

POPULAR ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
JUNE 30, 2025**



DEAR HENDERSONIANS



Dear Henderson Residents,

We are excited to share the City of Henderson's Popular Annual Financial Report for Fiscal Year 2025!

This report provides a clear and concise overview of the City's financial health, including how revenues are generated, how funds are spent, and the practices that guide our financial decisions. All information is based on the independently audited financial statements from the City's Annual Comprehensive Financial Report for the year ending June 30, 2025.

We are proud to announce that the City has earned the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 26th consecutive year. In addition, the City received an award for its eighth Popular Annual Financial Report for Fiscal Year 2024.

The 2025 report is available in multiple locations for your convenience:

- Municipal Center lobby
- City of Henderson website
- Henderson Public Library
- Henderson Chamber of Commerce
- Henderson Economic Development offices

We will also be sharing the report through social media and distributing it to local media via email.

A special thank you goes to the dedicated members of our Finance Department, whose expertise and hard work make these achievements possible.

As you explore the Popular Annual Financial Report, we welcome your questions, feedback, and suggestions. Your input helps us continue to serve Henderson responsibly and transparently.

City Manager, City of Henderson, KY

TABLE OF CONTENTS

1 - Message from the City Manager

2 - Board of Commissioners

3 - About Our City

4 - Henderson at a Glance

5 - General Fund

8 - Fund Balance

9 - Capital Investments

10 - GFOA Awards

11 - What's Next in Henderson



MEET THE BOARD OF COMMISSIONERS



**Mayor
Brad Staton**



**Commissioner
Kelsey Hargis**



**Commissioner
Nick Whitt**



**Commissioner
Rodney Thomas**



**Commissioner
Robert Pruitt**

**Commission meetings
are held the second
and fourth Tuesday of
each month at 3:00
p.m.**

**The location for all
meetings is at the
Henderson
Municipal Center,
222 First Street in
Henderson, in the
Assembly Room on
the third floor.**

**For more
information on
City business,
please visit the
City's official
social media
accounts.**

ABOUT OUR CITY

Henderson, originally known as “Red Banks” in reference to the soil along the banks of the Ohio River, was first settled in 1797.

For those seeking the comforts and connections of a small town, Henderson is a classic river town on the Ohio River where life is framed by nature’s resources so you feel inspired with new ideas.

Henderson is the county seat of Henderson County, Kentucky, and lies on the southern banks of the Ohio River in the western Kentucky coal field region. The City sits on a river bluff more than 70 feet above the Ohio River’s low water mark. Since the 1937 flood when Henderson was the only City on the Ohio River that did not flood, the local slogan has been “On the Ohio, but never in it.”

The City of Henderson is nearly 18 square miles and is 400 feet above sea level.

Henderson ranks as Kentucky’s 15th largest city in terms of population. Friendly people and southern hospitality are part of our nature.

Henderson is located 10 miles south of Evansville, Indiana, and is 140 miles north of Nashville, Tennessee, 128 miles southwest of Louisville, Kentucky, and 196 miles southeast of St. Louis, Missouri.

The area is home to diverse industries, attracting major manufacturing and processors in aluminum, coal mining, steel, plastics, and agriculture. Locally produced commodities include aluminum ingot, automotive parts, truck axles and wheels, and poultry products. In 2023, a grand opening was held for a paper mill and cardboard box corrugator that uses 100 percent recycled paper.



HENDERSON AT A GLANCE

CITY'S BIRTHDAY:

April 6th, 1797

GOVERNMENT:

Henderson is a city operating under the City Manager form of government

POPULATION:

Approximately 27,000

PARKS & RECREATION:

Parks: 402 acres

Playgrounds: 16

Pickleball courts: 10

Rental shelters: 33

Disc golf holes: 36

Golf holes: 18

MASS TRANSIT:

Routes: 6

Fixed route passengers: 77,728

Paratransit passengers: 7,763

Wheelchair usage: 6,026

Miles of service: 195,974

INFRASTRUCTURE AND UTILITIES:

Streets: 128.20 miles

Sidewalks: 113.24 miles

Walking trails: 2.02 miles

Bike paths: 0.74 miles

Gas mains: 266 miles

Electric transmission & distribution: 209 miles

Electric distribution stations: 7

PUBLIC SAFETY:

911 Emergency calls: 75,688

Number of police calls for service: 23,547

Number of fire inspections: 179

Emergency medical fire runs: 2,743

Police traffic violations: 5,114

Fire stations: 4

Texts to 911: 157

DEMOGRAPHICS:

