

FINANCIAL SECTION



HENDERSON™

Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

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Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Henderson, Nevada
Henderson, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Henderson, Nevada (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Grants Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the City, 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.

Adoption of New Accounting Standards

As discussed in Notes 1 and 14 to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, for the year ended June 30, 2023. Accordingly, the presentation and disclosure of the accounting changes in the financial statements conform to the requirements of the new standards for the year ended June 30, 2023, to restate beginning net position. Our opinions are not modified with respect to this matter.

As discussed in Notes 1 and 14 to the financial statements, the City has adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which has resulted in a restatement of the net position as of July 1, 2022 of the Governmental Activities, Business-Type Activities, Water Fund, and the Internal Services Funds. Our opinions are not modified with respect to this matter.

As discussed in Notes 1 and 14 to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended June 30, 2023. Accordingly, a restatement has been made to the net position of the Governmental Activities, the Business-Type Activities and the Water, Sewer, Development Services, and the Internal Services Funds as of July 1, 2022, to restate beginning net position. Our opinions are not modified with respect to this matter.

Emphasis of Matter

As discussed in Notes 14 to the financial statements, the City has reported a change in its reporting entity as described under the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, which has resulted in a restatement of the net position as of July 1, 2022 of the Development Services Fund and the Non-Major Enterprise Funds. Our opinions are not modified with respect to this matter.

Correction of Error

As discussed in Note 14 to the financial statements, the City has reported a correction of an error related to the Opioid Settlement as described under the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, which has resulted in a restatement of the fund balance of the General Fund and the net position of the Governmental Activities as of July 1, 2022. Our opinions are 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 the City'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 GAAS 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 GAAS 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 the City'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 the City'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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the City's total other post-employment benefits liability and related ratios, the schedule of the City's proportionate share of net pension liability, the schedule of the City's contributions, and the notes to the required supplementary information be presented to supplement the basic financial statements (together required supplementary information). 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 the City's basic financial statements. The combining and individual fund statements and schedules, schedule of business licenses, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requires for Federal Awards*, 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 fund statements and schedules, schedule of business licenses, and the schedule of expenditures of federal awards 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 and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements does 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 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 Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, on our consideration of the City'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 City'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 the City's internal control over financial reporting and compliance.



Reno, Nevada
December 14, 2023

As management of the City of Henderson, Nevada (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This discussion and analysis should be read in conjunction with the transmittal letter in the Introductory Section and the City's financial statements following this section.

Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources on June 30, 2023, by \$3,198,062,068 (net position). However, the City's governmental activities had a negative unrestricted net position of \$122,992,370 due to the recognition of estimated liabilities and deferred resources related to pension and other post-employment benefits (OPEB) totaling \$384,574,470 as of June 30, 2023.

During fiscal year 2023, the City's total net position increased by \$227,594,258.

As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$479,895,310, an increase of \$82,466,335 compared to the prior year. Approximately 10.8% of ending fund balances, or \$51,654,114, is available for spending at the City's discretion (i.e., unassigned fund balance).

As of June 30, 2023, unassigned fund balance in the General Fund was 16.1% of fiscal year 2023 expenditures in the General Fund.

Financial Statement Overview

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources with the net of these items reported as "net position." Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation, and community support. The business-type activities of the City include water and sewer operations, development services, and a municipal golf course.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All City funds are classified into one of three fund categories: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental funds' balance sheets and statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-five individual governmental funds as of June 30, 2023. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Grants Special Revenue Fund, both of which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The City adopts an annual, appropriated budget for all governmental funds. The budgetary comparisons for the City's General Fund and Grants Special Revenue Fund have been provided as a component of the basic financial statements to demonstrate compliance with these budgets. Budget comparisons for other funds are provided elsewhere in the report.

Proprietary Funds

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Information is presented separately in the proprietary funds statement of net position and statement of revenues, expenses and changes in net position for the Water Fund, Sewer Fund and the Development Services Fund, which are considered to be major funds. Data from the non-major enterprise fund is reflected in a single presentation elsewhere in the report.

Internal service funds are used by the City to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its engineering services, fleet operations, self-insurance activities, interfund loan activities for special assessment districts and general citywide services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is necessary to fully understanding the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning changes to the City's proportionate share of, and actuarially determined contribution to, the City's pension and OPEB provided to the City's employees, which is presented immediately following the notes to the financial statements.

Other Information

The combining statements referred to earlier in connection with non-major governmental funds, internal service funds and the non-major enterprise fund are presented immediately following the required supplementary information on pension and OPEB.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2023, the City is reporting net position of \$3,198,062,068. The following table provides a summary of the City's net position for the years ended June 30, 2023 and 2022.

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022 (as restated)	2023	2022	2023	2022 (as restated)
Assets						
Current, restricted and other	\$ 735,164,507	\$ 654,582,699	\$ 355,897,360	\$ 359,022,110	\$ 1,091,061,867	\$ 1,013,604,809
Capital	2,049,984,333	1,932,022,282	1,134,729,839	1,084,310,220	3,184,714,172	3,016,332,502
Total assets	2,785,148,840	2,586,604,981	1,490,627,199	1,443,332,330	4,275,776,039	4,029,937,311
Deferred outflows of resources	199,031,942	161,738,892	34,811,857	27,840,255	233,843,799	189,579,147
Liabilities						
Current	64,548,555	74,964,294	38,365,721	39,685,917	102,914,276	114,650,211
Other	875,170,264	581,566,349	302,309,739	255,769,582	1,177,480,003	837,335,931
Total liabilities	939,718,819	656,530,643	340,675,460	295,455,499	1,280,394,279	951,986,142
Deferred inflows of resources	28,981,775	231,280,583	2,181,716	34,063,900	31,163,491	265,344,483
Net position						
Net investment in capital assets	1,875,894,507	1,804,554,611	1,015,524,907	984,863,898	2,891,419,414	2,789,418,509
Restricted	262,578,051	255,344,130	5,552,256	6,284,594	268,130,307	261,628,724
Unrestricted	(122,992,370)	(199,366,095)	161,504,717	150,504,694	38,512,347	(48,861,401)
Total net position	\$ 2,015,480,188	\$ 1,860,532,646	\$ 1,182,581,880	\$ 1,141,653,186	\$ 3,198,062,068	\$ 3,002,185,832

The City's total net position increased by \$227,594,258 during the current fiscal year, comprised of an increase in governmental activities net position of \$182,149,512 and an increase in business-type activities net position of \$45,444,746.

At June 30, 2023, the largest portion of the City's net position, \$2,891,419,414, is its investment in capital assets (e.g., land, buildings, machinery and equipment, etc.), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

As of June 30, 2023, \$268,130,307 or 8.4% of the City's net position is subject to external restrictions on how it may be used. The remaining balance of net position, which is unrestricted, is a positive \$38,512,347.

City of Henderson, Nevada
Management's Discussion and Analysis
June 30, 2023

Summary Statement of Changes in Net Position

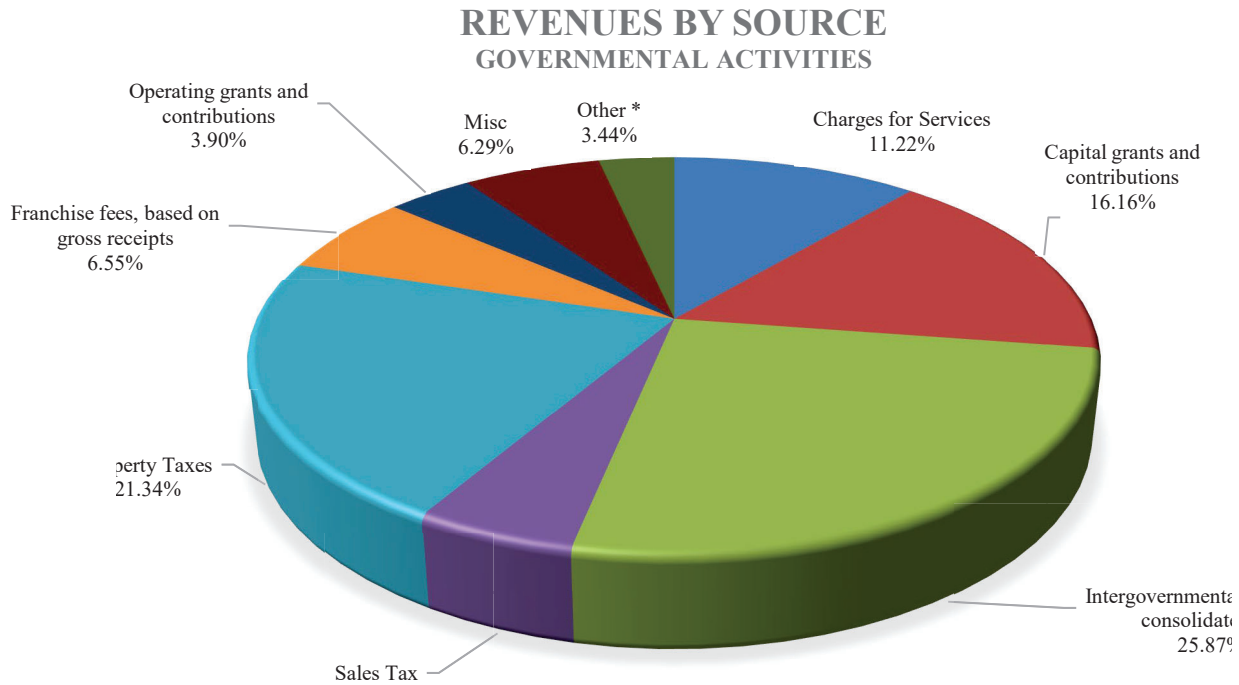
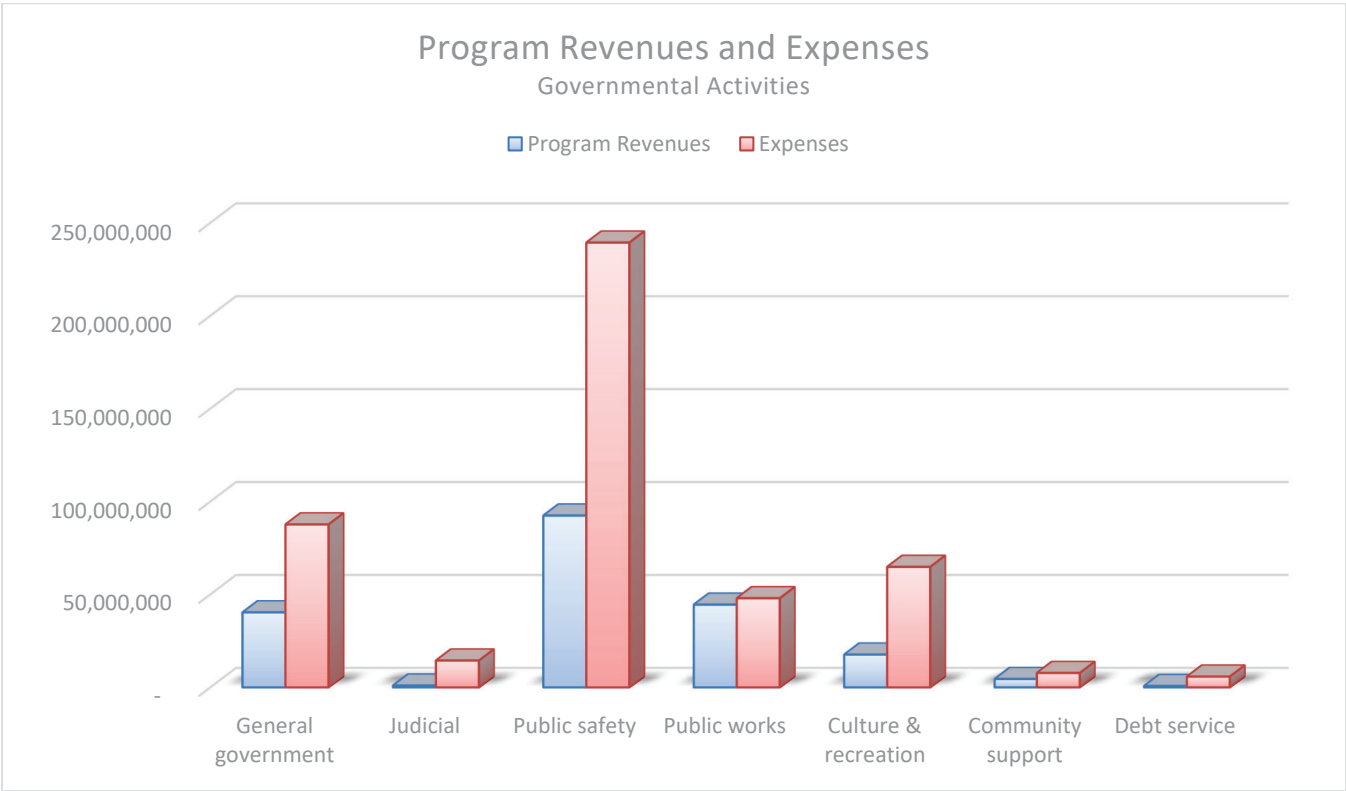
	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022 (as restated)	2023	2022	2023	2022 (as restated)
Revenue						
Program revenues						
Charges for services	\$ 72,141,948	\$ 55,838,386	\$ 171,286,328	\$ 169,847,868	\$ 243,428,276	\$ 225,686,254
Operating grants and contributions	25,090,187	31,996,027	-	-	25,090,187	31,996,027
Capital grants and contributions	103,890,018	150,350,840	66,302,423	54,897,595	170,192,441	205,248,435
General Revenues						
Property taxes	137,193,235	123,640,567	-	-	137,193,235	123,640,567
Room taxes	5,409,185	4,687,679	-	-	5,409,185	4,687,679
Intergovernmental revenues - consolidated tax	166,345,146	159,631,041	-	-	166,345,146	159,631,041
Motor vehicle fuel tax	6,540,620	6,432,542	-	-	6,540,620	6,432,542
Sales tax	33,624,601	30,516,522	8,798,299	8,163,986	42,422,900	38,680,508
Residential construction tax	1,238,477	2,084,754	-	-	1,238,477	2,084,754
Franchise fees, based on gross receipts	42,119,689	35,020,585	-	-	42,119,689	35,020,585
Unrestricted investment income	6,401,590	(9,421,147)	5,047,629	(7,247,037)	11,449,219	(16,668,184)
Gain on disposal of capital assets	2,544,802	4,582,005	35,079	-	2,579,881	4,582,005
Miscellaneous	40,424,588	4,079,719	1,129,728	797,193	41,554,316	4,876,912
Total revenues	642,964,086	599,439,520	252,599,486	226,459,605	895,563,572	825,899,125
Expenses						
General government	87,663,801	68,607,650	-	-	87,663,801	68,607,650
Judicial	14,419,554	11,189,513	-	-	14,419,554	11,189,513
Public safety	239,362,200	185,383,883	-	-	239,362,200	185,383,883
Public works	47,962,064	40,390,120	-	-	47,962,064	40,390,120
Culture and recreation	64,831,471	55,767,854	-	-	64,831,471	55,767,854
Community support	7,736,032	5,286,896	-	-	7,736,032	5,286,896
Interest expense and fiscal charges	5,785,310	6,008,356	-	-	5,785,310	6,008,356
Water	-	-	108,543,537	87,625,630	108,543,537	87,625,630
Sewer	-	-	61,629,443	53,356,034	61,629,443	53,356,034
Development services	-	-	26,470,705	21,424,411	26,470,705	21,424,411
Municipal golf course	-	-	3,565,197	3,028,289	3,565,197	3,028,289
Total expenses	467,760,432	372,634,272	200,208,882	165,434,364	667,969,314	538,068,636
Changes in net position before transfers	175,203,654	226,805,248	52,390,604	61,025,241	227,594,258	287,830,489
Transfers	6,945,858	3,199,883	(6,945,858)	(3,199,883)	-	-
Change in net position	182,149,512	230,005,131	45,444,746	57,825,358	227,594,258	287,830,489
Net position, beginning of year, as previously reported	1,860,532,646	1,630,527,515	1,141,653,186	1,083,827,828	3,002,185,832	2,714,355,343
Adjustment	(27,201,970)	-	(4,516,052)	-	(31,718,022)	-
Net position, beginning of year, as restated	1,833,330,676	1,630,527,515	1,137,137,134	1,083,827,828	2,970,467,810	2,714,355,343
Net position, end of year	\$ 2,015,480,188	\$ 1,860,532,646	\$ 1,182,581,880	\$ 1,141,653,186	\$ 3,198,062,068	\$ 3,002,185,832

(continued)

Governmental Activities

Governmental activities increased the City's net position by \$182,149,512. Total revenues came in at \$642,964,086, which is an increase of \$43,524,566. Total expenses finished the year at \$467,760,432, which is an increase of \$95,126,160 from the previous fiscal year. Significant year-over-year changes are as follows:

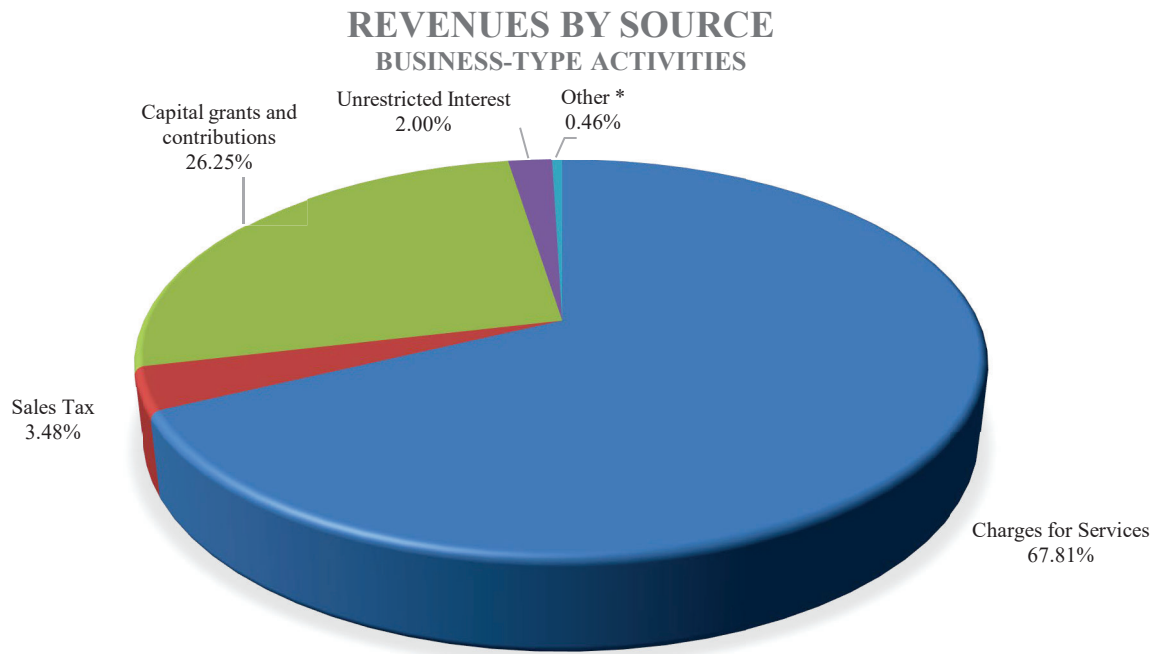
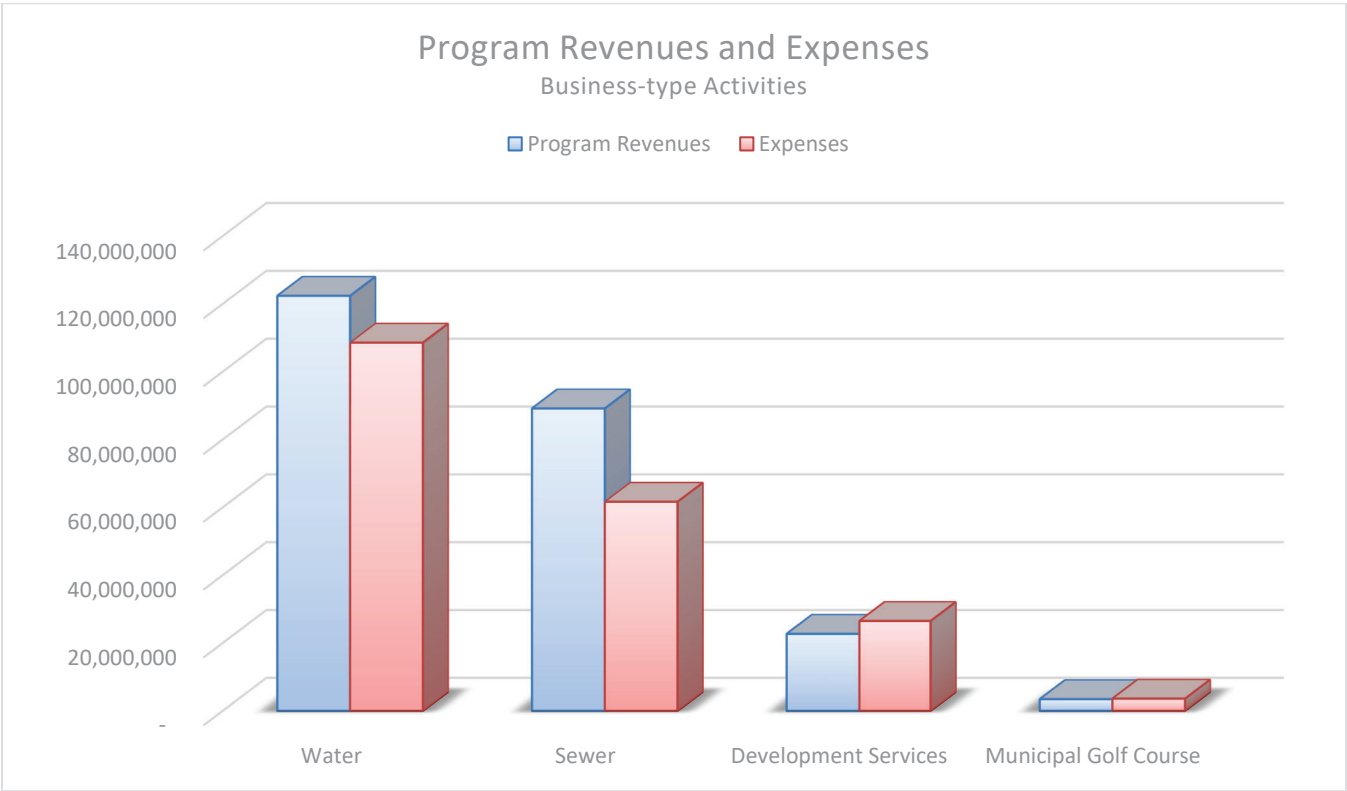
- Charges for services increased \$16,303,562, in large part due to the conduit installation agreement and an increase in ambulance revenue, due to the implementation of new billing software that streamlined billing and reduced turnaround time for payment collection.
- Property tax revenue increased by \$13,552,668 due to rising assessed valuations resulting from ongoing economic development and population growth.
- Consolidated tax revenues increased by \$6,714,105 due to the increase in economic activity such as higher consumer spending and increased cost of taxable goods due to inflation.
- Franchise fees revenues increased by \$7,099,104 due to higher gas and electric gross receipts. These fees are collected from public utility companies and are based upon designated percentages of gross receipts pursuant to each firm's franchise agreement.
- Unrestricted investment income increased by \$15,822,737. This positive development is a result of an increase in the rates of return to the City. Additionally, better market conditions increased the overall fair value of the City's portfolio compared to prior fiscal year.
- Miscellaneous revenue increased by \$36,344,869 due primarily to a one-time payment of \$35.0 million from the Nevada Department of Transportation for the City's acceptance of Boulder Highway in its current condition and acceptance of maintenance and operational responsibility.
- The above revenue increases were offset by a decline in capital grants and contributions of \$47,186,056 primarily due to the completion of one-time projects in fiscal year 2022 including Dollar Loan Center and Union Pacific Railroad Trail Project.
- General Government expense increased by \$19,056,151 primarily due to an increase in salaries and wages and employee benefits resulting from employee additions as the City kept pace with population growth and expansion in West Henderson, contractual increases due to collective bargaining agreements, and an increase in pension liability as determined by the Public Employees' Retirement System of Nevada (PERS) actuarial valuation. Additionally, services and supplies costs increased due to higher utility rates for electricity and natural gas.
- Public Safety expenses increased by \$53,978,317 primarily due to an increase in salaries and wages and employee benefits resulting from the opening of new police and fire stations, contractual increases due to collective bargaining agreements, and an increase in pension liability as determined by the PERS actuarial valuation.
- Culture and Recreation expense increased by \$9,063,617 primarily due to an increase in salaries and wages and employee benefits resulting from increases in minimum wages, increased hiring within park maintenance for turf conversion, contractual increases due to collective bargaining agreements, and an increase in pension liability as determined by the PERS actuarial valuation. Additionally, there was an increase in services and supplies resulting from efforts to support turf conversion within City parks.



Business-Type Activities

Business-type activities increased the City's net position by \$45,444,746. Total revenues came in at \$252,599,486, which is an increase of \$26,139,881. Total expenses finished the year at \$200,208,882, which is an increase of \$34,774,518 from the previous fiscal year. Significant year-over-year changes are as follows:

- Charges for services increased by \$1,438,460, due primarily to an increase of \$1,771,353 in the Sewer Fund and \$634,766 in the Water Fund. During the fiscal year, the City implemented rate increases of 4.0% and 3.4% in the Water Fund and Sewer Fund, respectively. However, the revenue generated from the rate increase in the Water Fund, was offset by a decrease in consumption due to the City's efforts in promoting water conservation and an increase in rain fall. The increases in the Sewer and Water Fund were partially offset by a decline of \$1,345,017 in Development Services Fund plan check fee revenue due primarily to fewer project submissions.
- Capital grants and contributions increased by \$11,404,828 due to increases in contributed assets in the amounts of \$8.5 million in the Water Fund and \$2.4 million in the Sewer Fund, as a result of donated infrastructure from multiple development projects. Additionally, the Water Fund saw \$3.2 million in restricted interest income. These increases were offset by a decrease of \$2.3 million in water and sewer development fees as project development slowed relative to the prior year.
- Unrestricted investment income increased by \$12,294,666 as a result of increased rates of return. Further, better market conditions increased the overall fair value of the City's portfolio compared to prior fiscal year.
- Water expenses increased \$20,917,907 primarily due to an increase of \$11,730,806 within services and supplies from a one-time cost related to connection fees. Additionally, increases of \$1,175,160 in salaries and wages and \$6,381,010 in employee benefits were the result of contractual increases due to collective bargaining agreements and an increase in pension liability as determined by the PERS actuarial valuation.
- Sewer expenses increased \$8,273,409 primarily due to an increase of \$1,162,927 in salaries and wages and \$3,836,545 in employee benefits which were the result of contractual increases due to collective bargaining agreements and an increase in pension liability as determined by the PERS actuarial valuation. Additionally, services and supplies increased by \$2,264,616 due to increased professional services and engineering costs.
- Development services expenses increased \$5,046,294 primarily due to an increase of pension expense of \$5.0 million as determined by the PERS actuarial valuation.



Governmental Funds

The focus of the City's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$479,895,310, an increase of \$82,466,335 in comparison with the prior fiscal year. Approximately 10.8% of fund balance (\$51,654,114) is unassigned, meaning it is available for spending at the government's discretion. The remainder of fund balance is either nonspendable (\$87,207), restricted by State law or external entities (\$258,552,690), committed for specific uses by the City Council (\$30,932,965), or assigned for specific uses by the City (\$138,668,334).

General Fund

The General Fund is the chief operating fund of the City. As of June 30, 2023, the unassigned fund balance of the General Fund was \$51,654,114, while total fund balance was \$66,781,664. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. As of June 30, 2023, unassigned fund balance represents 16.1% of total General Fund expenditures, while total fund balance represents 20.8% of that same amount.

The fund balance of the general fund increased by \$26,025,452 during the current fiscal year. Significant year-over-year changes are as follows:

- Property taxes increased by \$2,224,928 due to an increase in assessed valuation, resulting from the ongoing economic development, rising population growth, and the growth in the local housing market.
- Consolidated tax revenues have increased by \$6,714,105. This growth can be attributed to the overall growth of our local economy.
- Charges for services revenue increased by \$12,904,787, due primarily to ambulance revenue increasing as a result of the implementation of new billing software that streamlines billing and reduced the turnaround for payment collections.
- Franchise fee revenue increased by \$7,099,104 due to higher utility rates and population growth.
- General government expenditures increased by \$5,841,301 due to a \$1,353,477 increase in salaries and wages, a \$569,479 increase in employee benefits and an increase of \$3,802,346 in services and supplies and capital expenditures. The increase in services and supplies is primarily due to increases in electricity and natural gas costs.
- Public safety expenditures increased by \$16,504,065 due to a \$7,877,470 increase in salaries and wages, an \$3,090,492 increase in employee benefits and an increase of \$5.5 million in services and supplies and capital expenditures. The increase in salaries and wages and benefits resulted from an increase in wages and an increase in the number of full-time equivalents. The increase in services and supplies and capital expenditures are primarily due to an increase in computer license allocation cost.

- Culture and recreation expenditures increased by \$4,246,867 due to a \$1,780,504 increase in salaries and wages, a \$427,669 increase in employee benefits and an increase of \$2,038,694 in services and supplies and capital expenditures. The increase in services and supplies and capital expenditures was primarily due to equipment purchased for the purpose of turf conversion at City parks.
- Transfers to other funds totaled \$29,146,941 and were primarily to fund capital acquisition and improvements and to fund the Financial Stabilization Fund.

Grants Special Revenue Fund

As of June 30, 2023, the Grants Special Revenue Fund has a total fund balance of \$1,183,779, which increased by \$147,193 over the prior fiscal year end balance, all of which is restricted by granting agencies. Even though the ending fund balance increased from the previous fiscal year, the intergovernmental revenues and expenditures decreased. This decline was due to the conclusion of the SNPLMA grant for the Union Pacific Railroad Trail project as the project finished in fiscal year 2022.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of fiscal year 2023 amounted to \$100,222,579 and the total increase in net position was \$12,925,584. Unrestricted net position of the Sewer Fund at the end of the fiscal year 2023 was \$119,619,195 and the total increase in net position was \$35,737,482. Unrestricted net position of the Development Services Fund at the end of the fiscal year 2023 was negative \$5,607,600 and the total decrease in net position was \$2,353,177. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Functions represent the City's legal level of budgetary control. The final budget expenditure appropriations increased by approximately \$22,712,607, or 7.0% over the original budget, are due to additional available resources and a higher than anticipated beginning fund balance, a portion of which was appropriated within the final budget.

Actual expenditures were 92.4% of appropriations, or \$26,445,019 lower than the final budget. All functions are well within appropriation authority. The savings can be attributed to several factors, including position vacancy savings, incomplete projects that will be reapportioned to the next fiscal year, and lower than expected operating expenditures due to continuous improvement efforts. The main areas of savings are summarized below:

- Actual general government expenditures were \$11,027,040 below the final budget. The majority of the positive variance from the budget is due to lower-than-expected operating expenditures of \$8.0 million, resulting from operating efficiencies and ongoing projects that will be reapportioned in fiscal year 2024. The remaining variance is within the salary and wages and related benefits expenditures, primarily due to position vacancy savings.

- Actual public safety expenditures were \$6,593,787 below the final budget. Most of the positive variance results from lower than anticipated salaries and wages and related benefits expenditures of \$4.2 million resulting from position vacancies. The remainder was from operating efficiencies and ongoing projects that will be reappropriated in fiscal year 2024.
- Actual culture and recreation expenditures were \$5,212,015 below the final budget. Approximately \$2.5 million of the positive variance results from lower than anticipated salaries and wages and related benefits expenditures resulting from position vacancies. The remainder was from operating efficiencies and ongoing projects that will be reappropriated in fiscal year 2024.
- There were other functional savings of \$3,744,784 in the aggregate, but none that were significant in any one category.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2023, the City's total carrying value of capital assets is \$3,184,714,172. The City's capital assets include land, buildings, improvements, machinery and equipment, park facilities, roads, highways, a municipal golf course, and intangible right-to-use assets. During fiscal year 2023, the City's capital assets increased by approximately \$163.1 million (which reflects a \$112.8 million increase for governmental activities and a \$50.4 million increase for business-type activities).

Significant capital asset transactions during the current fiscal year included the following:

- Land increased \$16.7 million in governmental activities. The increase is primarily due to parcels donated to the City, including the Northeast corner of Black Palace Street and Watford Place for \$4.3 million, the West Intersection of Grand Cadence and Cadence Crest for \$3.9 million, and a fire station site at Cadence Crest for \$1.2 million. Additionally, the City purchased land at the former Fiesta Henderson site for \$3.4 million and a parcel on Paradise Hills and College Drive for \$2.7 million.
- Building and building improvements increased by \$16.4 million in governmental activities. The increase is primarily due to the completion of the Center of Excellence for \$10.9 million, the acquisition of the former Fiesta Henderson parking garage for \$7.9 million, and City Hall improvements for \$2.7 million.
- Infrastructure increased \$38.7 million in governmental activities. The increase is primarily due to donations made to the City, including various projects completed by developers which totaled \$43 million. Additionally, the City received donations from the County totaling \$19.8 million which included the following major projects: Greenway Road & Heather Drive Roadway Improvements for \$10.5 million, Sunset Road-Burns Road to Pabco Road for \$3.3 million, Anthem Sidewalk Loop Trail for \$2.2 million, Amigo Street & Sunridge Heights for \$2 million, and Ramrod Avenue & Olympic Avenue – Green Valley Parkway to Mountain Vista Street for \$1.9 million. The remaining increase in Infrastructure related to donations received from Local Improvement Districts.

- Construction in progress increased \$63.3 million during the year which included an increase in governmental activities of \$36.8 million and \$26.5 million in business-type activities. The increase in governmental activities was primarily due to construction activity on the Via Inspirada Police Station for \$15 million, the Forensic Crime Lab for \$8.5 million, and the Via Nobila-LVB-Via Inspirada for \$7.7 million. The increase in business-type activities was primarily due to construction activity on the Reservoir R-36A for \$7.7 million, the Water Reclamation Facility Phase 4 Expansion for \$5.1 million, and the Ultraviolet System Upgrades for \$1.7 million.
- Improvements other than buildings increased \$29.0 million in business-type activities. The increase is primarily due to donations received by the City for various projects completed from developers during the year totaling \$44.7 million, and costs from completed projects during the year of \$4.6 million.

