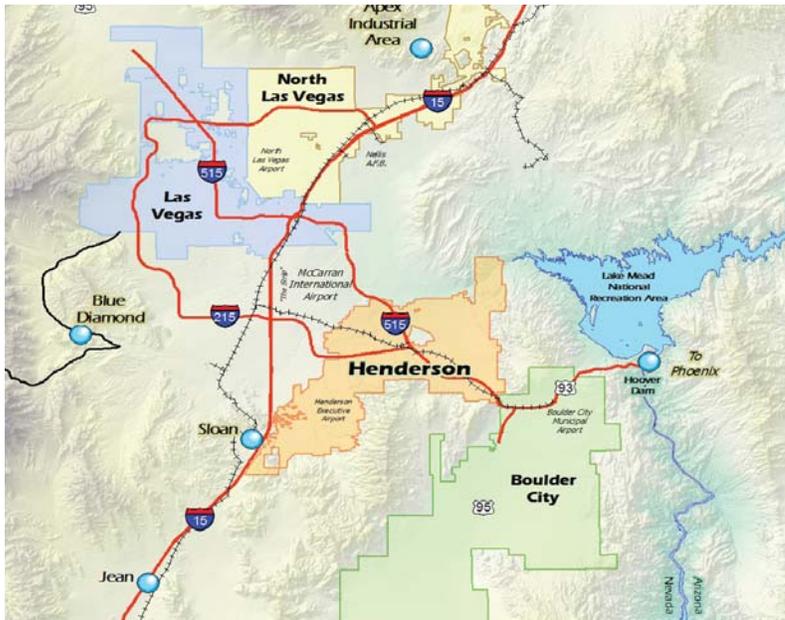
As municipal stewards, it is essential that the financial integrity of the City is maintained regardless of the effects of outside forces and economic conditions. With the economy having been in growth mode for a few years now, the City must prepare for the next economic decline. To this end, the City intends to build up reserves beyond the requirements outlined in the Financial Management Policy statements in order to be prepared for the next downturn as it was for the last. This is an important step in keeping on the road to attaining our vision of being America's Premier Community.





Community Profile

Map of Henderson and Surrounding Area



AT A GLANCE

Median Age	40.9
Median Household Income	\$63,120
Elevation	1,940
Full-Service & Specialty Hospitals	6
Public Libraries	4
Schools	
Elementary	25
Middle	7
High	6
Colleges & Universities	11

Incorporated in 1953, the City of Henderson received its charter in 1965 from the Nevada State Legislature. The city charter established a council/manager form of government, in which the Mayor and Council are vested with the legislative power of the City and the City Manager is responsible for executive duties and administration of the City.

The Mayor and four City Council members are elected at large on a nonpartisan basis, although no two council members can be from the same ward of the City's four wards. The Council appoints a City Manager, City Attorney, and City Clerk who directly report to the Council. All other City department heads, including the Police Chief and the Fire Chief, are hired by the City Manager.

Accomplishments

Henderson Fire was awarded the Silver Media Award for Cardiac Care from the American Heart Association.

Parks & Recreation oversaw daily youth enrollments of 362,201 for Kidzone summer camps and Sakekey programs.

Henderson Police's Forensics lab was the first in Nevada to develop the ability to screen for and confirm Ambien (Zolpidem) in the blood for DUI screening.

Redevelopment Agency provided over \$200K in grant awards for the Downtown and Eastside redevelopment areas generating more than \$1.2 million in investment activity.

In FY 2017, the City broke ground on its 10th fire station, located within the Inspirada master-planned community.

City Shop fleet contains nearly 1,400 vehicles and pieces of equipment and was named a Top 100 fleet in North America by NAFA in 2017.



Recreation and Attractions



Recreation Centers: 8

Including the Heritage Park Senior Facility and the largest multigenerational center in the state

Ball Fields/Multi-Use Fields: 105

Including one of the largest multi-use sports complexes in the state

City Parks: 64

Including the Henderson Bird Viewing Preserve

Tennis Courts: 64

many lighted

Public Pools: 15

in 7 locations,
including 3 aquatic complexes

Golf Courses: 10

6 Public | 1 Municipal | 3 Private

Performing Arts Centers: 2

6,500+ seat Henderson Pavilion and 500-seat
Henderson Events Plaza Amphitheatre

Cultural Events

Many cultural events including the Southern Nevada Sons and Daughters of Erin St. Patrick's Day Parade & Festival

Trails

More than 120 miles of bicycles and pedestrian trails

Hotels & Resorts

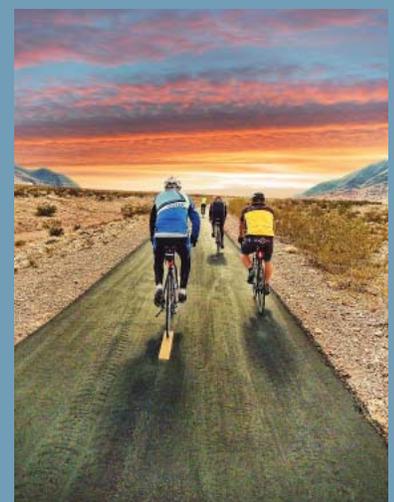
Offering gaming, shows, concerts, fine dining,
spas, and luxury accommodations

Shopping

Galleria at Sunset is the largest commercial corridor in the state
(Sunset Road and Stephanie Street area)
MonteLago Village at Lake Las Vegas Resort
The District at Green Valley Ranch