Median household income: \$47,176

Median age: 40.3 years

Unemployment rate: 5.0%

School enrollment: 6,554

GENERAL FUND

FISCAL YEAR ENDED JUNE 30TH

	2024	2025
REVENUES		
Taxes:		
Property Taxes	8,693,159	9,070,595
Payroll and net profits	12,913,369	13,309,005
Insurance	7,197,482	7,895,276
Franchise	618,825	550,413
Bank deposits	225,116	236,365
Intergovernmental	4,421,728	4,638,651
Distributions from component units	2,237,401	2,991,540
Service charges and fees	2,361,001	1,133,364
Rents, concessions, and other services	133,719	151,556
Licenses and permits	143,265	191,803
Investment income	1,397,575	1,453,467
Miscellaneous	313,406	100,457
TOTAL REVENUES	40,656,046	41,722,492
EXPENDITURES		
Administration	3,101,581	3,461,589
Finance	3,095,606	2,965,755
Information Technology	1,078,157	1,177,306
Parks & Recreation	2,005,824	1,940,063
Police	8,489,461	9,105,230
Fire	8,262,602	8,082,405
Public Works	2,817,378	2,899,567
Non Departmental	2,195,144	3,314,973
Capital Outlays	589,590	1,511,881
TOTAL EXPENDITURES	31,635,343	34,458,769
EXCESS OF REVENUES OVER EXPENDITURES	9,020,703	7,263,723
OTHER FINANCING SOURCES (USES)		
Transfers in	852,976	839,817
Transfers out	(4,777,000)	(7,239,474)
Loss on sale of land held for resale	(922,634)	2,000
NET CHANGE IN FUND BALANCES	4,174,045	866,066
Fund Balances, beginning of year	20,226,992	24,401,037
Fund Balances, end of year	24,401,037	25,267,103

FINANCIAL HIGHLIGHTS

- Primary Government assets and deferred outflows exceeded liabilities and deferred inflows by \$19.5 million at the close of fiscal 2025. Due to pension and other post-employment obligations, the unrestricted net position is a negative \$25 million.
- City governmental funds reported combined ending fund balances of \$107.6 million. Of this total, \$0.24 million is unassigned.
- In the City's business-type activities, income from operations increased from \$1,464,405 in fiscal year 2024 to \$1,666,015 in fiscal year 2025.
- The City's General Fund ended the year with a fund balance of \$25,267,103, an increase of \$866,066 or 3.5% from fiscal year 2024's balance of \$24,401,037.
- Since fiscal year-end 2022, the General Fund's fund balance has increased 51% from \$16.7 million in 2022 to \$25.3 million in 2025.

Information in this report is drawn from the Annual Comprehensive Financial Report and conforms to generally accepted accounting principles (GAAP).