Capital Assets, Net of Accumulated Depreciation and Amortization

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Construction in progress	\$ 72,625,749	\$ 35,808,985	\$ 65,516,557	\$ 39,018,289	\$ 138,142,306	\$ 74,827,274
Land	198,649,431	181,998,864	40,440,281	40,452,702	239,089,712	222,451,566
Building and building improvements	349,946,701	333,562,701	115,752,214	119,101,929	465,698,915	452,664,630
Improvements other than buildings	297,330,939	296,384,846	874,708,236	845,683,828	1,172,039,175	1,142,068,674
Infrastructure	1,084,122,603	1,045,435,675	-	-	1,084,122,603	1,045,435,675
Machinery and equipment	39,959,589	37,534,961	38,263,229	40,053,472	78,222,818	77,588,433
Lease assets	2,647,152	1,296,250	-	-	2,647,152	1,296,250
Subscription based IT arrangement assets	4,702,169	-	49,322	-	4,751,491	-
	<u>\$ 2,049,984,333</u>	<u>\$ 1,932,022,282</u>	<u>\$ 1,134,729,839</u>	<u>\$ 1,084,310,220</u>	<u>\$ 3,184,714,172</u>	<u>\$ 3,016,332,502</u>

Additional information on the City's capital assets can be found in note 6 to the financial statements.

Long-Term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$397,747,346. Of this amount, \$186,215,992 is considered general obligation debt and \$7,874,347 is tax allocation debt. The remainder of the City's bonded debt represents bonds to be paid from the City's water and sewer activities.

Summary of Bonds Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
General obligations bonds	\$ 186,215,992	\$ 186,585,154	\$ -	\$ -	\$ 186,215,992	\$ 186,585,154
Tax allocation bonds	7,874,347	8,196,448	-	-	7,874,347	8,196,448
Water and sewer bonds	-	-	203,657,007	209,906,617	203,657,007	209,906,617
	<u>\$ 194,090,339</u>	<u>\$ 194,781,602</u>	<u>\$ 203,657,007</u>	<u>\$ 209,906,617</u>	<u>\$ 397,747,346</u>	<u>\$ 404,688,219</u>

Standard & Poor's Ratings Service and Moody's Investor's Service general obligation bond ratings are AA+ and Aa2, respectively.

As of June 30, 2023, the City's net general obligation bonded debt subject to the legal debt limit was \$389.9 million which is significantly below the legal limit of \$2.9 billion.

Additional information on the City's long-term debt can be found in note 7 to the financial statements.

Economic Factors and Other Significant Matters

Other factors considered in preparing the City's budget for fiscal year 2024 include the following:

- Maintaining fiscal resiliency in ending fund balances and financial stabilization reserves.
- Commitment to Public Safety is demonstrated through the allocation of 58.6% of General Fund expenditures towards police and fire services. The fiscal year 2024 budget includes the authorization of 23 additional positions for the police department and 34 additional positions for the fire department, as well as investments in capital infrastructure to enhance public safety.
- During the current fiscal year, fund balance in the General Fund increased to \$66.8 million. The City has appropriated approximately \$5.3 million of this amount for spending in the fiscal year 2024 budget. It is intended that this use of available fund balance will pay for one-time services and capital expenditures.
- On November 16, 2023, the City issued General Obligation (Limited Tax) Taxable Various Purpose Bonds, Series 2023A-1, in the amount of \$34,000,000 and General Obligation (Limited Tax) Tax-Exempt Various Purpose Bonds, additionally secured by pledged revenues, Series 2023A-2, in the amount of \$26,000,000. The proceeds of the Series 2023 bonds will be used to (i) finance a portion of the costs of acquiring, constructing, improving and equipping a building project, a fire protection project, a park project, and a recreation project and (ii) pay the costs of issuing the Series 2023 bonds.
- On November 21, 2023, the Agency issued tax-exempt bonds, Series 2023A, in the amount of \$14,725,000, and taxable bonds, Series 2023B, in the amount of \$6,785,000, for a total bond issuance amount of \$21,510,000. Proceeds of the 2023A bonds will be used for (i) the addition of shade structures on the Water Street Events Plaza; (ii) a downtown park project; (iii) renovations of the City Hall Annex Building where the Redevelopment Agency is housed; (iv) construction of a parking structure in the Water Street District; (v) funding a debt service reserve fund; and (vi) paying costs of issuance on the 2023A Bonds. The proceeds of the 2023B bonds will be used for (i) refunding and defeasing the Series 2015 bonds (ii) funding a debt service reserve fund and (iii) paying costs of issuance on the 2023B bonds.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 240 S. Water Street, Henderson, Nevada 89015.

BASIC FINANCIAL STATEMENTS



HENDERSON™

Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

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City of Henderson, Nevada
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents and investments, unrestricted	\$ 495,870,795	\$ 290,300,668	\$ 786,171,463
Cash, cash equivalents and investments, restricted	62,574,873	92,819,566	155,394,439
Accounts receivable, net	22,662,770	21,290,123	43,952,893
Taxes receivable	1,749,088	-	1,749,088
Special assessments receivable	435,238	-	435,238
Notes receivable, net	180,692	109,776	290,468
Interest receivable	2,423,756	1,467,985	3,891,741
Due from other governments	55,788,789	1,633,444	57,422,233
Lease interest receivable	166,578	-	166,578
Lease receivable	6,648,728	-	6,648,728
Prepaid items	4,627,427	-	4,627,427
Inventory	189,176	2,044,170	2,233,346
Land held for resale	28,078,225	-	28,078,225
Internal balances	53,768,372	(53,768,372)	-
Capital assets			
Capital assets not depreciated	271,275,180	105,956,838	377,232,018
Capital assets being depreciated and amortized, net of accumulated depreciation and amortization	1,778,709,153	1,028,773,001	2,807,482,154
Total assets	2,785,148,840	1,490,627,199	4,275,776,039
Deferred Outflows of Resources			
Deferred charge on refunding	2,431,962	3,744,278	6,176,240
Net pension liability-related amounts	180,376,392	29,678,459	210,054,851
Total OPEB liability-related amounts	16,223,588	1,389,120	17,612,708
Total deferred outflows of resources	199,031,942	34,811,857	233,843,799
Liabilities			
Accounts payable and other accrued liabilities	21,808,111	11,673,435	33,481,546
Accrued wages	3,151,479	537,196	3,688,675
Contracts and retentions payable	1,843,737	860,082	2,703,819
Due to other governments	2,588,986	9,035,424	11,624,410
Tax increment payable to developers	2,190,825	-	2,190,825
Unearned revenue	27,211,483	12,147,597	39,359,080
Interest payable	745,989	378	746,367
Deposits	3,243,243	316,573	3,559,816
Other current liabilities, payable from restricted assets	1,764,702	3,795,036	5,559,738
Noncurrent liabilities, due within one year			
Bonds and notes payable	11,246,802	-	11,246,802
Bond obligations partially payable from restricted assets	-	5,142,337	5,142,337
Lease liabilities	470,773	-	470,773
SBITA obligations	1,145,599	23,166	1,168,765
Claims and other judgments	18,600,260	-	18,600,260
Compensated absences	32,024,868	6,487,596	38,512,464
Noncurrent liabilities, due in more than one year			
Bonds and notes payable	184,083,634	198,514,670	382,598,304
Lease liabilities	2,271,684	-	2,271,684
SBITA obligations	3,620,630	22,294	3,642,924
Claims and other judgments	25,308,234	-	25,308,234
Compensated absences	41,394,658	5,652,899	47,047,557
Provisional credits and refunding agreements	-	96,878	96,878
Net pension liability	492,595,204	81,026,309	573,621,513
Total other post-employment benefits	62,407,918	5,343,590	67,751,508
Total liabilities	939,718,819	340,675,460	1,280,394,279

City of Henderson, Nevada
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources			
Net pension liability-related amounts	\$ 2,810,447	\$ 462,286	\$ 3,272,733
Total OPEB liability-related amounts	20,081,253	1,719,430	21,800,683
Lease related amounts	6,090,075	-	6,090,075
	<u>28,981,775</u>	<u>2,181,716</u>	<u>31,163,491</u>
Net Position			
Net investment in capital assets	1,875,894,507	1,015,524,907	2,891,419,414
Restricted for			
Stabilization and other general programs	35,307,527	-	35,307,527
Courts and other judicial programs	1,908,952	-	1,908,952
Fire, police and other public safety programs	36,268,569	-	36,268,569
Streets and other public works projects	75,004,733	-	75,004,733
Parks, cultural and recreational programs	27,620,242	-	27,620,242
Community assistance and support programs	620,240	-	620,240
Claims	19,338,370	-	19,338,370
Debt service	9,938,254	464,919	10,403,173
Water charge reserve	-	5,000,000	5,000,000
Redevelopment programs	56,571,164	-	56,571,164
Other	-	87,337	87,337
Unrestricted	<u>(122,992,370)</u>	<u>161,504,717</u>	<u>38,512,347</u>
Total net position	<u>\$ 2,015,480,188</u>	<u>\$ 1,182,581,880</u>	<u>\$ 3,198,062,068</u>

City of Henderson, Nevada
Statement of Activities
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Change in Net Position		
		Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants Contributions, and Interest	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 87,663,801	\$ 25,612,724	\$ 12,187,032	\$ 2,548,891	\$ (47,315,154)	\$ -	\$ (47,315,154)
Judicial	14,419,554	742,186	213,095	-	(13,464,273)	-	(13,464,273)
Public safety	239,362,200	25,846,020	1,873,255	64,728,452	(146,914,473)	-	(146,914,473)
Public works	47,962,064	11,836,253	1,085,526	31,582,649	(3,457,636)	-	(3,457,636)
Culture & recreation	64,831,471	8,104,765	5,231,802	4,304,792	(47,190,112)	-	(47,190,112)
Community Support	7,736,032	-	4,499,477	-	(3,236,555)	-	(3,236,555)
Debt Service							
Interest	5,785,310	-	-	725,234	(5,060,076)	-	(5,060,076)
Total governmental activities	467,760,432	72,141,948	25,090,187	103,890,018	(266,638,279)	-	(266,638,279)
Business-type activities							
Water	108,543,537	91,565,220	-	30,791,418	-	13,813,101	13,813,101
Sewer	61,629,443	53,626,118	-	35,511,005	-	27,507,680	27,507,680
Development services	26,470,705	22,676,883	-	-	-	(3,793,822)	(3,793,822)
Municipal golf course	3,565,197	3,418,107	-	-	-	(147,090)	(147,090)
Total business-type activities	200,208,882	171,286,328	-	66,302,423	-	37,379,869	37,379,869
Total primary government	<u>\$ 667,969,314</u>	<u>\$ 243,428,276</u>	<u>\$ 25,090,187</u>	<u>\$ 170,192,441</u>	<u>(266,638,279)</u>	<u>37,379,869</u>	<u>(229,258,410)</u>
		General Revenue					
		Property taxes			137,193,235	-	137,193,235
		Room taxes			5,409,185	-	5,409,185
		Intergovernmental revenues - consolidated tax			166,345,146	-	166,345,146
		Motor vehicle fuel tax			6,540,620	-	6,540,620
		Sales tax			33,624,601	8,798,299	42,422,900
		Residential construction tax			1,238,477	-	1,238,477
		Franchise fees, based on gross receipts			42,119,689	-	42,119,689
		Unrestricted investment income			6,401,590	5,047,629	11,449,219
		Gain on disposal of capital assets			2,544,802	35,079	2,579,881
		Miscellaneous			40,424,588	1,129,728	41,554,316
		Total general revenues			441,841,933	15,010,735	456,852,668
		Transfers			6,945,858	(6,945,858)	-
		Change in Net Position			182,149,512	45,444,746	227,594,258
		Net Position, Beginning of Year, As Previously Reported			1,859,843,495	1,141,653,186	3,001,496,681
		Prior Period Adjustments (Note 14)			(26,512,819)	(4,516,052)	(31,028,871)
		Net Position, Beginning of Year, Restated			1,833,330,676	1,137,137,134	2,970,467,810
		Net Position, End of Year			<u>\$ 2,015,480,188</u>	<u>\$ 1,182,581,880</u>	<u>\$ 3,198,062,068</u>

See Notes to Financial Statements

City of Henderson, Nevada
Balance Sheet – Governmental Funds
June 30, 2023

	General Fund	Special Revenue Fund Grants	Aggregate Non-Major Governmental Funds	Total Governmental Funds
Assets				
Cash, cash equivalents and investments, unrestricted	\$ 40,806,033	\$ 455,351	\$ 345,345,031	\$ 386,606,415
Cash, cash equivalents and investments, restricted	151,331	10,359,453	46,513,089	57,023,873
Accounts receivable, net	18,769,341	1,719	3,708,792	22,479,852
Taxes receivable	1,098,664	-	650,424	1,749,088
Special assessments receivable	-	-	435,238	435,238
Notes receivable, net	180,692	-	5,164	185,856
Interest receivable	465,622	-	1,463,611	1,929,233
Due from other funds	994,783	-	-	994,783
Due from other governments	39,409,922	3,637,136	12,371,743	55,418,801
Lease interest receivable	1,181	-	165,397	166,578
Lease receivable	2,050,076	-	4,598,652	6,648,728
Prepaid items	86,420	-	787	87,207
Land held for resale	-	-	28,078,225	28,078,225
Total assets	\$ 104,014,065	\$ 14,453,659	\$ 443,336,153	\$ 561,803,877
Liabilities				
Accounts payable and other accrued liabilities	\$ 12,637,643	\$ 1,884,857	\$ 6,405,493	\$ 20,927,993
Accrued wages	2,694,132	30,787	274,188	2,999,107
Due to other funds	-	994,783	-	994,783
Due to other governments	2,587,942	-	1,044	2,588,986
Advances from other funds	-	-	435,655	435,655
Tax increment payable to developers	-	-	2,190,825	2,190,825
Unearned revenue	259,171	10,359,453	16,419,596	27,038,220
Deposits	3,216,030	-	27,213	3,243,243
Compensated absences	29,457	-	-	29,457
Total liabilities	21,424,375	13,269,880	25,754,014	60,448,269
Deferred Inflow of Resources				
Unavailable revenue, property taxes	1,098,664	-	650,424	1,749,088
Unavailable revenue, special assessments	-	-	435,238	435,238
Unavailable revenue, notes receivable	180,692	-	5,164	185,856
Unavailable revenue, other receivables	12,987,660	-	12,381	13,000,041
Lease related amounts	1,541,010	-	4,549,065	6,090,075
Total deferred inflow of resources	15,808,026	-	5,652,272	21,460,298
Total liabilities and deferred inflows of resources	37,232,401	13,269,880	31,406,286	81,908,567
Fund Balances				
Nonspendable	86,420	-	787	87,207
Restricted	743,567	1,183,779	256,625,344	258,552,690
Committed	6,414,029	-	24,518,936	30,932,965
Assigned	7,883,534	-	130,784,800	138,668,334
Unassigned	51,654,114	-	-	51,654,114
Total fund balances	66,781,664	1,183,779	411,929,867	479,895,310
Total liabilities, deferred inflows of resources, and fund balances	\$ 104,014,065	\$ 14,453,659	\$ 443,336,153	\$ 561,803,877

City of Henderson, Nevada

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

June 30, 2023

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds		\$ 479,895,310
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds:		
Capital assets	3,269,088,553	
Less accumulated depreciation	<u>(1,259,887,074)</u>	2,009,201,479
Deferred outflows of resources benefit future periods; and therefore, are not reported in governmental funds		
Deferred outflows related to pensions	173,719,123	
Deferred outflows related to OPEB	15,240,900	
Deferred charges on bond refundings	<u>2,431,962</u>	191,391,985
Long-term liabilities, including bonds payable, are not due and payable in the current period; and therefore, are not reported in governmental funds		
Debt obligations payable, net of unamortized premiums and discounts	(195,330,436)	
Leases payable	(569,431)	
SBITA's payable	(3,476,227)	
OPEB	(58,627,770)	
Compensated absences payable	(70,363,990)	
Net pension liability	<u>(474,441,845)</u>	(802,809,699)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds		
Construction contracts payable	(1,843,737)	
Interest payable	<u>(713,652)</u>	(2,557,389)
Deferred inflows of resources related to pensions and OPEB, are applicable to future periods. In addition, unavailable revenue represents amounts that were not available to fund current expenditures. Therefore, these deferred inflows are not reported in governmental funds		
Unavailable revenue	15,365,059	
Deferred inflows related to pensions	(2,706,875)	
Deferred inflows related to OPEB	<u>(18,864,898)</u>	(6,206,714)
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Assets and liabilities included in governmental activities in the statement of net position	92,796,844	
Balance receivable from business-type activities from cumulative prior years' activity	53,013,441	
Balance receivable from business-type activities from current year activity	<u>754,931</u>	<u>146,565,216</u>
Net position of governmental activities		<u><u>\$ 2,015,480,188</u></u>

City of Henderson, Nevada

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2023

	General Fund	Special Revenue Fund Grants	Aggregate Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 89,965,546	\$ -	\$ 46,734,275	\$ 136,699,821
Franchise fees	42,119,689	-	-	42,119,689
Licenses and permits	16,052,886	-	-	16,052,886
Intergovernmental	180,737,588	15,602,997	88,452,723	284,793,308
Charges for services	37,157,888	-	961,319	38,119,207
Fines and forfeitures	2,835,426	-	756,338	3,591,764
Impact fees	2,540,251	-	-	2,540,251
Special assessments	-	-	180,024	180,024
Investment income	848,251	-	6,301,145	7,149,396
Room tax	-	-	5,409,185	5,409,185
Developer contributions	-	-	19,202,670	19,202,670
Rental fees	-	-	1,273	1,273
Residential construction tax	-	-	1,238,477	1,238,477
Miscellaneous	2,421,240	201,167	2,066,144	4,688,551
Total revenues	374,678,765	15,804,164	171,303,573	561,786,502
Expenditures				
Current				
General government	59,074,696	396,743	19,434,437	78,905,876
Judicial	13,063,890	207,448	413,440	13,684,778
Public safety	192,228,625	1,641,013	27,833,499	221,703,137
Public works	7,840,927	1,089,553	8,097,312	17,027,792
Culture and recreation	45,487,183	2,253,333	5,167,419	52,907,935
Community support	1,935,200	7,697,718	137,382	9,770,300
Total current	319,630,521	13,285,808	61,083,489	393,999,818
Capital outlay				
General government	463,362	-	14,834,923	15,298,285
Judicial	-	-	29,014	29,014
Public safety	1,028,431	2,128,515	33,399,342	36,556,288
Public works	-	-	22,005,118	22,005,118
Culture and recreation	316,856	115,988	7,147,498	7,580,342
Community support	-	334,885	7,664,908	7,999,793
Total capital outlay	1,808,649	2,579,388	85,080,803	89,468,840

City of Henderson, Nevada

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2023

	General Fund	Special Revenue Fund Grants	Aggregate Non-Major Governmental Funds	Total Governmental Funds
Debt service				
Principal payments	\$ 312,713	\$ -	\$ 9,996,505	\$ 10,309,218
Interest charges	28,133	-	5,730,887	5,759,020
Total debt service	340,846	-	15,727,392	16,068,238
Total expenditures	321,780,016	15,865,196	161,891,684	499,536,896
Excess (Deficiency) of Revenues Over (Under) Expenditures	52,898,749	(61,032)	9,411,889	62,249,606
Other Financing Sources (Uses)				
Proceeds from land sales	-	-	1,943,700	1,943,700
Issuance of bonds	-	-	10,000,000	10,000,000
SBITA proceeds	450,719	-	21,848	472,567
Issuance of notes	1,023,638	-	551,189	1,574,827
Transfers in	799,287	208,225	47,359,629	48,367,141
Transfers out	(29,146,941)	-	(12,994,565)	(42,141,506)
Total other financing sources (uses)	(26,873,297)	208,225	46,881,801	20,216,729
Net Change in Fund Balances	26,025,452	147,193	56,293,690	82,466,335
Fund Balances, Beginning of Year, As Previously Reported	40,067,060	1,036,586	355,636,177	396,739,823
Prior Period Adjustment (Note 14)	689,152	-	-	689,152
Fund Balances, Beginning of Year, As Restated	40,756,212	1,036,586	355,636,177	397,428,975
Fund Balances, End of Year	\$ 66,781,664	\$ 1,183,779	\$ 411,929,867	\$ 479,895,310

City of Henderson, Nevada

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 82,466,335

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	82,662,532	
Less current year depreciation	(50,874,732)	
Proceeds from land sales	(1,943,700)	
Net gain on disposition of capital assets	234,586	30,078,686

Revenues in the statement of activities that do not provide current financial resources to governmental funds are not reported as revenues in the government funds.

Change in unavailable property tax and miscellaneous revenues from current year activity	(6,979,991)	
Change in unavailable revenue from cumulative prior years' activity	2,259,093	
Capital asset contributions	76,912,344	72,191,446

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which repayments exceeded debt issued:

Debt issuance proceeds	(12,047,394)	
Debt principal repayments	9,984,730	
Lease repayments	178,162	
SBITA repayments	146,327	(1,738,175)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in OPEB	139,524	
Change in compensated absences payable	(934,055)	
Amortization of debt premiums and discounts	99,060	
Change in accrued interest	(12,362)	
Change in net pension liability	(12,120,035)	(12,827,868)

Internal service funds are used by management to charge the costs of certain activities to individual funds:

Change in net position included in governmental activities in the statement of activities	11,224,157	
Change in net position related to business-type activities	754,931	11,979,088

Change in net position of governmental activities \$ 182,149,512

City of Henderson, Nevada

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual – General Fund

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance to Final Budget
Revenues				
Property taxes	\$ 91,677,970	\$ 91,677,970	\$ 89,965,546	\$ (1,712,424)
Franchise fees	34,450,000	36,927,863	42,119,689	5,191,826
Licenses and permits	14,781,000	15,491,657	16,052,886	561,229
Intergovernmental	157,011,074	181,286,212	180,737,588	(548,624)
Charges for services	27,314,505	32,013,995	37,157,888	5,143,893
Fines and forfeitures	3,291,000	3,239,857	2,835,426	(404,431)
Impact fees	2,200,000	2,200,000	2,540,251	340,251
Investment income (loss)	376,000	540,205	848,251	308,046
Miscellaneous	1,129,850	3,776,458	2,421,240	(1,355,218)
Total revenues	332,231,399	367,154,217	374,678,765	7,524,548
Expenditures				
Current				
General government	64,387,222	70,344,897	59,074,696	11,270,201
Judicial	13,702,528	14,011,350	13,063,890	947,460
Public safety	190,842,368	198,642,652	192,228,625	6,414,027
Public works	7,425,800	9,059,687	7,840,927	1,218,760
Culture and recreation	46,603,940	50,163,271	45,487,183	4,676,088
Community support	2,342,331	3,409,966	1,935,200	1,474,766
Total current	325,304,189	345,631,823	319,630,521	26,001,302
Capital outlay				
General government	-	220,201	463,362	(243,161)
Public safety	-	1,208,191	1,028,431	179,760
Public works	-	103,798	-	103,798
Culture and recreation	-	852,783	316,856	535,927
Total capital outlay	-	2,384,973	1,808,649	576,324
Debt service				
Principal payments	183,267	183,267	312,713	(129,446)
Interest charges	24,972	24,972	28,133	(3,161)
Total debt service	208,239	208,239	340,846	(132,607)
Total expenditures	325,512,428	348,225,035	321,780,016	26,445,019
Excess (Deficiency) of Revenues over Expenditures	6,718,971	18,929,182	52,898,749	33,969,567
Other Financing Sources (Uses)				
SBITA proceeds	-	-	450,719	450,719
Issuance of notes	-	-	1,023,638	1,023,638
Transfers in	-	799,287	799,287	-
Transfers out	(8,935,348)	(28,556,942)	(29,146,941)	(589,999)
Total other financing sources (uses)	(8,935,348)	(27,757,655)	(26,873,297)	884,358
Change in Fund Balance	(2,216,377)	(8,828,473)	26,025,452	34,853,925
Fund Balances, Beginning of Year, As Previously Reported	29,957,346	40,067,060	40,067,060	-
Prior Period Adjustment (Note 14)	-	-	689,152	689,152
Fund Balances, Beginning of Year, As Originally Restated	29,957,346	40,067,060	40,756,212	689,152
Fund Balances, End of Year	\$ 27,740,969	\$ 31,238,587	\$ 66,781,664	\$ 35,543,077

See Notes to Financial Statements

City of Henderson, Nevada

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual –

Grants Special Revenue Fund

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance to Final Budget
Revenues				
Intergovernmental	\$ 37,052,578	\$ 90,094,677	\$ 15,602,997	\$ (74,491,680)
Miscellaneous	-	171,458	201,167	29,709
Total revenues	37,052,578	90,266,135	15,804,164	(74,461,971)
Expenditures				
Current				
General government	9,631,713	4,082,430	396,743	3,685,687
Judicial	79,585	1,118,518	207,448	911,070
Public safety	5,287,181	5,864,758	1,641,013	4,223,745
Public works	-	5,930,356	1,089,553	4,840,803
Culture and recreation	1,180,922	8,552,420	2,253,333	6,299,087
Community support	7,771,002	21,211,064	7,697,718	13,513,346
Total current	23,950,403	46,759,546	13,285,808	33,473,738
Capital outlay				
General government	2,300,000	2,300,000	-	2,300,000
Public safety	802,175	4,715,973	2,128,515	2,587,458
Public works	-	7,057,576	-	7,057,576
Culture and recreation	6,500,000	25,478,653	115,988	25,362,665
Community support	3,500,000	3,964,488	334,885	3,629,603
Total capital outlay	13,102,175	43,516,690	2,579,388	40,937,302
Total expenditures	37,052,578	90,276,236	15,865,196	74,411,040
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(10,101)	(61,032)	(50,931)
Other Financing Sources (Uses)				
Transfers in	-	208,226	208,225	(1)
Net Change in Fund Balances	-	198,125	147,193	(50,932)
Fund Balances, Beginning of Year	1,234,711	1,036,586	1,036,586	-
Fund Balances, End of Year	\$ 1,234,711	\$ 1,234,711	\$ 1,183,779	\$ (50,932)

City of Henderson, Nevada
Statement of Net Position – Proprietary Funds
June 30, 2023

	Business-Type Activities					Governmental Activities
	Water	Sewer	Development Services	Aggregate Non-Major Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets						
Cash, cash equivalents and investments, unrestricted	\$ 127,889,276	\$ 138,809,661	\$ 22,719,901	\$ 881,830	\$ 290,300,668	\$ 109,264,380
Cash, cash equivalents and investments, restricted	5,196,345	-			6,118,890	
Accounts receivable, net	15,440,460	5,621,062		228,601	21,290,123	
Interest receivable	650,142	703,230	112,080	2,533	1,467,985	
Notes receivable, net	109,776	-		-	109,776	
Due from other governments	-	1,633,365	79		1,633,444	
Prepaid items	-	-	-			4,540,220
Inventory	666,828	-			2,044,170	
Total current assets	149,952,827	148,750,632	23,148,633	1,112,964	322,965,056	120,592,205
Noncurrent assets						
Capital assets, net of accumulated depreciation and amortization	605,972	316,573			5,551,000	
Construction in progress	39,027,019	-		-	65,546,557	
Land	7,691,134			13,799,929	494,523	
Buildings and building improvements	39,011,093	131,521,989	15,420	5,660,600		6,864,542
Improvements other than buildings	804,330,379	724,988,606	1,206,116	23,922,059	369,988	1,506,755
Machinery and equipment	22,598,942		34,751	2,447,045		
Right-to-use assets	86,675	-			189,675	
Accumulated depreciation and amortization	(422,454,013)	(327,759,162)	(756,949)	(20,640,699)	(771,610,823)	(48,120,918)
Total noncurrent capital assets	490,691,229	618,350,338	499,338	25,188,934	1,134,729,839	40,782,854
Other assets	26,489,538	-		-	86,700,676	
Cash, cash equivalents and investments, restricted	86,613,339	-		40,740,810		
Advances to other funds	-	-	-	1,554,447,160		435,655
Total other assets	86,613,339	87,337		69,640,887	86,700,676	435,655
Total noncurrent assets	577,304,568	618,437,675	499,338	25,188,934	1,221,430,515	41,218,509
Total assets	727,257,395	767,188,307	23,647,971	26,301,898	1,544,395,571	161,810,714
Deferred Outflows of Resources						
Deferred charge on refunding	-	3,744,278		-	3,744,278	
Deferred amounts related to pensions	12,511,824	-	6,889,066		29,678,459	6,657,269
Deferred amounts related to other postemployment benefits	583,701	505,503	299,916		1,389,120	
Total deferred outflows of resources	13,095,525	-	7,188,982		34,811,857	7,639,957
	10,277,569					
	14,527,350				982,688	

City of Henderson, Nevada
Statement of Net Position – Proprietary Funds
June 30, 2023

	Business-Type Activities					Governmental Activities
	Water	Sewer	Development Services	Aggregate Non-Major Enterprise Funds	Total	Internal Service Funds
Liabilities						
Current liabilities						
Accounts payable and other accrued liabilities	\$ 7,415,371	\$ 4,043,088	\$ 140,927	\$ 74,049	\$ 11,673,435	\$ 2,644,820
Accrued wages	224,099	194,305	118,792	-	537,196	152,372
Construction contracts and retentions	621,059	239,023	-	-	860,082	-
Due to other governments	9,035,424	-	-	-	9,035,424	-
Unearned revenue	-	-	12,147,597	-	12,147,597	173,263
Interest payable	378	-	-	-	378	32,337
Interest payable from restricted assets	395,483	141,053	-	-	536,536	-
Customer deposits	-	-	316,573	-	316,573	-
Customer deposits payable from restricted assets	3,258,500	-	-	-	3,258,500	-
Bond obligations partially payable from restricted assets	-	5,142,337	-	-	5,142,337	-
Lease liabilities	-	-	-	-	-	293,742
SBITA obligations	23,166	-	-	-	23,166	328,247
Claims and other judgements	-	-	-	-	-	18,600,260
Compensated absences	2,742,528	2,310,453	1,434,615	-	6,487,596	1,461,977
Total current liabilities	<u>23,716,008</u>	<u>12,070,259</u>	<u>14,158,504</u>	<u>74,049</u>	<u>50,018,820</u>	<u>23,687,018</u>
Noncurrent liabilities						
Bonds payable	138,626,901	59,887,769	-	-	198,514,670	-
Lease liabilities	-	-	-	-	-	1,879,284
SBITA obligations	22,294	-	-	-	22,294	961,755
Claims and other judgements	-	-	-	-	-	25,308,234
Compensated absences	2,389,672	2,013,190	1,250,037	-	5,652,899	1,564,102
Provisional credits and refunding agreements	55,278	41,600	-	-	96,878	-
Net pension liability	34,146,377	27,976,043	18,903,889	-	81,026,309	18,153,359
Other post-employment benefits	2,245,349	1,944,541	1,153,700	-	5,343,590	3,780,148
Total noncurrent liabilities	<u>177,485,871</u>	<u>91,863,143</u>	<u>21,307,626</u>	<u>-</u>	<u>290,656,640</u>	<u>51,646,882</u>
Total liabilities	<u>201,201,879</u>	<u>103,933,402</u>	<u>35,466,130</u>	<u>74,049</u>	<u>340,675,460</u>	<u>75,333,900</u>
Deferred Inflow of Resources						
Net pension liability-related amounts	194,818	159,614	107,854	-	462,286	103,572
Total OPEB liability-related amounts	<u>722,496</u>	<u>625,703</u>	<u>371,231</u>	<u>-</u>	<u>1,719,430</u>	<u>1,216,355</u>
Total deferred inflow of resources	<u>917,314</u>	<u>785,317</u>	<u>479,085</u>	<u>-</u>	<u>2,181,716</u>	<u>1,319,927</u>
Net Position						
Net investment in capital assets	433,011,148	556,825,487	499,338	25,188,934	1,015,524,907	37,319,826
Restricted						
Debt service	-	464,919	-	-	464,919	-
Water charge reserve	5,000,000	-	-	-	5,000,000	-
Other	-	87,337	-	-	87,337	-
Claims	-	-	-	-	-	19,338,370
Unrestricted	<u>100,222,579</u>	<u>119,619,195</u>	<u>(5,607,600)</u>	<u>1,038,915</u>	<u>215,273,089</u>	<u>36,138,648</u>
Total net position	<u>\$ 538,233,727</u>	<u>\$ 676,996,938</u>	<u>\$ (5,108,262)</u>	<u>\$ 26,227,849</u>	<u>1,236,350,252</u>	<u>\$ 92,796,844</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time					<u>(53,768,372)</u>	
					<u>\$ 1,182,581,880</u>	