Water Street District

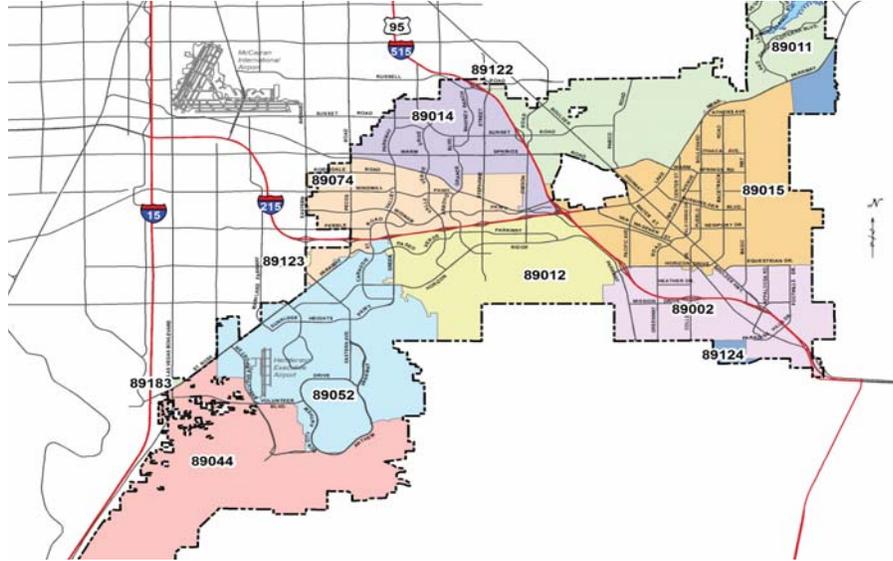
Cultural arts, special events, art galleries, shopping and dining



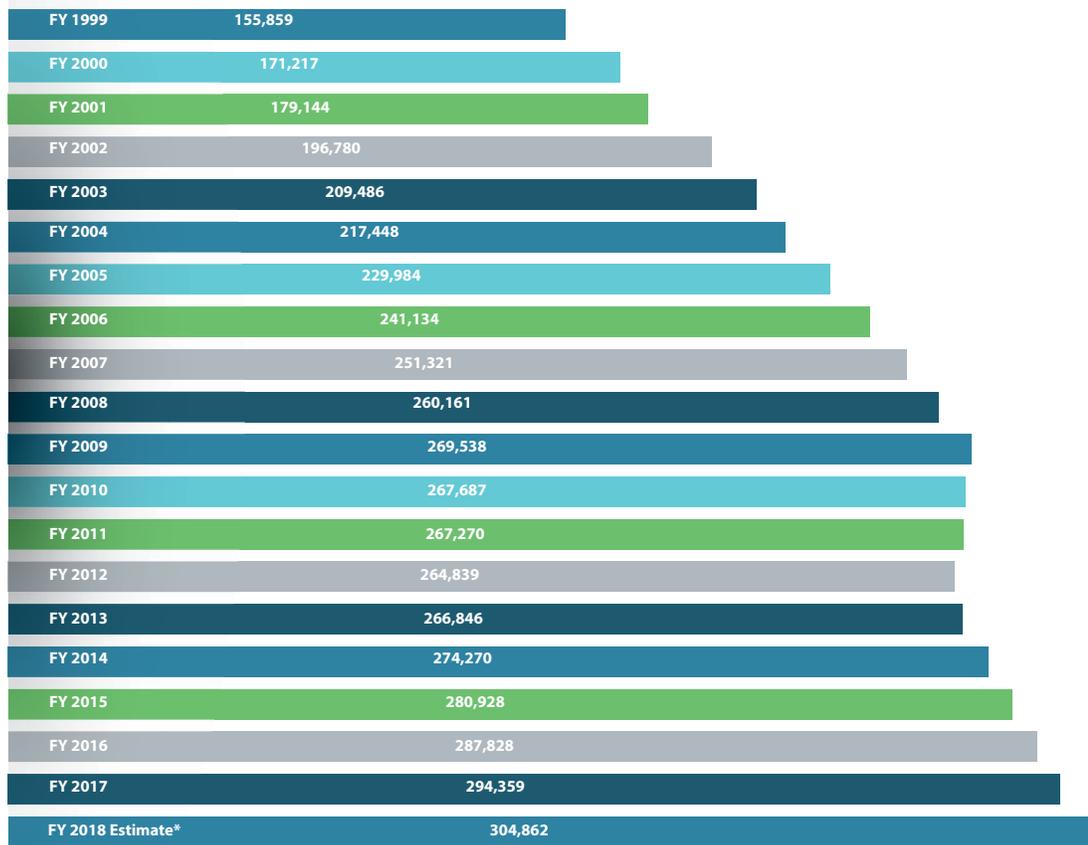


City of Henderson Demographics

Map of Henderson Zip Codes



Population as of July 1 of each fiscal year



*Information for Fiscal Year 2018 provided by the City of Henderson Community Development Department. Information for 2017 and prior provided by the Nevada State Demographer.