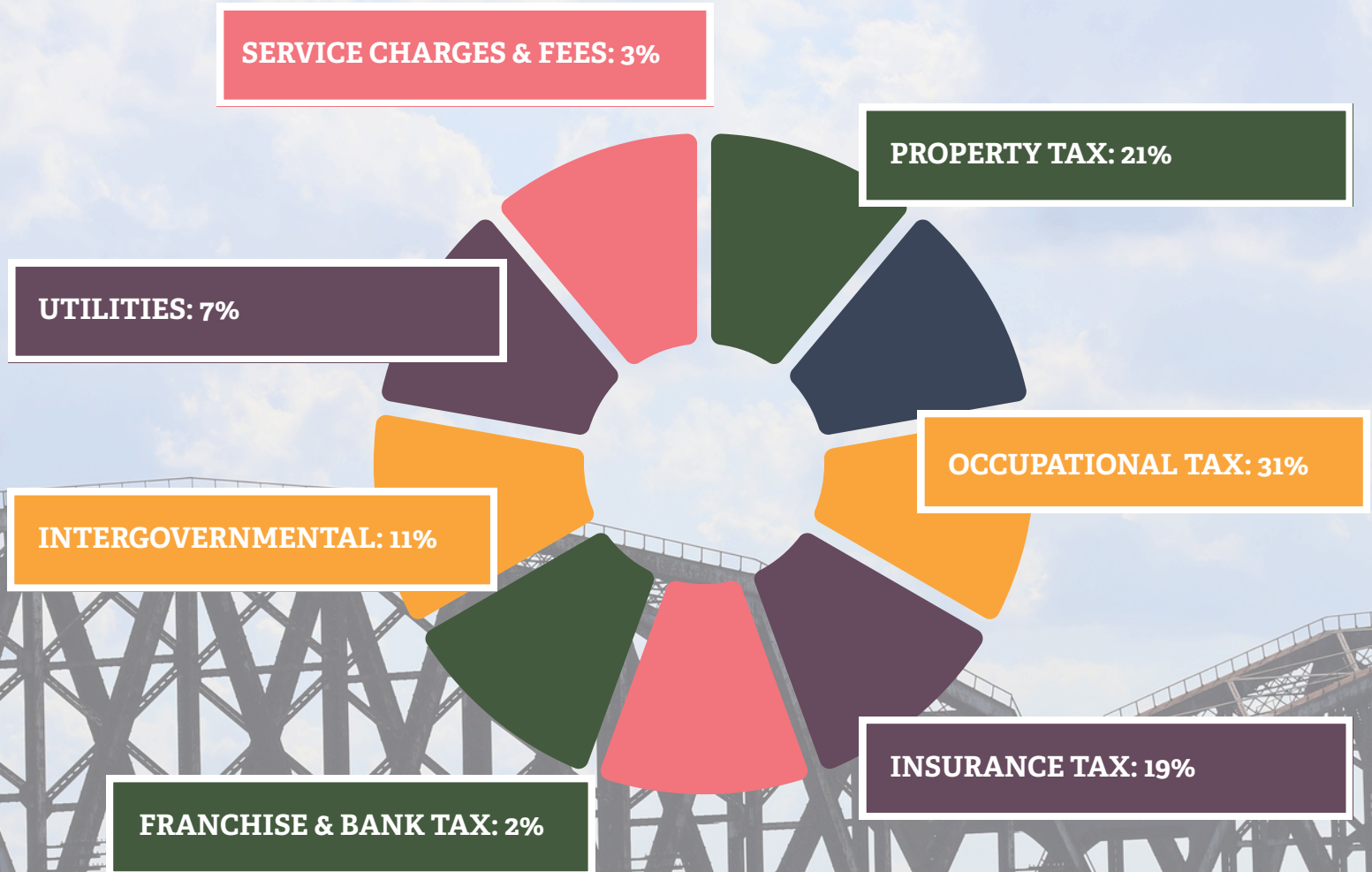
Aa3

BOND RATING

Due to its strength of reserves and liquidity, the City of Henderson received a credit rating of Aa3 from Moody's Investor Service on its 2024A general obligation bonds. The Aa3 is considered investment grade. For the long-term, Aa3 is rated as high quality and very low credit risk.

