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October 29, 2014

**Personal and Confidential**

Mr. Robert Gunter, Finance Director  
The City of Henderson  
Henderson Municipal Center  
222 1<sup>st</sup> Street, First Floor  
Henderson, KY 42420-3181

**RE: The City of Henderson Civil Service Pension Fund**

Dear Robert:

We are enclosing twelve (12) copies of the July 1, 2014 actuarial valuation report for The City of Henderson Civil Service Pension Fund (Fund). Please note that all references in our report for values prior to July 1, 2006 were prepared by the prior service provider, Mercer in Louisville, KY.

This report contains a detailed description and the results of a valuation of The City of Henderson Civil Service Pension Fund as of July 1, 2014. The contents of this report recognize the Employee Retirement Income Security Act of 1974 (ERISA), Internal Revenue Service requirements, and reflect generally accepted actuarial principles.

Liabilities under GASB #67 are in a separate report.

The following is a brief description of the exhibits showing how the information is organized.

Plan Assets

Plan assets are funds that have accumulated and will be used to meet future benefit obligations.

Plan Liabilities

The Normal Cost and Unfunded Past Service Liability in Exhibit A compares plan liabilities and plan assets to show how future benefit obligations will be funded.

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Mr. Robert Gunter, Finance Director  
The City of Henderson  
Page Two  
October 23, 2014

### Plan Contribution Levels

Each year the contribution to the plan consists of two parts, i.e., payment of the Normal Cost and payment toward funding the Unfunded Past Service Liability. A range of contributions is allowed, as shown in Exhibit A, depending on how rapidly the Unfunded Past Service Liability is funded.

### Cost of Living Adjustments

The significant increase in plan liabilities assuming a three percent and five percent future cost-of-living adjustment is shown in Exhibit B.

Please refer to the Exhibit A regarding the range of contributions assuming no future cost-of-living adjustments. The anticipated annual benefit payment for the current year is \$187,308 and this is greater than the amortization of the unfunded past service liability for 20 years. It is recommended that tax revenues should be substantially greater than the anticipated annual benefit payment to reduce the unfunded past service liability.

The information and valuation results shown in this report are, to the best of our knowledge, complete and accurate and are based upon:

1. Employee census data as of July 1, 2014 submitted by The City of Henderson. This data was not audited by us, but appears to be sufficient and reliable for purposes of the report.
2. Financial data as of June 30, 2014 submitted by The City of Henderson. This data was not audited by us, but appears to be sufficient and reliable for purposes of the report.
3. Actuarial assumptions which, individually and in the aggregate, are reasonably related to the experience of the plan and to reasonable expectations and which represent our best estimate of anticipated experience under the plan.
4. Actuarial methods as stated in the report and our interpretation of plan provisions as summarized in the report.

It is our opinion that this Actuarial Report is, to the best of our knowledge, complete and accurate. The actuarial methods and assumptions are applied on an objective basis, are reasonable individually and in the aggregate, and represent the Actuary's best estimate of future experience as required by the Employee Retirement Income Security Act of 1974. Therefore, the information contained in this Actuarial Report fully and fairly discloses the actuarial position of The City of Henderson Civil Service Pension Fund.

The undersigned actuary has met the Qualification Standards of the American Academy of Actuaries as required to render the actuarial opinion contained herein.

#### **DailyAccess Corporate Headquarters**

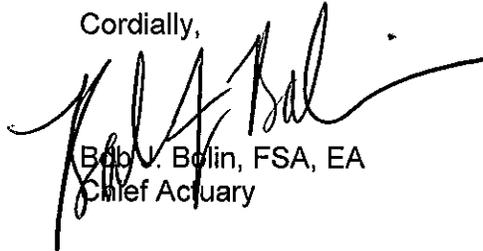
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Mr. Robert Gunter, Finance Director  
The City of Henderson  
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October 23, 2014

Please let us know if you have any questions regarding this report.