City of Henderson Demographics



	Henderson Zip Codes								
	89002	89011	89012	89014	89015	89044	89052	89074	89124
Population	35,209	27,640	35,193	41,629	41,963	19,653	57,421	52,803	7,760
Household Income									
Less than \$15,000	6.2%	9.3%	8.2%	10.4%	14.5%	7.5%	7.3%	6.9%	9.0%
\$15,000 - \$24,999	7.6%	9.8%	8.0%	8.5%	10.0%	4.8%	6.4%	6.6%	5.4%
\$25,000 - \$34,999	8.0%	10.7%	7.5%	11.2%	9.2%	11.2%	7.3%	9.0%	6.8%
\$35,000 - \$49,999	10.2%	13.6%	12.4%	16.8%	14.2%	11.2%	10.4%	13.0%	10.1%
\$50,000 - \$74,999	19.5%	18.8%	19.0%	21.7%	20.5%	17.0%	18.0%	20.0%	14.9%
\$75,000 - \$99,999	17.9%	15.2%	15.2%	12.8%	13.1%	14.7%	14.3%	16.0%	12.9%
\$100,000 - \$149,999	20.0%	14.2%	17.6%	11.7%	12.4%	19.2%	19.4%	15.7%	21.7%
\$150,000 - \$199,999	6.7%	4.0%	5.9%	4.0%	3.4%	8.2%	7.6%	6.4%	7.5%
\$200,000 and Over	3.9%	4.3%	6.1%	2.8%	2.7%	6.2%	9.4%	6.4%	11.7%
Average Household	\$84,068	\$75,789	\$87,120	\$67,590	\$65,836	\$91,153	\$101,227	\$87,293	\$107,383
Median Household	\$72,954	\$57,811	\$67,078	\$53,153	\$51,980	\$71,440	\$76,021	\$66,932	\$82,476
Age									
Under 18	25.4%	23.1%	20.9%	20.2%	23.1%	16.3%	19.8%	18.9%	13.1%
18-24	9.0%	7.6%	7.5%	10.1%	9.1%	4.2%	7.0%	8.8%	13.6%
25-34	12.7%	15.1%	10.8%	17.4%	12.4%	9.2%	10.8%	13.7%	20.2%
35-44	14.6%	14.9%	13.5%	13.4%	12.3%	12.2%	13.5%	13.0%	17.1%
45-54	14.4%	13.3%	14.0%	13.3%	13.6%	10.5%	13.7%	14.3%	16.0%
55-64	11.7%	13.2%	12.1%	12.6%	13.3%	19.8%	14.0%	14.5%	11.6%
65+	12.3%	12.9%	21.1%	13.0%	16.1%	28.0%	21.3%	16.7%	8.4%
Average Age	37.5	38.6	42.6	38.8	39.7	48	43.4	41.6	37.5
Median Age	37.4	38.5	43.6	37.5	39.5	53.8	45.1	41.9	35.4
Housing Units									
Total	12,754	12,131	14,437	17,597	15,820	9,196	24,426	21,252	954
Types of Dwelling									
Single Family	81.2%	59.9%	68.3%	45.6%	70.1%	93.4%	73.4%	64.3%	62.4%
Condominium	0.0%	8.6%	4.6%	8.9%	2.8%	0.2%	8.5%	9.0%	1.7%
Townhome	7.7%	12.2%	6.7%	7.5%	3.2%	5.6%	3.6%	8.3%	0.0%
Plexes (2-4)	0.0%	0.8%	0.0%	0.5%	2.3%	0.0%	0.4%	0.0%	0.0%
Mobile Home	2.5%	1.3%	0.0%	0.1%	3.2%	0.8%	0.0%	1.7%	36.0%
Apartment	8.6%	17.2%	20.4%	37.3%	18.4%	0.0%	14.1%	16.7%	0.0%

Note: Henderson also has small portions of 89183 and there are small areas outside of Henderson in 89052, 89074 & 89011
 Source: Las Vegas Perspective 2017.



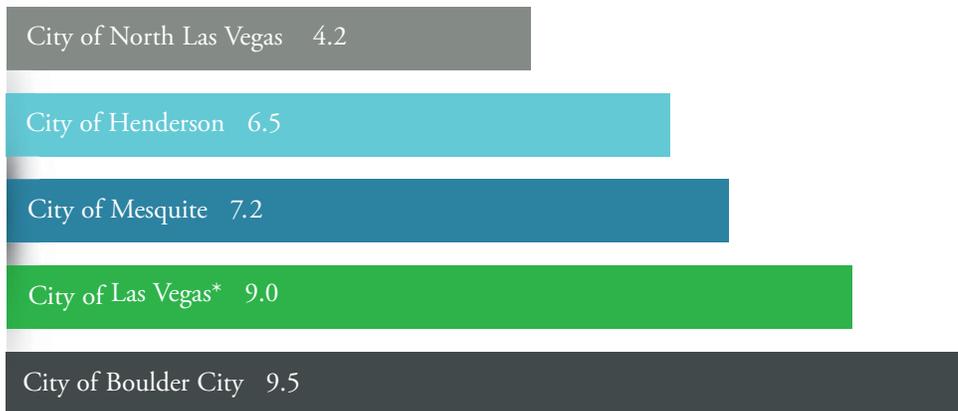
Population & Assessed Valuation



	FY 2016 Actuals	FY 2017 Estimated	% Increase	FY 2018 Projected	% Increase
Population					
Henderson	287,828	294,359	2.3%	304,862	3.6%
Clark County	2,069,450	2,118,353	2.4%	2,166,181	2.3%
Las Vegas	610,637	620,935	1.7%	640,174	3.1%
North Las Vegas	230,491	235,395	2.1%	240,708	2.3%
Boulder City	15,627	15,813	1.2%	16,298	3.1%
Mesquite	18,262	19,061	4.4%	19,991	4.9%
Assessed Valuation					
Henderson	\$10,630,915,219	\$11,630,054,583	9.4%	\$12,249,146,315	5.3%
Clark County*	69,258,468,466	74,586,653,697	7.7%	78,880,943,791	5.8%
Las Vegas	15,520,077,988	16,578,456,154	6.8%	17,398,113,297	4.9%
North Las Vegas	5,505,886,141	6,064,962,361	10.2%	6,393,383,561	5.4%
Boulder City	671,380,330	687,380,048	2.4%	750,952,113	9.2%
Mesquite	641,450,284	681,450,543	6.2%	717,650,917	5.3%

* Less net proceeds from mining
Source: S-2 form from State Budget Forms

Number of Full-Time Employees (per 1,000 residents)



* Includes Las Vegas portion of the Las Vegas Metropolitan Police and the Las Vegas Valley Water District. Employment reported April 2017.