GENERAL FUND REVENUES

FISCAL YEAR 2025



TAX RATES

Property Taxes

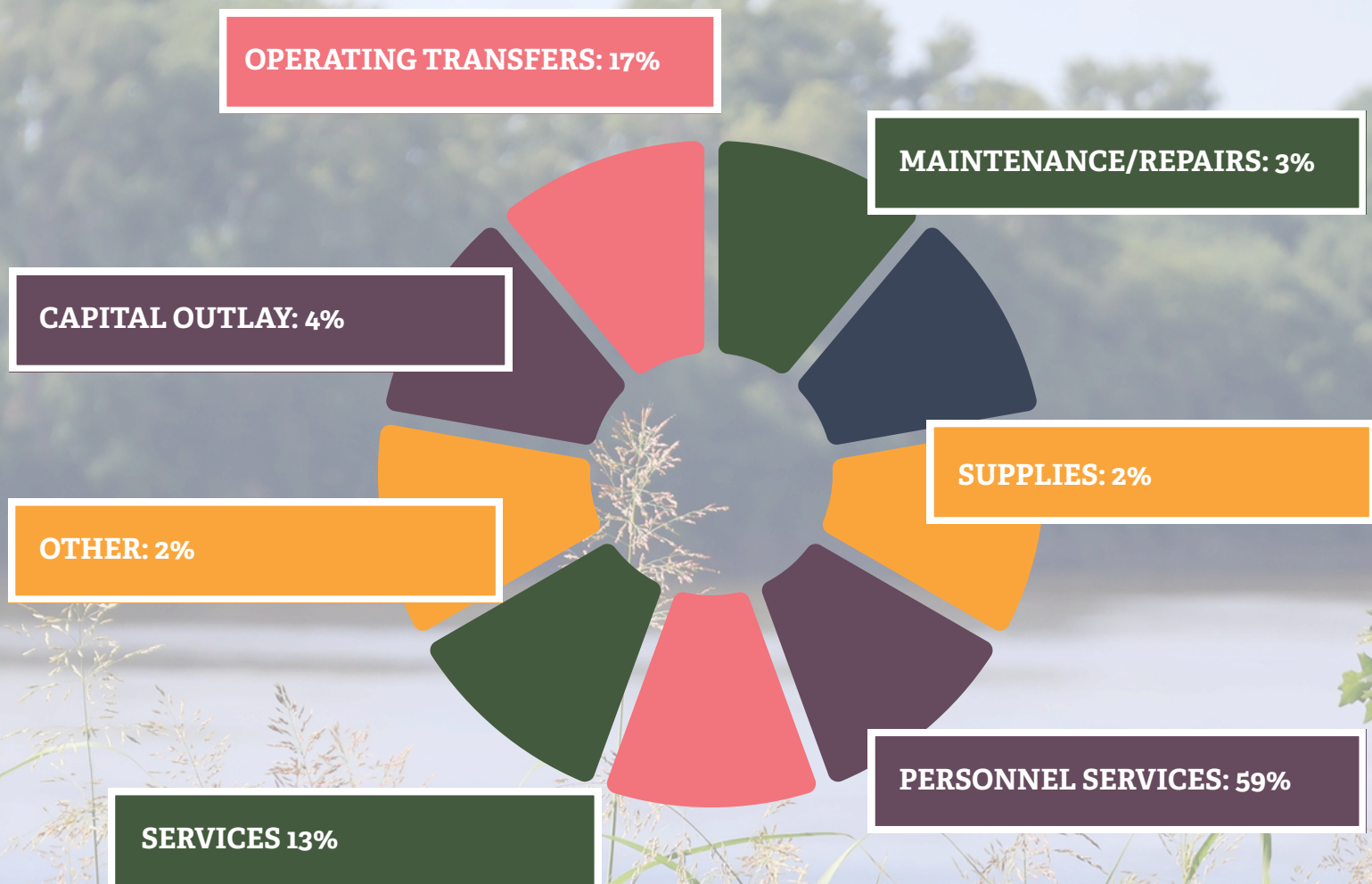
Real Estate: .4700
Personal: .6060

Occupational Taxes

Payroll: 1.65%
Net Profit: 1.65%

GENERAL FUND EXPENSES

FISCAL YEAR 2025



PERSONNEL BREAKDOWN

Non-Public Safety

37%

Public Safety

63%

FUND BALANCE COMPONENTS

NONSPENDABLE FUND BALANCE

This classification includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to be maintained intact. The nonspendable fund balance of the City consists of amounts not in spendable form such as inventories and prepaids.

RESTRICTED FUND BALANCE

This classification is used when constraints placed on the use of resources are externally imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation.

COMMITTED FUND BALANCE

This classification includes amounts restricted to specific purposes by formal action through ordinances adopted by the Board of Commissioners. These committed amounts may not be used for other purposes unless the commitment is changed by ordinance.

ASSIGNED FUND BALANCE

This classification includes amounts constrained by the City's intent to be used for specific purposes but that are neither restricted nor committed. Intent is expressed by the Board of Commissioners, the City Manager, or another body or official authorized to assign amounts for a specific purpose.

UNASSIGNED FUND BALANCE

This classification is the residual classification for the General Fund. It represents spendable fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only governmental fund that reports a positive unassigned fund balance.

ASSIGNED GENERAL FUND BALANCE BREAKOUT

2026 Budget Deficit	7,718,000
Reserves for Operations	10,287,000
Economic Development	689,000
Newman Park Shelter	750,000
Inner City Projects	457,166
Vehicles/Equipment Replacement	1,287,000
Building Improvements	1,653,000
TOTAL	22,841,166

	2024	2025
GENERAL FUND		
Nonspendable	77,944	75,402
Committed	1,381,539	1,892,284
Assigned	20,732,372	22,841,166
Unassigned	2,209,182	458,251
TOTAL GENERAL FUND	24,401,037	25,267,103
ASSIGNED ALL OTHER GOVERNMENTAL FUNDS		
Nonspendable	19,933	21,677
Committed	106,542	205,125
Assigned	75,628,820	82,360,706
Unassigned	(341,980)	(221,453)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	75,413,315	82,366,055
TOTAL GOVERNMENTAL FUNDS	99,814,352	107,633,158

CAPITAL INVESTMENT

The fiscal year 2025 included a wide variety of capital projects. A few of the projects included will have federal, state, and local assistance.