See Notes to Financial Statements

City of Henderson, Nevada
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities				Governmental Activities	
	Water	Sewer	Development Services	Aggregate Non-Major Enterprise Funds	Total	Internal Service Funds
Operating Revenues						
Utility fees	\$ 87,497,109	\$ 52,443,028	\$ -	\$ -	\$ 139,940,137	\$ -
Connection fees	2,307,414	487,440	-	-	2,794,854	-
Late charges	1,760,697	687,391	-	-	2,448,088	-
Licenses and permits	-	-	6,813,852	-	6,813,852	-
Charges for services	-	-	15,862,952	3,418,107	19,281,059	87,647,868
Intergovernmental	-	664,806	18,987	-	683,793	-
Miscellaneous	129,608	41,473	1,178	- 48,084	220,343	-
Total operating revenues	91,694,828	54,324,138	22,696,969	3,466,191	172,182,126	87,647,868
Operating Expenses						
Salaries and wages	16,489,064	13,579,619	8,468,067	-	38,536,750	8,559,535
Employee benefits	10,672,441	7,542,211	7,623,997	-	25,838,649	2,496,654
Water purchases	30,469,471	-	-	-	30,469,471	-
Services and supplies	35,429,616	23,731,886	9,391,590	3,296,307	71,849,399	30,623,808
Depreciation	12,003,498	15,085,019	10,814	268,890	27,368,221	-
Legal fees	-	-	-	-	-	11,854
Claims and judgements	-	-	-	-	-	33,146,060
Total operating expenses	105,064,090	59,938,735	25,494,468	3,565,197	194,062,490	81,700,846
Operating Income (Loss)	(13,369,262)	(5,614,597)	(2,797,499)	(99,006)	(21,880,364)	5,947,022
Nonoperating Revenues (Expenses)						
Investment income (loss)	5,582,560	2,212,484	444,243	(11,206)	8,228,081	1,412,852
Intergovernmental	150,000	8,068	79	-	158,147	-
Gain on capital asset disposition	12,000	23,079	-	-	6,863,999	1,000,179
Interest expense	(4,104,273)	(2,207,411)	-	-	(6,311,684)	(142,706)
Sales tax revenue	-	8,798,299	-	-	8,798,299	-
Miscellaneous	48,675	27,108	-	-	75,783	217,990
Total nonoperating revenues (expenses)	1,688,962	8,861,627	444,322	(11,206)	10,983,705	2,488,315
Income (Loss) before Capital Contributions and Transfers	(11,680,300)	3,247,030	(2,353,177)	(110,212)	(10,896,659)	8,435,337
Capital Contributions						
Capital contributions	27,610,966	35,511,005	-	-	63,121,971	2,988,820
Transfers						
Transfers out	(3,005,082)	(3,020,553)	-	-	(6,025,635)	(200,000)
Change in Net Position	12,925,584	35,737,482	(2,353,177)	(110,212)	46,199,677	11,224,157
Net Position, Beginning of Year, As Previously Reported	526,960,955	642,789,560	-	24,916,112	1,194,666,627	82,509,025
Change within the reporting entity (Note 14)	-	-	(1,421,949)	1,421,949	-	-
Other prior period adjustment (Note 14)	(1,652,812)	(1,530,104)	(1,333,136)	-	(4,516,052)	(936,338)
Net Position (Deficit), Beginning Year, as Restated	525,308,143	641,259,456	(2,755,085)	26,338,061	1,190,150,575	81,572,687
Net Position, End of Year	\$ 538,233,727	\$ 676,996,938	\$ (5,108,262)	\$ 26,227,849		\$ 92,796,844
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time					(754,931)	
Change in net position - business-type activities					\$ 45,444,746	

City of Henderson, Nevada
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities					Governmental Activities
	Water	Sewer	Development Services	Aggregate Non-Major Enterprise Funds	Total	Internal Service Funds
Operating Activities						
Cash received from customers	\$ 90,658,572	\$ 53,914,905	\$ 21,915,192	\$ 3,774,912	\$ 170,263,581	\$ 6,038,054
Cash received from other sources	198,675	-	79		9,032,229	
Cash received from interfund services provided	-	-	-			82,013,285
Cash payments for goods and services	(63,090,164)	(20,019,782)	(3,960,738)	(3,222,259)	(90,292,943)	
Cash payments for employee services	(15,996,063)	(13,266,973)	(8,754,162)	-	(38,017,198)	
Cash payments for employee benefits	(7,210,055)	(6,119,477)	(3,987,120)	-	(17,316,652)	
Cash payments for interfund services provided	(3,561,051)	(3,495,439)	(5,704,295)	-	(12,760,785)	
Net Cash from (used for) Operating Activities	999,914	19,846,709	(491,044)	552,653	20,908,232	19,916,409
Noncapital Financing Activities	8,833,475					
Transfers out	(3,005,082)	(3,020,553)	-		546,957 (6,025,635)	(200,000)
Repayments of advances from other funds	-	-	-		(56,253,117)	181,238
Interest payments on claims	-	-	-		(8,393,803)	(7,926)
Net Cash used for Noncapital Financing Activities	(3,005,082)	(3,020,553)	-		(4,034,967) (6,025,635)	(26,688)
Capital Financing Activities						
Acquisition and construction of capital assets	(20,407,039)	(10,213,730)	-		(30,620,769)	(6,770,217)
Proceeds received from disposal of capital assets	-	12,000	-		35,079	
Principal payments on debt	(400,535)	(4,917,337)	-		(5,317,872)	(736,977)
Interest payments on debt	(4,758,626)	(1,910,408)	-		(6,669,034)	(138,007)
Payments to other funds	-	-	-			(11,997)
Decrease in provisional credit	-	(116,149)			(116,149)	-
Capital contributions	-	10,762,281			16,094,738	-
Net cash used for capital financing activities	(20,221,743)	(6,372,264)	-		(26,594,007)	(6,587,298)
Investing Activities	23,079					
Investment income	5,170,622	1,740,137	371,960	(13,144)	7,269,575	1,074,056
Net Change in Cash and Cash Equivalents	(17,056,289)	12,194,029	(119,084)	539,509	(4,441,835)	14,376,479
Cash and Cash Equivalents, Beginning of Year, As Previously Reported	236,755,249	127,308,941	-	23,497,879	387,562,069	100,438,901
Change within the reporting entity (Note 14)	-	-	23,155,558	(23,155,558)		
Cash and Cash Equivalents, Beginning of Year, As Restated	236,755,249	127,308,941	23,155,558	342,321	387,562,069	100,438,901
Cash and Cash Equivalents, End of Year						
Unrestricted	127,889,276	138,809,661	22,719,901	881,830	290,300,668	109,264,380
Restricted	91,809,684	-	693,309		92,819,566	
	<u>\$ 219,698,960</u>	<u>\$ 139,502,970</u>	<u>\$ 23,036,474</u>	<u>\$ 881,830</u>	<u>\$ 383,120,234</u>	<u>\$ 114,815,380</u>

See Notes to Financial Statements

(continued)

City of Henderson, Nevada
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities					Governmental Activities
	Water	Sewer	Development Services	Aggregate Non-Major Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from (used for) Operating Activities						
Operating income (loss)	\$ (13,369,262)	\$ (5,614,597)	\$ (2,797,499)	\$ (99,006)	\$ (21,880,364)	\$ 5,947,022
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities						
Depreciation and amortization	12,003,498	15,085,019	10,814	268,890	27,368,221	
Other	198,675	8,833,475	79	-	9,032,229	
Changes in assets and liabilities						
Accounts receivable	(1,036,756)	(401,308)	-	308,721	(1,129,343)	635,317
Due from other governments	500	(7,925)	17,754	-	10,329	75,794
Prepaid items	-	-	-	-	-	(891,079)
Inventories	(6,812)	12,316	-	-	5,504	
Deferred outflows - other post-employment benefits	48,816	62,755	8,526	-	120,097	(469,006)
Deferred outflows - pensions	(3,192,526)	(2,474,890)	(2,045,382)	-	(7,712,798)	(1,249,259)
Accounts payable and other accrued liabilities	(517,491)	204,349	(26,939)	74,048	6,826,033	(105,365)
Accrued wages	63,953	72,961	36,142	-	217,905	
Compensated absences	447,472	254,935	(312,512)	-	389,895	
Claims and judgements	-	-	-	-	-	8,287,350
Other post-employment benefits	318,454	82,744	60,562	-	461,760	(637,757)
Net pension liability	19,751,174	14,990,400	12,750,149	-	47,491,723	
Deposits	(227,825)	-	(246,504)	-	(474,329)	
Unearned revenue	-	-	(799,531)	-	(799,531)	171,086
Deferred inflows - pensions	(13,489,193)	(11,175,625)	(7,074,514)	-	(31,739,332)	(7,325,260)
Deferred inflows - other post-employment benefits	7,237	(77,900)	(72,189)	-	(142,852)	634,279
					65,842	
Net cash from (used for) operating activities	<u>\$ 999,914</u>	<u>\$ 19,846,709</u>	<u>\$ (491,044)</u>	<u>\$ 552,653</u>	<u>\$ 20,908,232</u>	<u>\$ 19,916,409</u>
Noncash Investing, Capital and Financing Activities					7,508,690	
Contribution of capital assets	<u>\$ 22,278,509</u>	<u>\$ 24,748,724</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,027,233</u>	<u>\$ 2,988,820</u>
Loss on transfer of SBITA right-to-use asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,318</u>
SBITA right-to-use asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 197,748</u>
Leased right-to-use assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,860,541</u>

City of Henderson, Nevada
Statement of Net Position – Fiduciary Funds
June 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash, cash equivalents and investments	\$ 25,181,566
Interest receivable	36,510
Receivables from others	30,764
Special assessments receivable	<u>91,665,476</u>
Total assets	<u>116,914,316</u>
Liabilities	
Accounts payable and other accrued liabilities	353,210
Deposits	288,875
Due to developers, employees, and others	<u>94,521,439</u>
Total liabilities	<u>95,163,524</u>
Net Position	
Restricted	
Individuals, organizations, and other governments	<u>21,750,792</u>
Total net position	<u><u>\$ 21,750,792</u></u>

City of Henderson, Nevada
Statement of Changes in Net Position – Fiduciary Funds
Year Ended June 30, 2023

	<u>Custodial Funds</u>
Additions	
Contributions	
Plan members	\$ 448,292
Fines and forfeitures	116,534
Investment income	631,186
Collections from special assessment districts	<u>23,323,319</u>
Total additions	<u>24,519,331</u>
Deductions	
Payments to developers and others	17,262,663
Services and supplies	1,693,967
Administrative costs	201,687
Interest and fiscal charges	<u>3,759,555</u>
Total deductions	<u>22,917,872</u>
Change in Net Position	1,601,459
Net Position, Beginning of Year	<u>20,149,333</u>
Net Position, End of Year	<u><u>\$ 21,750,792</u></u>

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The City of Henderson, Nevada (the City) is a municipal corporation, incorporated April 16, 1953, and is governed by an elected mayor and four council members (Council). The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

As required by GAAP, the accompanying financial statements present the City and the City of Henderson Redevelopment Agency (the Agency). Although the Agency is a legally separate entity, the Agency's governing body is the same as the governing body of the City, and management of the City has operational responsibility of the Agency, therefore it is presented as a blended component unit. Stand-alone financial statements for the Agency can be obtained from the Henderson Redevelopment Agency, 240 S. Water Street, Henderson, Nevada 89015. No component units or other reportable organizations other than the Agency have been identified.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all the nonfiduciary activities of the City and its blended component unit. Eliminations have been made to minimize the double counting of internal activities. However, interfund services provided and used are not eliminated in the process of consolidation. For example, the effect of interfund services provided and used between functions (e.g., the sale of water from a utility to the general government) is not eliminated in the statement of activities. To do so would distort both the expenses of the purchasing function and the program revenues of the selling function. Services provided by the general fund to other funds are reported as expenditures or expenses, as appropriate, in the funds receiving the services and as reductions of expenditures in the general fund.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are specifically associated with a function or business-type activity. 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 or business-type activity, and (2) grants, contributions and interest income that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Certain indirect costs are included in program expense reported for individual functions and activities. Taxes and other items properly not included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category, *governmental, proprietary and fiduciary*, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, and operating expenses result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, and nonoperating expenses result from nonexchange transactions or ancillary activities.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements.

Under this measurement focus, revenues are recorded when earned and expenses are recorded when liabilities are 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered measurable when the amount of the transaction can be determined and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when liabilities are incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions and other postemployment benefits and claims and judgments, are recorded only when payment is due.

Property taxes, special assessments, sales taxes, consolidated tax revenue (a composite tax, based on a statutory formula, which is comprised of certain sales, cigarette, government services tax, real property transfer tax, and liquor taxes, and is collected and distributed by the State of Nevada as a taxing authority), gaming taxes, gasoline taxes and interest associated with the current fiscal period are all subject to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for ambulance fees), and fines and forfeits are not susceptible to accrual because generally they are not measurable until received.

The City reports unearned revenue in the fund financial statements and government-wide financial statements. Unearned revenues arise when potential revenue does not meet the eligibility criteria for recognition in the current period. Unearned revenues are recorded when resources are received by the government before it has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures or when permit revenues are received prior to all City obligations related to the permits being fulfilled. In subsequent periods, when revenue recognition criteria is met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Grants Special Revenue Fund accounts for the revenues and other activities related to grant awards received by the City.

The City reports the following major enterprise funds:

- The Water Fund accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.
- The Sewer Fund accounts for the provision of sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.
- The Development Services Fund accounts for activities and transactions related to the building permit processing function. All activities necessary to provide such services are accounted for in this fund, including, but limited to, permit processing, issuance, monitoring, inspection, plan checking, certain development reviews and related administrative expenses.

Additionally, the City reports the following fund types:

- Special revenue funds account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
- Debt service funds account for resources that are restricted, committed, or assigned to expenditure for principal and interest.
- Capital project funds account for resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or other capital assets.
- Internal service funds account for operations such as engineering, vehicle acquisition and maintenance, insurance, lending, and general technology that provide services or resources to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.
- Fiduciary funds are used to account for assets held by the City in an agency capacity for individuals, private organizations, other governments, or other funds including an employee benefits plan, funds impounded pending court adjudication and funds collected and disbursed for special assessment debt for which the City is not liable. These funds cannot be used to support the City's operating activities, and thus are excluded from the government-wide financial statements.

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

Cash, Cash Equivalents and Investments

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balances in the pooled cash accounts are available to meet current operating requirements. Cash to satisfy bond reserve and other requirements are maintained in separate accounts.

Cash and cash equivalents include currency on hand, demand deposits with banks and other highly liquid investments with original maturities of three months or less from the date of acquisition, which are readily convertible to cash. Since all cash in proprietary funds is pooled with the rest of the City's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents.

Nevada Revised Statutes (NRS) 355 authorize the City to invest in obligations of the U.S. Treasury, certain farm loan bonds, certain securities issued by Nevada local governments, repurchase agreements, banker's acceptances, commercial paper, negotiable certificates of deposit, certain bonds, notes or other obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the International Finance Corporations or the Inter-American Development Bank, Nevada Local Government Investment Pool, and money market mutual funds. All investments are recorded at estimated fair value in accordance with GASB Statement No. 72, *Fair Value Measurements and Application*, except for money market mutual funds which are reported at amortized cost.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All such balances within the governmental activities or business-type activities are eliminated in the government-wide statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

All trade receivables, including those in business-type activities, are shown net of an allowance for uncollectible accounts. Allowance calculations vary depending on the type of receivable. At June 30, 2023, Governmental Activities and Business-type Activities accounts receivable are shown net of allowance for uncollectible amounts totaling \$23,847,065 and \$1,043,617, respectively. In addition, Governmental Activities notes receivables are shown net of uncollectible amounts totaling \$13,212,433.

Prepaid Items and Inventory

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as other assets in both the government-wide and fund financial statements. The cost of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories are recorded as expenditures/expenses when consumed rather than when purchased.

Property Taxes

The Clark County Assessor assesses all real property by December 31 of each year. The Clark County Treasurer bills and collects the City's share of property taxes. The Clark County Treasurer remits current and delinquent property tax collections monthly.

The Nevada Department of Taxation provides the maximum allowable tax rates for operating purposes to local governments for inclusion in their budgets. Each local government that receives property taxes must file a budget on or before June 1, which provides for the allowable tax rate for the next fiscal year. The Nevada Tax Commission must certify all tax rates on June 25, the levy date, and property is lien on July 1. Taxes on real property are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August, and the first Mondays in October, January, and March. In the event of nonpayment, the Clark County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, and costs, together with interest at the rate of 15% per year from the date the taxes were due, if four or more installments were delinquent, until paid.

If delinquent taxes are not paid within the two-year redemption period, the Clark County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the Clark County Treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property.

Restricted Assets

Assets restricted for specific uses by bond covenants, grant provisions or other requirements are classified as restricted assets. Bond covenants of the City's Water and Sewer Enterprise funds require resources to be set aside for annual debt service payments. In addition, the City maintains remaining unspent bond proceeds related to several bond issuances, which are restricted as follows:

- The Series 2016 bond issuance, which funds are to be utilized to develop and acquire police communications systems.
- The Series 2020A1 bond issuance, which funds are to be used to finance certain costs of improvements to the City's municipal utility system. Such improvements consist of infrastructure replacements, pump station replacements, water reservoirs, transmission mains, and new water lines and pressure zones.
- The Series 2020B1 bond issuance, which funds are to be used to finance the costs of acquiring, constructing, improving, and equipping various City projects.
- The Series 2020C bond issuance, which funds are to be used to finance all or a portion of the costs of improvements for Cornerstone Park.
- The Series 2021 bond issuance, which funds are to be used to finance all or a portion of the costs to construct a new crime lab and a workforce training center.
- The Series 2022 bond issuance, which funds are to be utilized to finance the purchase of public safety equipment.

Also, the Agency maintains funds which under applicable State statutes and owner participation agreements are to be used for specified purposes. These amounts are also reported as restricted cash and cash equivalents.

In addition, external third-party restrictions require resources to be set aside for various purposes in the General Fund, Grants Special Revenue Fund, Forfeited Assets Special Revenue Fund, Municipal Facilities Acquisition and Construction Capital Projects Fund, Capital Replacement Capital Projects Fund, Worker's Compensation Self-Insurance Internal Service Fund, City Shop Internal Service Fund, and the Water and Sewer Enterprise Funds. These amounts are also reported as restricted cash and cash equivalents.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government wide financial statements. Capital assets are defined as those assets, including intangibles, with an initial cost of \$10,000 or more and an estimated useful life of more than one year. For governmental fund types, outlays for capital assets are expensed during the current period. Capital assets are valued at the cost of purchase or internal development, while donated assets are recorded at the acquisition value as of the date donated. The costs of normal maintenance and repairs that do not add value to the asset or materially extend the assets' lives are not capitalized.

General infrastructure assets acquired prior to July 1, 2001, consist of the road network assets, storm drain network assets and bridges that were acquired or that received substantial improvements subsequent to July 1, 1980. The road network and storm drain network assets are reported at estimated historical cost and bridges are reported at initial installation cost.

The major subsystems within the road and storm drain networks are as follows:

<u>Road Network</u>	<u>Storm Drain Network</u>
Asphalt	Storm drain drops inlets
Traffic signals	Other storm drain infrastructure
Curbs and gutters	
Sidewalks	
Streetlights	

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives:

<u>Asset Category</u>	<u>Years</u>
Building and building improvements	25-75
Improvements other than buildings	10-100
Infrastructure	30-100
Machinery and equipment	5-40

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off, vacation, banked holidays, compensatory time off, and sick pay benefits, which are collectively referred to as compensated absences. The liability for compensated absences is calculated under the provisions of GASB Statement No. 101, *Compensated Absences*, which was adopted this fiscal year. Compensated absences are accrued when incurred in the government-wide and proprietary fund statements.

In governmental funds, a liability for these amounts is reported only if they are due and payable as a result of employees who have terminated or retired.

Provisional Credits and Refunding Agreements

The City has entered into refunding agreements whereby developers construct water and sewage transmission lines from their property to existing City lines at the expense of the developers. Pursuit to the refunding agreements, the developers may be reimbursed by the City from the collection of connection fees or user charges. These agreements are principally for the term of ten years with all liability canceled either by reimbursement to the developers from subsequent connection fee assessments in the related areas or upon expiration of the term of the agreements.

Long-Term Debt

In the government-wide and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as either a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense using the straight-line method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Debt issuance costs are recognized as an expense in the period incurred.

In governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of bonds issued is reported as other financing sources, as are bond premiums. Bond discounts and payments to advance refunding agents are recorded as other financing uses. Issuance costs, even if withheld from the proceeds received, and payments to current refunding agents are reported as debt service expenditures.

Leases & Subscription Based Information Technology Arrangements

The City leases equipment, buildings, and a vehicle and subscribes to software under noncancellable agreements. The City recognizes lease and subscription-based information technology agreements (SBITA) liabilities and intangible right-to-use lease assets in the government-wide financial statements for agreements that have initial, individual values of \$10,000 or more.

At the commencement of an agreement, the City measures the related liability at the present value of payments expected to be made during the term. Subsequently, the liability is reduced by the principal portion of payments made. The right-to-use asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over its useful life or the life of the agreement, whichever is shorter.

Key estimates and judgments related to leases and SBITAs include how the City determines (1) the discount rate it uses to discount the expected payments to present value, (2) term, and (3) payments.

- The City uses the interest rate charged by the lessor or vendor as the discount rate. When the interest rate charged is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate.

- The term includes the noncancellable period of the agreement, adjusted for certain extension or termination options if reasonably certain of being exercised. Payments included in the measurement of the liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and SBITAs and will remeasure the related assets and liabilities if certain changes occur that are expected to significantly affect the amount of the liabilities.

Right-to-use assets are reported with other capital assets and lease and SBITA liabilities are reported with long-term debt on the statement of net position.

The City is the lessor for noncancellable leases of a building, land, and cellular network sites. The City recognizes a lease receivable and a deferred inflow of resources related to these leases in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable 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. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease, adjusted for certain extension or termination options if reasonably certain of being exercised. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Other Postemployment Benefits

The City recognizes benefit payments when due and payable in accordance with the benefit terms for the purpose of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflow of resources related to OPEB, and OPEB expense.

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

The City uses the same basis used in the Public Employees' Retirement System of Nevada's (PERS) Annual Comprehensive Financial Report for reporting its proportionate share of the PERS collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to PERS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized by PERS when due and payable in accordance with the benefit terms. PERS investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Under full accrual accounting, a deferred charge on refunding is reported in the government-wide and the proprietary funds statements of net position. The 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. The City also reports deferred outflows of resources related to pensions and OPEB. The deferred outflows of resources related to pensions are amortized over the average expected remaining service life of all employees that are provided with pension benefits, except for investment earnings which are recognized over a closed five-year period. Deferred amounts related to pensions also include pension contributions made by the City subsequent to the pension plan's actuarial valuation measurement date, which are deferred for one year. The deferred outflows of resources related to OPEB are amortized over the average expected remaining service life of active and inactive plan members, except for investment earnings which are recognized over a closed five-year period.

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. Under a modified accrual basis of accounting, the governmental funds report unavailable revenues from the following sources: property taxes, special assessments, notes receivable and other receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Under full accrual accounting, the government-wide statement of net position and the proprietary funds statement of net position also report deferred inflows related to pensions and OPEB. The deferred inflows of resources related to pensions are amortized over the average expected remaining service life of all employees that are provided with pension benefits, except for investment earnings, which are recognized over a closed five-year period. The deferred inflows of resources related to OPEB are amortized over the average expected remaining service life of active and inactive plan members, except for investment earnings, which are recognized over a closed five-year period.

Equity Classifications

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

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Net Position* – Consists of net position with constraints placed on use either by 1) external parties, such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – Consists of all other net position that does not meet the definition of restricted or net investment in capital assets.

When an expense is incurred for which both restricted and unrestricted amounts are available, the City considers restricted funds to have been spent first.

Governmental fund equity is characterized as fund balance and is classified as follows:

- *Nonspendable* – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This classification includes inventories, prepaid items, assets held for sale and long-term receivables, unless the proceeds of the assets held for sale or long-term receivables are for restricted, committed, or assigned purposes.
- *Restricted* – Includes amounts with constraints that are either externally imposed by creditors (such as debt covenants), grantors, contributors or other governments, or are imposed by law (through constitutional provisions or enabling legislation).
- *Committed* – Includes amounts that can only be used for a specific purpose because of an ordinance passed by the City Council, which is the City's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner employed to previously commit these resources.
- *Assigned* – Includes amounts that are constrained by the City's intent to be used for specific purposes, but do not meet the criteria to be classified as restricted or committed. The City Council has established formal financial management policies that delegate authority to assign fund balances to the City's Chief Financial Officer. Constraints imposed on the use of assigned amounts can be removed without formal action by the City Council.
- *Unassigned* – This is the residual classification of fund balance in the general fund, which has not been reported in any other classification. The general fund is the only fund that can report a positive unassigned fund balance. Other governmental funds might report a negative unassigned fund balance as a result of overspending for specific purposes for which amount has been restricted, committed or assigned.

When both restricted and other resources (i.e., committed, assigned, and unassigned) can be used for the same purposes, the City's financial management policy considers restricted resources to be spent first as expenditures are incurred. For expenditures of unrestricted fund balance for which any classification may appropriately be used, the City considers fund balance spent in the following order (1) committed, (2) assigned, and (3) unassigned.

In accordance with NRS 354.6115, 0.25% of property tax revenue is restricted for economic stabilization and is recorded directly in the non-major Financial Stabilization Special Revenue Fund. This fund is designed to maintain a balance of 8.3% of general fund revenue, excluding federal grant revenues. The balance in the fund must not exceed 10% of the expenditure from the general fund for the previous year, excluding any federal funds expended. If the fund balance falls short of this 8.3%, City Council can approve funding from other revenue sources. Monies from this fund can be made available for city-wide costs incurred to mitigate the effects of an emergency or a natural disaster if declared by City Council. Pursuant to the NRS, a natural disaster is defined as a fire, flood, earthquake, drought, or any other occurrence that results in widespread or severe damage to property or injury to or the death of persons within the City that requires immediate action to protect the health, safety and welfare of the residents of the City as determined by the governing board. In addition, balances in this fund can be made available to the general fund to compensate for shortfalls of actual revenues of 2.0% or greater, as compared to the final budget filed with the Nevada Department of Taxation. Per the NRS, the money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than a purpose specified above. None of these circumstances are expected to occur routinely and have not occurred since fiscal year 2009. The City does not currently anticipate that funds from the Financial Stabilization Special Revenue Fund will be required in fiscal year 2024. The fund balance in the Financial Stabilization Special Revenue Fund was \$30,216,589 at June 30, 2023.

Adoption of GASB Statement No. 96

As of July 1, 2022, the City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). The implementation of this standard establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The effect of the implementation of this standard on beginning net position is disclosed in Note 14 and the additional disclosures required by this standard are included in Note 6 and Note 7.

Adoption of GASB Statement No. 100

As of July 1, 2022, the City adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of this standard requires additional presentation and disclosure requirements for accounting changes and error corrections. The financial statements have been updated to conform to the presentation requirements related to the error corrections and accounting changes in the financial statements for the year ended June 30, 2023. The additional disclosures required by this standard are included in Note 14.

Adoption of GASB Statement No. 101

As of July 1, 2022, the City adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. The effect of the implementation of this standard on beginning net position is disclosed in Note 14.

Use of Estimates

The preparation of these financial statements includes estimates and assumptions made by management that affect the reported amounts. Actual results could differ from those estimates.

Note 2 - Stewardship and Accountability

Budgetary Information

The City adopts annual budgets, in accordance with Nevada Revised Statutes (NRS) for all governmental and proprietary fund types and uses a basis of accounting consistent with GAAP.

Prior to April 15, the Budget Manager submits a tentative budget for the ensuing fiscal year to the Nevada Department of Taxation. The Nevada Department of Taxation notifies the City Council if the budget is in compliance with the law and appropriate regulations. Prior to the adoption of the final budget, Finance staff presents the tentative budget to City Council. A public hearing, at which all changes made to the tentative budget are indicated, is conducted no sooner than the third Monday in May and no later than the last day in May. The City Council adopts the budget prior to June 1 and submits it to the Nevada Department of Taxation for final approval. The revenue classifications and expenditure functions shown in the fund financial statements are those prescribed by the Nevada Department of Taxation.

State statutes require budgetary control to be exercised at the function level. The City Manager is authorized to transfer appropriations between any function or program within a fund and may authorize the transfer of appropriations between funds at any time if the City Council is advised of the action at a Council meeting and the action is recorded in the official minutes of the meeting.

Revisions which affect the total fund appropriations or transfers between funds are accomplished through formal City Council approval. An augmented budget is approved by the City Council and filed with the Nevada Department of Taxation prior to June 30th of each fiscal year.

Excess of Expenditures Over Appropriations and Augmentations

For the year ended June 30, 2023, total operating expenses exceeded appropriations for the Development Services Enterprise Fund in the amount of \$437,233.

Additionally, total expenditures within the debt service function exceeded appropriations for the General Fund, Municipal Court Administrative Fee Special Revenue Fund, and Capital Replacement Capital Projects Fund. These items are not violations of NRS 354.626 pursuant to the exceptions permitted under the NRS.

The Redevelopment Agency augmented its budget to account for the one-time purchase of the Fiesta site. However, the Agency augmented its budget using \$16,363,080 of ending fund balance, rather than other available resources. This is an apparent exception under NAC 354.410. The effect of this augment did not affect the Agency's compliance with NRS 354.626 as the Agency's total expenditures were \$117,143,252 under budget for the year ended June 30, 2023.

Deficit Net Position

The Development Services Enterprise Fund and the Engineering Internal Service Fund have deficit net positions of \$5,108,262 and \$6,692,657, respectively, at June 30, 2023.

Transfers from Enterprise Funds

The City transferred \$3,005,082 from the Water Enterprise Fund and \$3,020,553 from the Sewer Enterprise Fund to the General Obligation Debt Service Fund as a cost recovery mechanism for the right to use the City Hall offices and its ancillary facilities. These transfers were budgeted and accepted by City Council and the Department of Taxation. However, the City does not have a formal cost allocation plan to evidence an equitable distribution of expenses throughout all of the City's funds, including the Water and Sewer Enterprise Funds. As such, these transfers, while intended to be an appropriate cost recovery mechanism, may not be compliant with NRS 354.613.

Tax Abatements

Consolidated sales taxes collected in Nevada are partially allocated to local governments in accordance with the distribution formulas established by NRS. The State of Nevada has entered into various tax abatement agreements which have reduced tax revenue to the City. All tax abatement agreements/programs entered into by the State of Nevada have been summarized by type of agreement/program. For the year ended June 30, 2023, the aggregate gross, accrual basis reduction of the City's taxes is as follows:

- Agreement/program description – NRS 360.753 - Partial abatement of certain taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft.
 - Amount abated during the year ended June 30, 2023 – \$24,885.
 - Specific tax being abated – Personal property taxes and/or sales and use taxes.
- Agreement/program description – NRS 360.754 - Partial abatement of certain taxes imposed on new or expanded data center.
 - Amount abated during the year ended June 30, 2023 – \$1,168,963.
 - Specific tax being abated – Property taxes and/or sales and use taxes.
- Agreement/program description – NRS 701A - Energy-related tax incentives (NRS 701A.110 Partial abatement of certain property taxes for buildings or structures that meet certain standards under Green Building Rating System, NRS 701A.200 Exemption from certain property taxes for qualified energy systems, NRS 701A.210 Partial abatement of certain property taxes for businesses and facilities using recycled material, NRS 701A.370 Partial abatement of property and local sales and use taxes imposed on renewable energy facilities).
 - Amount abated during the year ended June 30, 2023 – \$447,028.
 - Specific tax being abated – Property taxes and/or sales and use taxes.
- Agreement/program description – NRS 374.357 - Abatement for eligible machinery or equipment used by certain new or expanded businesses.
 - Amount abated during the year ended June 30, 2023 – \$142,820.
 - Specific tax being abated – Sales and use taxes.

Note 3 - Cash, Cash Equivalents and Investments

The following is a reconciliation of the City's cash, cash equivalents and investments balances (including restricted amounts) as of June 30, 2023:

Cash on hand	\$ 47,114
Cash on deposit	11,423,844
Cash equivalents	430,733,366
Investments	<u>524,543,144</u>
Total cash, cash equivalents and investments	<u>\$ 966,747,468</u>

At June 30, 2023, total cash, cash equivalents and investments (including restricted amounts) were presented in the City's financial statements as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Governmental activities	\$ 495,870,795	\$ 62,574,873	\$ 558,445,668
Business-type activities	290,300,668	92,819,566	383,120,234
Fiduciary funds	<u>25,181,566</u>	<u>-</u>	<u>25,181,566</u>
Total cash, cash equivalents and investments	<u>\$ 811,353,029</u>	<u>\$ 155,394,439</u>	<u>\$ 966,747,468</u>

The NRS govern the City's deposit policies. City monies must be deposited in federally insured banks and savings and loan associations. The City is authorized to use demand accounts, time accounts and certificates of deposit.

Pooled Cash and Investments

The City invests monies both by individual fund and through pooling of monies. The pooling of monies, referred to as an internal investment pool, is invested in its entirety and not as a combination of monies from each fund belonging to the pool. In this manner, the City's Chief Financial Officer is able to invest the monies at a higher interest rate for a longer period of time. Interest revenue is apportioned monthly to each fund in the pool based on the average cash balance of the fund for the month. The City investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Chief Financial Officer are regulated by NRS 355.170.

Custodial Credit Risk

The NRS do not specifically require collateral for demand deposits but do specify that collateral for time deposits may be of the same type as those described for permissible state investments.

As of June 30, 2023, the recorded amount of the City's cash on deposit were \$11,423,844 and the related bank balance were \$10,024,361. The City's bank balance was either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized in accordance with the NRS.

The City manages its custodial credit risk related to deposits by participating in the State's Pooled Collateral Program, which was created during the 2003 legislative session to monitor collateral maintained by depositories for local government agencies' deposits. This program provides for a centralized process and management of all pledging and maintenance of collateral by the State Treasurer's Office rather than each local agency and eliminates the need for the City to establish separate custodial agreements with each financial institution. The State Treasurer requires that acceptable securities pledged as collateral be maintained at 102% of the entities' deposits participating in the pool.

Interest Rate Risk

Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. This risk can be mitigated by diversification of durations of fixed rate investments held in the investment portfolio.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations and is a function of the credit quality ratings of investments. The City follows NRS for reducing exposure to investment credit risk.

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The following table identifies the investment types and minimum credit ratings authorized for the City by NRS 355.170 and 355.171:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating	
				Standard & Poor's	Moody's
Banker's acceptances	180 days	20%	None	N/A	N/A
Commercial paper	270 days	25%	5%	A-1	P-1
Money market mutual funds	None	None	None	AAA	Aaa
Negotiable certificates of deposit	None	None	None	N/A	N/A
Collateralized nonnegotiable certificates of deposits	None	None	None	N/A	N/A
Negotiable notes and medium-term obligations of local governments within the State of Nevada	None	None	None	N/A	N/A
Obligations of state and local governments outside of the State of Nevada	None	None	None	N/A	N/A
Repurchase agreements	90 days	None	None	N/A	N/A
U.S. Treasury obligations	10 years	None	None	N/A	N/A
U.S. Agency securities:					
Federal National Mortgage	10 years	None	None	N/A	N/A
Federal Agricultural Mortgage Corporation	10 years	None	None	N/A	N/A
Federal Farm Credit Bank	10 years	None	None	N/A	N/A
Federal Home Loan Bank	10 years	None	None	N/A	N/A
Federal Home Loan Mortgage Corporation	10 years	None	None	N/A	N/A
Government National Mortgage Association	10 years	None	None	N/A	N/A
Bonds, notes and other obligations of IBRD, IFC, IADB	5 years	15%	None	AA	Aa2
Notes, bonds, and other obligations issued in the U.S. by foreign financial institutions, corporations or governments	5 years	10%	None	AA	Aa2
Local government investment pool	None	None	None	N/A	N/A
Notes, bonds, and other obligations issued by U.S. corporations	5 years	25%	5%	A	N/A
Collateralized mortgage obligations	None	None	None	AAA	N/A
Asset-backed securities	None	None	None	AAA	N/A

Fair Value Measurements

The City categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The GAAP fair value hierarchy is based on the inputs used to measure the fair value of an asset or liability. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The level 2 inputs are based on a matrix pricing model that maximizes the use of observable inputs from similar securities as provided by recognized broker dealers. The City manages its exposure to declines in fair values (e.g., interest rate risk) by limiting the weighted-average maturity of its investment portfolio to five years or less in accordance with its investment policy.