Property Tax



Overlapping Property Tax Rate Breakdown

	FY 2018
State	\$ 0.1700
Clark County Operating	0.6541
School District	
Operating	0.7500
Debt	0.5534
Sub-total School District	1.3034
City of Henderson	
Operating	0.3198
Voter Approved Overrides	0.2310
Debt	0.1600
Sub-total City	0.7108
Special Districts	
Henderson Library District	0.0602
Sub-total Special Districts	0.0602
Total Property Tax Rate	\$ 2.8985

Note: Tax rates stated per \$100 of assessed valuation. Source: Nevada Department of Taxation Property Tax Rates for Nevada local governments

The City receives only 24 percent of your property tax dollars. A home with a taxable value of \$235,000 will provide the equivalent of \$48.75 per month in property tax support for City of Henderson services, including:

24-Hour Police Protection

24-Hour Emergency Medical Service

24-Hour 9-1-1 Service

Maintained Streets, Lighting and Flood Control

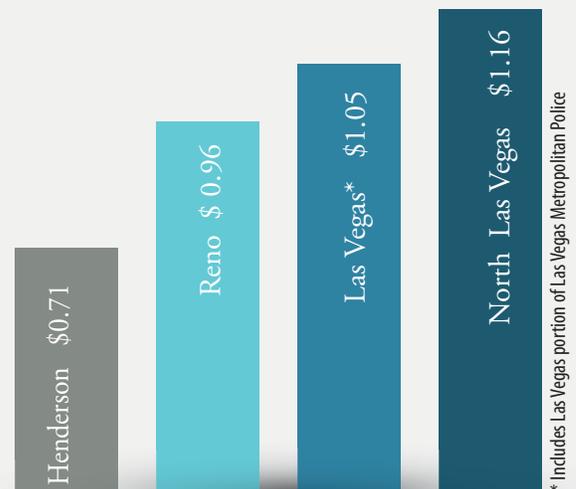
Recreational Programming for All Ages

Parks Operations and Maintenance

Code Enforcement Services

Comprehensive Land-Use Planning

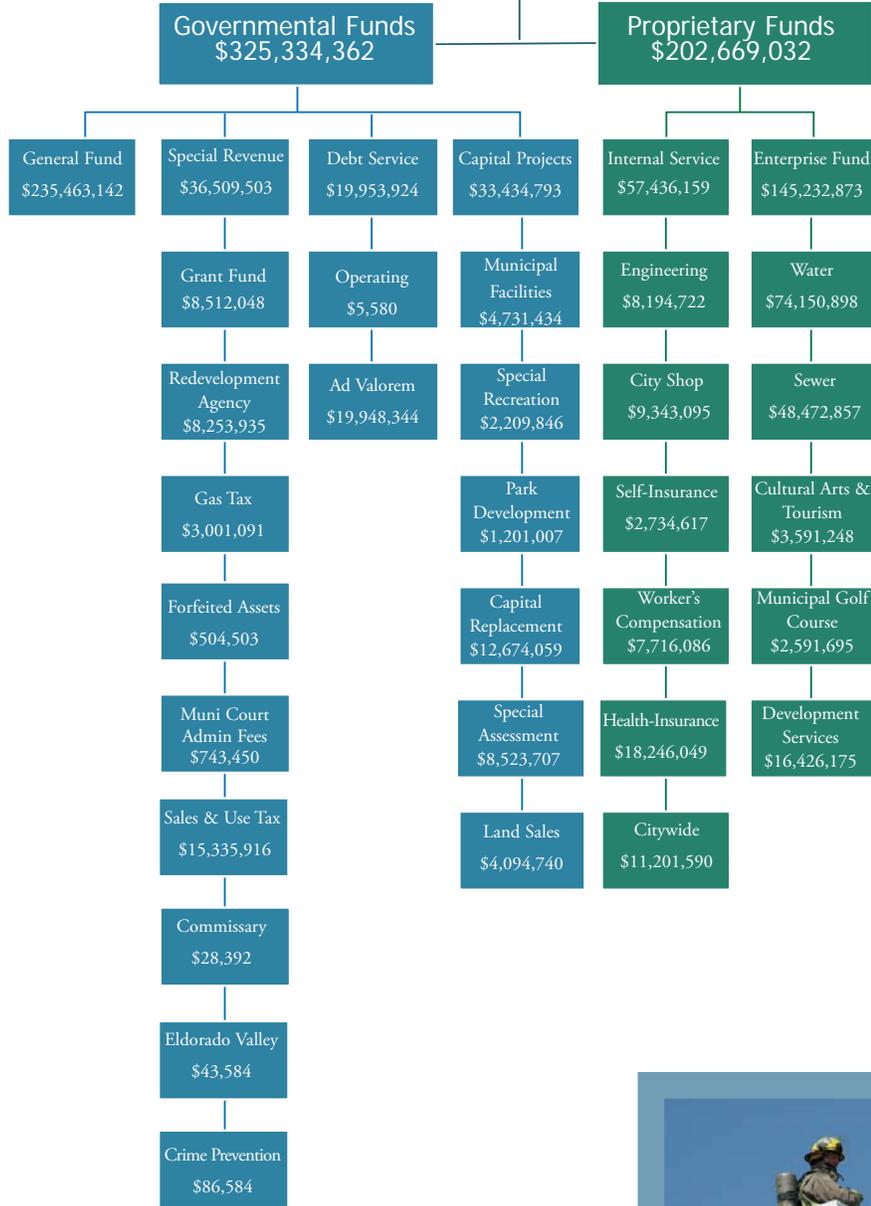
Property Tax Rate Comparison





Fund Overview

Total Expense - All City Funds
\$528,003,394



 Modified Accrual Basis of Accounting

 Full Accrual Basis of Accounting



Budget by Funding Source



Department	Fund																						
	General	Commissary	Crime Prevention	Eldorado Valley	Forfeited Assets	Grants	Muni Court Admin Fees	Sales and Use Tax	Capital Replacement	Special Recreation	City Shop	Citywide	Engineering	Health Insurance	Self-Insurance Liability	Workmen's Compensation	Convention Center & Tourism	Cultural Arts	Development Services	Sewer	Water	Redevelopment	
City Attorney's Office	✓					✓									✓								
City Clerk's Office	✓																						
City Manager's Office	✓																						
Comm Development & Services	✓					✓														✓			
Development Service Center	✓																		✓				
Econ Development & Tourism	✓																✓						
Finance	✓														✓								
Fire	✓								✓							✓							
Human Resources	✓												✓		✓								
Information Technology	✓										✓								✓				
Mayor & City Council	✓																						
Miscellaneous	✓																						
Municipal Court	✓						✓																
Parks and Recreation	✓					✓			✓	✓								✓					
Police	✓	✓	✓	✓	✓	✓	✓		✓														
Public Affairs	✓																	✓					
Public Works	✓					✓			✓	✓	✓								✓				
Redevelopment																							✓
Utility Services																				✓	✓		

- General Fund
- Capital Project
- Enterprise Funds
- Special Revenue Funds
- Internal Service Funds
- Redevelopment Fund



Key Fact

The City of Henderson has been named a Playful City USA Community for ten straight years by KaBOOM!, a national nonprofit dedicated to saving children's play.