Cordially,

A handwritten signature in black ink, appearing to read "Bob J. Bolin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bob J. Bolin, FSA, EA  
Chief Actuary

Enclosures

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**ACTUARIAL VALUATION  
FOR  
THE CITY OF HENDERSON  
CIVIL SERVICE PENSION FUND**

**AS OF JULY 1, 2014**



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**City of Henderson Civil Service Pension**

**Exhibit A**

**Valuation Highlights for 2013 vs. 2014 Plan year**

	Prior Year July 1, 2013	Current Year July 1, 2014
<b>1. Basic data included in Valuation</b>		
a. Active employees	1	1
b. Individuals receiving benefits	10	9
c. Terminated with vested benefits	0	0
d. Total Participants	11	10
<b>2. Covered Payroll of Active Participants</b>	\$43,171	\$44,550
<b>3. Monthly Retirement Income for Costs</b>		
a. Active employees	1,799	1,856
b. Terminated with vested benefits	0	0
c. Individuals receiving benefits	17,578	15,609
d. Total retirement income	<u>19,377</u>	<u>17,465</u>
<b>4. Funding Valuation using Salary Increases</b>		
a. Normal Cost as of Valuation Date	4,030	4,352
b. Past Service Liability	1,340,030	1,283,344
c. Value of Plan Assets	(902)	(1,002)
d. Unfunded Past Service Liability	1,340,932	1,284,346
<b>5. Contribution Range</b>		
a. Normal Cost plus 10 year amortization of Unfunded Past Service Liability	177,687	170,681
b. Normal Cost plus 15 year amortization of Unfunded Past Service Liability	133,218	128,089
c. Normal Cost plus 20 year amortization of Unfunded Past Service Liability*	111,630	107,411

\*The plan sponsor has adopted a funding policy of amortizing the unfunded past service liability over 20 years. This includes any changes in assumptions or experience gains or losses.

**City of Henderson Civil Service Pension**

**Exhibit B**

**Impact of Annual Cost-of-Living Adjustments on July 1, 2014 Valuation Results**

	<b>No COLA</b>	<b>3% COLA</b>	<b>5% COLA</b>
<b>Present Value of All Benefits</b>	\$1,329,424	\$1,602,134	\$1,785,965
<b>Present Value of Future Normal Cost</b>	46,080	61,920	77,295
<b>Past Service Liability</b>	1,283,344	1,540,214	1,708,670
<b>Value of Plan Assets</b>	(1,002)	(1,002)	(1,002)
<b>Unfunded Past Service Liability</b>	<b>\$1,284,346</b>	<b>\$1,541,216</b>	<b>\$1,709,672</b>
<b>Normal (annual) Cost</b>	<b>4,352</b>	<b>5,848</b>	<b>7,300</b>
<b>Normal Cost plus Amortization of Unfunded Past Service Liability for the period indicated</b>			
<b>10 years</b>	\$170,681	\$205,443	\$228,710
<b>15 Years</b>	\$128,089	\$154,332	\$172,014
<b>20 Years</b>	\$107,411	\$129,519	\$144,489

City of Henderson Civil Service Pension

Exhibit C

Financial Statement FYE 06/30/2014

Item

ASSETS

Cash	\$827.00
Investments	0.00
Receivables	
Due from General Fund	0.00
Accrued Interest	<u>0.00</u>
Total Assets	<u>827.00</u>

LIABILITIES

Accounts Payable	(1,829.00)
Due to Other Funds	<u>0.00</u>
Total Liabilities	(1,829.00)

NET ASSETS (1,002.00)

City of Henderson Civil Service Pension

Exhibit D

Statement of Income FYE 06/30/2014

Item

INCOME

Contributions

Employer \$194,228.00

Employee 2,228.00

Total 196,456.00

Tax Revenue 257.00

Investment Income 3.00

Total Income \$196,716.00

EXPENSES

All Benefits Paid (187,307.00)

Professional Services (2,441.00)

Trust Fees 0.00

Total Expenses (\$189,748.00)

NET INCOME \$6,968.00

Adjustment for prior year receivables 0.00

Beginning Assets July 1, 2013 (7,970.00)

Ending Assets June 30, 2014 (\$1,002.00)