At June 30, 2023, the City had the following cash equivalents and investments:

	Cost	Fair Value	Fair Value Measurement	Weighted Average Maturity (Years)
Pooled cash equivalents and investments				
State of Nevada, Local Government Investment Pool	\$202,387,652	\$201,821,057	N/A	0.31
All Spring Government Money Market	37,002,144	37,002,144	Level 1	0.07
Bank of Nevada Certificate of Deposit	10,157,081	10,157,081	Level 2	0.63
U.S. Agency securities				
Federal Farm Credit Bank	59,294,133	55,498,014	Level 2	2.67
Federal Home Loan Bank	288,582,636	274,121,375	Level 2	1.82
Federal Home Loan Mortgage Corporation	93,865,253	90,529,456	Level 2	1.90
Federal National Mortgage Association	53,525,510	50,631,206	Level 2	1.51
U.S. Treasury notes	20,107,995	19,205,493	Level 1	2.21
Notes, bonds and other obligations of IBRD, IFC, IADB				
International Bank for Reconstruction and Development	19,918,800	19,786,300	Level 2	2.83
International Finance Corporation	10,000,000	9,939,500	Level 2	1.43
Inter-American Development Bank	4,892,095	4,831,800	Level 2	0.31
Total pooled cash equivalents and investments	<u>799,733,299</u>	<u>773,523,426</u>		1.35
Non-pooled cash equivalents and investments				
Special assessment bond proceeds investments				
Morgan Stanley Money Market Fund	76,878,353	76,878,353	Level 1	0.17
Other bond proceeds investments				
Redevelopments bonds - Morgan Stanley Money Market Fund	642,282	642,282	Level 1	0.17
Utility bonds - State of Nevada, Local Government Investment Pool	97,224	97,224	N/A	0.34
Utility bonds - Morgan Stanley Money Market Fund	83,155,701	83,155,701		0.17
Various purpose bonds - Morgan Stanley Money Market Fund	6,902,214	6,902,214	Level 1	0.17
Medium term bonds - Morgan Stanley Money Market Fund	3,815,424	3,815,424	Level 1	0.17
Other cash equivalents				
Bank of Nevada Certificate of Deposit	5,261,719	5,261,719	Level 2	0.63
Wells Fargo Certificate of Deposit	5,000,167	5,000,167	Level 2	0.00
Total non-pooled cash equivalents and investments	<u>181,753,084</u>	<u>181,753,084</u>		0.18
Total cash equivalents and investments	<u>\$981,486,383</u>	<u>\$955,276,510</u>		1.13

(continued)

The State of Nevada Local Government Investment Pool (LGIP) is an external investment pool administered by the Treasurer of the State of Nevada, with oversight provided by the Board of Finance. The LGIP operates in accordance with all applicable NRS. The fair value of the City's investments in the pool as reported is based upon the City's pro-rata share of the fair value provided by LGIP. As of June 30, 2023, the City's balance in LGIP was \$201,918,281. The LGIP fair value factor of 0.997200445 was used to calculate the fair value of the investments in the LGIP and has a weighted average maturity of 113 days.

The following is a summary of the credit quality distribution and concentration of credit risk by financial instrument type as a percentage of total cash equivalents and investments:

	Standard & Poor ¹	Moody's	Percentage of Portfolio
Pooled cash equivalents and investments			
State of Nevada, Local Government Investment Pool	N/A	N/A	21.13%
All Spring Govt Money Market Funds	AAAm	Aaa-mf	3.87%
Bank of Nevada Certificate of Deposit	N/A	N/A	1.06%
U.S. Agency securities			
Federal Farm Credit Bank	AA+	Aaa	5.81%
Federal Home Loan Bank	AA+	Aaa	28.70%
Federal Home Loan Mortgage Corporation	AA+	Aaa	9.48%
Federal National Mortgage Association	AA+	Aaa	5.30%
U.S. Treasury notes	*	*	2.01%
Notes, bonds and other obligations of IBRD, IFC, IADB			
International Bank for Reconstruction and Development	AAA	Aaa	2.07%
International Finance Corporation	AAA	Aaa	1.04%
Inter-American Development Bank	AAA	Aaa	0.51%
Total Pooled Cash Equivalents			80.97%
Non-pooled cash equivalents and investments			
Special assessment bond proceeds investments			
Morgan Stanley Money Market Fund	AAAm	Aaa-mf	8.05%
Other bond proceeds investments			
Redevelopments bonds - Morgan Stanley Money Market Fund	AAAm	Aaa-mf	0.07%
Utility bonds - State of Nevada, Local Government Investment Pool	N/A	N/A	0.01%
Utility bonds - Morgan Stanley Money Market Fund	AAAm	Aaa-mf	8.70%
Various purpose bonds - Morgan Stanley Money Market Fund	AAAm	Aaa-mf	0.72%
Medium term bonds - Morgan Stanley Money Market Fund	AAAm	Aaa-mf	0.40%
Other cash equivalents			
Bank of Nevada Certificate of Deposit	N/A	N/A	0.55%
Wells Fargo Certificate of Deposit	N/A	N/A	0.52%
Total Non-Pooled Cash and Equivalents and Investments			19.03%
Total Cash Equivalents and Investments			100.00%

¹The requirement to disclose credit ratings does not apply to debt securities of the United States Government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

At June 30, 2023, in accordance with the NRS as previously defined, the City was not in violation of the maximum percentage of total portfolio per investment type, nor the maximum percentage per single issuer restrictions.

Note 4 - Receivables

Receivable balances are disaggregated by type and presented separately in the financial statements. Significant receivable balances not expected to be collected within one year and not already classified are presented below:

Governmental Activities	General Fund	Grants Fund	Aggregate Non-Major Governmental	Internal Service	Total Governmental Activities
Special assessments receivable	\$ -	\$ -	\$ 435,238	\$ -	\$ 435,238
Due from other governments	39,409,922	3,637,136	12,371,743	369,988	55,788,789
Lease receivable	2,050,076	-	4,598,652	-	6,648,728
	<u>\$ 41,459,998</u>	<u>\$ 3,637,136</u>	<u>\$ 17,405,633</u>	<u>\$ 369,988</u>	<u>\$ 62,872,755</u>
Expected to be collected within 1 year	\$ 37,432,656	\$ 3,637,136	\$ 12,473,932	\$ 369,988	\$ 53,913,712
Not expected to be collected within 1 year					
Special assessments receivable	-	-	360,155	-	360,155
Due from other governments	2,237,193	-	-	-	2,237,193
Lease receivable	1,790,149	-	4,571,546	-	6,361,695
	<u>\$ 41,459,998</u>	<u>\$ 3,637,136</u>	<u>\$ 17,405,633</u>	<u>\$ 369,988</u>	<u>\$ 62,872,755</u>

Leases Receivable

The City is the lessor of various cell towers, land, and a building to third parties. There are various cell tower agreements through 2039, with monthly payments, increasing by 3% each year. The land lease period is through 2060, with annual payments, increasing by 2% each year. The building lease period is through 2048 with annual payments, increasing by 2% each year. The City received principal payments related to leases in the amount of \$391,707 and \$243,363 in interest revenue during the current fiscal year. As of June 30, 2023, the City's receivable for lease payments was \$6,648,728. Also, the City has a deferred inflow of resources associated with leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$6,090,075.

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Note 5 - Interfund Balances and Activity

At June 30, 2023, the composition of interfund balances was as follows:

Due To and From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Grants Special Revenue Fund	<u>\$ 994,783</u>

The amount due to the General Fund is a temporary loan to cover a deficit cash balance in the Grants Special Revenue fund.

Advances To and From Other Funds

Receivable Fund	Payable Fund	Amount
Internal Service Funds	Aggregate Non-Major Governmental Funds	<u>\$ 435,655</u>

The amounts owed to the internal service funds represent loans to the Special Assessment Districts capital projects fund to be repaid from special assessments.

Internal Balances

Effect of prior years' internal service activity on business-type activities	\$ (53,013,441)
Effect of current year internal service activity on business-type activities	<u>(754,931)</u>
	<u>\$ (53,768,372)</u>

Interfund Transfers

Transfer In Fund	Transfer Out Fund(s)							
	Aggregate							
	General	Non-Major Governmental	Total Governmental	Water	Sewer	Total Enterprise	Internal Service	Total
General	\$ -	\$ 799,287	\$ 799,287	\$ -	\$ -	\$ -	\$ -	\$ 799,287
Grants	208,225	-	208,225	-	-	-	-	208,225
Non-Major Governmental	28,938,716	12,195,278	41,133,994	3,005,082	3,020,553	6,025,635	200,000	47,359,629
Total Governmental	\$ 29,146,941	\$ 12,994,565	\$ 42,141,506	\$ 3,005,082	\$ 3,020,553	\$ 6,025,635	\$ 200,000	\$ 48,367,141

Interfund transfers are authorized transfers between funds and are used to move revenues from the funds with collection authorization to other funds where they are to be expended. During the year, transfers were used to fund programs or capital expenditures, make debt service principal and interest payments, and for reserves per the City's Financial Management Policies.

Note 6 - Capital Assets

For the year ended June 30, 2023, capital asset activity was as follows:

	Balance July 1, 2022, (restated)	Increases	Decreases	Transfers and Reclassifications*	Balance June 30, 2023
Governmental activities					
Capital assets not being depreciated					
Construction in progress	\$ 35,808,985	\$ 60,906,694	\$ (1,318,176)	\$ (22,771,754)	\$ 72,625,749
Land	181,998,864	17,079,145	(428,578)	-	198,649,431
Total capital assets not being depreciated	217,807,849	77,985,839	(1,746,754)	(22,771,754)	271,275,180
Capital assets being depreciated					
Buildings and building improvements	452,217,742	9,940,781	(2,022,413)	13,108,252	473,244,362
Improvements other than buildings	415,074,692	3,503,246	(112,593)	7,452,636	425,917,981
Infrastructure	1,988,331,260	66,931,231	-	2,192,195	2,057,454,686
Machinery and equipments	116,529,203	12,213,568	(10,706,953)	18,671	118,054,489
Right-to-use assets					
Buildings	468,580	1,990,961	-	-	2,459,541
Equipment	1,309,532	-	-	-	1,309,532
Vehicles	15,796	-	-	-	15,796
Software	7,590,445	670,313	-	-	8,260,758
Total capital assets being depreciated	2,981,537,250	95,250,100	(12,841,959)	22,771,754	3,086,717,145
Less accumulated depreciation					
Buildings and building improvements	(118,655,041)	(5,957,561)	1,314,941	-	(123,297,661)
Improvements other than buildings	(118,689,846)	(10,067,688)	112,593	57,899	(128,587,042)
Infrastructure	(942,895,585)	(30,378,599)	-	(57,899)	(973,332,083)
Machinery and equipments	(78,994,242)	(9,549,919)	10,449,261	-	(78,094,900)
Right-to-use assets					
Buildings	(69,234)	(372,887)	-	-	(442,121)
Equipment	(421,419)	(261,907)	-	-	(683,326)
Vehicles	(7,005)	(5,265)	-	-	(12,270)
Software	(2,414,107)	(1,144,482)	-	-	(3,558,589)
Total accumulated depreciation	(1,262,146,479)	(57,738,308)	11,876,795	-	(1,308,007,992)
Total capital assets, being depreciated, net	1,719,390,771	37,511,792	(965,164)	22,771,754	1,778,709,153
Governmental activities capital assets, net	\$ 1,937,198,620	\$ 115,497,631	\$ (2,711,918)	\$ -	\$ 2,049,984,333

*Includes transfers from and to proprietary funds, if any.

Balances have been restated due to the implementation of GASB Statement 96 as more fully described in Note 14.

City of Henderson, Nevada
Notes to Financial Statements
June 30, 2023

	Balance July 1, 2022, (restated)	Increases	Decreases	Transfers and Reclassifications*	Balance June 30, 2023
Business-type activities					
Capital assets not being depreciated					
Construction in progress	\$ 39,018,289	\$ 32,889,577	\$ (380,020)	\$ (6,011,289)	\$ 65,516,557
Land	40,452,702	-	(12,421)	-	40,440,281
Total capital assets not being depreciated	79,470,991	32,889,577	(392,441)	(6,011,289)	105,956,838
Capital assets being depreciated					
Buildings and building improvements	176,159,452	-	-	49,650	176,209,102
Improvements other than buildings	1,505,114,208	44,719,007	-	4,613,945	1,554,447,160
Machinery and equipments	67,889,430	503,573	(99,810)	1,347,694	69,640,887
Right-to-use assets					
Software	86,675	-	-	-	86,675
Total capital assets being depreciated	1,749,249,765	45,222,580	(99,810)	6,011,289	1,800,383,824
Less accumulated depreciation					
Buildings and building improvements	(57,057,523)	(3,399,365)	-	-	(60,456,888)
Improvements other than buildings	(659,430,380)	(20,308,544)	-	-	(679,738,924)
Machinery and equipments	(27,835,958)	(3,641,510)	99,810	-	(31,377,658)
Right-to-use assets					
Software	(18,551)	(18,802)	-	-	(37,353)
Total accumulated depreciation	(744,342,412)	(27,368,221)	99,810	-	(771,610,823)
Total capital assets, being depreciated, net	1,004,907,353	17,854,359	-	6,011,289	1,028,773,001
Governmental activities capital assets, net	\$ 1,084,378,344	\$ 50,743,936	\$ (392,441)	\$ -	\$ 1,134,729,839

*Includes transfers from and to proprietary funds, if any.

Balances have been restated due to the implementation of GASB Statement 96 as more fully described in Note 14.

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For the year ended June 30, 2023, charges, by function, for depreciation and amortization expense were as follows:

Governmental Activities	
General government	\$ 5,916,046
Judicial	52,183
Public safety	2,376,232
Public works	30,784,822
Culture and recreation	11,746,090
Internal service fund depreciation expense is charged to specific functions based on asset usage	<u>6,862,935</u>
Total depreciation expense - governmental activities	<u><u>\$ 57,738,308</u></u>
Business-Type Activities	
Water	\$ 12,003,498
Sewer	15,085,019
Development services	10,814
Municipal golf course	<u>268,890</u>
Total depreciation expense - business-type activities	<u><u>\$ 27,368,221</u></u>

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Note 7 - Long-term Liabilities

Changes in Long-term Liabilities

Long-term debt obligations activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022, (restated)	Increases	Decreases	Balance June 30, 2023	Due Within One Year
Governmental activities					
General obligation bonds					
\$39,955,000 Series 2013B General Obligation Refunding Bonds; principal due annually beginning June 2020 through June 2031; interest varies between 3.25% and 5.0%	\$ 6,955,000	\$ -	\$ (1,990,000)	\$ 4,965,000	\$ 2,085,000
\$24,305,000 Series 2014 General Obligation Refunding Bonds; principal due June 2032; interest at 3.5%	2,600,000	-	-	2,600,000	-
\$12,700,000 Series 2016 General Obligation (Limited Tax) Medium-Term Various Purpose and Refunding; principal due annually beginning August 2017 through August 2026; interest at 5.0%	6,220,000	-	(2,250,000)	3,970,000	2,435,000
\$29,510,000 Series 2020B-1 General Obligation (Limited Tax) Various Purpose Bonds; principal due annually beginning June 2025 through June 2040; interest varies between 4.0% and 5.0%	29,510,000	-	-	29,510,000	-
\$93,705,000 Series 2020B-2 General Obligation (Limited Tax) Various Purpose and Refunding Bonds; principal due annually beginning June 2022 through June 2036; interest varies between 1.3% and 2.9%	91,360,000	-	(2,315,000)	89,045,000	2,285,000
\$25,000,000 Series 2021 General Obligation (Limited Tax) Various Purpose Bonds; principal due annually beginning June 2023 through June 2041; interest varies between 1.3% and 5.0%	25,000,000	-	(905,000)	24,095,000	950,000
Total General Obligation Bonds	161,645,000	-	(7,460,000)	154,185,000	7,755,000
General obligation bonds - direct placement					
\$20,000,000 Series 2020C General Obligation (Limited Tax) Various Purpose Bonds; principal due annually beginning June 2021 through June 2030; interest fixed at 2.0%	16,290,000	-	(1,900,000)	14,390,000	1,935,000
\$10,000,000 Series 2022 General Obligation (Limited Tax) Medium Term Bonds; principal due annually beginning June 2024 through June 2032; interest fixed at 3.73%	-	10,000,000	-	10,000,000	956,000
Total General Obligation Bonds - direct placement	16,290,000	10,000,000	(1,900,000)	24,390,000	2,891,000
Tax Allocation Bonds					
\$9,365,000 Series 2015 Henderson Redevelopment Tax Increment Refunding Bonds due annually through October 2039; interest varies between 2.0% and 5.0%	7,880,000	-	(290,000)	7,590,000	305,000
Unamortized bond premiums	8,966,602	-	(1,041,263)	7,925,339	-
Notes Payable - direct borrowing					
\$1,574,827 Installment Purchase Agreement due annually through December 2026; bearing interest at 3.14%	-	1,574,827	(334,730)	1,240,097	295,802
Total bonds and notes payable	194,781,602	11,574,827	(11,025,993)	195,330,436	11,246,802

(continued)

City of Henderson, Nevada
Notes to Financial Statements
June 30, 2023

	Balance July 1, 2022, (restated)	Increases	Decreases	Balance June 30, 2023	Due Within One Year
Other long-term obligations					
Leases	\$ 1,328,288	\$ 1,860,541	\$ (446,372)	\$ 2,742,457	\$ 470,773
Subscription Based Information Technology Arrangements (SBITA)	4,711,007	670,313	(615,091)	4,766,229	1,145,599
Claims and judgments liability	35,621,144	33,114,770	(24,827,420)	43,908,494	18,600,260
Compensated absences liability	72,374,199	1,045,327	-	73,419,526	32,024,868
Total other long-term obligations	114,034,638	36,690,951	(25,888,883)	124,836,706	52,241,500
Total Governmental Activities	308,816,240	48,265,778	(36,914,876)	320,167,142	63,488,302
Business-Type Activities					
Revenue bonds					
\$72,550,000 Series 2012A Sewer Refunding Bonds due in annual installments through June 2024; interest at 5.0%	8,530,000	-	(4,160,000)	4,370,000	4,370,000
\$19,710,000 Series 2013A Sewer Refunding Bonds due in periodic installments through June 2030; interest varies between 3.1% and 3.3%	11,345,000	-	-	11,345,000	-
\$125,340,000 Series 2020A-1 Water Bonds due in annual installments beginning June 2035 through June 2050; interest varies between 3.0% and 4.0%	125,340,000	-	-	125,340,000	
\$50,370,000 Series 2020A-2 Sewer Refunding Bonds due in annual installments beginning June 2021 through June 2034; interest varies between 1.3% and 2.7%	49,025,000	-	(670,000)	48,355,000	685,000
Total revenue bonds	194,240,000	-	(4,830,000)	189,410,000	5,055,000
Revenue bonds – direct borrowings					
\$5,500,000 Series 2000 Water Bonds due in annual installments through January 2023; interest fixed at 3.65%	379,457	-	(379,457)	-	-
\$1,659,396 Series 2009 Clean Water State Revolving Loan Fund – Sewer due in semi-annual installments through January 2030; non-interest-bearing	698,694	-	(87,337)	611,357	87,337
Total revenue bonds - direct borrowings	1,078,151	-	(466,794)	611,357	87,337
Unamortized bond premiums	14,588,466	-	(952,816)	13,635,650	-
Total bonds payable	209,906,617	-	(6,249,610)	203,657,007	5,142,337
Other long-term obligations					
Subscription Based Information Technology Arrangements (SBITA)	66,538	-	(21,078)	45,460	23,166
Compensated absences liability	11,750,600	389,895	-	12,140,495	6,487,596
Provisional credits and refundings agreements	213,027	833,430	(949,579)	96,878	-
Total other long-term obligations	12,030,165	1,223,325	(970,657)	12,282,833	6,510,762
Total Business-Type Activities	221,936,782	1,223,325	(7,220,267)	215,939,840	11,653,099
Total Long-Term Debt Obligations	\$ 530,753,022	\$ 49,489,103	\$ (44,135,143)	\$ 536,106,982	\$ 75,141,401

(continued)

Claims payable typically have been liquidated by the internal service funds. The increase in compensated absences represents the net change for the year. The above table has been restated due to the implementation of GASB Statement No. 96 and GASB Statement No. 101 as more fully described in Note 14.

Unamortized Deferred Refunding Charges

For the year ended June 30, 2023, activity related to the City's unamortized deferred refunding charges was as follows:

	Governmental Activities	Business-Type Activities	Total
Balance, July 1, 2022	\$ 3,374,165	\$ 4,365,377	\$ 7,739,542
Additions	-	-	-
Reductions	(942,203)	(621,099)	(1,563,302)
Balance, June 30, 2023	<u>\$ 2,431,962</u>	<u>\$ 3,744,278</u>	<u>\$ 6,176,240</u>

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Future Debt Service Requirements

At June 30, 2023, the annual requirements to pay principal and interest on all bonds outstanding, as well as other long- term debt obligations (excluding leases and SBITAs), were as follows:

Governmental Activities

Year Ending June 30,	Governmental Activities			
	General Obligation Bonds		General Obligation Bonds - Direct Placement	
	Principal	Interest	Principal	Interest
2024	\$ 7,755,000	\$ 4,563,749	\$ 2,891,000	\$ 660,800
2025	7,995,000	4,322,855	2,966,000	586,441
2026	8,435,000	4,132,956	3,043,000	509,977
2027	8,650,000	3,919,196	3,121,000	431,333
2028	8,865,000	3,702,364	3,201,000	350,471
2029-2033	48,035,000	14,819,450	9,168,000	590,778
2034-2038	45,200,000	7,894,602	-	-
2039-2043	19,250,000	1,064,900	-	-
	<u>\$ 154,185,000</u>	<u>\$ 44,420,072</u>	<u>\$ 24,390,000</u>	<u>\$ 3,129,800</u>

Year Ending June 30,	Tax Allocation Bonds		Notes Payable - Direct Borrowing	
	Principal	Interest	Principal	Interest
2024	\$ 305,000	\$ 312,925	\$ 295,802	\$ 38,928
2025	320,000	297,300	305,088	29,642
2026	335,000	280,925	314,665	20,065
2027	355,000	263,675	324,542	10,188
2028	370,000	245,550	-	-
2029-2033	2,135,000	952,676	-	-
2034-2038	2,585,000	502,600	-	-
2039-2043	1,185,000	47,900	-	-
	<u>\$ 7,590,000</u>	<u>\$ 2,903,551</u>	<u>\$ 1,240,097</u>	<u>\$ 98,823</u>

Business-Type Activities

Year Ending June 30,	Business-Type Activities			
	Revenue Bonds		Revenue Bonds - Direct Borrowings	
	Principal	Interest	Principal	Interest
2024	\$ 5,055,000	\$ 6,438,443	\$ 87,337	\$ -
2025	5,290,000	6,208,853	87,337	-
2026	5,340,000	6,117,918	87,337	-
2027	5,425,000	6,015,604	87,337	-
2028	5,620,000	5,903,524	87,337	-
2029-2033	30,690,000	27,141,940	174,672	-
2034-2038	31,715,000	22,516,345	-	-
2039-2043	36,270,000	17,045,400	-	-
2044-2048	43,890,000	9,427,400	-	-
2049-2053	20,115,000	1,214,800	-	-
	<u>\$ 189,410,000</u>	<u>\$ 108,030,227</u>	<u>\$ 611,357</u>	<u>\$ -</u>

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Leases Payable and Subscription-Based Information Technology Arrangements (SBITAs)

For the fiscal year ending June 30, 2023, the City's future lease and SBITA obligations were as follows:

Year Ending June 30,	Governmental Activities		
	Minimum Lease Payments	Less Amount Representing Interest	Present Value of Minimum Lease Payments
2024	\$ 555,280	\$ 84,507	\$ 470,773
2025	489,189	68,275	420,914
2026	396,736	54,754	341,982
2027	188,162	46,088	142,074
2028	134,082	42,810	91,272
2029-2033	733,552	162,186	571,366
2034-2038	706,606	60,542	646,064
2039-2043	58,470	458	58,012
	<u>\$ 3,262,077</u>	<u>\$ 519,620</u>	<u>\$ 2,742,457</u>
Year Ending June 30,	Business-Type Activities		
	Minimum SBITA Payments	Less Amount Representing Interest	Present Value of Minimum SBITA Payments
2024	\$ 1,368,408	\$ 222,809	\$ 1,145,599
2025	1,031,185	112,810	918,375
2026	950,535	84,053	866,482
2027	890,333	57,451	832,882
2028	761,000	31,234	729,766
2029-2033	284,016	10,891	273,125
	<u>\$ 5,285,477</u>	<u>\$ 519,248</u>	<u>\$ 4,766,229</u>
Year Ending June 30,	Business-Type Activities		
	Minimum SBITA Payments	Less Amount Representing Interest	Present Value of Minimum SBITA Payments
2024	\$ 24,555	\$ 1,389	\$ 23,166
2025	22,973	679	22,294
	<u>\$ 47,528</u>	<u>\$ 2,068</u>	<u>\$ 45,460</u>

Provisions Relating to Events of Default or Termination Events with Finance-Related Consequences

The City's outstanding Series 2009 Clean Water State Revolving Loan Fund borrowing related to business-type activities of \$611,357 contains provisions that (1) 10 days following the payment due date, if payment has not been made, penalty interest of 0.1% per day shall accrue on the principal amount due; and (2) in the event of termination by lender due to failure by borrower to cure material default after having received notice of same, the entire balance then due, including accrued interest and penalties, shall be due on demand by lender.

Special Assessment Bonds

In May 2023, the City created Local Improvement District No. T-22 (Rainbow Canyon Phase II) for the second phase of the Rainbow Canyon community, located in the northeast portion of the City. In June 2023, the City issued \$19,845,000 in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessments and forwarding the collections to the bondholders. These transactions are accounted for in a fiduciary fund. The Rainbow Canyon Phase II project consists of the acquisition of certain improvements constructed by the Developer. These improvements, which are accounted for in a capital projects fund, include water and sewer mains, storm drain facilities, roadways, a pump station, and a reservoir.

The City has issued special assessment bonds with an aggregate outstanding principal balance of \$93,390,000 as of June 30, 2023. The City is only acting as an agent for these bonds and is not liable for the debt. Principal and interest are payable from the special assessments levied.

New Debt Issuances

On December 1, 2022, the City issued \$10,000,000 in General Obligation (Limited Tax) Tax-Exempt Medium-term Bonds, Series 2022 for the purpose of financing the costs of public safety equipment. The City's Series 2022 Bonds bear interest at 3.73%, which is payable semiannually on June 1 and December 1, commencing on June 1, 2023, and continuing through maturity in fiscal year 2032. Principal is due in periodic installments beginning June 2024 through June 2032.

Defeased Debt

At June 30, 2023, the remaining outstanding principal balance of the defeased debt is \$21,705,000.

Pledged Revenue Bonds

The City issues revenue bonds to finance the improvement, acquisition or construction of capital assets and in connection with the ownership and operation of the City's water and sewer utility systems. The City has pledged specific revenues to repay these bonds as follows:

Governmental Activities

Pledged revenue – Up to 15% of consolidated tax revenues

Total general obligation bond principal and interest remaining to be paid at June 30, 2023	\$ 194,379,572
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Total general obligation bond principal and interest paid during the year ended June 30, 2023	9,814,604
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Total pledged revenue for the year ended June 30, 2023	24,951,772
--	------------

General obligation bonds issued and revenue pledge maturity	
2013B Capital Improvement Revenue Refunding Bonds	June 1, 2031
2014 Capital Improvement Revenue Refunding Bonds	June 1, 2032
2020B1 Various Purpose Bonds	June 1, 2040
2020B2 Various Purpose and Revenue Refunding Bonds ¹	June 1, 2036
2021 Various Purpose Bonds	June 1, 2041

Pledged revenue – Incremental property tax revenue, less 18% education set aside

Total tax allocation bond principal and interest remaining to be paid at June 30, 2023	10,493,551
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Total tax allocation bond principal and interest paid during the year ended June 30, 2023	617,800
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Total pledged revenue for the year ended June 30, 2023	3,060,151
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Tax allocation bond issued and revenue pledge maturity

2015 Henderson Redevelopment Tax Increment Refunding Bonds	October 1, 2039
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¹Bond proceeds were also used to partially advance refund the 2011C, 2013B, and 2014 Capital Improvement Refunding Bonds

Business-Type Activities

Pledged revenue – Future water and sewer utility customer revenues and connection fees

Total revenue bond principal and interest remaining to be paid at June 30, 2023	297,440,227
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Total revenue bond principal and interest paid during the year ended June 30, 2023	11,486,205
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Total pledged revenue for the year ended June 30, 2023	34,174,256
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Revenue bonds issued and revenue pledge maturity

Series 2000 Water Revenue Bonds ¹	January 1, 2023
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Series 2010 Sewer Revenue Bonds ¹	January 1, 2030
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Series 2012A Sewer Revenue Refunding Bonds ¹	June 1, 2024
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Series 2013A Sewer Revenue Refunding Bonds ¹	June 1, 2030
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Series 2020A1 Water Revenue Capital Improvement Bonds ¹	June 1, 2050
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Series 2020A2 Sewer Revenue Refunding Bonds ¹	June 1, 2034
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¹Intended to be repaid solely from utility customer net revenues although the bonds constitute direct and general obligations of the City, and the full faith and credit of the City is also pledged for the principal and interest payments.

Construction Retention Payable

At June 30, 2023, the City had outstanding retention balances due on capital construction contracts for governmental type and business-type activities in the amounts of \$1,843,737 and 860,082, respectively.

Note 8 - Defined Benefit Pension Plans

Plan Description

The City's regular and police/fire employees are covered by the Public Employees' Retirement System of Nevada (PERS), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees' Retirement Board (the PERS Board) whose seven members are appointed by the governor. The City does not exercise any control over PERS.

PERS is a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Benefits Provided

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months, with special provisions for members entering the system on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.50% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, this multiplier is 2.50% for all years of service. Regular members entering PERS on or after July 1, 2015, have a 2.25% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.571 - .579.

Vesting

Regular members entering the system prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, at age 55 with thirty years of service, or at any age with thirty-three and a third years of service.

Police/fire members entering the system prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/fire members entering the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at age 50 with twenty years of service, or at any age with thirty years of service. Police/fire members entering the system on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service and at age 50 with twenty years of service. Only service performed in a position as a police officer or firefighter may be counted toward the eligibility for retirement as police/fire accredited service.

The normal ceiling limitation on the monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both regular and police/fire members become fully vested as to benefits upon completion of five years of service.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. New hires, in agencies which did not elect the Employer Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/ Employer Contribution plan and cannot withdraw these contributions. The City elected the EPC plan prior to July 1, 1983.

The PERS basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

PERS receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis. The most current actuarial valuation is based on the census data and contribution rates for the fiscal year ended June 30, 2021. Actual Contributions made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The actuarial funding method used is the entry age normal cost method.

For the fiscal years ended June 30, 2023 and 2022, the required employer/employee match rates were 15.50% for regular and 22.75% for police/fire members. The EPC rates were 29.75% for regular and 44.00% for police/fire members.

The City's total contributions were \$71,737,504 for the year ended June 30, 2023. Of this amount, \$35,868,752 was recognized as employer contributions and \$35,868,752 was considered as contributions on behalf of plan members.

PERS Investment Policies

The policies of PERS that determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. Stocks	42.00%	5.50%
International Stocks	18.00%	5.50%
U.S. Bonds	28.00%	0.75%
Private Markets**	12.00%	6.65%

*As of June 30, 2022, PERS' long-term inflation assumption was 2.50%.

**As of June 30, 2022, the Private Markets allocation includes 6.00% private real estate and 6.00% private equity.

Actuarial Assumptions

PERS collective net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

The total PERS pension liability was determined using the following economic actuarial assumptions (based on the results of an experience study for the period from July 1, 2016 through June 30, 2020), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2022
Inflation rate	2.50%
Payroll growth	3.50%, including inflation
Investment rate of return	7.25%, net of pension investment expense, including inflation
Discount rate	7.25%
Productivity pay increase	0.50%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.20% to 9.10%, depending on service Police/fire: 4.60% to 14.50%, depending on service, including inflation and productivity pay increases
Other Assumptions	Same as those used in the June 30, 2022 funding actuarial valuation

Pre and post-retirement mortality rates for Regular and Police/Fire members were based upon the respective Pub-2010 Amount-Weighted Mortality Tables, adjusted based on gender and projected generationally with the two-dimensional mortality improvement scale MP-2020. The Pub-2010 Amount-Weighted Mortality Tables reasonably reflect the projected mortality experience of the plan as of the measurement date. The generational projection is a provision made for future mortality improvement.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. Based on that assumption, the PERS fiduciary net position at June 30, 2022, was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

Net Pension Liability

At June 30, 2023, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share (amount) of the collective net pension liability was \$573,621,513, which represents 3.17710% of the collective net pension liability, and an increase of 0.14526% from the City's proportionate share measured as of June 30, 2021. Contributions for employer pay dates within the fiscal year ended June 30, 2022, were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on the employer contributions relative to the total combined employers for the period ended June 30, 2022.

Discount Rate Sensitivity

The City's proportionate share of the net pension liability at June 30, 2023, calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current discount rate was as follows:

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net pension liability	\$ 880,696,667	\$ 573,621,513	\$ 320,238,435

PERS Fiduciary Net Position

Detailed information about PERS fiduciary net position is available in the PERS Annual Comprehensive Financial Report (ACFR), available on the PERS website, www.nvpers.org under publications. PERS fiduciary net position and additions to/deductions from have been determined on the same basis used in the PERS ACFR. PERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, the City's pension expense was \$54,967,466 and its reported deferred outflows and inflows of resources related to pensions were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 74,274,510	\$ 409,780
Changes of assumptions or other inputs	73,685,682	-
Net difference between projected and actual earnings on investments	6,998,539	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	19,227,368	2,862,953
Contributions made subsequent to the measurement date	35,868,752	-
	<u>\$ 210,054,851</u>	<u>\$ 3,272,733</u>

At June 30, 2022, the average expected remaining service life was 5.70 years.

Deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date but before June 30, 2023 totaling \$35,868,752 will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2024	\$ 26,836,263
2025	25,869,136
2026	23,526,798
2027	81,781,402
2028	12,899,767
	<u>\$ 170,913,366</u>

At June 30, 2023, \$9,519,179 is payable to PERS for the June 2023 required contribution and is included in accounts payable.

Note 9 - Other Postemployment Benefits

Aggregate Balances

At June 30, 2023, the City's aggregate OPEB plan balances were as follows:

	<u>Public Employee Benefit Program</u>	<u>City of Henderson Plan</u>	<u>Aggregate Total</u>
Net OPEB assets administered through a qualifying trust	None	None	None
Total OPEB liability	\$ 4,103,796	\$ 63,647,712	\$ 67,751,508
Net unamortized deferred outflows of resources related to OPEB	579,266	17,033,442	17,612,708
Net unamortized deferred inflows of resources related to OPEB	1,543,099	20,257,584	21,800,683
OPEB expense	64,255	2,821,865	2,886,120

Plan Information

In accordance with NRS, the City provides other postemployment benefits to eligible retirees through the following plans:

- The Nevada Public Employee Benefit Program (PEBP), which is treated as a single employer defined benefit plan for financial reporting purposes. The PEBP healthcare plan is administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP ten-member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board. The plan is now closed to current City retirees; however, City employees who previously met the eligibility requirement for retirement within the Nevada PERS had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the City as determined by their number of years of service.
- The City of Henderson Plan (City Plan), a single employer defined benefit plan, administered by City management. Benefit provisions for the City Plan are established pursuant to NRS 287 and amended by the City's eight-member Insurance Committee, which includes representation from the various participating employee groups.

Benefits Provided

Both plans provide healthcare, prescription, dental, vision and life insurance benefits. Eligible pre-Medicare retirees that are not eligible for PEBP can receive coverage through the City Plan. Medicare eligible retirees must purchase coverage through Extended Health. Medicare eligible retirees will retain their post-65 term life insurance policy valued at \$25,000, and the premiums are paid by the City.

PEBP eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the City is obligated to provide postemployment benefits is limited to eligible employees who retired from City service prior to December 1, 2008. No future retirees are eligible for this benefit.

The City is required to provide a subsidy based on years of service for a closed group of its retirees that have enrolled in PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. The City portion of the monthly subsidies ranged from \$1 to \$1,537 for the year ended June 30, 2023.

Under state law, retiree loss experience is pooled with active loss experience for the purpose of setting rates in the City Plan. Effective January 1, 2014, eligible retirees participating in the City Plan receive a graduated benefit of lower monthly premiums based on years of service with the City, with a maximum monthly benefit of \$500. This benefit will be reduced by 50% for Medicare eligible retirees, who can no longer participate in the City's Plan. Effective January 1, 2019, this graduated benefit was amended. The amendment modified the definition of years of service, which are now based on enrollment date in the City Plan. Additionally, the post-65 benefit will be received for up to seventeen years based on the retirees' years of service. Previously, there was no cap on the number of years the post-65 benefit could be received, and the years of service were based on years with the City. This benefit was further amended effective January 1, 2023. The amendment modified the duration the benefit could be received based on years of service and increased the years of service required to qualify for the benefit from ten years to fifteen years.

The City's Insurance Committee reviews and determines the plan contribution requirements and the plan options. Contribution amounts differ depending on the selected plan and range from \$545 to \$1,553 per month. Retiree loss experience is pooled with active employee loss experience for the purpose of setting rates, and the difference between the true claims cost and the blended rate creates an implicit rate subsidy from the City.

PEBP issues a publicly available financial report that includes financial statements and required supplementary information. However, contributions to PEBP are not administered in a trust and therefore, there is no fiduciary net position. Detailed information about the PEBP plan is available in the separately issued financial report for the State of Nevada Self Insurance Fund, which may be obtained by writing or calling the following:

Public Employee Benefit Plan
901 South Stewart Street, Suite 101
Carson City, NV 89701
(775) 684-7000

The City Plan does not issue a separate financial report; however, additional information may be obtained by writing or calling the following:

City of Henderson
Finance Department
240 S. Water Street
Henderson, Nevada, 89015
(702) 267-1700

At June 30, 2023, employees covered by OPEB benefit terms consisted of:

	<u>Public Employee Benefit Program</u>	<u>City of Henderson Plan</u>	<u>Aggregate Total</u>
Active members	-	1,373	1,373
Inactive employees currently receiving benefit payments	105	375	480
Inactive employees entitled to, but not yet receiving benefit payments	-	430	430
	<u>105</u>	<u>2,178</u>	<u>2,283</u>

Assumptions and Other Inputs

The total OPEB liability was determined using the following actuarial assumptions, which apply to both the City Plan and PEBP unless otherwise indicated, for all periods included in the measurement. The actuarial assumptions used in for the City's valuations were based on the results of an experience study dated September 10, 2021, as adopted by PERS.

Actuarial valuation date	June 30, 2022
Measurement date	June 30, 2023
Inflation rate	2.50% per annum
Salary changes	City Plan - 2.00% per annum (PEBP is a closed plan)
Discount rate	3.65% per annum as of June 30, 2023 3.54% per annum as of June 30, 2022
Discount rate source	Bond Buyer 20-Bond GO index
Benefit-related costs share with inactive employees	Required to contribute 100% of premium equivalent rates
Actuarial cost method	Entry Age Normal based on level percentage of projected salary
Healthcare cost trend rates	City Plan - 6.75% per annum, decreasing 0.25% per year to an ultimate rate of 4.0% PEBP - 4.00% per annum

Mortality rates are based on the Pub-2010 weighted mortality table and projected generationally using MP-2021 applied on a gender-specific and job class basis.

Changes in the assumptions and other inputs that affected the measurement of the City's total OPEB liability during the period ended June 30, 2023, were as follows:

- The discount rate was updated from 3.54% to 3.65%.
- Change in benefits to reflect the January 1, 2023, amendment to the City's graduated benefit of lower monthly premiums which increased the minimum years of service from ten years to fifteen years. The amendment also limited the number of years the benefit could be received, and now ranges from seven to seventeen based on years of service. Previously, this benefit was unlimited for pre-65 benefits and ranged up to seventeen years for post-65 benefits. Lastly, the amended removed a 10% cost of living increase in benefit amount.

Changes in the Total OPEB Liability

At June 30, 2023, changes in the City's total OPEB liability were as follows:

	Public Employee Benefit Program	City of Henderson Plan	Aggregate Total
Service cost	\$ -	\$ 2,318,559	\$ 2,318,559
Interest on total OPEB liability	147,132	2,335,160	2,482,292
Changes in benefit terms	-	(2,497,122)	(2,497,122)
Differences between expected and actual experience	(15,822)	449,197	433,375
Changes of assumptions or other inputs	(42,305)	(1,216,410)	(1,258,715)
Benefit payments	(282,967)	(2,776,155)	(3,059,122)
Net Change in Total OPEB Liability	(193,962)	(1,386,771)	(1,580,733)
Total OPEB Liability, beginning of year	4,297,758	65,034,483	69,332,241
Total OPEB Liability, end of year	\$ 4,103,796	\$ 63,647,712	\$ 67,751,508

Sensitivity Analysis

The City's total OPEB liability at June 30, 2023, calculated using the discount rate of 3.65%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current discount rate, was as follows:

	1% Decrease in Discount Rate (2.65%)	Discount Rate (3.65%)	1% Increase in Discount Rate (4.65%)
Public Employee Benefit Program	\$ 4,678,344	\$ 4,103,796	\$ 3,652,388
City of Henderson Plans	72,558,656	63,647,712	56,646,612

The City's total OPEB liability at June 30, 2023, calculated using the healthcare trend rate of 6.75% decreasing to 4.00%, as well as what the City's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1.00% lower (5.75% decreasing to 3.00%) or 1.00% higher (7.75% decreasing to 5.00%) than the current healthcare trend rate, was as follows:

	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Public Employee Benefit Program	\$ 3,734,462	\$ 4,103,796	\$ 4,514,196
City of Henderson Plans	57,919,538	63,647,712	70,012,804

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the period ended June 30, 2023, the City recorded an OPEB expense of \$2,886,120 and its reported deferred outflows of resources and deferred inflows of resources related to OPEB as of June 30, 2023, were as follows:

	Public Employee Benefit Program		City of Henderson Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 599,493	\$ 7,774,122	\$ 11,410,548
Changes of assumptions and other inputs	579,266	943,606	9,259,320	8,847,036
	<u>\$ 579,266</u>	<u>\$ 1,543,099</u>	<u>\$ 17,033,442</u>	<u>\$ 20,257,584</u>

Amounts reported as deferred outflow of resources and deferred inflows of resources related to OPEB will be recognized in employee benefit expense as follows:

Year Ended June 30,	Public Employee Benefit Program	City of Henderson Plan
2024	\$ (82,877)	\$ 665,267
2025	(82,877)	665,267
2026	(82,877)	665,267
2027	(75,154)	778,513
2028	(71,035)	875,161
Thereafter	(569,013)	(6,873,617)
	<u>\$ (963,833)</u>	<u>\$ (3,224,142)</u>

Note 10 - Risk Management

State and local governments are subject to many types of claims such as worker's compensation, contractual actions, personal injuries and property damage. GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues (Amended by GASB Statement 19, Dated September 1993)*, requires that a liability for claims be reported if information available prior to issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

In addition, there are also situations in which incidents occur before the date of the financial statements, but claims are not reported or asserted when the financial statements are prepared. The "incurred but not reported" claims have been estimated based upon the City's experience adjusted for current trends using a discount rate of 2.00%. The claims are included in the appropriate liability accounts.

The City maintains three self-insurance internal service funds for the following types of risk exposures:

Liability Insurance – The City has obtained \$15.0 million in Public Entity Excess Liability insurance with a \$1.0 million self-insured retention (SIR). In addition, the City continues to maintain the following coverage: a \$1.0 billion blanket property insurance policy on all buildings, building contents and boiler and machinery with a \$1.0 million deductible; a \$10.0 million inland marine policy covering contractors' equipment and auto physical damage with a \$50,000 deductible; a \$1.0 million commercial crime policy with a \$25,000 deductible that covers employee dishonesty, forgery and alteration; a \$50.0 million terrorism policy with a \$1.0 million sublimit for active shooter with varying deductibles; a \$1.0 million unmanned aircraft system policy for aviation premises liability with medical payments coverage in the amount of \$250,000 with no deductible; a \$5.0 million environment site liability policy with a \$50,000 deductible; and a cyber liability policy with a \$5.0 million limit and \$1.0 million retention. No settled claims exceeded insurance coverage for 2023, 2022, and 2021.

The City maintains its self-insurance fund to cover all claims that fall outside of the City's commercial insurance policies, including those claims within the excess liability policy's \$1.0 million SIR. The City's Risk Management division works with the City Attorney's office, brokers, underwriters, an outside claims adjustment firm, the excess insurance company and its administrator, and applicable departments in handling claims filed against the City. In addition, the City obtains an actuarial analysis on an annual basis. No current claims are expected to be settled in a manner which would adversely affect the fund's financial condition.

Group Health Insurance – The City is self-insured for employee health benefits, providing medical, prescription drug, dental and vision care. The specific stop loss deductible is \$525,000 per participant, and a third-party administrator is used to pay claims. Teamster employees are covered under the Teamster Trust and the City pays a monthly premium for medical, dental, vision and prescription drug coverage for each.

Worker's Compensation – The City is self-insured for workers' compensation claims. A third-party administrator is utilized for claim adjusting and payment. The City has a \$4.0 million SIR for all public safety employees and a \$1.0 million SIR for all other employees per occurrence, with the maximum on all claims at statutory limits for the coverage period from July 1, 2022 through July 1, 2023.

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For the fiscal years ended June 30, 2023 and 2022, changes in claims liability amounts were as follows:

Year Ended June 30, 2023	Claims Liability, Beginning Balance	Claims Incurred and Changes in Estimate	Claims Paid	Claims Liability, Ending Balance
Liability insurance	\$ 2,877,219	\$ 2,571,430	\$ (1,021,838)	\$ 4,426,811
Workmen's compensation insurance	30,569,925	12,401,230	(5,573,472)	37,397,683
Health insurance	<u>2,174,000</u>	<u>18,142,110</u>	<u>(18,232,110)</u>	<u>2,084,000</u>
	<u>\$ 35,621,144</u>	<u>\$ 33,114,770</u>	<u>\$ (24,827,420)</u>	<u>\$ 43,908,494</u>
Year Ended June 30, 2022	Claims Liability, Beginning Balance	Claims Incurred and Changes in Estimate	Claims Paid	Claims Liability, Ending Balance
Liability insurance	\$ 5,431,824	\$ (2,018,992)	\$ (535,613)	\$ 2,877,219
Workmen's compensation insurance	21,999,125	13,645,081	(5,074,281)	30,569,925
Health insurance	<u>1,617,000</u>	<u>19,252,550</u>	<u>(18,695,550)</u>	<u>2,174,000</u>
	<u>\$ 29,047,949</u>	<u>\$ 30,878,639</u>	<u>\$ (24,305,444)</u>	<u>\$ 35,621,144</u>

Note 11 - Commitments, Contingencies, and Other

COVID-19 Related State and Federal Awards

On March 11, 2021, the President signed the \$1.9 trillion American Rescue Plan Act of 2021 (the "American Rescue Plan"). The City received \$37,368,428 under the American Rescue Plan in fiscal years 2021 and 2022. Of this amount the City has spent \$30,225,039 as of June 30, 2023. In accordance with the American Rescue Plan, the City recognized \$11,350,843 as revenue replacement to the City's General Fund during fiscal year 2023. The remaining funds are required to be expended by December 31, 2024.

Construction in Progress

As of June 30, 2023, construction in progress of \$138,142,306 was reflected in the government-wide financial statements, which relates primarily to a park construction project, the Via Inspirada Police Station, a new crime lab, and a workforce training facility. To complete all projects currently under construction, management estimates it will require an additional outlay of approximately \$244,840,987.

Litigation

The City is a defendant in several legal cases for which Plaintiffs have not identified specific amounts of damages for the causes of action but are seeking monetary damages in excess of \$50,000. Based on the current progress of the cases to date and facts known at this time, loss contingencies are reasonably possible, but ranges of losses cannot be reasonably estimated.

There are additional pending lawsuits involving the City and/or its employees, in which the City is represented by the City Attorney. Based on the current status of those matters and present uncertainty regarding the final outcome thereof, the City Attorney has concluded that the probable minimum losses, if any, cannot currently be estimated. Accordingly, no provision for loss has been recorded in the accompanying financial statements.

City of Henderson Redevelopment Agency (Agency)

The Agency has entered into several the Ownership Participation Agreements ("OPAs") with various developers within the redevelopment areas.

The Agency has entered into tax increment subordinate lien notes ("notes") as part of the OPAs. These notes vary in terms including the amount of indebtedness, interest rate, maturity, and the parcels of land specifically named as part of the redevelopment area. Repayment on these notes is to be derived solely from ad valorem tax increment received for public and private projects as named in the agreements. The requirement to make payment on the loan is contingent upon sufficient tax increment revenue received from Clark County and the developer incurring approved reimbursable costs. The note agreements associated with these respective OPAs contain forgiveness provisions that forgive in full the amounts agreed upon/owed, including any interest, upon maturity. As such, the Agency only recognizes the developer's reimbursable costs, limited by sufficient tax increment revenue, of these potential future obligations.

Pursuant to NRS 279.439, all redevelopment plans are to be in effect for 45 years or less. All notes contain a maturity date of 30-45 years from the start date of their redevelopment plan, as approved by the Agency Board. At maturity, the Agency will cease to receive tax increment revenue from the County, thereby rendering the OPA null.

Summarized below are the terms and activity of the OPAs/notes as of June 30, 2023:

Redevelopment Area	Total Note Outstanding	Principal and Interest Paid	Payable at June 30, 2023	Interest Rate	Maturity Date
Eastside-Landwell	\$ 53,629,068	\$ 6,043,167	\$ 1,127,609	6.00%	February 2051
Eastside-Union Village	18,456,009	520,727	5,770	3.00%	February 2051
Eastside-Valley Health	17,720,612	851,174	9,435	6.00%	February 2051
Tuscany	39,516,872	5,237,638	1,048,011	5.25%	March 2031
Total	<u>\$ 129,322,561</u>	<u>\$ 12,652,706</u>	<u>\$ 2,190,825</u>		

Encumbrances

At June 30, 2023, outstanding encumbrances were as follows:

General fund	\$ 4,043,207
Grants special revenue fund	6,009,950
Aggregate non-major governmental funds	<u>28,043,366</u>
	<u>\$ 38,096,523</u>

The general fund encumbrances are classified as assigned fund balance and grants fund encumbrances primarily represent contracts for which grant awards are collected as periodic reimbursements of actual expenditures.

Note 12 - Components of Fund Balances

At June 30, 2023, the components of governmental fund balances were as follows:

	General Fund	Grants Special Revenue Fund	Aggregate Non-Major Governmental Funds	Total Governmental Funds
Nonspendable				
Prepaid items	\$ 86,420	\$ -	\$ 787	\$ 87,207
Restricted				
General government programs	-	214,849	-	214,849
Courts and other judicial programs	743,567	11	1,165,374	1,908,952
Fire, police and other public safety programs	-	81,606	51,096,208	51,177,814
Streets and other public works projects	-	24,376	74,980,357	75,004,733
Parks, cultural and recreational programs	-	307,491	31,060,563	31,368,054
Community assistance and support programs	-	555,446	850,846	1,406,292
Debt service	-	-	10,684,243	10,684,243
Redevelopment programs	-	-	56,571,164	56,571,164
Stabilization program	-	-	30,216,589	30,216,589
Total restricted	743,567	1,183,779	256,625,344	258,552,690
Committed				
Streets and other public works projects	3,251,797	-	24,518,936	27,770,733
Community assistance and support programs	3,162,232	-	-	3,162,232
Total committed	6,414,029	-	24,518,936	30,932,965
Assigned				
General government programs	6,167,157	-	4,658,758	10,825,915
Courts and other judicial programs	57,200	-	-	57,200
Fire, police and other public safety programs	710,281	-	18,795,684	19,505,965
Streets and other public works projects	2,861	-	100,876,054	100,878,915
Parks, cultural and recreational programs	830,693	-	2,134,000	2,964,693
Community assistance and support programs	115,342	-	4,320,304	4,435,646
Total assigned	7,883,534	-	130,784,800	138,668,334
Unassigned	51,654,114	-	-	51,654,114
Total Governmental Fund Balances	\$ 66,781,664	\$ 1,183,779	\$ 411,929,867	\$ 479,895,310

Governmental fund balance restricted for debt service differs from government-wide net position restricted for debt service due to interest payable in governmental activities.

Note 13 - Recently Issued Accounting Pronouncements

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*, effective dates vary from immediate implementation to implementation effective fiscal years beginning after June 15, 2023. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. Management has not yet completed its assessment of this statement.

Note 14 - Restatement

Changes within the Financial Reporting Entity

During the year ended June 30, 2023, there was a change within the financial reporting entity which resulted in the Development Services Fund being reported as a major fund instead of a nonmajor fund. As such, beginning net position was reclassified from nonmajor to be presented as a major fund.

The effect of the change on beginning net position and beginning cash and cash equivalents is shown in the tables below.

Change in Accounting Principles

Effective July 1, 2022, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This statement provides for governments to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

Additionally, effective July 1, 2022, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement provides for more consistent reporting of compensated absence liabilities and related expenses. A liability for compensated absences is recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability is recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The effect of the adoption of both GASB Statement No. 96 and GASB Statement No. 101 is shown in the table below.

Correction of Error – Opioid Settlement

During the year ended June 30, 2023, management of the City identified opioid settlement receivables from defendants, to be received through the State of Nevada, that should have been recorded in the prior year. Accordingly, accounts receivable and related deferred inflows of resources as of June 30, 2022 were understated as well as revenue for the year ended June 30, 2022.

The effect of the correction of an error is shown in the table below.

The following is a summary of the effects of the restatements on beginning net position or fund balance in the City's financial statements, by opinion unit affected:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances					
	Funds					
	General	Water	Sewer	Development Services	Non-Major Enterprise	Internal Services
Net position or fund balances, Beginning of Year, As Previously Reported	\$ 40,067,060	\$ 526,960,955	\$ 642,789,560	\$ -	\$ 24,916,112	\$ 82,509,025
Change within the reporting entity	-	-	-	(1,421,949)	1,421,949	-
Adoption of GASB 96:						
RTU Software	-	68,125	-	-	-	2,368,591
SBITA Obligations	-	(66,539)	-	-	-	(2,051,865)
SBITA - Accrued Interest	-	(560)	-	-	-	(33,371)
Adoption of GASB 101	-	(1,653,838)	(1,530,104)	(1,333,136)	-	(1,219,693)
Error Correction - Opioid	689,152	-	-	-	-	-
Net position or fund balances, Beginning of Year, As Restated	<u>\$ 40,756,212</u>	<u>\$ 525,308,143</u>	<u>\$ 641,259,456</u>	<u>\$ (2,755,085)</u>	<u>\$ 26,338,061</u>	<u>\$ 81,572,687</u>

	Government-Wide	
	Governmental Activities	Business-Type Activities
Net position, Beginning of Year, As Previously Reported	\$ 1,859,843,495	\$ 1,141,653,186
Adoption of GASB 96:		
RTU Software	5,176,338	68,125
SBITA Obligations	(4,711,007)	(66,539)
SBITA - Accrued Interest	(105,564)	(560)
Adoption of GASB 101	(29,913,193)	(4,517,078)
Error Correction - Opioid	3,040,607	-
Net position, Beginning of Year, As Restated	<u>\$ 1,833,330,676</u>	<u>\$ 1,137,137,134</u>

The following is a summary of the effect on the Statement of Cash Flows for the change within the reporting entity:

	Development Services Fund	Aggregate Non-Major Enterprise Funds
Cash and Cash Equivalents, Beginning of Year, As Previously Reported	\$ -	\$ 23,497,879
Change within the reporting entity	<u>23,155,558</u>	<u>(23,155,558)</u>
Cash and Cash Equivalents, Beginning of Year, As Restated	<u>\$ 23,155,558</u>	<u>\$ 342,321</u>

Change in Accounting Estimate

During the fiscal year ended June 30, 2023, the City conducted a review of the basis for estimating the allocation of Net Pension Liability, related deferrals and expenses and the Total Other Post-Employment Benefits Liability, related deferrals, and expenses. Previously, the allocation estimates were derived from the change in related balances for the current fiscal year only. During the review, it was determined that a more appropriate estimate was to reallocate the full balances, using contributions as of the measurement date of the report. The City determined that this was more representative of the proportionate share of related balances for each applicable opinion unit with the current operating environment of the City. The effect of these change in accounting estimates on net position are as follows:

	Reporting Units Affected by Change in Estimate - Decrease/(Increase)					
	Water	Sewer	Development Services	Internal Service Funds	Governmental Activities	Business-type Activities
Change in net position						
OPEB	\$ 375,756	\$ 68,682	\$ (2,458)	\$ (335,124)	\$ (441,980)	\$ 441,980
Pension	<u>1,928,431</u>	<u>390,851</u>	<u>3,018,613</u>	<u>(1,675,399)</u>	<u>(5,337,895)</u>	<u>5,337,895</u>
Total change in net position	<u>\$ 2,304,187</u>	<u>\$ 459,533</u>	<u>\$ 3,016,155</u>	<u>\$ (2,010,523)</u>	<u>\$ (5,779,875)</u>	<u>\$ 5,779,875</u>

Note 15 - Subsequent Events

On November 16, 2023, the City issued General Obligation (Limited Tax) Taxable Various Purpose Bonds, Series 2023A-1, in the amount of \$34,000,000 and General Obligation (Limited Tax) Tax-Exempt Various Purpose Bonds, additionally secured by pledged revenues, Series 2023A-2, in the amount of \$26,000,000. Proceeds of the Series 2023 bonds will be used to (i) finance a portion of the costs of acquiring, constructing, improving and equipping a building project, a fire protection project, a park project, and a recreation project and (ii) pay the costs of issuing the Series 2023 bonds. The bonds bear interest at the rate of 5.00% - 6.00% with semi-annual interest and principal payments. The bonds fully mature in 2043.

On November 21, 2023, the Redevelopment Agency issued tax-exempt bonds, Series 2023A, in the amount of \$14,725,000, and taxable bonds, Series 2023B, in the amount of \$6,785,000, for a total bond issuance amount of \$21,510,00. Proceeds of the 2023A bonds will be used for (i) the addition of shade structures on the Water Street Events Plaza; (ii) a downtown park project; (iii) renovations of the City Hall Annex Building where the Redevelopment Agency is housed; (iv) construction of a parking structure in the Water Street District; (v) funding a debt service reserve fund; and (vi) paying costs of issuance on the 2023A Bonds. The proceeds of the 2023B bonds will be used for (i) refunding and defeasing the Series 2015 bonds (ii) funding a debt service reserve fund and (iii) paying costs of issuance on the 2023B bonds. The bonds bear interest at the rate of 5.00% - 6.05% with semi-annual interest and principal payments. The bonds fully mature in 2039.

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REQUIRED SUPPLEMENTARY INFORMATION



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Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

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City of Henderson, Nevada
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Public Employee Benefit Program**	2023	2022	2021	2020	2019	2018
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	147,132	123,412	130,563	203,167	209,915	223,745
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(15,822)	(369,791)	-	(460,516)	-	-
Changes in assumptions or other inputs	(42,305)	(995,235)	32,318	752,224	219,223	(196,744)
Benefit payments	(282,967)	(348,259)	(366,128)	(417,565)	(398,086)	(401,917)
Net change in total OPEB liability	(193,962)	(1,589,873)	(203,247)	77,310	31,052	(374,916)
Total OPEB liability - beginning	4,297,758	5,887,631	6,090,878	6,013,568	5,982,516	6,357,432
Total OPEB liability - ending	\$ 4,103,796	\$ 4,297,758	\$ 5,887,631	\$ 6,090,878	\$ 6,013,568	\$ 5,982,516
Covered employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total OPEB liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
City of Henderson Plans***	2023	2022	2021	2020	2019	2018
Service cost	\$ 2,318,559	\$ 3,453,143	\$ 3,341,985	\$ 3,503,218	\$ 3,091,184	\$ 2,976,012
Interest	2,335,160	1,854,536	1,812,133	1,864,597	2,639,049	2,592,355
Changes in benefit terms	(2,497,122)	-	-	-	(21,218,784)	-
Differences between expected and actual experience	449,197	(13,670,061)	-	12,270,082	-	-
Changes in assumptions or other inputs	(1,216,410)	(7,960,933)	522,848	12,987,780	2,291,254	(2,885,064)
Benefit payments	(2,776,155)	(2,094,425)	(1,759,470)	(1,723,828)	(1,823,576)	(1,329,370)
Net change in total OPEB liability	(1,386,771)	(18,417,740)	3,917,496	28,901,849	(15,020,873)	1,353,933
Total OPEB liability - beginning	65,034,483	83,452,223	79,534,727	50,632,878	65,653,751	64,299,818
Total OPEB liability - ending	\$ 63,647,712	\$ 65,034,483	\$ 83,452,223	\$ 79,534,727	\$ 50,632,878	\$ 65,653,751
Covered employee payroll****	\$ 168,152,404	\$ 163,853,973	\$ 149,049,659	\$ 144,511,934	\$ 142,880,530	\$ 137,514,810
Total OPEB liability as a percentage of covered employee payroll****	37.85%	39.69%	55.99%	55.04%	35.44%	47.74%

Notes to Schedule:

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

**The Public Employee Benefit Program is a closed plan, and, therefore, there are no current covered employees.

***No assets have been placed in a trust.

****During fiscal year 2023, an error correction resulted in a restatement of covered employee payroll for all years presented.

City of Henderson, Nevada
Schedule of Proportionate Share of the Collective Net Pension Liability Information
Multiple-Employer Cost-Sharing Defined Benefit Pension Plan (PERS)
Last Ten Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the collective net pension liability	3.17710%	3.03184%	2.99035%	3.02074%	3.02765%	3.01650%	3.06940%	3.12987%	3.11371%
Proportionate share of the collective net pension liability	\$ 573,621,513	\$ 276,482,252	\$ 416,506,569	\$ 411,906,360	\$ 412,902,805	\$ 401,189,368	\$ 413,086,137	\$ 358,665,969	\$ 324,509,868
Covered payroll	\$ 198,265,690	\$ 183,653,980	\$ 180,930,796	\$ 175,898,576	\$ 169,647,531	\$ 163,656,523	\$ 157,972,248	\$ 153,186,312	\$ 149,487,119
Proportionate share of the collective net pension liability as a percentage of its covered payroll	289.32%	150.55%	230.20%	234.17%	243.39%	245.14%	261.49%	234.14%	217.08%
PERS fiduciary net position as a percentage of the total pension liability	75.12%	86.51%	77.04%	76.46%	75.21%	74.42%	72.23%	75.13%	76.31%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Henderson, Nevada
Schedule of Proportionate Share of Statutorily Required Contributions
Multiple-Employer Cost-Sharing Defined Benefit Pension Plan (PERS)
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution**	\$ 35,868,752	\$ 33,898,061	\$ 31,819,158	\$ 31,424,170	\$ 29,148,250	\$ 28,186,861	\$ 27,177,437	\$ 26,237,791	\$ 24,356,561
Contributions in relation to the statutorily required contribution**	35,868,752	33,898,061	31,819,158	31,424,170	29,148,250	28,186,861	27,177,437	26,237,791	24,356,561
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 202,065,769	\$ 198,265,690	\$ 183,653,980	\$ 180,930,796	\$ 175,898,573	\$ 169,647,531	\$ 163,656,523	\$ 157,972,248	\$ 153,186,312
PERS fiduciary net position as a percentage of the total pension liability**	17.75%	17.10%	17.33%	17.37%	16.57%	16.61%	16.61%	16.61%	15.90%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

**During fiscal year 2023, an error correction to reflect only the employer portion of the employer-paid contributions and exclude employer-paid member contributions in accordance with GASB Statement No. 8 *Pension Issues - an amendment of GASB Statements No. 67, No.68, and No.73* resulted in a restatement of contributions for all years presented.

Note 1 - Other Postemployment Benefits

For both the City Plan and PEBP, changes in the assumptions and other inputs that affected the measurement of the City's total OPEB liability during the period ended June 30, 2023, were as follows:

- The discount rate was updated from 3.54% to 3.65% (PEBP and City Plan).
- Changes in benefit terms to reflect the January 1, 2023, amendment to the City's graduated benefit of lower monthly premiums which increased the minimum years of service from ten years to fifteen years. The amendment also limited the number of years the benefit could be received, and now ranges from seven to seventeen years based on years of service. Previously, this benefit was unlimited for pre-65 benefits and ranged up to seventeen years for post-65 benefits. Lastly, the amendment removed a 10% cost of living increase in the benefit amount (City Plan).

At June 30, 2023, no assets were accumulated in a qualifying trust for PEBP or the City Plan in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and are legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available this schedule will ultimately present information for the ten most recent fiscal years.

Additional information related to postemployment benefits other than pensions can be found in Note 9 to the basic financial statements.

Note 2 - Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

For the year ended June 30, 2023, there were no changes in the pension benefit plan terms to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2022.

The actuarial valuation report dated June 30, 2014, was the first valuation of the multiple-employer cost-sharing defined benefit pension plan. As additional actuarial valuations are obtained, these schedules will ultimately present information from the ten most recent valuations.

Additional pension plan information can be found in Note 8 to the basic financial statements.

GOVERNMENTAL FUNDS

Non-major Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditure for a specified purpose other than debt service or capital projects.

City of Henderson Redevelopment Agency - to account for the financial activity of the Agency which derives its revenue from tax increment financing and bond proceeds that will be utilized to rehabilitate and develop the defined redevelopment areas.

Gas Tax Special Revenue - to account for optional excise tax on motor vehicle fuel and other revenues restricted for repairing or restoring existing unpaved and paved roads, streets, and alleys.

Forfeited Assets Special Revenue - to account for the resources and revenues of a fund that is restricted by State law to certain law enforcement activities.

Municipal Court Administrative Fee Special Revenue - to account for court assessments which are to be used to improve operations of the court.

Financial Stabilization Special Revenue - to account for 0.25% of Supplemental City/County Relief Tax Loss Ad Valorem revenues, which are restricted for stabilization and deposited directly into this fund. Balances in this fund may be made available for city-wide costs incurred to mitigate the effects of an emergency or a natural disaster as declared by City Council. In addition, this fund can be made available to the General Fund to compensate for shortfalls in actual revenues of 2% or greater as compared to the final budget. None of these circumstances are expected to occur routinely.

Sales & Use Tax Special Revenue - to account for the proceeds from the tax authorized by a State Assembly Bill for the Board of County Commissioners of Clark County to employ and equip additional police officers.

Commissary Special Revenue - to account for commissions received in connection with the sale of goods to prisoners as authorized by Nevada Revised Statute 211.360.

Eldorado Valley Regional Public Safety Training Facility Special Revenue - to account for rental fees from partnering and non-partnering agencies for a public safety training facility.

Crime Prevention Special Revenue - to account for the proceeds from the tax authorized by a State Assembly Bill for the Board of County Commissioners of Clark County to employ and equip additional police officers.

Neighborhood Improvement District Special Revenue - to account for the assessments levied which are to be used for the maintenance of neighborhood improvement projects.

Recreation, Cultural Events, and Tourism Special Revenue - to account for the designated room tax, gaming license and other revenues associated with tourism, recreation and cultural events.

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Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

GOVERNMENTAL FUNDS

Non-major Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Special Assessment Districts Debt Service - to account for the accumulation of resources and payment of special assessment debt principal and interest from special assessment levies when the government is obligated in some manner for payment.

General Obligation Debt Service - to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Non-major Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure or capital outlays including the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds.