Governmental Funds

	FY 2016 Actuals	FY 2017 Actuals
Beginning Fund Balance	\$ 214,062,947	\$ 208,193,199
Revenues		
Property Taxes	72,798,983	75,776,363
Franchise Fees	32,656,108	32,323,065
Licenses and Permits	9,536,717	10,194,059
Intergovernmental Resources	130,520,784	140,150,676
Charges for Services	31,159,845	30,198,902
Fines and Forfeits	5,859,243	6,234,757
Developer Contributions	9,664,234	2,282,571
Special Assessments	150,382	90,145
Miscellaneous	7,422,372	5,599,759
Total Revenues	\$ 299,768,668	\$ 302,850,297
Other Financing Sources		
Issuance of Refunding Bonds	\$ 9,365,000	\$ 8,345,000
Premium on Refunding Bonds Issued	475,559	2,426,713
Debt Issuance Proceeds	-	4,355,000
Proceeds From Land Sales	2,696,014	9,242,809
Transfers In	12,597,062	16,876,307
Total Other Financing Sources	\$ 25,133,635	\$ 41,245,829
Total Revenue & Other Financing Sources	\$ 324,902,303	\$ 344,096,126
Total Resources	\$ 538,965,250	\$ 552,289,325
Expenditures by Function		
General Government	\$ 49,117,385	\$ 52,842,564
Judicial	13,054,709	13,014,000
Public Safety	147,990,696	158,698,934
Public Works	42,169,541	34,567,085
Culture and Recreation	39,443,015	40,836,742
Community Support	5,827,377	4,845,323
Debt Service	21,489,543	20,556,714
Total Expenditures	\$ 319,092,266	\$ 325,361,362
Other Financing Uses		
Operating Transfers Out	\$ 11,679,785	\$ 16,824,483
Total Expenditures & Other Financing Uses	\$ 330,772,051	\$ 342,185,845
Ending Fund Balance (EFB)	\$ 208,193,199	\$ 210,103,480
Total Commitments and EFB	\$ 538,965,250	\$ 552,289,325

Key Fact

The City of Henderson's debt is rated AA+ by Standard & Poor and Aa2 by Moody's Investor Services



Proprietary Funds



	Enterprise Funds		Internal Service Funds		Total	
	2016	2017	2016	2017	2016	2017
Revenues						
Utilities Fees	\$ 111,364,958	\$ 116,417,969	\$ -	\$ -	\$ 111,364,958	\$ 116,417,969
Connection Fees	1,299,232	1,423,277	-	-	1,299,232	1,423,277
Late Charges	2,015,918	1,941,745	-	-	2,015,918	1,941,745
Charges for Services	14,973,244	15,387,145	47,353,262	49,713,091	62,326,506	65,100,236
Licenses and Permits	6,300,170	4,875,656	-	-	6,300,170	4,875,656
Intergovernmental	357,771	755,286	-	-	357,771	755,286
Rental Fees	357,882	300,030	-	-	357,882	300,030
Miscellaneous	349,174	243,484	-	-	349,174	243,484
Total Operating Revenues	\$ 137,018,349	\$ 141,344,592	\$ 47,353,262	\$ 49,713,091	\$ 184,371,611	\$ 191,057,683
Operating Expenses						
Salaries and Wages	\$ 28,239,475	\$ 30,106,548	\$ 7,509,909	\$ 8,052,584	\$ 35,749,384	\$ 38,159,132
Employee Benefits	10,899,851	13,080,427	2,887,059	3,376,188	13,786,910	16,456,615
Water Purchases	23,562,520	24,918,378	-	-	23,562,520	24,918,378
Services and Supplies	44,759,629	48,009,786	21,073,425	21,219,363	65,833,054	69,229,149
Claims and Judgements	-	-	16,522,654	21,334,772	16,522,654	21,334,772
Legal Fees	-	-	19,334	20,678	19,334	20,678
Depreciation & Amortization	25,626,915	25,076,558	3,033,976	3,425,523	28,660,891	28,502,081
Total Operating Expenses	\$ 133,088,390	\$ 141,191,697	\$ 51,046,357	\$ 57,429,108	\$ 184,134,747	\$ 198,620,805
Operating Income (Loss)	\$ 3,929,959	\$ 152,895	\$ (3,693,095)	\$ (7,716,017)	\$ 236,864	\$ (7,563,122)
Nonoperating Revenues (Exp.)						
Investment Income	\$ 2,695,143	\$ 26,858	\$ 835,682	\$ (39,752)	\$ 3,530,825	\$ (12,894)
Gain (Loss) on Capital Asset	(1,115,435)	-	341,836	286,002	(773,599)	286,002
Interest Expense	(4,400,253)	(4,036,714)	(12,001)	(31,010)	(4,412,254)	(4,067,724)
Room Tax Revenue	2,215,626	2,334,237	-	-	2,215,626	2,334,237
Sales Tax Revenue	4,936,427	5,203,111	-	-	4,936,427	5,203,111
Other Intergovernmental Rev.	1,391,738	1,006,160	-	-	1,391,738	1,006,160
Miscellaneous	1,242	26,804	273,645	365,136	274,887	391,940
Total Nonoperating Revenues (Exp.)	\$ 5,724,488	\$ 4,560,456	\$ 1,439,162	\$ 580,376	\$ 7,163,650	\$ 5,140,832
Income (Loss)	\$ 9,654,447	\$ 4,713,351	\$ (2,253,933)	\$ (7,135,641)	\$ 7,400,514	\$ (2,422,290)
Capital Contributions						
Capital Contributions	\$ 31,156,779	\$ 24,046,273	\$ 1,385,049	\$ 1,177,919	\$ 32,541,828	\$ 25,224,192
Transfers						
Operating Transfers In	286,754	217,000	1,437,663	3,087,623	1,724,417	3,304,623
Operating Transfers Out	(2,618,694)	(1,919,236)	(23,000)	(1,437,211)	(2,641,694)	(3,356,447)
Change in Net Position	\$ 38,479,286	\$ 27,057,388	\$ 545,779	\$ (4,307,310)	\$ 39,025,065	\$ 22,750,78
Net Position, Beginning of Year	\$ 963,485,052	\$ 1,001,964,338	\$ 46,483,267	\$ 47,029,046	\$ 1,009,968,319	\$ 1,048,993,384
Net Position, End of Year	\$ 1,001,964,338	\$ 1,029,021,726	\$ 47,029,046	\$ 42,721,736	\$ 1,048,993,384	\$ 1,071,743,462