**CITY OF HENDERSON CIVIL SERVICE PENSION FUND**

**EXHIBIT E**

**DETERMINATION OF ANNUAL PENSION COST UNDER GASB STATEMENT NO. 27**

Fiscal Year Ending (1)	Applicable Valuation Report Used	Annual Required Contribution (ARC) (2)	Interest on Net Pension Obligation (NPO) (3)	Adjustment to ARC (4)	Amortization Factor 5% (5)	Annual Pension Cost (6)	Contributions Made (7)	Change in NPO (8)	NPO Balance at End of Fiscal Year (9)
6/30/2007	7/1/2006	122,033	15,454	24,802	12.462210	112,685	136,257	(23,572)	285,516
6/30/2008	7/1/2007	116,421	14,276	22,911	12.462210	107,786	238,636	(130,850)	154,666
6/30/2009	7/1/2008	111,784	7,733	12,411	12.462210	107,106	271,333	(164,227)	(9,561)
6/30/2010	7/1/2009	99,171	(478)	(767)	12.462210	99,460	12,586	86,874	77,313
6/30/2011	7/1/2010	112,188	3,866	6,204	12.462210	109,850	152,624	(42,774)	34,540
6/30/2012	7/1/2011	116,436	1,727	2,772	12.462210	115,391	221,287	(105,896)	(71,356)
6/30/2013	7/1/2012	127,470	(3,568)	(5,726)	12.462210	129,628	216,307	(86,679)	(158,035)
6/30/2014	7/1/2013	111,630	(7,902)	(12,681)	12.462210	116,409	196,456	(80,047)	(238,082)

(1) This schedule is a continuation of the schedule developed by Mercer as shown in the July 1, 2005 actuarial valuation report. The starting point for this schedule is the fiscal year ending June 30, 2007.

(2) ARC is based upon the actuarial report as of the most recent valuation date prior to the end of the fiscal year. The valuation report used for each fiscal year is listed in the column between columns (1) and (2). ARC amount shown is for the basic valuation without any future COLA reflected, and assuming amortization of unfunded actuarial liability over 30 years for valuations prior to July 1, 2005 and over 20 years for valuations on or after July 1, 2005.

(3) The NPO as of June 30, 2006 was 309,087. Interest on NPO is 8 percent for valuations prior to July 1, 2004 and 5 percent for valuations on or after July 1, 2004.

(4) Adjustment to ARC equals prior year NPO ending balance divided by amortization factor.

(5) Amortization factor is based upon the same amortization period as used in the determination of ARC.

(6) Annual Pension Cost = (2) + (3) - (4)

(7) Contribution based on fiscal year contribution information as provided by the City.

(8) Change in NPO = (6) - (7)

(9) NPO Balance = Prior year NPO balance + (8)

**CITY OF HENDERSON CIVIL SERVICE PENSION FUND**

**EXHIBIT F**

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS AS REQUIRED UNDER GASB STATEMENT NO. 25</b>						
<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC) (a)</b>	<b>Contribution Made for the Year (b)</b>	<b>Percentage of APC Contributed (b)/(a)</b>	<b>Net Pension Obligation</b>	<b>Annual Required Contribution (c)</b>	<b>Percentage of ARC Contributed (b)/(c)</b>
6/30/1996	19,009	6,912	36.4%	12,097	19,009	36.40%
6/30/1997	18,902	6,613	35.0%	24,386	19,009	34.80%
6/30/1998	18,794	6,943	36.9%	36,237	19,009	36.50%
6/30/1999	38,611	5,801	15.0%	69,047	38,931	14.90%
6/30/2000	47,061	4,909	10.4%	111,199	47,670	10.30%
6/30/2001	61,677	4,168	6.8%	168,708	62,659	6.70%
6/30/2002	70,468	5,138	7.3%	234,038	71,957	7.10%
6/30/2003	78,409	5,294	6.8%	307,153	80,475	6.60%
6/30/2004	82,311	88,911	108.0%	300,553	85,023	104.60%
6/30/2005	91,582	98,138	107.2%	293,997	96,105	102.10%
6/30/2006	117,555	102,465	87.2%	309,087	126,446	81.00%
6/30/2007	112,685	136,257	120.9%	285,516	122,033	111.70%
6/30/2008	107,786	238,636	221.4%	154,666	116,421	205.00%
6/30/2009	107,106	271,333	253.3%	(9,561)	111,784	242.70%
6/30/2010	99,460	12,586	12.7%	77,313	99,171	12.70%
6/30/2011	109,850	152,624	138.9%	34,540	112,188	136.00%
6/30/2012	115,391	221,287	191.77%	(71,356)	116,436	190.10%
6/30/2013	129,628	216,307	166.87%	(158,035)	127,470	169.69%
6/30/2014	116,409	196,456	168.76%	(238,082)	116,630	168.84%