Municipal Facilities Acquisition and Construction Capital Projects - to account for the costs associated with the acquisition, construction, and improvement of public building facilities.

Special Recreation Capital Projects - to account for costs of recreational equipment and other recreational purposes. Funds for these purposes are provided by revenues received from the Las Vegas Convention and Visitors Authority.

Park Development Capital Projects - to account for fees that are collected upon application for building permits. The revenues produced by these fees are to be used for the acquisition, development, improvement and expansion of public parks, playgrounds and recreational facilities within the City.

Flood Control Capital Projects - to account for flood control projects that receive their primary funding from the Clark County Regional Flood Control District.

RTC/County Funded Capital Projects - to account for costs of improving streets within the City that are funded by the Regional Transportation Commission and Clark County Grants.

Special Ad Valorem Transportation Capital Projects - to account for revenue received from a special ad valorem tax that must be recorded in a capital project fund and dedicated to capital projects designed to alleviate critical transportation needs within Clark County.

Capital Replacement Capital Projects - to account for charges for services, developer contributions, and transfers from other funds to be used for various capital replacement projects throughout the City.

Special Assessment Districts Capital Projects - to account for the cost of public improvements such as street lighting, streets, curbs, gutters, water and sewer benefiting certain property owners. Funding is provided by the issuance of special assessment district bonds.

Land Sales Capital Projects - to account for the purchase and sale of City-owned real property. The City has traditionally used proceeds from these sales for miscellaneous capital projects. Land purchased is for capital purposes.

Bond Proceeds Capital Projects Fund - to account for the cost of capital projects that are primarily financed through the sale of general obligation bonds and generally include costs of improving, equipping, acquiring, and construction for projects defined within NRS 268.676 through 268.728 .

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Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Aggregate Non-Major Governmental Funds
Assets				
Cash, cash equivalents and investments, unrestricted	\$ 96,848,019	\$ 10,522,765	\$ 237,974,247	\$ 345,345,031
Cash, cash equivalents and investments, restricted	12,563,272	-	33,949,817	46,513,089
Accounts receivable, net	105,754	-	3,603,038	3,708,792
Taxes receivable	387,712	262,712	-	650,424
Special assessments receivable	932	434,306	-	435,238
Notes receivable, net	5,164	-	-	5,164
Interest receivable	526,138	62,664	874,809	1,463,611
Due from other governments	10,724,710	102,590	1,544,443	12,371,743
Lease interest receivable	-	-	165,397	165,397
Lease receivable	-	-	4,598,652	4,598,652
Prepaid items	787	-	-	787
Land held for resale	23,638,676	-	4,439,549	28,078,225
Total assets	\$ 144,801,164	\$ 11,385,037	\$ 287,149,952	\$ 443,336,153
Liabilities				
Accounts payable and other accrued liabilities	\$ 804,749	\$ 2,732	\$ 5,598,012	\$ 6,405,493
Accrued wages	268,287	-	5,901	274,188
Due to other governments	-	1,044	-	1,044
Advances from other funds	-	-	435,655	435,655
Tax increment payable to developers	2,190,825	-	-	2,190,825
Unearned revenue	-	-	16,419,596	16,419,596
Deposits	1,000	-	26,213	27,213
Total liabilities	3,264,861	3,776	22,485,377	25,754,014
Deferred Inflow of Resources				
Unavailable revenue, property taxes	387,712	262,712	-	650,424
Unavailable revenue, special assessments	932	434,306	-	435,238
Unavailable revenue, notes receivable	5,164	-	-	5,164
Unavailable revenue, other receivables	-	-	12,381	12,381
Deferred amounts related to leases	-	-	4,549,065	4,549,065
Total deferred inflow of resources	393,808	697,018	4,561,446	5,652,272
Total liabilities and deferred inflows of resources	3,658,669	700,794	27,046,823	31,406,286
Fund Balances				
Nonspendable	787	-	-	787
Restricted	141,141,708	10,684,243	104,799,393	256,625,344
Committed	-	-	24,518,936	24,518,936
Assigned	-	-	130,784,800	130,784,800
Total fund balances	141,142,495	10,684,243	260,103,129	411,929,867
Total liabilities, deferred inflows of resources, and fund balances	\$ 144,801,164	\$ 11,385,037	\$ 287,149,952	\$ 443,336,153

City of Henderson, Nevada

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Aggregate Non-Major Governmental Funds
Revenues				
Property taxes	\$ 33,228,460	\$ 7,155,335	\$ 6,350,480	\$ 46,734,275
Intergovernmental	43,075,718	-	45,380,005	88,455,723
Charges for services	887,178	-	71,141	958,319
Fines and forfeitures	756,338	-	-	756,338
Special assessments	-	180,024	-	180,024
Investment income	2,299,163	186,863	3,815,119	6,301,145
Room tax	5,409,185	-	-	5,409,185
Developer contributions	8,640	-	19,194,030	19,202,670
Rental fees	1,261	-	12	1,273
Residential construction tax	-	-	1,238,477	1,238,477
Miscellaneous	335,668	284	1,730,192	2,066,144
Total revenues	86,001,611	7,522,506	77,779,456	171,303,573
Expenditures				
Current				
General government	15,197,953	18,660	4,217,824	19,434,437
Judicial	413,440	-	-	413,440
Public safety	25,706,002	-	2,127,497	27,833,499
Public works	5,869,860	233,006	1,994,446	8,097,312
Culture and recreation	4,053,081	-	1,114,338	5,167,419
Community support	-	-	137,382	137,382
Total current	51,240,336	251,666	9,591,487	61,083,489
Capital outlay				
General government	11,358,468	-	3,476,455	14,834,923
Judicial	29,014	-	-	29,014
Public safety	1,233,504	-	32,165,838	33,399,342
Public works	2,117,551	-	19,887,567	22,005,118
Culture and recreation	23,800	-	7,123,698	7,147,498
Community support	-	-	7,664,908	7,664,908
Total capital outlay	14,762,337	-	70,318,466	85,080,803
Debt service				
Principal payments	296,727	9,694,730	5,048	9,996,505
Interest charges	328,333	5,371,654	30,900	5,730,887
Total debt service	625,060	15,066,384	35,948	15,727,392
Total expenditures	66,627,733	15,318,050	79,945,901	161,891,684
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,373,878	(7,795,544)	(2,166,445)	9,411,889
Other Financing Sources (Uses)				
Proceeds from land sales	-	-	1,943,700	1,943,700
Issuance of notes	551,189	-	10,000,000	10,551,189
SBITA proceeds	21,848	-	-	21,848
Transfers in	4,438,368	10,923,629	31,997,632	47,359,629
Transfers out	(8,014,368)	(210,956)	(4,769,241)	(12,994,565)
Total other financing sources (uses)	(3,002,963)	10,712,673	39,172,091	46,881,801
Net Change in Fund Balances	16,370,915	2,917,129	37,005,646	56,293,690
Fund Balances, Beginning of Year	124,771,580	7,767,114	223,097,483	355,636,177
Fund Balances, End of Year	\$ 141,142,495	\$ 10,684,243	\$ 260,103,129	\$ 411,929,867

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Special Revenue Funds
June 30, 2023

	Redevelopment Agency	Gas Tax	Forfeited Assets	Municipal Court Administrative Fee	Financial Stabilization	Sales and Use Tax
Assets						
Cash, cash equivalents and investments, unrestricted	\$ 21,963,734	\$ 15,257,463	\$ 354,111	\$ 1,178,938	\$ 30,076,284	\$ 13,148,866
Cash, cash equivalents and investments, restricted	12,563,272-	--	-	-		
Accounts receivable, net	- --	-	-	-		73,449
Taxes receivable	387,712-	-	-	-		
Special assessments receivable	- --	-	-	-		
Notes receivable, net	5,164-	-	-	-		
Interest receivable	165,160	-			139,624	
Due from other governments	- 486,081	1,628,239-			681	
Prepaid items	- --	-	-	-		
Land held for resale	23,638,676-	--	-	-		
Total assets	\$ 59,209,799	\$ 16,961,243	\$ 355,978	\$ 1,178,938	\$ 30,216,589	\$ 19,903,878
Liabilities						
Accounts payable and other accrued liabilities	\$ 27,380	\$ 344,085	\$ 61,500	\$ 12,799	\$ 6,617,073	\$ 85,905
Accrued wages	- 73,514	1,867	-	765	64,490	151,559
Tax increment payable to developers	2,190,825-	-	-	-		
Deposits	- --	-	-	-		
Total liabilities	2,245,759	374,666	-	13,564		237,464
Deferred inflows of resources						
Unavailable revenue, property taxes	387,712-	-	-	-		
Unavailable revenue, special assessments	- --	-	-	-		
Unavailable revenue, notes receivable	39,581-	-	-	-		
Total deferred inflows of resources	392,876-	-	-	-		
Total liabilities and deferred inflows of resources	2,638,635	374,666	-	13,564		237,464
Fund balances						
Nonspendable	- --	-	-	-		
Restricted		16,586,577	294,478		30,216,589	19,666,414
Total fund balance	56,571,164	16,586,577	294,478	1,165,374	30,216,589	19,666,414
Total liabilities, deferred inflows of resources and fund balances	\$ 59,209,799	\$ 16,961,243	\$ 355,978	\$ 1,178,938	\$ 30,216,589	\$ 19,903,878

1,165,374

(continued)

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Special Revenue Funds
June 30, 2023

	Commissary	Eldorado Valley Training Facility	Crime Prevention	Neighborhood Improvement District	Recreation, Cultural Events & Tourism	Total Non-Major Special Revenue Funds
Assets						
Cash, cash equivalents and investments, unrestricted	\$ 734,677	\$ 463,662	\$ 9,803,636	\$ 64,507	\$ 3,802,141	\$ 96,848,019
Cash, cash equivalents and investments, restricted	-	-	-	-	-	12,563,272
Accounts receivable, net	-	500	31,805	-	-	105,754
Taxes receivable	-	-	-	-	-	387,712
Special assessments receivable	-	-	-	932	-	932
Notes receivable, net	-	-	-	-	-	5,164
Interest receivable	3,314	2,438	46,725	343	26,636	526,138
Due from other governments	-	3,300	1,925,919	-	63,417	10,724,710
Prepaid items	-	-	-	-	787	787
Land held for resale	-	-	-	-	-	23,638,676
Total assets	\$ 737,991	\$ 469,900	\$ 11,808,085	\$ 65,782	\$ 3,892,981	\$ 144,801,164
Liabilities						
Accounts payable and other accrued liabilities	\$ 129,159	\$ 26,755	\$ 20,663	\$ 56	\$ 96,447	\$ 804,749
Accrued wages	-	-	30,371	-	27,457	268,287
Tax increment payable to developers	-	-	-	-	-	2,190,825
Deposits	-	-	-	-	1,000	1,000
Total liabilities	129,159	26,755	51,034	56	124,904	3,264,861
Deferred inflows of resources						
Unavailable revenue, property taxes	-	-	-	-	-	387,712
Unavailable revenue, special assessments	-	-	-	932	-	932
Unavailable revenue, notes receivable	-	-	-	-	-	5,164
Total deferred inflows of resources	-	-	-	932	-	393,808
Total liabilities and deferred inflows of resources	129,159	26,755	51,034	988	124,904	3,658,669
Fund balances						
Nonspendable	-	-	-	-	787	787
Restricted	-	443,145	11,757,051	64,794	3,767,290	141,141,708
Total fund balance	608,832	443,145	11,757,051	64,794	3,768,077	141,142,495
Total liabilities, deferred inflows of resources and fund balances	\$ 737,991	\$ 469,900	\$ 11,808,085	\$ 65,782	\$ 3,892,981	\$ 144,801,164

City of Henderson, Nevada

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Special Revenue Funds

Year Ended June 30, 2023

	Redevelopment Agency	Gas Tax	Forfeited Assets	Municipal Court Administrative Fee	Financial Stabilization	Sales and Use Tax
Revenues						
Property taxes	\$ 33,180,974	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10,408	-	-	-	-	25,877,734
Charges for services	-	-	-	-	-	494,892
Fines and forfeitures	-	-	188,983	-	-	-
Investment income	1,282,890	-	13,068	-	442,202	-
Room tax	-	1,803,090	-	-	-	-
Developer contributions	8,640	-	-	-	-	-
Rental fees	1,261	-	-	-	-	-
Miscellaneous	282,804	-	-	-	-	36,854
Total revenues	34,766,977	8,618,901	202,051	567,355	489,688	26,474,260
Expenditures						
Current						
General government	15,197,953	-	567,355	-	-	-
Judicial	270,223	-	-	413,440	64,780	-
Public safety	-	-	223,043	-	-	20,662,471
Public works	-	5,845,312	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total current	15,197,953	5,845,312	-	413,440	-	20,662,471
Capital outlay						
General government	11,358,468	-	-	-	-	-
Judicial	-	-	-	29,014	-	-
Public safety	-	-	138,750	-	-	821,348
Public works	-	2,117,551	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total capital outlay	11,358,468	2,117,551	-	29,014	-	821,348
Debt service						
Principal payments	290,000	223,043	-	6,727	-	-
Interest charges	327,800	-	-	533	-	-
Total debt service	617,800	-	-	7,260	-	-
Total expenditures	27,174,221	7,962,863	-	449,714	-	21,483,819
Excess (Deficiency) of Revenues over (under) Expenditures	7,592,756	656,038	(159,742)	117,641	489,688	4,990,441
Other Financing Sources (Uses)		138,750				
Issuance of bonds	-	-	-	-	-	440,951
SBITA proceeds	-	-	-	21,848	-	-
Transfers in	2,000,000	-	-	-	2,152,368	-
Transfers out	(3,344,538)	-	-	(96,996)	-	(278,432)
Total other financing sources (uses)	(1,344,538)	-	-	(75,148)	2,152,368	162,519
Net Change in Fund Balances	6,248,218	361,793 656,038	(159,742)	42,493	2,642,056	5,152,960
Fund Balances, Beginning of Year	50,322,946	15,930,539	454,220	1,122,881	27,574,533	14,513,454
Fund Balances, End of Year	\$ 56,571,164	\$ 16,586,577	\$ 294,478	\$ 1,165,374	\$ 30,216,589	\$ 19,666,414

(continued)

City of Henderson, Nevada

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Special Revenue Funds

Year Ended June 30, 2023

	Commissary	Eldorado Valley Training Facility	Crime Prevention	Neighborhood Improvement District	Recreation, Cultural Events & Tourism	Total Non-Major Special Revenue Funds
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,228,460
Intergovernmental	-	73,200	-	-	2,821,942	-
Charges for services	52,561	-	190,210	-	124,939	-
Fines and forfeitures	--	-	-	-	-	756,338
Investment income	9,617	-	-	1,320	135,999	-
Room tax	-	-	-	-	3,606,095	-
Developer contributions	--	-	-	-	-	8,640
Rental fees	--	-	-	-	-	1,261
Miscellaneous	-	1,327	-	1,654	11,087	-
Total revenues	62,178	82,624	8,009,965	27,550	6,700,062	86,001,611
		7,746,867			43,075,718	
Expenditures						
Current						
General government	--	70,967	24,576	-	887,178	15,197,953
Judicial	8,097	-	-	-	2,299,163	413,440
Public safety	15,330	-	-	-	5,409,185	25,706,002
Public works	--	-	-	24,548	-	5,869,860
Culture and recreation	--	-	-	-	4,053,081	-
Total current	15,330	115,224	4,689,934	24,548	4,053,081	51,240,336
		1,921			23,800	
Capital outlay						
General government	--	-	-	-	-	11,358,468
Judicial	--	-	-	-	-	29,014
Public safety	-	-	273,406	-	-	1,233,504
Public works	115,224	4,689,934	-	-	-	2,117,551
Culture and recreation	--	-	-	-	23,800	-
Total capital outlay	-	-	273,406	-	4,053,081	14,762,337
					23,800	
Debt service						
Principal payments	--	-	-	-	-	296,727
Interest charges	--	-	-	-	-	328,333
Total debt service	--	-	-	-	-	625,060
Total expenditures	15,330	115,224	4,963,340	24,548	4,076,881	66,627,733
					23,800	
Excess (Deficiency) of Revenues over (under) Expenditures	46,848	(32,600)	3,046,625	3,002	2,623,181	19,373,878
Other Financing Sources (Uses)						
Issuance of notes	-	-	110,238	-	-	551,189
SBITA proceeds	--	-	-	-	-	21,848
Transfers in	-	55,000	-	-	231,000	-
Transfers out	-	-	(69,608)	-	(4,224,794)	-
Total other financing sources (uses)	-	55,000	40,630	-	(3,993,794)	(3,002,963)
Net Change in Fund Balances	46,848	22,400	3,087,255	3,002	(1,370,613)	16,370,915
Fund Balances, Beginning of Year	561,984	420,745	8,669,796	61,792	5,138,690	124,771,580
Fund Balances, End of Year	\$ 608,832	\$ 443,145	\$ 11,757,051	\$ 64,794	\$ 3,768,077	\$ 141,142,495
					4,438,368	
					(8,014,368)	

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Debt Service Funds
June 30, 2023

	Special Assessment Districts	General Obligation	Total Non-Major Debt Service Funds
Assets			
Cash, cash equivalents and investments, unrestricted	\$ 1,623,063	\$ 8,899,702	\$ 10,522,765
Interest receivable	9,101	53,563	62,664
Taxes receivable	-	262,712	262,712
Special assessments receivable	434,306	-	434,306
Due from other governments	-	102,590	102,590
	<u>\$ 2,066,470</u>	<u>\$ 9,318,567</u>	<u>\$ 11,385,037</u>
Total assets			
Liabilities			
Accounts payable and other accrued liabilities	\$ 2,272	\$ 460	\$ 2,732
Due to other governments	1,044	-	1,044
	<u>3,316</u>	<u>460</u>	<u>3,776</u>
Total liabilities			
Deferred Inflows of Resources			
Unavailable revenue, property taxes	-	262,712	262,712
Unavailable revenue, special assessments	434,306	-	434,306
	<u>434,306</u>	<u>262,712</u>	<u>697,018</u>
Total deferred inflows of resources			
Total liabilities and deferred inflows of resources	<u>437,622</u>	<u>263,172</u>	<u>700,794</u>
Fund Balances			
Restricted	<u>1,628,848</u>	<u>9,055,395</u>	<u>10,684,243</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,066,470</u>	<u>\$ 9,318,567</u>	<u>\$ 11,385,037</u>

City of Henderson, Nevada
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Non-Major Debt Service Funds
Year Ended June 30, 2023

	Special Assessment Districts	General Obligation	Total Non-Major Debt Service Funds
Revenues			
Property taxes	\$ -	\$ 7,155,335	\$ 7,155,335
Special assessments	180,024	-	180,024
Investment income (loss)	73,294	113,569	186,863
Miscellaneous	284	-	284
	<u>253,602</u>	<u>7,268,904</u>	<u>7,522,506</u>
Total revenues			
Expenditures			
Current			
General government	-	18,660	18,660
Public works	233,006	-	233,006
	<u>233,006</u>	<u>18,660</u>	<u>251,666</u>
Total current			
Debt service			
Principal payments	-	9,694,730	9,694,730
Interest charges	-	5,371,654	5,371,654
	<u>-</u>	<u>15,066,384</u>	<u>15,066,384</u>
Total debt service			
	<u>233,006</u>	<u>15,085,044</u>	<u>15,318,050</u>
Total expenditures			
Excess (Deficiency) of Revenues over (under) Expenditures	<u>20,596</u>	<u>(7,816,140)</u>	<u>(7,795,544)</u>
Other Financing Sources (Uses)			
Transfers in	-	10,923,629	10,923,629
Transfers out	(210,956)	-	(210,956)
	<u>(210,956)</u>	<u>10,923,629</u>	<u>10,712,673</u>
Total other financing sources (uses)			
Change in Fund Balance	(190,360)	3,107,489	2,917,129
Fund Balance, Beginning of Year	<u>1,819,208</u>	<u>5,947,906</u>	<u>7,767,114</u>
Fund Balance, End of Year	<u>\$ 1,628,848</u>	<u>\$ 9,055,395</u>	<u>\$ 10,684,243</u>

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Capital Projects Funds
June 30, 2023

	Municipal Facilities Acquisition and Construction	Special Recreation	Park Development	Flood Control	RTC/County Funded	Special Ad Valorem Transportation
Assets						
Cash, cash equivalents and investments, unrestricted	\$ 50,482,336	\$ 4,615,707	\$ 7,498,704	\$ 227,997	\$ 558,770	\$ 428,978
Cash, cash equivalents and investments, restricted	12,630,548-	--	-	-		
Accounts receivable, net	- --	-	-	-		
Interest receivable	283,627				2,750	
Due from other governments	63,099-	-	-	-		1,320,439
Lease interest receivable	- --	-	-	-		
Lease receivable	- --	-	-	-		
Land held for resale	- --	-	-	-		
Total assets	\$ 63,459,610	\$ 4,629,501	\$ 7,535,296	\$ 229,119	\$ 561,520	\$ 1,753,237
Liabilities						
Accounts payable and other accrued liabilities	\$ 127,943	\$ 36,592	\$ 16,739	\$ -	\$ 3,820	\$ -
Accrued wages	1,911-	-	-	-	24,793	
Advances from other funds	- --	-	-	-		
Unearned revenue	- --	-	-	-		
Deposits	- --	-	-	-		
Total liabilities	29,084	-	76,739	-	24,793	
Deferred inflows of resources						
Unavailable revenue, other receivables	- --	-	-	-		
Deferred amounts related to leases	- --	-	-	-		
Total deferred inflows of resources	- --	-	-	-		
Total liabilities and deferred inflows of resources	29,084	-	76,739	-	24,793	
Fund balances						
Restricted	12,630,548	4,402,083				1,753,237
Committed	- --	-	-	-		
Assigned	50,799,978-	--	-	-		
Total fund balance	63,430,526	4,402,083	7,458,557	229,119	536,727	1,753,237
Total liabilities, deferred inflows of resources and fund balances	\$ 63,459,610	\$ 4,629,501	\$ 7,535,296	\$ 229,119	\$ 561,520	\$ 1,753,237
		7,458,557		536,727		
			229,119			

(continued)

City of Henderson, Nevada
Combining Balance Sheet – Non-Major Capital Projects Funds
June 30, 2023

	Capital Replacement	Special Assessment Districts	Land Sales	Bond Proceeds	Total Non-Major Capital Project Funds
Assets					
Cash, cash equivalents and investments, unrestricted	\$ 83,492,685	\$ 56,333,840	\$ 18,557,783	\$ 15,777,447	\$ 237,974,247
Cash, cash equivalents and investments, restricted	3,836,395		223,593		33,949,817
Accounts receivable, net	106,893	-	3,496,145		3,603,038
Interest receivable	334,645		78,527		874,809
Due from other governments	-	-	160,905		1,544,443
Lease interest receivable	-	-	165,397		165,397
Lease receivable	-	-	4,598,652		4,598,652
Land held for resale	-	-	4,439,549		4,439,549
Total assets	\$ 87,770,618	\$ 56,336,565	\$ 31,720,551	\$ 33,153,935	\$ 287,149,952
Liabilities					
Accounts payable and other accrued liabilities	\$ 979,241	\$ -	117,207		5,598,012
Accrued wages	2,725 (5,686)	-	2,492,874	\$ 1,769,774	5,901
Advances from other funds	-	435,655	9,676		435,655
Unearned revenue	16,269,596	-	150,000		16,419,596
Deposits	-	26,213			26,213
Total liabilities	17,243,151	461,868	2,652,550	1,769,774	22,485,377
Deferred inflows of resources					
Unavailable revenue, other receivables	12,381	-			12,381
Deferred amounts related to leases	-	-	4,549,065		4,549,065
Total deferred inflows of resources	12,381	-	4,549,065		4,561,446
Total liabilities and deferred inflows of resources	17,255,532	461,868	7,201,615	1,769,774	27,046,823
Fund balances					
Restricted	6,307,711		-	15,606,714	104,799,393
Committed	-		24,518,936	-	24,518,936
Assigned	64,207,375	-		15,777,447	130,784,800
Total fund balance	70,515,086	55,874,697	24,518,936	31,384,161	260,103,129
Total liabilities, deferred inflows of resources and fund balances	\$ 87,770,618	\$ 56,336,565	\$ 31,720,551	\$ 33,153,935	\$ 287,149,952
	55,874,697				

City of Henderson, Nevada

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Capital Projects Funds

Year Ended June 30, 2023

	Municipal Facilities Acquisition and Construction	Special Recreation	Park Development	Flood Control	RTC/County Funded	Special Ad Valorem Transportation
Revenues						
Property taxes	\$ 4,434,011	\$ -	\$ -	\$ -	\$ -	\$ 1,916,469
Intergovernmental	257-	-	-	-	-	-
Charges for services	--	-	-	-	-	-
Investment income (loss)	638,039	-	-	-	-	-
Developer contributions	2,037,044-	-	-	-	-	-
Rental fees	--	-	-	-	-	-
Residential construction tax	-	-	1,238,477-	-	-	-
Miscellaneous	222,925-	-	-	-	-	-
Total revenues	7,332,276	(41,254)	1,354,347	4,136	10,135	1,948,962
Expenditures						
Current						
General government	701,646-	-	-	-	-	-
Public safety	415,753-	115,870-	-	10,135	32,493	-
Public works	220,185-	-	4,136	-	-	-
Culture and recreation	496,690	-	-	-	-	-
Community support	--	-	-	-	-	-
Total current	1,834,259	-	170,857-	-	-	-
Capital outlay						
General government	1,228,827-	-	-	-	-	-
Public safety	620,463-	-	-	-	-	-
Public works	--	-	-	-	-	-
Culture and recreation	-	1,015,729	-	-	-	-
Community support	--	170,857	-	-	-	-
Total capital outlay	1,849,290	-	568,356-	-	-	-
Debt service						
Principal payments	42,788	-	-	-	-	-
Interest charges	--	-	-	-	-	-
Total debt service	--	-	-	-	-	-
Total expenditures	3,683,549	- 568,356	739,213-	-	-	-
Excess (Deficiency) of Revenues over (under) Expenditures	3,648,727	(1,099,771)	615,134	4,136	10,135	1,948,962
	1,015,729					
Other Financing Sources (Uses)						
Proceeds from land sales	--	-	-	-	-	-
Issuance of bonds	--	-	-	-	-	-
Transfers in	8,980,188	-	-	-	-	-
Transfers out	-	(42,000)	-	-	-	(1,500,000)
Total other financing sources (uses)	8,980,188	3,567,688-	-	-	-	(1,500,000)
	1,058,517					
Net Change in Fund Balances	12,628,915	2,467,917	615,134	4,136	10,135	448,962
Fund Balances, Beginning of Year	50,801,611	1,934,166	6,843,423	224,983	526,592	1,304,275
Fund Balances, End of Year	\$ 63,430,526	\$ 4,402,083	\$ 7,458,557	\$ 229,119	\$ 536,727	\$ 1,753,237
	3,609,688					

(continued)

City of Henderson, Nevada

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Capital Projects Funds

Year Ended June 30, 2023

	Capital Replacement	Special Assessment Districts	Land Sales	Bond Proceeds	Total Non-Major Capital Project Funds
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 6,350,480
Intergovernmental	35,000,000	-	10,379,748	-	45,380,005
Charges for services	71,141	-	-	-	71,141
Investment income (loss)	(80,844)	1,407,051	529,899	1,199,594	3,815,119
Developer contributions	5,842	17,151,144	-	-	19,194,030
Rental fees	-	-	12	-	12
Residential construction tax	-	-	-	-	1,238,477
Miscellaneous	1,150,678	-	290,860	65,729	1,730,192
Total revenues	36,146,817	18,558,195	11,200,519	1,265,323	77,779,456
Expenditures					
Current					
General government	3,183,668	-	332,510	-	4,217,824
Public safety	768,402	-	-	943,357	2,127,497
Public works	785,229	-	989,032	-	1,994,446
Culture and recreation	100,365	-	182,968	120,670	1,114,338
Community support	-	-	-	137,382	137,382
Total current	4,837,664	-	1,504,510	1,201,409	9,591,487
Capital outlay					
General government	2,247,628	-	-	-	3,476,455
Public safety	8,919,508	-	-	22,625,867	32,165,838
Public works	709,893	6,305,714	12,871,960	-	19,887,567
Culture and recreation	1,115,089	-	4,424,524	-	7,123,698
Community support	-	-	-	7,664,908	7,664,908
Total capital outlay	12,992,118	6,305,714	17,296,484	30,290,775	70,318,466
Debt service					
Principal payments	5,048	-	-	-	5,048
Interest charges	1,182	29,718	-	-	30,900
Total debt service	6,230	29,718	-	-	35,948
Total expenditures	17,836,012	6,335,432	18,800,994	31,492,184	79,945,901
Excess (Deficiency) of Revenues over (under) Expenditures	18,310,805	12,222,763	(7,600,475)	(30,226,861)	(2,166,445)
Other Financing Sources (Uses)					
Proceeds from land sales	-	-	1,943,700	-	1,943,700
Issuance of bonds	10,000,000	-	-	-	10,000,000
Transfers in	12,796,800	210,956	6,400,000	-	31,997,632
Transfers out	(674,241)	-	(2,553,000)	-	(4,769,241)
Total other financing sources (uses)	22,122,559	210,956	5,790,700	-	39,172,091
Net Change in Fund Balances	40,433,364	12,433,719	(1,809,775)	(30,226,861)	37,005,646
Fund Balances, Beginning of Year	30,081,722	43,440,978	26,328,711	61,611,022	223,097,483
Fund Balances, End of Year	\$ 70,515,086	\$ 55,874,697	\$ 24,518,936	\$ 31,384,161	\$ 260,103,129

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance to Final Budget
Revenues			
Property taxes	\$ 91,677,970	\$ 89,965,546	\$ (1,712,424)
Franchise fees	36,927,863	42,119,689	5,191,826
Licenses and permits	15,491,657	16,052,886	561,229
Intergovernmental	181,286,212	180,737,588	(548,624)
Charges for services	32,013,995	37,157,888	5,143,893
Fines and forfeitures	3,239,857	2,835,426	(404,431)
Impact fees	2,200,000	2,540,251	340,251
Investment income	540,205	848,251	308,046
Miscellaneous	3,776,458	2,421,240	(1,355,218)
Total revenues	367,154,217	374,678,765	7,524,548
Expenditures			
General government			
Mayor and council			
Salaries and wages	524,944	492,378	32,566
Employee benefits	270,301	241,774	28,527
Services and supplies	347,212	128,959	218,253
Total mayor and council	1,142,457	863,111	279,346
City manager			
Salaries and wages	1,948,891	1,897,330	51,561
Employee benefits	801,860	775,778	26,082
Services and supplies	332,587	169,335	163,252
Total city manager	3,083,338	2,842,443	240,895
Finance			
Salaries and wages	4,526,618	4,111,717	414,901
Employee benefits	2,092,913	1,889,819	203,094
Services and supplies	1,477,337	1,021,485	455,852
Total finance	8,096,868	7,023,021	1,073,847
Information technology			
Salaries and wages	6,128,747	5,848,698	280,049
Employee benefits	2,854,377	2,535,257	319,120
Services and supplies	3,001,587	1,753,623	1,247,964
Capital outlay	51,000	187,213	(136,213)
Total information technology	12,035,711	10,324,791	1,710,920
City clerk			
Salaries and wages	1,399,478	1,307,684	91,794
Employee benefits	730,325	633,884	96,441
Services and supplies	1,152,064	553,223	598,841
Total city clerk	3,281,867	2,494,791	787,076
Human resources			
Salaries and wages	2,610,844	2,395,120	215,724
Employee benefits	1,243,117	1,114,637	128,480
Services and supplies	1,468,203	893,973	574,230
Capital outlay	5,000	475	4,525
Total human resources	5,327,164	4,404,205	922,959

(continued)

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance to Final Budget
City attorney			
Salaries and wages	\$ 2,219,406	\$ 2,187,441	\$ 31,965
Employee benefits	907,292	889,202	18,090
Services and supplies	1,262,970	1,151,238	111,732
Capital outlay	-	141,645	(141,645)
Total city attorney	<u>4,389,668</u>	<u>4,369,526</u>	<u>20,142</u>
Community development			
Salaries and wages	2,697,687	2,455,229	242,458
Employee benefits	1,295,869	1,143,882	151,987
Services and supplies	885,594	527,883	357,711
Total community development	<u>4,879,150</u>	<u>4,126,994</u>	<u>752,156</u>
Building maintenance			
Salaries and wages	4,702,953	4,460,043	242,910
Employee benefits	2,407,930	2,239,054	168,876
Services and supplies	6,478,627	6,468,533	10,094
Capital outlay	164,201	67,720	96,481
Total building maintenance	<u>13,753,711</u>	<u>13,235,350</u>	<u>518,361</u>
Government and public affairs			
Salaries and wages	758,176	742,547	15,629
Employee benefits	321,252	301,215	20,037
Services and supplies	771,296	435,190	336,106
Total government and public affairs	<u>1,850,724</u>	<u>1,478,952</u>	<u>371,772</u>
Internal audit			
Salaries and wages	452,123	442,043	10,080
Employee benefits	195,194	186,084	9,110
Services and supplies	74,782	48,216	26,566
Total internal audit	<u>722,099</u>	<u>676,343</u>	<u>45,756</u>
Office of communications			
Salaries and wages	1,308,275	1,227,945	80,330
Employee benefits	603,801	543,212	60,589
Services and supplies	1,445,894	719,627	726,267
Capital outlay	-	66,309	(66,309)
Total office of communications	<u>3,357,970</u>	<u>2,557,093</u>	<u>800,877</u>
Miscellaneous			
Salaries and wages	3,816,113	3,602,704	213,409
Employee benefits	564,798	493,177	71,621
Services and supplies	4,263,460	1,045,557	3,217,903
Total miscellaneous	<u>8,644,371</u>	<u>5,141,438</u>	<u>3,502,933</u>
Total general government	<u>70,565,098</u>	<u>59,538,058</u>	<u>11,027,040</u>
Judicial			
Municipal court			
Salaries and wages	5,083,189	4,734,193	348,996
Employee benefits	2,668,933	2,529,010	139,923
Services and supplies	1,730,746	1,484,262	246,484
Total municipal court	<u>9,482,868</u>	<u>8,747,465</u>	<u>735,403</u>

(continued)