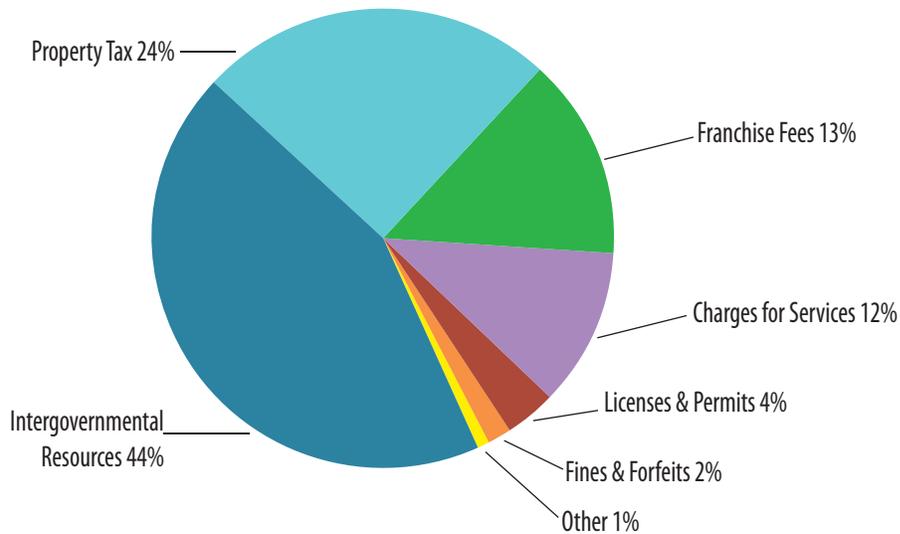




General Fund - Revenue

	FY 2016 Actuals	FY 2017 Actuals
Beginning Fund Balance	\$ 22,740,756	\$ 24,891,984
Revenues		
Property Taxes	58,704,114	60,270,195
Franchise Fees	32,656,108	32,323,065
Licenses and Permits	9,536,717	10,194,059
Intergovernmental Resources	101,701,703	107,847,459
Charges for Services	30,835,680	29,865,473
Fines and Forfeits	4,836,051	4,923,361
Impact Fees	817,801	868,941
Investment Income	397,467	237,295
Miscellaneous	594,283	1,098,498
Total Revenues	\$ 240,079,924	\$ 247,628,346
Other Financing Sources		
Transfers In	\$ -	\$ -
Total Other Financing Sources	\$ -	\$ -
Total Revenue & Other Financing Sources	\$ 240,079,924	\$ 247,628,346
Total Resources	\$ 262,820,680	\$ 272,520,330

Where the Money Comes From General Fund

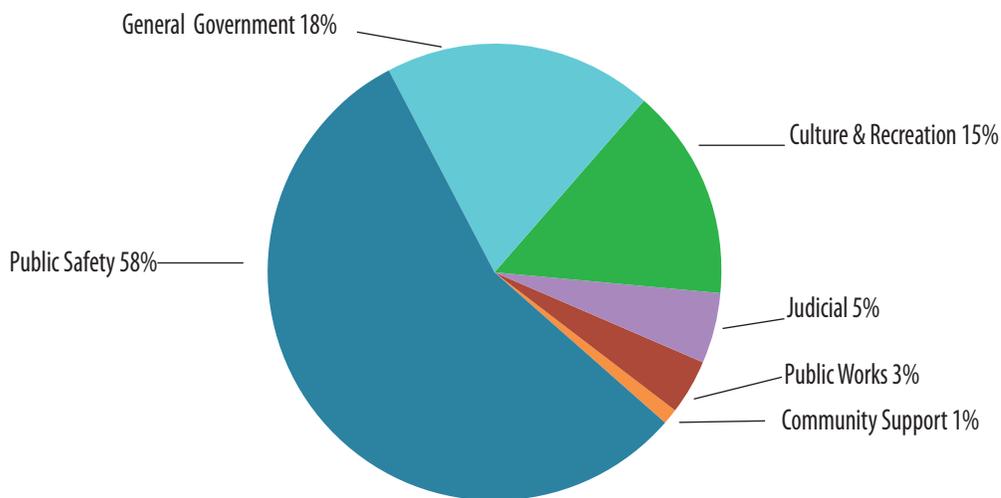


General Fund- Expenditures



	FY 2016 Actuals	FY 2017 Actuals
Expenditures by Function		
General Government	\$ 40,934,315	\$ 41,811,060
Judicial	11,860,113	12,135,130
Public Safety	130,677,127	135,773,263
Public Works	8,388,692	8,676,117
Culture and Recreation	34,977,815	35,625,658
Community Support	1,534,411	1,441,914
Total Expenditures	\$ 228,372,473	\$ 235,463,142
Other Financing Uses		
Operating Transfers Out	\$ 9,556,223	\$ 10,654,529
Total Expenditures & Other Financing Uses	\$ 237,928,696	\$ 246,117,671
Ending Fund Balance (EFB)	\$ 24,891,984	\$ 26,402,659
Total Commitments and EFB	\$ 262,820,680	\$ 272,520,330

Where the Money Is Spent by function - General Fund



Key Fact

For the fifth consecutive year the City of Henderson has ranked among the top ten safest cities with a population over 200,000 by Law Street Media.