MASS TRANSIT



2 Mass Transit
Buses

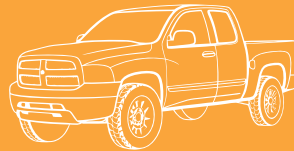


1 Paratransit
Van

PUBLIC WORKS



1 Excavator

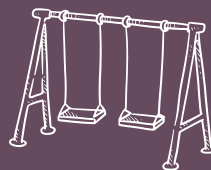


1 Pickup
Truck



1 Tractor

PARKS & RECREATION



Playground Equipment

LAND PURCHASE



4 properties to advance the Inner City Improvement Plan

AWARD WINNING REPORTS

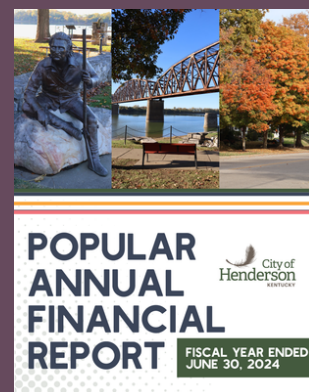


Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Henderson for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2024. This was the 26th consecutive year that the government has achieved this prestigious award.

Popular Annual Financial Report

For the 8th consecutive year, the City of Henderson received the Popular Annual Financial Report (PAFR) Award for its June 30th, 2024 presentation. The program is to assist state and local governments in extracting information from their comprehensive annual financial report to produce high quality popular annual financial reports. The reports are specifically designed to be readily accessible and easily understandable to the general public and other interested parties.



Distinguished Budget Presentation

The City of Henderson received the Government Finance Officers Association's Distinguished Budget Presentation Award for its annual budget document beginning July 1, 2024 and ending June 30, 2025. This is the 15th consecutive year that the government has achieved this prestigious award. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The City of Henderson is one of a few cities across the state of Kentucky who has been recognized as a GFOA Triple Crown Winner.



WHAT'S NEXT IN HENDERSON

FIRE STATION 1

The new 20,000 sq. ft. station is expected to be operational by the beginning of 2027. It will replace the current aging station and will include the city's only Safe Haven Baby Box, modern bay doors, training facilities, and improved access to densely populated areas.



SPORTSPLEX

Since its grand opening in April 2025 the Plex has hosted over 1,000 kids in tournaments. Local leagues have used the fields for recreational leagues. Construction on additional grass fields is in progress.

ROAD IMPROVEMENTS

The City is currently in the third year of a five year plan to increase our roads budget by 10% compounding each year. We see our roads as a fundamental service the City provides and we are dedicated to significant improvements.

COUNTRYVIEW DRAINAGE

Infrastructure improvements are a top priority for the City of Henderson. Through this project we are committed to improving conditions for the Countryview neighborhood.

INNER CITY IMPROVEMENT PLAN

Over \$1.2 million invested across 4 years. Projects completed include expansion of the tax moratorium, public safety efforts, rejuvenation of the Letcher Street corridor, etc.

CONTACT US

Henderson Municipal Center

222 First Street
Henderson, KY 42420
(270) 831-1200
hendersonky.gov

City Engineering

Project Manager: Jenna Basham
(270) 831-1200

Finance

Chief Financial Officer: Chelsea Mills
(270) 831-1200

Fire

Fire Chief: Josh Dixon
(270) 831-1270

Human Resources

HR Director: Megan McElfresh
(270) 831-1200

Legal

City Attorney: Dawn Kelsey
(270) 831-1200

Mass Transit

H.A.R.T. Superintendent: Crystal Windhaus
(270) 831-1249

Municipal Gas

Gas Systems Director: Tim Clayton
(270) 831-2493

Municipal Power & Light

General Manager: Brad Bickett
(270) 826-2726

Occupational License

Tax Administrator: Andrea Gibson
(270) 831-1200

Parks & Recreation

Parks Director: Thomas Kenney
(270) 831-1274

Police

Police Chief: Billy Bolin
(270) 831-1295

Public Relations

PR Director: Holli Blanford
(270) 831-1200

Public Works

Public Works Director: Brian Williams
(270) 831-1200

Water Utility

General Manager: Bart Boles
(270) 826-2421