- (1) Annual pension cost and annual required contribution information was extracted from past valuation reports. These reports were completed by Mercer for years prior to June 30, 2007.
- (2) Contribution levels were based on a valuation of the plan assuming no future cost-of-living adjustments to participants in the plan. Effective in 1990, legislation was passed which provides that the Board may grant an annual cost-of-living adjustment if actuarially supportable up to a maximum of 5%.

**CITY OF HENDERSON CIVIL SERVICE PENSION FUND**

**EXHIBIT G**

<b>SCHEDULE OF FUNDING PROGRESS AS REQUIRED UNDER GASB STATEMENTS NO. 25 AND NO. 50</b>						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial (AAL)-Entry Age Liability (b)	Unfunded AAL (UAAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b) - (a))/(c)
7/1/1997 *	1,565,226	1,821,722	256,496	85.90%	83,473	307.3%
7/1/1998	1,394,787	1,818,012	423,225	76.70%	87,887	481.6%
7/1/1999	1,262,207	1,791,293	529,086	70.50%	91,849	576.0%
7/1/2000	1,081,500	1,793,779	712,279	60.30%	95,421	746.5%
7/1/2001	945,592	1,773,069	827,477	53.30%	98,447	840.5%
7/1/2002	808,942	1,743,700	934,758	46.40%	101,758	918.6%
7/1/2003	637,845	1,633,672	995,827	39.00%	104,599	952.0%
7/1/2004	498,728	1,905,991	1,407,263	26.20%	105,410	1335.0%
7/1/2005	403,188	1,955,745	1,552,557	20.60%	114,920	1351.0%
7/1/2006	316,617	1,898,132	1,581,515	16.70%	29,702	5324.6%
7/1/2007	238,758	1,746,550	1,507,792	13.70%	29,702	5076.4%
7/1/2008	235,035	1,677,673	1,442,638	14.00%	41,424	3482.6%
7/1/2009	292,282	1,571,137	1,278,855	18.60%	35,277	3625.2%
7/1/2010	74,663	1,523,056	1,448,393	4.90%	36,005	4022.8%
7/1/2011	(4,527)	1,498,608	1,503,135	-0.30%	36,899	4073.6%
7/1/2012	(4,003)	1,535,747	1,539,750	-0.30%	42,867	3591.9%
7/1/2013	(902)	1,340,932	1,341,834	0.06%	43,171	3108.2%
7/1/2014	(1,002)	1,283,344	1,284,346	-0.08%	44,550	2882.9%

(1) Actuarial accrued liability based on the entry age normal funding method.

(2) Actuarial value of assets is equal to value as reported by the City of Henderson.

(3) Information used in preparing this exhibit has been extracted from valuation reports prepared by Mercer prior to July 1, 2006 completed as of the valuation date except where noted by an “\*”. Information for those years has been estimated based on employee data changes in those interim years since an actual valuation was not completed as of that date.

(4) Information included in this schedule does not anticipate any future retiree cost-of-living increases.