Statement of Net Position

(amounts in thousands)	Governmental Activities		Business-type Activities		Total	
	2016	2017	2016	2017	2016	2017
Assets						
Pooled Cash and Investments	\$ 250,087	\$ 249,185	\$ 209,832	\$ 217,069	\$ 459,919	\$ 466,254
Other Assets	107,768	107,943	(24,170)	(26,212)	83,598	81,731
Capital Assets	1,595,545	1,654,124	970,821	980,688	2,566,366	2,634,812
Total Assets	\$ 1,953,400	\$ 2,011,252	\$ 1,156,483	\$ 1,171,545	\$ 3,109,883	\$ 3,182,797
Deferred Outflows						
Deferred Outflows of Resources	\$ 58,080	\$ 94,499	\$ 14,013	\$ 19,361	\$ 72,093	\$ 113,860
Total Assets & Deferred Outflows of Resources	\$ 2,011,480	\$ 2,105,751	\$ 1,170,496	\$ 1,190,906	\$ 3,181,976	\$ 3,296,657
Liabilities						
Accounts Payable	\$ 13,910	\$ 13,195	\$ 8,866	\$ 11,787	\$ 22,776	\$ 24,982
Accounts Wages	4,614	5,199	844	993	5,458	6,192
Other Liabilities	520,596	575,054	195,078	190,290	715,674	765,344
Total Liabilities	\$ 539,120	\$ 593,448	\$ 204,788	\$ 203,070	\$ 743,908	\$ 796,518
Deferred Inflows						
Deferred Inflows of Resources	\$ 40,280	\$ 29,868	\$ 6,125	\$ 4,440	\$ 46,406	\$ 34,308
Total Liabilities & Deferred Inflows of Resources	\$ 579,400	\$ 623,316	\$ 210,913	\$ 207,510	\$ 790,313	\$ 830,826
Net Position						
Net Investment in Capital Assets	\$ 1,476,901	\$ 1,535,573	\$ 856,794	\$ 878,228	\$ 2,333,695	\$ 2,413,801
Restricted	154,849	151,196	2,499	2,647	157,349	153,843
Unrestricted (deficit)	(199,669)	(204,334)	100,289	102,521	(99,380)	(101,813)
Total Net Position	\$ 1,432,081	\$ 1,482,435	\$ 959,582	\$ 983,396	\$ 2,391,663	\$ 2,465,831



Outstanding Debt



Summary of Bonds Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
General Obligation Bonds	\$ 95,069,000	\$ 103,450,000	\$ -	\$ -	\$ 95,069,000	\$ 103,450,000
Tax Allocation Bonds	9,365,000	9,140,000	-	-	9,365,000	9,140,000
Water and Sewer Bonds	-	-	111,857,000	100,714,234	111,857,000	100,714,234
Other	12,589,000	2,648,500	-	-	12,589,000	2,648,500
Total Debt Outstanding	\$ 117,023,000	\$ 115,238,500	\$ 111,857,000	\$ 100,714,234	\$ 228,880,000	\$ 215,952,737

Future Debt Service Requirements

For the Year Ending June 30,	Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 11,644,014	\$ 4,437,604	\$ 4,525,000	\$ 4,421,305
2019	10,290,678	3,914,403	4,660,000	4,297,976
2020	4,027,772	3,408,559	7,965,000	4,123,304
2021	4,215,312	3,216,019	6,300,000	3,821,569
2022	4,418,312	3,014,268	6,625,000	3,555,644
2023-2027	23,736,138	11,784,513	29,550,000	13,709,188
2028-2032	29,162,008	6,024,913	25,630,000	7,816,438
2023-2037	13,220,000	798,000	18,195,000	1,848,000
Total	\$ 100,714,235	\$ 36,598,279	\$ 103,450,000	\$ 43,593,424

For the Year Ending June 30,	Tax Allocation Bonds		Other Long-Term Debt Obligations	
	Principal	Interest	Principal	Interest
2018	\$ 230,000	\$ 387,600	\$ 1,287,500	\$ 129,369
2019	240,000	379,350	1,361,000	67,642
2020	250,000	368,300	-	-
2021	265,000	355,425	-	-
2022	275,000	341,925	-	-
2023-2027	1,605,000	1,482,625	-	-
2028-2032	2,045,000	1,040,888	-	-
2023-2037	2,485,000	601,338	-	-
2038-2042	1,745,000	106,500	-	-
Total	\$ 9,140,000	\$ 5,063,951	\$ 2,648,500	\$ 197,011



Glossary of Terms



Ad Valorem Taxes - Property taxes.

Accounts Payable - Items the City owes to individuals and companies who supply a service or good, and the expected payment is within twelve months.

Assessed Valuation - A valuation set upon real estate or other property by a government as a basis for levying taxes - 35% of market value.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

Bond - A written promise to pay a specified sum of money at a fixed time in the future, and carrying interest at a fixed rate, usually payable periodically.

Capital Assets - Assets including land, improvement to land, easements, building, vehicles, infrastructure, and all other tangible or intangible assets that are used in operations and have initial useful lives that extend beyond a single reporting period.

Capital Projects Funds - Capital Projects Funds are governmental funds used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Comprehensive Annual Financial Report (CAFR) - Financial report that provides information on each individual fund.

Consolidated Tax - Compilation of sales, cigarette, liquor, personal property transfer, basic city county relief tax (BCCRT), supplemental city county relief tax (SCCRT), government services tax and motor vehicle privilege tax revenues that are distributed by the state.