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance to Final Budget
City attorney - criminal			
Salaries and wages	\$ 2,858,437	\$ 2,749,241	\$ 109,196
Employee benefits	1,384,381	1,297,371	87,010
Services and supplies	285,664	269,813	15,851
Total city attorney- criminal	4,528,482	4,316,425	212,057
Total judicial	14,011,350	13,063,890	947,460
Public safety			
Fire			
Salaries and wages	42,963,038	40,876,052	2,086,986
Employee benefits	22,123,162	22,429,444	(306,282)
Services and supplies	9,230,800	8,932,671	298,129
Capital outlay	-	26,990	(26,990)
Total fire	74,317,000	72,265,157	2,051,843
Police			
Salaries and wages	61,691,405	60,395,129	1,296,276
Employee benefits	36,296,529	35,437,525	859,004
Services and supplies	20,588,922	19,337,329	1,251,593
Capital outlay	1,026,818	963,248	63,570
Total police	119,603,674	116,133,231	3,470,443
Building inspection			
Salaries and wages	1,405,533	1,302,797	102,736
Employee benefits	695,318	638,712	56,606
Services and supplies	689,537	336,014	353,523
Capital outlay	45,000	38,193	6,807
Total building inspection	2,835,388	2,315,716	519,672
Emergency management			
Salaries and wages	1,258,630	1,170,403	88,227
Employee benefits	572,623	540,986	31,637
Services and supplies	1,127,155	831,563	295,592
Capital outlay	136,373	-	136,373
Total emergency management	3,094,781	2,542,952	551,829
Total public safety	199,850,843	193,257,056	6,593,787
Public works			
Street lighting			
Salaries and wages	542,546	435,799	106,747
Employee benefits	270,171	213,309	56,862
Services and supplies	2,011,134	1,979,351	31,783
Total street lighting	2,823,851	2,628,459	195,392
Public works general services			
Salaries and wages	2,288,675	1,927,291	361,384
Employee benefits	1,128,013	870,997	257,016
Services and supplies	2,819,148	2,414,180	404,968
Capital outlay	103,798	-	103,798
Total public works general services	6,339,634	5,212,468	1,127,166
Total public works	9,163,485	7,840,927	1,322,558

(continued)

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance to Final Budget
Culture and recreation			
Parks			
Salaries and wages	\$ 9,282,310	\$ 9,148,343	\$ 133,967
Employee benefits	5,210,337	4,807,280	403,057
Services and supplies	10,857,317	8,879,506	1,977,811
Capital outlay	847,783	311,856	535,927
Total parks	<u>26,197,747</u>	<u>23,146,985</u>	<u>3,050,762</u>
Recreation			
Salaries and wages	15,139,954	13,630,554	1,509,400
Employee benefits	4,715,705	4,263,470	452,235
Services and supplies	4,957,648	4,758,030	199,618
Capital outlay	5,000	5,000	-
Total recreation	<u>24,818,307</u>	<u>22,657,054</u>	<u>2,161,253</u>
Total culture and recreation	<u>51,016,054</u>	<u>45,804,039</u>	<u>5,212,015</u>
Community support			
Economic development			
Salaries and wages	534,658	475,949	58,709
Employee benefits	256,188	217,133	39,055
Services and supplies	451,116	252,271	198,845
Total economic development	<u>1,241,962</u>	<u>945,353</u>	<u>296,609</u>
Neighborhood services			
Salaries and wages	432,887	414,519	18,368
Employee benefits	223,088	197,316	25,772
Services and supplies	1,512,029	378,012	1,134,017
Total neighborhood services	<u>2,168,004</u>	<u>989,847</u>	<u>1,178,157</u>
Total community support	<u>3,409,966</u>	<u>1,935,200</u>	<u>1,474,766</u>
Debt service			
Principal payments	183,267	312,713	(129,446)
Interest charges	24,972	28,133	(3,161)
Total debt service	<u>208,239</u>	<u>340,846</u>	<u>(132,607)</u>
Total expenditures	<u>348,225,035</u>	<u>321,780,016</u>	<u>26,445,019</u>
Excess (Deficiency) of Revenues over Expenditures	<u>18,929,182</u>	<u>52,898,749</u>	<u>33,969,567</u>
Other Financing Sources (Uses)			
SBITA Proceeds	-	450,719	450,719
Issuance of Notes	-	1,023,638	1,023,638
Transfers in	799,287	799,287	-
Transfers out	(28,556,942)	(29,146,941)	(589,999)
Total other financing sources (uses)	<u>(27,757,655)</u>	<u>(26,873,297)</u>	<u>884,358</u>
Change in Fund Balance	<u>(8,828,473)</u>	<u>26,025,452</u>	<u>34,853,925</u>
Fund Balances, Beginning of Year, as Previously Reported	40,067,060	40,067,060	-
Prior Period Adjustment	-	689,152	689,152
Fund Balances, Beginning of Year, as Restated	<u>40,067,060</u>	<u>40,756,212</u>	<u>689,152</u>
Fund Balances, End of Year	<u>\$ 31,238,587</u>	<u>\$ 66,781,664</u>	<u>\$ 35,543,077</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Grants Special Revenue Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance to Final Budget
Revenues			
Intergovernmental	\$ 90,094,677	\$ 15,602,997	\$ (74,491,680)
Miscellaneous	171,458	201,167	29,709
Total revenues	90,266,135	15,804,164	(74,461,971)
Expenditures			
General government			
Salaries and wages	187,465	112,642	74,823
Employee benefits	24,484	15,679	8,805
Services and supplies	3,870,481	268,422	3,602,059
Capital outlay	2,300,000	-	2,300,000
Total general government	6,382,430	396,743	5,985,687
Judicial			
Salaries and wages	860	-	860
Employee benefits	281	-	281
Services and supplies	1,117,377	207,448	909,929
Total judicial	1,118,518	207,448	911,070
Public safety			
Salaries and wages	1,493,981	705,374	788,607
Employee benefits	703,225	210,606	492,619
Services and supplies	3,667,552	725,033	2,942,519
Capital outlay	4,715,973	2,128,515	2,587,458
Total public safety	10,580,731	3,769,528	6,811,203
Public works			
Salaries and wages	354,877	1,019	353,858
Employee benefits	196,773	358	196,415
Services and supplies	5,378,706	1,088,176	4,290,530
Capital outlay	7,057,576	-	7,057,576
Total public works	12,987,932	1,089,553	11,898,379
Culture and recreation			
Salaries and wages	1,705,731	454,443	1,251,288
Employee benefits	133,011	109,483	23,528
Services and supplies	6,713,678	1,689,407	5,024,271
Capital outlay	25,478,653	115,988	25,362,665
Total culture and recreation	34,031,073	2,369,321	31,661,752
Community support			
Salaries and wages	1,214,223	367,791	846,432
Employee benefits	365,255	180,707	184,548
Services and supplies	19,631,586	7,149,220	12,482,366
Capital outlay	3,964,488	334,885	3,629,603
Total community support	25,175,552	8,032,603	17,142,949
Total expenditures	90,276,236	15,865,196	74,411,040
Excess (Deficiency) of Revenues over Expenditures	(10,101)	(61,032)	(50,931)
Other Financing Sources (Uses)			
Transfers in	208,226	208,225	(1)
Change in Fund Balance	198,125	147,193	(50,932)
Fund Balance, Beginning of Year	1,036,586	1,036,586	-
Fund Balance, End of Year	\$ 1,234,711	\$ 1,183,779	\$ (50,932)

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Redevelopment Agency Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 32,467,600	\$ 33,180,974	\$ 713,374
Intergovernmental	500,000	10,408	(489,592)
Developer contributions	-	8,640	8,640
Investment income	691,800	1,282,890	591,090
Rental fees	-	1,261	1,261
Miscellaneous	-	282,804	282,804
Total revenues	<u>33,659,400</u>	<u>34,766,977</u>	<u>1,107,577</u>
Expenditures			
General government			
Salaries and wages	975,269	790,904	184,365
Employee benefits	465,074	354,469	110,605
Services and supplies	25,112,229	14,052,580	11,059,649
Capital outlay	116,008,100	11,358,468	104,649,632
Total general government	<u>142,560,672</u>	<u>26,556,421</u>	<u>116,004,251</u>
Debt service			
Principal payments	290,000	290,000	-
Interest charges	327,800	327,800	-
Administrative and other charges	1,120,000	-	1,120,000
Total debt service	<u>1,737,800</u>	<u>617,800</u>	<u>1,120,000</u>
Total expenditures	<u>144,298,472</u>	<u>27,174,221</u>	<u>117,124,251</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(110,639,072)</u>	<u>7,592,756</u>	<u>118,231,828</u>
Other Financing Sources			
Proceeds of long-term debt	90,000,000	-	(90,000,000)
Sales of fixed assets	279,000	-	(279,000)
Transfers in	2,000,000	2,000,000	-
Transfers out	(3,363,539)	(3,344,538)	19,001
Total other financing sources (uses)	<u>88,915,461</u>	<u>(1,344,538)</u>	<u>(90,259,999)</u>
Change in Fund Balance	(21,723,611)	6,248,218	27,971,829
Fund Balance, Beginning of Year	<u>50,322,946</u>	<u>50,322,946</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 28,599,335</u>	<u>\$ 56,571,164</u>	<u>\$ 27,971,829</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Gas Tax Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 7,930,000	\$ 6,545,567	\$ (1,384,433)
Investment income	210,000	270,223	60,223
Room taxes	-	1,803,090	1,803,090
Miscellaneous	22	21	(1)
	<u>8,140,022</u>	<u>8,618,901</u>	<u>478,879</u>
Total revenues			
Expenditures			
Public works			
Salaries and wages	2,280,533	2,166,880	113,653
Employee benefits	1,067,366	1,017,692	49,674
Services and supplies	4,961,077	2,660,740	2,300,337
Capital outlay	6,762,614	2,117,551	4,645,063
	<u>15,071,590</u>	<u>7,962,863</u>	<u>7,108,727</u>
Total expenditures			
Change in Fund Balance	(6,931,568)	656,038	7,587,606
Fund Balance, Beginning of Year	<u>15,930,539</u>	<u>15,930,539</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 8,998,971</u>	<u>\$ 16,586,577</u>	<u>\$ 7,587,606</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Forfeited Assets Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 180,521	\$ 188,983	\$ 8,462
Investment income	6,450	13,068	6,618
	<u>186,971</u>	<u>202,051</u>	<u>15,080</u>
Expenditures			
Public safety			
Services and supplies	450,298	223,043	227,255
Capital outlay	169,037	138,750	30,287
	<u>619,335</u>	<u>361,793</u>	<u>257,542</u>
Change in Fund Balance	(432,364)	(159,742)	272,622
Fund Balance, Beginning of Year	454,220	454,220	-
Fund Balance, End of Year	<u>\$ 21,856</u>	<u>\$ 294,478</u>	<u>\$ 272,622</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Municipal Court Administrative Fee Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 645,000	\$ 567,355	\$ (77,645)
Expenditures			
Judicial			
Salaries and wages	80,525	73,991	6,534
Employee benefits	27,439	29,926	(2,487)
Services and supplies	985,007	309,523	675,484
Capital outlay	87,348	29,014	58,334
Total judicial	1,180,319	442,454	737,865
Debt service			
Principal payments	-	6,727	(6,727)
Interest charges	-	533	(533)
Total debt service	-	7,260	(7,260)
Total expenditures	1,180,319	449,714	730,605
Excess (Deficiency) of Revenues over Expenditures	(535,319)	117,641	652,960
Other Financing Sources			
SBITA proceeds	-	21,848	21,848
Transfers out	(96,996)	(96,996)	-
Total other financing sources (uses)	(96,996)	(75,148)	21,848
Change in Fund Balance	(632,315)	42,493	674,808
Fund Balance, Beginning of Year	1,122,881	1,122,881	-
Fund Balance, End of Year	\$ 490,566	\$ 1,165,374	\$ 674,808

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Financial Stabilization Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 49,094	\$ 47,486	\$ (1,608)
Investment income	373,000	442,202	69,202
	<u>422,094</u>	<u>489,688</u>	<u>67,594</u>
Total revenues			
Other Financing Sources			
Transfers in	1,562,368	2,152,368	590,000
	<u>1,562,368</u>	<u>2,152,368</u>	<u>590,000</u>
Change in Fund Balance	1,984,462	2,642,056	657,594
Fund Balance, Beginning of Year	27,574,533	27,574,533	-
	<u>27,574,533</u>	<u>27,574,533</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 29,558,995</u>	<u>\$ 30,216,589</u>	<u>\$ 657,594</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Sales and Use Tax Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 24,500,000	\$ 25,877,734	\$ 1,377,734
Charges for services	413,528	494,892	81,364
Investment income (loss)	142,000	64,780	(77,220)
Miscellaneous	-	36,854	36,854
	<u>25,055,528</u>	<u>26,474,260</u>	<u>1,418,732</u>
Total revenues			
Expenditures			
Public safety			
Salaries and wages	12,649,451	10,970,551	1,678,900
Employee benefits	7,914,641	7,051,937	862,704
Services and supplies	2,723,922	2,639,983	83,939
Capital outlay	888,394	821,348	67,046
	<u>24,176,408</u>	<u>21,483,819</u>	<u>2,692,589</u>
Total expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>879,120</u>	<u>4,990,441</u>	<u>4,111,321</u>
Other Financing Sources			
Debt proceeds	-	440,951	440,951
Transfers out	(278,432)	(278,432)	-
	<u>(278,432)</u>	<u>162,519</u>	<u>440,951</u>
Total other financing sources (uses)			
Change in Fund Balance	600,688	5,152,960	4,552,272
Fund Balance, Beginning of Year	<u>14,513,454</u>	<u>14,513,454</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 15,114,142</u></u>	<u><u>\$ 19,666,414</u></u>	<u><u>\$ 4,552,272</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Commissary Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Charges for services	\$ 70,000	\$ 52,561	\$ (17,439)
Investment income	8,800	9,617	817
	<u>78,800</u>	<u>62,178</u>	<u>(16,622)</u>
Total revenues			
Expenditures			
Public safety			
Services and supplies	200,000	15,330	184,670
	<u>200,000</u>	<u>15,330</u>	<u>184,670</u>
Change in Fund Balance	(121,200)	46,848	168,048
Fund Balance, Beginning of Year	561,984	561,984	-
	<u>561,984</u>	<u>561,984</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 440,784</u>	<u>\$ 608,832</u>	<u>\$ 168,048</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Eldorado Valley Training Facility Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 67,200	\$ 73,200	\$ 6,000
Investment income (loss)	6,800	8,097	1,297
Miscellaneous	2,000	1,327	(673)
	<u>76,000</u>	<u>82,624</u>	<u>6,624</u>
Total revenues			
Expenditures			
Public safety			
Salaries and wages	5,400	-	5,400
Employee benefits	600	-	600
Services and supplies	497,252	115,224	382,028
Capital outlay	4,644	-	4,644
	<u>507,896</u>	<u>115,224</u>	<u>392,672</u>
Total expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(431,896)</u>	<u>(32,600)</u>	<u>399,296</u>
Other Financing Sources			
Transfers in	55,000	55,000	-
	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Change in Fund Balance	(376,896)	22,400	399,296
Fund Balance, Beginning of Year	420,745	420,745	-
	<u>420,745</u>	<u>420,745</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 43,849</u>	<u>\$ 443,145</u>	<u>\$ 399,296</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Crime Prevention Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 6,533,896	\$ 7,746,867	\$ 1,212,971
Charges for services	158,444	190,210	31,766
Investment income	108,000	70,967	(37,033)
Miscellaneous	-	1,921	1,921
	<u>6,800,340</u>	<u>8,009,965</u>	<u>1,209,625</u>
Total revenues			
Expenditures			
Public safety			
Salaries and wages	3,101,519	2,352,550	748,969
Employee benefits	2,090,325	1,611,898	478,427
Services and supplies	1,191,468	725,486	465,982
Capital outlay	295,155	273,406	21,749
	<u>6,678,467</u>	<u>4,963,340</u>	<u>1,715,127</u>
Total expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>121,873</u>	<u>3,046,625</u>	<u>2,924,752</u>
Other Financing Sources			
Debt proceeds	-	110,238	110,238
Transfers out	(69,608)	(69,608)	-
	<u>(69,608)</u>	<u>40,630</u>	<u>110,238</u>
Total other financing sources (uses)			
Change in Fund Balance	52,265	3,087,255	3,034,990
Fund Balance, Beginning of Year	<u>8,669,796</u>	<u>8,669,796</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 8,722,061</u></u>	<u><u>\$ 11,757,051</u></u>	<u><u>\$ 3,034,990</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Neighborhood Improvement District Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Charges for services	\$ 35,000	\$ 24,576	\$ (10,424)
Investment income	960	1,320	360
Miscellaneous	-	1,654	1,654
	<u>35,960</u>	<u>27,550</u>	<u>(8,410)</u>
Total revenues			
Expenditures			
Public safety			
Salaries and wages	8,574	7,969	605
Employee benefits	4,883	4,565	318
Services and supplies	53,541	12,014	41,527
	<u>66,998</u>	<u>24,548</u>	<u>42,450</u>
Total expenditures			
Change in Fund Balance	(31,038)	3,002	34,040
Fund Balance, Beginning of Year	61,792	61,792	-
	<u>61,792</u>	<u>61,792</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 30,754</u>	<u>\$ 64,794</u>	<u>\$ 34,040</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Recreation, Cultural Events, and Tourism Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 2,800,000	\$ 2,821,942	\$ 21,942
Charges for services	103,341	124,939	21,598
Investment income	56,000	135,999	79,999
Room taxes	3,305,760	3,606,095	300,335
Miscellaneous	10,754	11,087	333
Total revenues	6,275,855	6,700,062	424,207
Expenditures			
Culture and recreation			
Salaries and wages	1,668,573	1,357,876	310,697
Employee benefits	709,236	520,504	188,732
Services and supplies	2,976,628	2,174,701	801,927
Capital outlay	93,800	23,800	70,000
Total expenditures	5,448,237	4,076,881	1,371,356
Excess (Deficiency) of Revenues over Expenditures	827,618	2,623,181	1,795,563
Other Financing Sources			
Transfers in	250,000	231,000	19,000
Transfers out	(4,224,794)	(4,224,794)	-
Total other financing sources (uses)	(3,974,794)	(3,993,794)	19,000
Change in Fund Balance	(3,147,176)	(1,370,613)	1,814,563
Fund Balance, Beginning of Year	5,138,690	5,138,690	-
Fund Balance, End of Year	\$ 1,991,514	\$ 3,768,077	\$ 1,814,563

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Special Assessment Districts Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Special assessments	\$ 89,280	\$ 180,024	\$ 90,744
Investment income	68,758	73,294	4,536
Miscellaneous	100,000	284	(99,716)
	<u>258,038</u>	<u>253,602</u>	<u>(4,436)</u>
Total revenues			
Expenditures			
Public works			
Services and supplies	240,094	233,006	7,088
	<u>240,094</u>	<u>233,006</u>	<u>7,088</u>
Excess (Deficiency) of Revenues over Expenditures	<u>17,944</u>	<u>20,596</u>	<u>2,652</u>
Other Financing Sources			
Transfers in	140,299	-	(140,299)
Transfers out	(210,957)	(210,956)	1
	<u>(70,658)</u>	<u>(210,956)</u>	<u>(140,298)</u>
Total other financing sources (uses)			
Change in Fund Balance	(52,714)	(190,360)	(137,646)
Fund Balance, Beginning of Year	<u>1,819,208</u>	<u>1,819,208</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,766,494</u></u>	<u><u>\$ 1,628,848</u></u>	<u><u>\$ (137,646)</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

General Obligation Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 7,397,651	\$ 7,155,335	\$ (242,316)
Investment income	114,000	113,569	(431)
	<u>7,511,651</u>	<u>7,268,904</u>	<u>(242,747)</u>
Total revenues			
Expenditures			
General government			
Services and supplies	54,074	18,660	35,414
	<u>54,074</u>	<u>18,660</u>	<u>35,414</u>
Debt service			
Principal payments	9,704,400	9,694,730	9,670
Interest charged	5,371,654	5,371,654	-
Total debt service	<u>15,076,054</u>	<u>15,066,384</u>	<u>9,670</u>
	<u>15,130,128</u>	<u>15,085,044</u>	<u>45,084</u>
Total expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(7,618,477)</u>	<u>(7,816,140)</u>	<u>(197,663)</u>
Other Financing Sources			
Transfers in	10,943,629	10,923,629	(20,000)
	<u>10,943,629</u>	<u>10,923,629</u>	<u>(20,000)</u>
Change in Fund Balance	3,325,152	3,107,489	(217,663)
Fund Balance, Beginning of Year	<u>5,947,906</u>	<u>5,947,906</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 9,273,058</u>	<u>\$ 9,055,395</u>	<u>\$ (217,663)</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Municipal Facilities Acquisition and Construction Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 4,550,000	\$ 4,434,011	\$ (115,989)
Intergovernmental	-	257	257
Investment income (loss)	725,000	638,039	(86,961)
Developer contributions	2,000,000	2,037,044	37,044
Miscellaneous	222,925	222,925	-
Total revenues	7,497,925	7,332,276	(165,649)
Expenditures			
General government			
Salaries and wages	29,846	3,253	26,593
Employee benefits	252	145	107
Services and supplies	2,028,511	698,248	1,330,263
Capital outlay	5,777,324	1,228,827	4,548,497
Total general government	7,835,933	1,930,473	5,905,460
Public safety			
Salaries and wages	2,805	2,179	626
Employee benefits	582	97	485
Services and supplies	1,058,487	413,462	645,025
Capital outlay	1,182,512	620,463	562,049
Total public safety	2,244,386	1,036,201	1,208,185
Public works			
Salaries and wages	132,648	115,769	16,879
Employee benefits	45,067	37,838	7,229
Services and supplies	89,982	66,578	23,404
Capital outlay	1,743,237	-	1,743,237
Total public works	2,010,934	220,185	1,790,749
Culture and recreation			
Salaries and wages	103,540	101,768	1,772
Employee benefits	8,558	8,553	5
Services and supplies	388,237	386,369	1,868
Capital outlay	1,600,000	-	1,600,000
Total culture and recreation	2,100,335	496,690	1,603,645
Total expenditures	14,191,588	3,683,549	10,508,039
Excess (Deficiency) of Revenues over Expenditures	(6,693,663)	3,648,727	10,342,390
Other Financing Sources			
Transfers in	8,980,188	8,980,188	-
Change in Fund Balance	2,286,525	12,628,915	10,342,390
Fund Balance, Beginning of Year	50,801,611	50,801,611	-
Fund Balance, End of Year	\$ 53,088,136	\$ 63,430,526	\$ 10,342,390

City of Henderson, Nevada
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Special Recreation Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Investment income (loss)	\$ 35,000	\$ (41,254)	\$ (76,254)
Expenditures			
Culture and recreation			
Salaries and wages	8,864	6,741	2,123
Employee benefits	750	302	448
Services and supplies	241,733	35,745	205,988
Capital outlay	2,236,775	1,015,729	1,221,046
Total expenditures	2,488,122	1,058,517	1,429,605
Excess (Deficiency) of Revenues over Expenditures	(2,453,122)	(1,099,771)	1,353,351
Other Financing Sources			
Transfers in	3,609,689	3,609,688	(1)
Transfers out	(42,000)	(42,000)	-
Total other financing sources (uses)	3,567,689	3,567,688	(1)
Change in Fund Balance	1,114,567	2,467,917	1,353,350
Fund Balance, Beginning of Year	1,934,166	1,934,166	-
Fund Balance, End of Year	\$ 3,048,733	\$ 4,402,083	\$ 1,353,350

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Park Development Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Investment income	\$ 101,500	\$ 115,870	\$ 14,370
Residential construction tax	1,245,097	1,238,477	(6,620)
Total revenues	<u>1,346,597</u>	<u>1,354,347</u>	<u>7,750</u>
Expenditures			
Culture and recreation			
Salaries and wages	679	179	500
Employee benefits	338	100	238
Services and supplies	186,781	170,578	16,203
Capital outlay	3,845,826	568,356	3,277,470
Total expenditures	<u>4,033,624</u>	<u>739,213</u>	<u>3,294,411</u>
Change in Fund Balance	(2,687,027)	615,134	3,302,161
Fund Balance, Beginning of Year	<u>6,843,423</u>	<u>6,843,423</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,156,396</u>	<u>\$ 7,458,557</u>	<u>\$ 3,302,161</u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Flood Control Fund

Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Investment income	\$ 3,000	\$ 4,136	\$ 1,136
Fund Balance, Beginning of Year	<u>224,983</u>	<u>224,983</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 227,983</u></u>	<u><u>\$ 229,119</u></u>	<u><u>\$ 1,136</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
RTC/County Funded Fund
Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Investment income	\$ 7,500	\$ 10,135	\$ 2,635
Fund Balance, Beginning of Year	<u>526,592</u>	<u>526,592</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 534,092</u></u>	<u><u>\$ 536,727</u></u>	<u><u>\$ 2,635</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Special Ad Valorem Transportation Fund

Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,500,000	\$ 1,916,469	\$ 416,469
Investment income	8,300	32,493	24,193
	<u>1,508,300</u>	<u>1,948,962</u>	<u>440,662</u>
Total revenues			
Other Financing Sources			
Transfers out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Change in Fund Balance	8,300	448,962	440,662
Fund Balance, Beginning of Year	<u>1,304,275</u>	<u>1,304,275</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,312,575</u></u>	<u><u>\$ 1,753,237</u></u>	<u><u>\$ 440,662</u></u>

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Capital Replacement Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Charges for services	\$ 60,000	\$ 71,141	\$ 11,141
Intergovernmental	35,000,000	35,000,000	-
Investment income (loss)	880,000	(80,844)	(960,844)
Developer contributions	75,842	5,842	(70,000)
Miscellaneous	1,061,348	1,150,678	89,330
Total revenues	37,077,190	36,146,817	(930,373)
Expenditures			
General government			
Salaries and wages	358,932	257,763	101,169
Employee benefits	22,794	15,024	7,770
Services and supplies	5,655,057	2,910,881	2,744,176
Capital outlay	5,336,046	2,247,628	3,088,418
Total general government	11,372,829	5,431,296	5,941,533
Public safety			
Salaries and wages	11,530	10,353	1,177
Employee benefits	2,691	2,037	654
Services and supplies	1,850,094	756,012	1,094,082
Capital outlay	18,599,513	8,919,508	9,680,005
Total public safety	20,463,828	9,687,910	10,775,918
Public works			
Salaries and wages	848	848	-
Employee benefits	483	483	-
Services and supplies	1,825,605	783,898	1,041,707
Capital outlay	2,925,952	709,893	2,216,059
Total public works	4,752,888	1,495,122	3,257,766
Culture and recreation			
Salaries and wages	18,600	-	18,600
Employee benefits	1,400	-	1,400
Services and supplies	402,652	100,365	302,287
Capital outlay	3,889,804	1,115,089	2,774,715
Total culture and recreation	4,312,456	1,215,454	3,097,002
Debt service			
Principal	-	5,048	(5,048)
Interest	-	1,182	(1,182)
Total culture and recreation	-	6,230	(6,230)
Total expenditures	40,902,001	17,836,012	23,065,989
Excess (Deficiency) of Revenues over Expenditures	(3,824,811)	18,310,805	22,135,616
Other Financing Sources			
Bond proceeds	10,000,000	10,000,000	-
Transfers in	12,796,800	12,796,800	-
Transfers out	(674,241)	(674,241)	-
Total other financing sources (uses)	22,122,559	22,122,559	-
Change in Fund Balance	18,297,748	40,433,364	22,135,616
Fund Balance, Beginning of Year	30,081,722	30,081,722	-
Fund Balance, End of Year	\$ 48,379,470	\$ 70,515,086	\$ 22,135,616

City of Henderson, Nevada
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Special Assessment Districts Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Investment income	\$ 923,441	\$ 1,407,051	\$ 483,610
Developer contributions	-	17,151,144	17,151,144
Total revenues	923,441	18,558,195	17,634,754
Expenditures			
Public works			
Capital outlay	6,305,715	6,305,714	1
Debt service			
Interest charge	76,525	29,718	46,807
Total expenditures	6,382,240	6,335,432	46,808
Excess (Deficiency) of Revenues over Expenditures	(5,458,799)	12,222,763	17,681,562
Other Financing Sources			
Developer contributions	8,158	-	(8,158)
Transfers in	210,957	210,956	(1)
Total other financing sources (uses)	219,115	210,956	(8,159)
Change in Fund Balance	(5,239,684)	12,433,719	17,673,403
Fund Balance, Beginning of Year	43,440,978	43,440,978	-
Fund Balance, End of Year	\$ 38,201,294	\$ 55,874,697	\$ 17,673,403

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Land Sales Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 6,720,972	\$ 10,379,748	\$ 3,658,776
Investment income (loss)	250,000	529,899	279,899
Rental fees	483,532	12	(483,520)
Miscellaneous	-	290,860	290,860
Total revenues	7,454,504	11,200,519	3,746,015
Expenditures			
General government			
Salaries and wages	194,300	201,088	(6,788)
Employee benefits	78,536	78,818	(282)
Services and supplies	194,862	52,604	142,258
Total general government	467,698	332,510	135,188
Public works			
Salaries and wages	173,193	134,012	39,181
Employee benefits	57,507	57,641	(134)
Services and supplies	2,385,033	797,379	1,587,654
Capital outlay	27,016,600	12,871,960	14,144,640
Total public works	29,632,333	13,860,992	15,771,341
Culture and recreation			
Services and supplies	246,574	182,968	63,606
Capital outlay	4,728,195	4,424,524	303,671
Total culture and recreation	4,974,769	4,607,492	367,277
Total expenditures	35,074,800	18,800,994	16,273,806
Excess (Deficiency) of Revenues over Expenditures	(27,620,296)	(7,600,475)	20,019,821
Other Financing Sources			
Proceeds from land sales	6,642,500	1,943,700	(4,698,800)
Transfers in	6,400,000	6,400,000	-
Transfers out	(2,553,000)	(2,553,000)	-
Total other financing sources (uses)	10,489,500	5,790,700	(4,698,800)
Change in Fund Balance	(17,130,796)	(1,809,775)	15,321,021
Fund Balance, Beginning of Year	26,328,711	26,328,711	-
Fund Balance, End of Year	\$ 9,197,915	\$ 24,518,936	\$ 15,321,021

City of Henderson, Nevada

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Bond Proceeds Fund

Year Ended June 30, 2023

	Final Budget	Actual	Variance
Revenues			
Investment income	\$ 379,900	\$ 1,199,594	\$ 819,694
Miscellaneous	65,729	65,729	-
Total revenues	445,629	1,265,323	819,694
Expenditures			
General government			
Services and supplies	300,000	-	300,000
Public safety			
Salaries and wages	-	290	(290)
Employee benefits	-	13	(13)
Services and supplies	2,704,823	943,054	1,761,769
Capital outlay	36,129,567	22,625,867	13,503,700
Total public safety	38,834,390	23,569,224	15,265,166
Culture and recreation			
Services and supplies	1,424,742	120,670	1,304,072
Capital outlay	67,075,178	-	67,075,178
Total culture and recreation	68,499,920	120,670	68,379,250
Community support			
Salaries and wages	-	161	(161)
Employee benefits	-	7	(7)
Services and supplies	241,269	137,214	104,055
Capital outlay	7,808,983	7,664,908	144,075
Total community support	8,050,252	7,802,290	247,962
Total expenditures	115,684,562	31,492,184	84,192,378
Excess (Deficiency) of Revenues over Expenditures	(115,238,933)	(30,226,861)	85,012,072
Other Financing Sources			
Issuance of bonds	60,000,000	-	(60,000,000)
Change in Fund Balance	(55,238,933)	(30,226,861)	25,012,072
Fund Balance, Beginning of Year	61,611,022	61,611,022	-
Fund Balance, End of Year	\$ 6,372,089	\$ 31,384,161	\$ 25,012,072

PROPRIETARY FUNDS

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis

Engineering Internal Service Fund - to account for the financing of engineering services provided by City engineers to other departments or to other governmental units such as Federal (Environmental Protection Agency and Housing and Urban Development) or State. Charges are billed on a cost-reimbursement basis.

City Shop Internal Service Fund - to account for the costs of acquisition, maintenance (including fuel) and replacement of all City vehicles. Charges are billed to the user departments on a cost-reimbursement basis including depreciation.

Revolving Fund Internal Service Fund - to account for the resources and revenues of a fund that is restricted to the provision of loans to special assessment districts.

Self-Insurance Internal Service Fund - to account for monies collected from various City departments and funds that are to be expended for payment of claims, to certain limits, for casualty and accident losses.

Workers Compensation Self-Insurance Internal Service Fund - to account for and accumulate funds collected from various City departments and funds to be expended for payments of employees' work related injury claims, to certain limits, including disability payments.

Health Insurance Self-Insurance Internal Service Fund - to account for and accumulate funds collected from various City departments and funds to be expended for payments of employees' health claims, to certain limits, and related insurance premiums including life and travel insurance for employees.

Citywide Services Internal Service Fund - to account for the costs of common services such as telephone, copy and print services, and certain information technology services provided by one department to other departments and funds on a cost reimbursement basis.

Enterprise Funds

Non-major Enterprise Funds

Municipal Golf Course Enterprise Fund - to account for the operations related to the City's municipal golf course known as the Wildhorse Golf Course.