Debt Service - The amount of interest and principal that the City must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

Deferred Inflow of Resources - An acquisition of net position by the government that is applicable to a future reporting period.

Deferred Outflow of Resources - A consumption of net position by the government that is applicable to a future reporting period.

Enterprise Funds - Enterprise Funds are proprietary funds used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expense incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiscal Year - A 12-month period designated as the operating year for accounting and budgeting purposes in an organization; the City has a fiscal year from July 1 through the following June 30.



Glossary of Terms



Fund Balance - The excess of the assets of a fund over its liabilities, reserves and carryover.

Governmental Accounting Standards Board (GASB) - The independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local government.

Generally Accepted Accounting Principles (GAAP) - Conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

General Fund - A fund established to account for resources and costs of operations associated with the City which are not required to be accounted for in other funds.

General Obligation Bond - Bonds that finance a variety of public projects such as streets, buildings and improvements; the repayment of these bonds is usually made from the debt portion of property taxes, and these bonds are backed by the full faith and credit of the issuing government.

Governmental Funds - Funds generally used to account for tax-supported activities. These include the general fund, special revenue funds, debt service funds and capital projects funds.

Internal Service Funds - Internal Service Funds are proprietary funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Intergovernmental Resources - Funds received from federal, state and other local government sources in the form of grants, shared revenues and payments in lieu of taxes.

Operating Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services of the recipient fund.

Other Assets - Include categories such as accounts receivable, inventories, prepaid items, land held for resale, and amounts owed from other governments.

Other Liabilities - Include amounts due to other entities, unearned revenues, deposits, interest, contract retention, and tax increments payable to developers.

Pooled cash and investments - The amount of physical cash held by the City in checking accounts and on hand for purposes of paying expenses. Investments are made up of funds not needed to pay current expenses and allows the City to earn interest on its cash.

Redevelopment - The Redevelopment Agency is a component of the City. The Agency uses tax increment financing funds to construct public improvements, acquire blighted property, relocate businesses, clean neighborhoods and public right-of-way, ease dilapidated buildings, and assist with the construction of large-scale commercial developments and affordable housing.

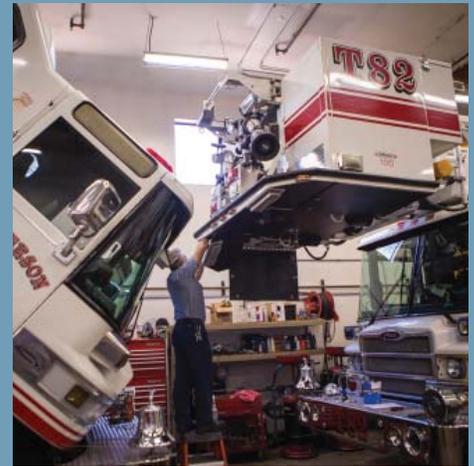
Resources - Total amounts available for appropriation including projected revenues, fund transfers, bond proceeds and beginning fund balances.

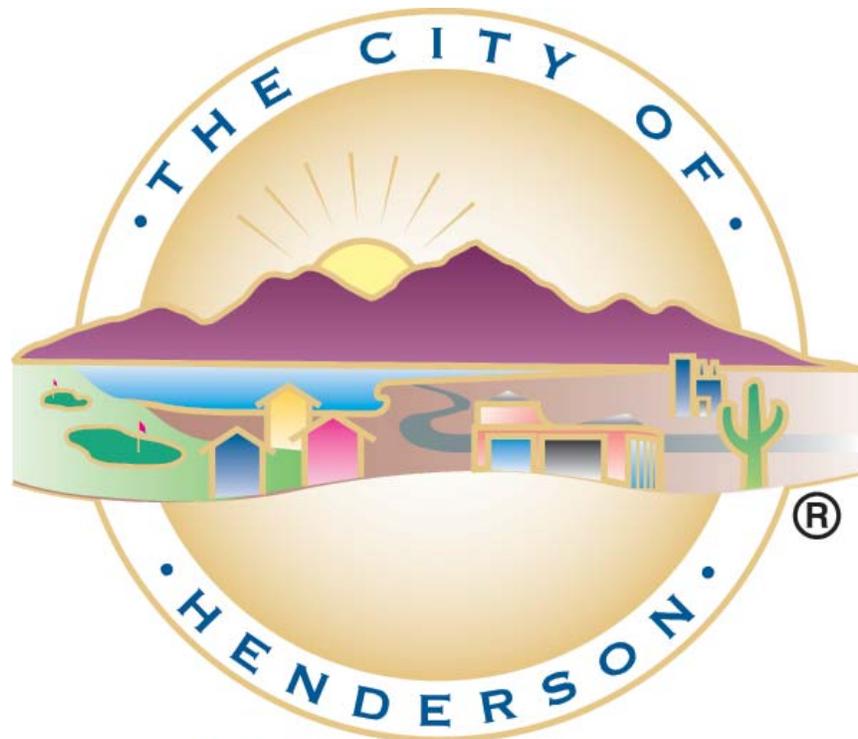
Restricted - The amount of assets or resources limited for a specific purposes.

Revenue-Supported Bonds - Bonds usually sold for constructing a project that will produce revenue for the government; that revenue is pledged to pay the principal and interest of the bond.

Special Revenue Funds - Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Unrestricted - The difference between assets and liabilities that are not already limited for a specific purposes, i.e. restricted.





A Place To Call Home



Debra March
Mayor

John F. Marz
Councilman

Gerri Schroder
Councilwoman

Dan K. Shaw
Councilman

Dan H. Stewart
Councilman

Robert A. Murnane
City Manager

Gregory W. Blackburn
Assistant City Manager

Richard A. Derrick
Assistant City Manager
& Chief Financial Officer

Bristol S. Ellington
Assistant City Manager

Jim McIntosh
Finance Director

CITY OF HENDERSON

240 S. Water St. | Henderson, NV 89015 | cityofhenderson.com