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Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

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City of Henderson, Nevada
Combining Statement of Net Position – Internal Service Funds
June 30, 2023

	Engineering	City Shop	Revolving	Self-Insurance	Worker's Compensation Self-Insurance	Health Insurance Self-Insurance	Citywide Services	Total Internal Service Funds
Assets								
Current assets								
Cash, cash equivalents and investments, unrestricted	\$ 3,496,467	\$ 23,085,156	\$ 1,315,843	\$ 10,729,815	\$ 33,062,907	\$ 18,362,588	\$ 19,211,604	\$ 109,264,380
Cash, cash equivalents and investments, restricted	-	350,000	-	-	5,201,000	-	-	5,551,000
Accounts receivable, net	65,320	44,696	-	1,317	-	26,890	-	182,918
Interest receivable	13,928	103,777	-	50,537	-	79,819	91,709	494,523
Due from other governments	369,988	-	-	-	-	-	-	369,988
Prepaid items	-	3,846,182	-	-	260,302	-	433,736	-
Inventories	-	189,176	-	-	-	-	-	189,176
Total current assets	3,945,703	27,618,987	1,322,273	10,781,669	38,717,227	18,469,297	19,737,049	120,592,205
Noncurrent assets		6,430					4,540,220	
Capital assets, net of accumulated depreciation and amortization								
Buildings and building improvements	-	6,864,542	-	-	-	-	-	6,864,542
Improvements other than buildings	-	1,506,755	-	-	-	-	-	1,506,755
Machinery and equipment	14,385	75,269,753	-	-	-	-	-	75,284,138
Right to use assets	23,920	-	-	-	1,386,609	-	3,837,808	-
Accumulated depreciation and amortization	(27,155)	(46,476,607)	-	-	(50,553)	-	(1,566,603)	(48,120,918)
Total capital assets, net of accumulated depreciation and amortization	11,150	37,164,443	-	-	1,336,056	-	2,271,205	40,782,854
Other assets								
Advances to other funds	-	-	435,655	-	-	-	5,248,337	435,655
Total assets	3,956,853	64,783,430	1,757,928	10,781,669	40,053,283	18,469,297	22,008,254	161,810,714
Deferred Outflows of Resources								
Deferred amounts related to pensions	4,282,837	1,425,608	-	333,410	85,773	253,379	276,262	6,657,269
Deferred amounts related to other postemployment benefits	284,186	22,185	-	35,920	23,242	570,671	46,484	-
Total deferred outflows of resources	4,567,023	1,447,793	-	369,330	109,015	824,050	322,746	7,639,957
							982,688	

(continued)

City of Henderson, Nevada
Combining Statement of Net Position – Internal Service Funds
June 30, 2023

	Engineering	City Shop	Revolving	Self-Insurance	Worker's Compensation Self-Insurance	Health Insurance Self-Insurance	Citywide Services	Total Internal Service Funds
Liabilities								
Current liabilities								
Accounts payable and other accrued liabilities	\$ 79,069	\$ 654,478	\$ -	\$ 55,639	\$ 402,354	\$ 35,020	\$ 1,418,260	\$ 2,644,820
Accrued wages	99,010	25,623	-	11,912	2,604	5,503	7,720	152,372
Unearned revenue	-	-	-	-	-	173,263	-	173,263
Interest payable	497	-	-	-	3,381	-	28,459	32,337
Compensated absences	888,611	378,426	-	63,475	14,490	80,261	36,714	1,461,977
Lease liabilities	4,759	-	-	-	41,965	-	247,018	293,742
SBITA obligations	-	-	-	-	-	-	328,247	328,247
Claims and judgements	-	-	-	4,426,811	12,089,449	2,084,000	-	18,600,260
Total current liabilities	1,071,946	1,058,527	-	4,557,837	12,554,243	2,378,047	2,066,418	23,687,018
Noncurrent liabilities								
Compensated absences	950,684	404,860	-	67,909	15,502	85,867	39,280	1,564,102
Lease liabilities	5,119	-	-	-	1,313,579	-	560,586	1,879,284
SBITA obligations	-	-	-	-	-	-	961,755	961,755
Claims and judgements	-	-	-	-	25,308,234	-	-	25,308,234
Net pension liability	11,677,208	3,938,618	-	917,607	200,154	676,150	743,622	18,153,359
Other postemployment benefits	1,093,192	85,342	-	138,173	89,406	2,195,223	178,812	3,780,148
Total noncurrent liabilities	13,726,203	4,428,820	-	1,123,689	26,926,875	2,957,240	2,484,055	51,646,882
Total liabilities	14,798,149	5,487,347	-	5,681,526	39,481,118	5,335,287	4,550,473	75,333,900
Deferred Inflows of Resources								
Deferred amounts related to pensions	66,623	22,471	-	5,235	1,142	3,858	4,243	103,572
Deferred amounts related to other postemployment benefits	351,761	27,461	-	44,461	28,769	706,366	57,537	1,216,355
Total deferred inflows of resources	418,384	49,932	-	49,696	29,911	710,224	61,780	1,319,927
Net Position								
Net investments in capital assets	1,272	37,164,443	-	-	(19,488)	-	173,599	37,319,826
Restricted for claims	-	-	-	5,419,777	670,757	13,247,836	-	19,338,370
Unrestricted	(6,693,929)	23,529,501	1,757,928	-	-	-	17,545,148	36,138,648
Total net position (deficit)	\$ (6,692,657)	\$ 60,693,944	\$ 1,757,928	\$ 5,419,777	\$ 651,269	\$ 13,247,836	\$ 17,718,747	\$ 92,796,844

City of Henderson, Nevada

Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Fund

June 30, 2023

	Engineering	City Shop	Revolving	Self-Insurance	Worker's Compensation Self-Insurance	Health Insurance Self-Insurance	Citywide Services	Total Internal Service Funds
Operating Revenues								
Charges for services	\$ 10,826,426	\$ 18,371,001	\$ 29,718	\$ 4,632,300	\$ 14,162,792	\$ 23,181,756	\$ 16,443,875	\$ 87,647,868
Operating Expenses								
Salaries and wages	5,433,091	1,782,077	-	377,190	190,405	407,162	369,610	8,559,535
Employees benefits	3,047,047	1,139,627	-	(159,140)	(1,677,260)	702,749	(556,369)	2,496,654
Services and supplies	2,549,758	7,722,811	-	2,278,875	2,056,555	2,608,735	13,407,074	30,623,808
Claims and judgments	-	-	-	2,571,430	12,432,520	18,142,110	-	33,146,060
Legal fees	-	-	-	-	11,854	-	-	11,854
Depreciation	4,784	5,847,134	-	-	50,553	-	960,464	6,862,935
Total operating expenses	11,034,680	16,491,649	-	5,068,355	13,064,627	21,860,756	14,180,779	81,700,846
Operating Income (Loss)	(208,254)	1,879,352	29,718	(436,055)	1,098,165	1,321,000	2,263,096	5,947,022
Nonoperating Revenues (Expenses)								
Investment income (loss)	17,509	289,087	22,031	159,205	428,969	211,987	284,064	1,412,852
Gain (loss) on capital asset disposition	-	1,010,497	-	-	-	-	(10,318)	1,000,179
Interest expense	(863)	-	-	-	(32,742)	-	(109,101)	(142,706)
Miscellaneous	140,130	56,105	-	19,484	-	-	2,271	217,990
Total nonoperating revenues (expenses)	156,776	1,355,689	22,031	178,689	396,227	211,987	166,916	2,488,315
Income (Loss) before Capital Contributions and Transfers	(51,478)	3,235,041	51,749	(257,366)	1,494,392	1,532,987	2,430,012	8,435,337
Capital Contributions								
Capital contributions	-	2,988,820	-	-	-	-	-	2,988,820
Transfers								
Transfers out	-	-	(200,000)	-	-	-	-	(200,000)
Change in Net Position	(51,478)	6,223,861	(148,251)	(257,366)	1,494,392	1,532,987	2,430,012	11,224,157
Net Position (Deficit), Beginning of Year, as Previously Reported	(5,988,454)	54,952,461	1,906,179	5,717,819	(839,966)	11,748,823	15,012,163	82,509,025
Prior Period Adjustment	(652,725)	(482,378)	-	(40,676)	(3,157)	(33,974)	276,572	(936,338)
Net Position (Deficit), Beginning of Year, as Restated	(6,641,179)	54,470,083	1,906,179	5,677,143	(843,123)	11,714,849	15,288,735	81,572,687
Net Position (Deficit), End of Year	\$ (6,692,657)	\$ 60,693,944	\$ 1,757,928	\$ 5,419,777	\$ 651,269	\$ 13,247,836	\$ 17,718,747	\$ 92,796,844

City of Henderson, Nevada
Combining Statement of Cash Flows – Internal Service Fund
June 30, 2023

	Engineering	City Shop	Revolving	Self-Insurance	Worker's Compensation Self-Insurance	Health Insurance Self-Insurance	Citywide Services	Total Internal Service Funds
Operating Activities								
Cash received from customers	\$ 2,592,502	\$ -	\$ -	\$ -	\$ -	\$ 3,415,581	\$ 29,971	\$ 6,038,054
Cash received from other sources	140,130	385,072	-	19,484	-	-	2,271	546,957
Cash received for interfund services provided	8,444,096	18,371,001	29,718	4,632,300	62,792	19,944,212	16,429,166	82,013,285
Cash payments for goods and services	(2,494,135)	(8,396,123)	-	(3,253,026)	7,666,803)	(20,674,292)	(13,768,738)	(56,253,117)
Cash payments for employee services	(5,326,167)	(1,821,437)	-	(385,350)	-	(328,217)	(360,405)	(8,393,803)
Cash payments for employee benefits	(2,470,005)	(826,209)	-	(166,314)	343)	(322,087)	(167,009)	(4,034,967)
Net Cash from Operating Activities	886,421	7,712,304	29,718	847,094	6,240,419	2,035,197	2,165,256	19,916,409
Noncapital Financing Activities				14,1				
Transfers out	-	-	00,000)	(	-	-	-	200,000)
Repayments of advances from other funds	-	-	181,238 -	(172,227)	-	-	-	81,238
Interest payments on claims	-	-	-	(83,	,926)	-	-	7,926)
Net Cash used for Noncapital Financing Activities	-	(2	18,762)	-	,926)	-	(	26,688)
Capital Financing Activities								
Acquisitions and construction of capital assets	-	6,639,799)	-	(7	-	-	(130,418)	(6,770,217)
Proceeds received from disposal of capital assets	-	1,069,900)	-	(7	-	-	(	1,069,900
Principal payments on debt	(4,423)	--	-	-	1,065)	-	701,489)	36,977)
Interest payments on debt	(1,083)	--	-	-	21,435)	-	(115,487)	38,007)
Payments from other funds	-	-	-	-	-	-	(11,997)	11,997)
Net Cash used for Capital Financing Activities	(5,508)	(5,569,899)	-	(3	2,500)	(	959,391)	(6,587,298)
Investing Activities								
Investment income	8,906	218,117	17,834	125,614	322,907	157,235	(7	1,074,056
Net Change in Cash and Cash Equivalents	889,819	2,360,522	28,790	972,708	6,502,900	2,192,432	(1	14,376,479
Cash and Cash Equivalents, Beginning of Year	2,606,648	21,074,634	1,287,053	9,757,107	31,761,007	16,170,156	17,782,296	100,438,901
Cash and Cash Equivalents, End of Year								
Unrestricted		23,085,156	1,315,843	10,729,815	33,062,907	18,362,588	19,211,604	109,264,380
Restricted	-	350,000 -	-	-	5,201,000 -	-	-	5,551,000
	\$ 3,496,467	\$ 23,435,156	\$ 1,315,843	\$ 10,729,815	\$ 38,263,907	\$ 18,362,588	\$ 19,211,604	\$ 114,815,380

(continued)

City of Henderson, Nevada
Combining Statement of Cash Flows – Internal Service Fund
June 30, 2023

	Engineering	City Shop	Revolving	Self-Insurance	Worker's Compensation Self-Insurance	Health Insurance Self-Insurance	Citywide Services	Total Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from (used for) Operating Activities								
Operating income (loss)	\$ (208,254)	\$ 1,879,352	\$ 29,718	\$ (436,055)	\$ 1,098,165	\$ 1,321,000	\$ 2,263,096	\$ 5,947,022
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities								
Depreciation	4,784	5,847,134	-	-	50,553	-	960,464	6,862,935
Other	140,130	56,105	-	19,484	-	-	2,271	217,990
Changes in assets and liabilities								
Accounts receivable	149,640	328,967	-	(617)	(18,375)	175,702	-	635,317
Due from other government	60,532	-	-	-	-	-	15,262	75,794
Prepaid items	-	(707,036)	-	-	(260,302)	-	76,259	(891,079)
Inventories	-	87,940	-	-	-	-	-	87,940
Deferred outflows - other postemployment benefits	29,181	(5,155)	-	13,299	11,934	(538,164)	19,899	(469,006)
Deferred outflows - pensions	(1,038,848)	(341,882)	-	(14,204)	190,339	(103,325)	58,661	(1,249,259)
Accounts payable and other accrued liabilities	55,623	(54,216)	-	48,304	285,045	(2,198)	(437,923)	(105,365)
Accrued wages	42,969	6,212	-	7,850	1,692	2,423	4,696	65,842
Compensated absences	63,955	(45,572)	-	(16,010)	16,486	76,522	4,509	99,890
Claims and judgements	-	-	-	1,549,592	6,827,758	(90,000)	-	8,287,350
Other postemployment benefits	(104,023)	(16,108)	-	(23,790)	(411,030)	(27,914)	(54,892)	(637,757)
Net pension liability	6,348,456	2,207,443	-	105,734	(1,384,791)	635,701	(403,853)	7,508,690
Unearned revenue	-	-	-	-	-	171,086	-	171,086
Deferred inflows - pensions	(4,636,567)	(1,538,665)	-	(397,735)	(164,192)	(245,037)	(343,064)	(7,325,260)
Deferred inflows - other postemployment benefits	(21,157)	7,785	-	(8,758)	(2,863)	659,401	(129)	634,279
Net Cash from Operating Activities	<u>\$ 886,421</u>	<u>\$ 7,712,304</u>	<u>\$ 29,718</u>	<u>\$ 847,094</u>	<u>\$ 6,240,419</u>	<u>\$ 2,035,197</u>	<u>\$ 2,165,256</u>	<u>\$ 19,916,409</u>
Noncash Investing, Capital and Financing Activities								
Contribution of capital assets	<u>\$ -</u>	<u>\$ 2,988,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,988,820</u>
Loss on transfer of SBITA right-to-use asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,318</u>	<u>\$ 10,318</u>
SBITA right-to-use asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 197,748</u>	<u>\$ 197,748</u>
Leased right-to-use assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,386,609</u>	<u>\$ -</u>	<u>\$ 473,933</u>	<u>\$ 1,860,542</u>

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Engineering Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 9,743,133	\$ 10,826,426	\$ 1,083,293
Operating Expenses			
Salaries and wages	5,402,985	5,433,091	(30,106)
Employees benefits	3,100,012	3,047,047	52,965
Services and supplies	2,780,074	2,549,758	230,316
Depreciation	5,023	4,784	239
Total operating expenses	11,288,094	11,034,680	253,414
Operating Loss	(1,544,961)	(208,254)	1,336,707
Nonoperating Revenues (Expenses)			
Investment income (loss)	35,000	17,509	(17,491)
Interest expense	(1,085)	(863)	222
Miscellaneous	121,932	140,130	18,198
Total nonoperating revenues	155,847	156,776	929
Change in Net Position	<u>\$ (1,389,114)</u>	<u>(51,478)</u>	<u>\$ 1,337,636</u>
Net Deficit, Beginning of Year, as Previously Reported		(5,988,454)	
Prior Period Adjustment		<u>(652,725)</u>	
Net Deficit, Beginning of Year, as Restated		<u>(6,641,179)</u>	
Net Deficit, End of Year		<u>\$ (6,692,657)</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
City Shop Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 18,371,001	\$ 18,371,001	\$ -
Operating Expenses			
Salaries and wages	1,994,574	1,782,077	212,497
Employees benefits	1,087,080	1,139,627	(52,547)
Services and supplies	8,496,556	7,722,811	773,745
Depreciation	6,187,563	5,847,134	340,429
Total operating expenses	17,765,773	16,491,649	1,274,124
Operating Income	605,228	1,879,352	1,274,124
Nonoperating Revenues			
Investment income	340,000	289,087	(50,913)
Gain on capital asset disposition	710,359	1,010,497	300,138
Miscellaneous	32,808	56,105	23,297
Total nonoperating revenues	1,083,167	1,355,689	272,522
Income before Capital Contributions	1,688,395	3,235,041	1,546,646
Capital Contributions			
Capital contributions	2,728,748	2,988,820	260,072
Change in Net Position	<u>\$ 4,417,143</u>	<u>6,223,861</u>	<u>\$ 1,806,718</u>
Net Position, Beginning of Year, as Previously Reported		54,952,461	
Prior Period Adjustment		<u>(482,378)</u>	
Net Position, Beginning of Year, as Restated		<u>54,470,083</u>	
Net Position, End of Year		<u>\$ 60,693,944</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Revolving Fund
Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Operating Revenues			
Charges for services	<u>\$ 76,525</u>	<u>\$ 29,718</u>	<u>\$ (46,807)</u>
Nonoperating Revenues			
Investment income	<u>20,000</u>	<u>22,031</u>	<u>2,031</u>
Income before Capital Contributions	<u>96,525</u>	<u>51,749</u>	<u>(44,776)</u>
Transfers			
Transfers out	<u>(360,299)</u>	<u>(200,000)</u>	<u>160,299</u>
Change in Net Position	<u><u>\$ (263,774)</u></u>	<u>(148,251)</u>	<u><u>\$ 115,523</u></u>
Net Position, Beginning of Year		<u>1,906,179</u>	
Net Position, End of Year		<u><u>\$ 1,757,928</u></u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Self-Insurance Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 4,632,300	\$ 4,632,300	\$ -
Operating Expenses			
Salaries and wages	455,719	377,190	78,529
Employees benefits	215,347	(159,140)	374,487
Services and supplies	2,943,936	2,278,875	665,061
Claims and judgements	1,900,000	2,571,430	(671,430)
Legal fees	75,000	-	75,000
Total operating expenses	5,590,002	5,068,355	521,647
Operating Loss	(957,702)	(436,055)	521,647
Nonoperating Revenues			
Investment income	145,000	159,205	14,205
Miscellaneous	20,193	19,484	(709)
Total nonoperating revenues	165,193	178,689	13,496
Change in Net Position	<u>\$ (792,509)</u>	<u>(257,366)</u>	<u>\$ 535,143</u>
Net Position, Beginning of Year, as Previously Reported		5,717,819	
Prior Period Adjustment		<u>(40,676)</u>	
Net Position, Beginning of Year, as Restated		<u>5,677,143</u>	
Net Position, End of Year		<u>\$ 5,419,777</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Worker's Compensation Self-Insurance Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 15,000,000	\$ 14,162,792	\$ (837,208)
Operating Expenses			
Salaries and wages	176,940	190,405	(13,465)
Employees benefits	83,778	(1,677,260)	1,761,038
Services and supplies	2,266,415	2,056,555	209,860
Claims and judgements	12,556,573	12,432,520	124,053
Depreciation	50,553	50,553	-
Legal fees	45,000	11,854	33,146
Total operating expenses	15,179,259	13,064,627	2,114,632
Operating Income (Loss)	(179,259)	1,098,165	1,277,424
Nonoperating Revenues (Expenses)			
Investment income	370,000	428,969	58,969
Interest expense	(31,100)	(32,742)	(1,642)
Total nonoperating revenues	338,900	396,227	57,327
Change in Net Position	\$ 159,641	1,494,392	\$ 1,334,751
Net Deficit, Beginning of Year, as Previously Reported		(839,966)	
Prior Period Adjustment		(3,157)	
Net Deficit, Beginning of Year, as Restated		(843,123)	
Net Position, End of Year		\$ 651,269	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Health Insurance Self-Insurance Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 22,843,754	\$ 23,181,756	\$ 338,002
Operating Expenses			
Salaries and wages	369,015	407,162	(38,147)
Employees benefits	257,590	702,749	(445,159)
Services and supplies	2,825,864	2,608,735	217,129
Claims and judgements	22,195,242	18,142,110	4,053,132
Total operating expenses	25,647,711	21,860,756	3,786,955
Operating Income (Loss)	(2,803,957)	1,321,000	4,124,957
Nonoperating Revenues			
Investment income	200,000	211,987	11,987
Change in Net Position	<u>\$ (2,603,957)</u>	<u>1,532,987</u>	<u>\$ 4,136,944</u>
Net Position, Beginning of Year, as Previously Reported		11,748,823	
Prior Period Adjustment		<u>(33,974)</u>	
Net Position, Beginning of Year, as Restated		<u>11,714,849</u>	
Net Position, End of Year		<u>\$ 13,247,836</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Citywide Services Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 16,340,036	\$ 16,443,875	\$ 103,839
Operating Expenses			
Salaries and wages	379,964	369,610	10,354
Employees benefits	225,977	(556,369)	782,346
Services and supplies	28,544,149	13,407,074	15,137,075
Claims and judgements	133,686	960,464	(826,778)
Total operating expenses	29,283,776	14,180,779	15,102,997
Operating Income (Loss)	(12,943,740)	2,263,096	15,206,836
Nonoperating Revenues (Expenses)			
Investment income	236,000	284,064	48,064
Interest expense	(19,000)	(109,101)	(90,101)
Miscellaneous	28,189	2,271	(25,918)
Loss on transfer of right to use asset	-	(10,318)	(10,318)
Total nonoperating revenues	245,189	166,916	(78,273)
Change in Net Position	<u>\$ (12,698,551)</u>	<u>2,430,012</u>	<u>\$ 15,128,563</u>
Net Position, Beginning of Year, as Previously Reported		15,012,163	
Prior Period Adjustment		<u>276,572</u>	
Net Position, Beginning of Year, as Restated		<u>15,288,735</u>	
Net Position, End of Year		<u>\$ 17,718,747</u>	

City of Henderson, Nevada
Combining Statement of Net Position – Non-major Enterprise Funds
June 30, 2023

	<u>Municipal Golf Course</u>
Assets	
Current assets	
Cash, cash equivalents and investments, unrestricted	\$ 881,830
Accounts receivable, net	228,601
Interest receivable	<u>2,533</u>
Total current assets	<u>1,112,964</u>
Noncurrent assets	
Capital assets, net of accumulated depreciation and amortization	
Land	13,799,929
Buildings and building improvements	5,660,600
Improvements other than buildings	23,922,059
Machinery and equipment	2,447,045
Accumulated depreciation and amortization	<u>(20,640,699)</u>
Total capital assets, net of accumulated depreciation and amortization	<u>25,188,934</u>
Total assets	<u>26,301,898</u>
Liabilities	
Current liabilities	
Accounts payable and other accrued liabilities	<u>74,049</u>
Net Position	
Net investment in capital assets	25,188,934
Unrestricted	<u>1,038,915</u>
Total net position	<u><u>\$ 26,227,849</u></u>

City of Henderson, Nevada

Combining Statement of Revenues, Expenses, and Changes in Net Position – Non-major Enterprise Funds

Year Ended June 30, 2023

	Municipal Golf Course
Operating Revenues	
Charges for services	\$ 3,418,107
Miscellaneous	48,084
	<u>3,466,191</u>
Operating Expenses	
Services and supplies	3,296,307
Depreciation	268,890
	<u>3,565,197</u>
Operating Loss	(99,006)
Nonoperating Revenues (Expenses)	
Investment income (loss)	<u>(11,206)</u>
Change in Net Position	(110,212)
Net Position, Beginning of Year	<u>26,338,061</u>
Net Position, End of Year	<u><u>\$ 26,227,849</u></u>

City of Henderson, Nevada
Combining Statement of Cash Flows – Non-major Enterprise Funds
Year Ended June 30, 2023

	Municipal Golf Course
Operating Activities	
Cash received from customers	\$ 3,774,912
Cash payments for goods and services	<u>(3,222,259)</u>
Net Cash from Operating Activities	<u>552,653</u>
Investing Activities	
Investment income	<u>(13,144)</u>
Net Change in Cash and Cash Equivalents	539,509
Cash and Cash Equivalents, Beginning of Year	<u>342,321</u>
Cash and Cash Equivalents, End of Year	
Unrestricted	<u><u>\$ 881,830</u></u>
Reconciliation of Operating Loss to Net Cash from Operating Activities	
Operating loss	<u>\$ (99,006)</u>
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	268,890
Changes in assets and liabilities	
Accounts receivable	308,721
Accounts payable and other accrued liabilities	<u>74,048</u>
Total adjustments	<u>651,659</u>
Net Cash from Operating Activities	<u><u>\$ 552,653</u></u>

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Water Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Utility fees	\$ 88,181,704	\$ 87,497,109	\$ (684,595)
Connection fees	2,639,079	2,307,414	(331,665)
Intergovernmental	30,763	-	(30,763)
Late charges	2,034,577	1,760,697	(273,880)
Miscellaneous	120,520	129,608	9,088
Total operating revenues	<u>93,006,643</u>	<u>91,694,828</u>	<u>(1,311,815)</u>
Operating Expenses			
Salaries and wages	16,778,155	16,489,064	289,091
Employee benefits	9,677,841	10,672,441	(994,600)
Water purchases	34,728,760	30,469,471	4,259,289
Services and supplies	45,483,430	35,429,616	10,053,814
Depreciation	11,832,544	12,003,498	(170,954)
Total operating expenses	<u>118,500,730</u>	<u>105,064,090</u>	<u>13,436,640</u>
Operating Loss	<u>(25,494,087)</u>	<u>(13,369,262)</u>	<u>12,124,825</u>
Nonoperating Revenues (Expenses)			
Investment income	3,005,082	5,582,560	2,577,478
Interest expense	(4,756,219)	(4,104,273)	651,946
Intergovernmental	-	150,000	150,000
Miscellaneous	-	48,675	48,675
Gain on capital asset disposition	12,000	12,000	-
Total nonoperating revenues (expenses)	<u>(1,739,137)</u>	<u>1,688,962</u>	<u>3,428,099</u>
Loss before Capital Contributions and Transfers	<u>(27,233,224)</u>	<u>(11,680,300)</u>	<u>15,552,924</u>
Capital Contributions			
Capital contributions	<u>4,678,323</u>	<u>27,610,966</u>	<u>22,932,643</u>
Transfers			
Transfers out	<u>(3,005,082)</u>	<u>(3,005,082)</u>	<u>-</u>
Change in Net Position	<u>\$ (25,559,983)</u>	<u>12,925,584</u>	<u>\$ 38,485,567</u>
Net Position, Beginning of Year, as Previously Reported		526,960,955	
Prior Period Adjustment		<u>(1,652,812)</u>	
Net Position, Beginning of Year, as Restated		<u>525,308,143</u>	
Net Position, End of Year		<u>\$ 538,233,727</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Sewer Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Utility fees	\$ 51,698,264	\$ 52,443,028	\$ 744,764
Connection fees	600,715	487,440	(113,275)
Late charges	661,869	687,391	25,522
Intergovernmental	500,000	664,806	164,806
Miscellaneous	63,060	41,473	(21,587)
Total operating revenues	<u>53,523,908</u>	<u>54,324,138</u>	<u>800,230</u>
Operating Expenses			
Salaries and wages	13,797,616	13,579,619	217,997
Employee benefits	7,979,097	7,542,211	436,886
Services and supplies	29,196,599	23,731,886	5,464,713
Depreciation	14,932,943	15,085,019	(152,076)
Total operating expenses	<u>65,906,255</u>	<u>59,938,735</u>	<u>5,967,520</u>
Operating Loss	<u>(12,382,347)</u>	<u>(5,614,597)</u>	<u>6,767,750</u>
Nonoperating Revenues (Expenses)			
Investment income	3,020,553	2,212,484	(808,069)
Intergovernmental	23,079	8,068	(15,011)
Interest expense	(1,910,406)	(2,207,411)	(297,005)
Sales tax revenue	7,859,787	8,798,299	938,512
Miscellaneous	-	27,108	27,108
Gain on disposition of assets	-	23,079	23,079
Total nonoperating revenues	<u>8,993,013</u>	<u>8,861,627</u>	<u>(131,386)</u>
Income (Loss) before Capital Contributions and Transfers	<u>(3,389,334)</u>	<u>3,247,030</u>	<u>6,636,364</u>
Capital Contributions			
Capital contributions	<u>11,724,597</u>	<u>35,511,005</u>	<u>23,786,408</u>
Transfers			
Transfers out	<u>(3,020,553)</u>	<u>(3,020,553)</u>	<u>-</u>
Change in Net Position	<u>\$ 5,314,710</u>	<u>35,737,482</u>	<u>\$ 30,422,772</u>
Net Position, Beginning of Year, as Previously Reported		642,789,560	
Prior Period Adjustment		<u>(1,530,104)</u>	
Net Position, Beginning of Year, as Restated		<u>641,259,456</u>	
Net Position, End of Year		<u>\$ 676,996,938</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Development Services Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 15,129,084	\$ 15,862,952	\$ 733,868
Licenses and permits	6,695,004	6,813,852	118,848
Intergovernmental	18,988	18,987	(1)
Miscellaneous	4,384	1,178	(3,206)
Total operating revenues	<u>21,847,460</u>	<u>22,696,969</u>	<u>849,509</u>
Operating Expenses			
Salaries and wages	9,176,404	8,468,067	708,337
Employee benefits	5,158,317	7,623,997	(2,465,680)
Services and supplies	10,711,162	9,391,590	1,319,572
Depreciation	11,352	10,814	538
Total operating expenses	<u>25,057,235</u>	<u>25,494,468</u>	<u>(437,233)</u>
Operating Loss	<u>(3,209,775)</u>	<u>(2,797,499)</u>	<u>412,276</u>
Nonoperating Revenues (Expenses)			
Investment income	318,000	444,243	126,243
Miscellaneous	-	79	79
Total nonoperating revenues	<u>318,000</u>	<u>444,322</u>	<u>126,322</u>
Change in Net Position	<u>\$ (2,891,775)</u>	<u>(2,353,177)</u>	<u>\$ 538,598</u>
Net Deficit, Beginning of Year, as Previously Reported		(1,421,949)	
Prior Period Adjustment		<u>(1,333,136)</u>	
Net Deficit, Beginning of Year, as Restated		<u>(2,755,085)</u>	
Net Deficit, End of Year		<u>\$ (5,108,262)</u>	

City of Henderson, Nevada
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
Municipal Golf Course Fund
Year Ended June 30, 2023

	Final Budget	Actual	Variance
Operating Revenues			
Charges for services	\$ 3,432,946	\$ 3,418,107	\$ (14,839)
Miscellaneous	39,723	48,084	8,361
Total operating revenues	<u>3,472,669</u>	<u>3,466,191</u>	<u>(6,478)</u>
Operating Expenses			
Services and supplies	3,282,122	3,296,307	(14,185)
Depreciation	339,745	268,890	70,855
Total operating expenses	<u>3,621,867</u>	<u>3,565,197</u>	<u>56,670</u>
Operating Loss	<u>(149,198)</u>	<u>(99,006)</u>	<u>50,192</u>
Nonoperating Revenues (Expenses)			
Investment income (loss)	4,900	(11,206)	(16,106)
Change in Net Position	<u><u>\$ (144,298)</u></u>	<u>(110,212)</u>	<u><u>\$ 34,086</u></u>
Net Position, Beginning of Year		<u>26,338,061</u>	
Net Position, End of Year		<u><u>\$ 26,227,849</u></u>	

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FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Section 125 - to account for City employee contributions to an employee benefits plan enacted under Section 125 of the Internal Revenue Code. The plan is administered by an independent plan administrator.

Forfeited Assets Fund - to account for monies impounded under applicable racketeering and/or controlled substance laws pending court adjudication.

Special Assessment Districts - to account for the repayment of special assessment district debt for which no assets or revenues of the City have been pledged.

HENDERSON™

Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

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City of Henderson, Nevada
Combining Statement of Fiduciary Net Position
June 30, 2023

	Custodial Funds			
	Forfeited Assets	Section 125 Plan	Special Assessment Districts	Total
Assets				
Cash, cash equivalents and investments	\$ 908,507	\$ 262,915	\$ 24,010,144	\$ 25,181,566
Interest receivable	-	-	36,510	36,510
Receivable from others	-	-	30,764	30,764
Special assessments receivable	-	-	91,665,476	91,665,476
Total assets	908,507	262,915	115,742,894	116,914,316
Liabilities				
Accounts payable and accrued liabilities	-	-	353,210	353,210
Deposits	-	-	288,875	288,875
Due to developers and others	-	-	94,521,439	94,521,439
Total liabilities	-	-	95,163,524	95,163,524
Net Position				
Restricted for Individuals, organizations and other governments	908,507	262,915	20,579,370	21,750,792
Total Net Position	\$ 908,507	\$ 262,915	\$ 20,579,370	\$ 21,750,792

City of Henderson, Nevada
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2023

	Custodial Funds			
	Forfeited Assets	Section 125 Plan	Special Assessment Districts	Total
Additions				
Contributions				
Plan members	\$ -	\$ 448,292	\$ -	\$ 448,292
Fines and forfeitures	116,534	-	-	116,534
Investment income	6,000	6,353	618,833	631,186
Collections from special assessment district	-	-	23,323,319	23,323,319
Total additions	<u>122,534</u>	<u>454,645</u>	<u>23,942,152</u>	<u>24,519,331</u>
Deductions				
Payments to developers and others	111,519	-	17,151,144	17,262,663
Services and supplies	-	422,369	1,271,598	1,693,967
Administrative costs	-	11,823	189,864	201,687
Interest and fiscal charges	-	-	3,759,555	3,759,555
Total deductions	<u>111,519</u>	<u>434,192</u>	<u>22,372,161</u>	<u>22,917,872</u>
Change in Net Position	11,015	20,453	1,569,991	1,601,459
Net Position, Beginning of Year	<u>897,492</u>	<u>242,462</u>	<u>19,009,379</u>	<u>20,149,333</u>
Net Position, End of Year	<u>\$ 908,507</u>	<u>\$ 262,915</u>	<u>\$ 20,579,370</u>	<u>\$ 21,750,792</u>

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SCHEDULE OF BUSINESS LICENSES



HENDERSON™

Annual Comprehensive Financial Report

City of Henderson, Nevada | For Fiscal Year Ended June 30, 2023

City of Henderson, Nevada
Schedule of Business Licenses
Year Ended June 30, 2023

FEES CALCULATED AS A PERCENTAGE OF GROSS REVENUE

Business license revenue for the year ended June 30, 2023	\$ 6,672,235
Business license revenue for the year ended June 30, 2022 (base year)	\$ 6,199,268
Adjustment to base year:	
Percentage change in Consumer Price Index	<u>6.45%</u>
Total adjustment to base year	<u>399,853</u>
Adjusted business license revenue base for the year ended June 30, 2022	<u>6,599,121</u>
Amount over (under) allowable maximum	<u><u>\$ 73,114</u></u>

FEES CALCULATED ON A FLAT OR FIXED RATE

Business license revenue for the year ended June 30, 2023	\$ 3,094,728
Business license revenue for the year ended June 30, 2022 (base year)	\$ 2,899,945
Adjustment to base year:	
Percentage change in Consumer Price Index	6.45%
Percentage change in local government population	<u>2.40%</u>
	<u>8.85%</u>
Total adjustment to base year	<u>256,645</u>
Adjusted business license revenue base for the year ended June 30, 2022	<u>3,156,590</u>
Amount over (under) allowable maximum	<u><u>\$ (61,862)</u></u>

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