THE CITY OF HENDERSON  
CIVIL SERVICE PENSION FUND

EXHIBIT H

PLAN SPECIFICATIONS

Effective Date:	June 1, 1946
Governing Provisions:	City Code Sections 2-231 through 2-248
Eligibility:	Civil service employees hired on or prior to August 1, 1988 remain covered by this plan unless the employee elected to transfer pension coverage to the County Employees Retirement System (CERS). All civil service employees hired after August 1, 1988 are covered under CERS.
Retirement Date:	Anytime after completion of at least twenty (20) years of service and attainment of age 62 (60 if hired before 1980).
Retirement Benefit:	50% of average monthly salary based on the last seven (7) years of service.
Vesting:	A participant withdrawing from service prior to eligibility for retirement will receive a refund of his contributions, without interest.
Death Benefits:	The surviving spouse is entitled to immediate income equal to \$ 150 with total payments for ordinary death benefits not to exceed 1/20 <sup>th</sup> of the gross salary paid to the participant during the past two years times years of service up to 20. In addition, the participant's contributions are refunded to the spouse. Benefits are continued until the spouse remarries, and then to any dependent children until age 15.
Disability Benefits:	Benefit equal to 2½% (5% for accidental disability) of the participant's average monthly salary based on the last seven (7) years of service up to a maximum of 50% of average monthly salary. Ten years of service is required to qualify for ordinary benefits. No service requirement applies to accidental disability benefits.
Funeral Benefits:	When an active or retired participant dies, the board of trustees may pay a funeral benefit of not more than \$ 100.
Employee Contributions:	Each active participant contributes 5% of salary.

THE CITY OF HENDERSON  
CIVIL SERVICE PENSION FUND

EXHIBIT H

ACTUARIAL ASSUMPTIONS

Investment Return: 5% compounded annually. Prior to the July 1, 2004 actuarial valuation, 8% compounded annually.

Salary Increases: 5% compounded annually.

Retirement Age: Completion of 20 years of service and age 62.

C.O.L.A.: 2%

Turnover: Scale T-3 from the Actuary's Pension Handbook

Age	Annual Rate (%)
30	4.8
40	3.8
50	1.5
60	0.0

Mortality: RP-2000 Mortality Table projected to the Valuation Date.  
Disabled lives based upon the mortality table in Revenue Ruling 96-7.

Disability: None.

Pre-retirement Death Benefit: 100% marriage assumption with husbands three years older than their wives.

Asset Valuation Method: Market value.

Actuarial Cost Method: Entry Age Normal Method.



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October 28, 2014

**Personal and Confidential**

Mr. Robert Gunter, Finance Director  
The City of Henderson  
Henderson Municipal Center  
222 1<sup>st</sup> Street, First Floor  
Henderson, KY 42420-3181

RE: GASB 67 for City of Henderson Civil Service Pension Fund at June 30, 2014

Attached are information and exhibits for preparing the notes to the Financial Statements for the City of Henderson.

**Value of Investments:** Investments are reported at fair market value.

**Plan Description:** This is a single employer defined benefit plan that provides pensions for full time employees that were hired prior to August 1, 1988.

Plan membership at June 30, 2014 is as follows:

Inactive members or beneficiaries receiving benefits:	9
Inactive members entitled to future benefits:	0
Active members:	1
Total	<u>10</u>

**Benefits Provided:** The Plan provides retirement, disability and death benefits. Plan members receive a benefit of 50% of 7-year average pay. Retirement age is 62 with a minimum of 20 years of service. Early and late retirement benefits are actuarially adjusted.

**Contributions:** The City contributes the cost calculated by an independent Actuary. Contributions are required by the active member. Such actuarially determined cost is the estimated amount necessary to finance the costs of benefits earned by the participants during the year with an additional amount to finance any unfunded accrued liability. The City contributes the difference between the actuarially determined cost and the contribution rate of the member. For the year ending June 30, 2014, the City contributed \$194,228.

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**Investment Categories:**

<u>Asset Class</u>	<u>Allocation</u>
Cash	100.0%

**Rates of Return:** For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of expense, was 0.00%.

**Allocated Insurance Contracts:** There are none.

**Deferred Retirement Option Programs:** None.

**Net Pension Liability as of June 30, 2014:**

Total Pension Liability	\$1,470,749
Plan Fiduciary Net Position	(1,002)
City's Net Pension Liability	1,471,751
Plan Fiduciary Net Position as a percentage of the total pension liability	-0.07%

**Primary Actuarial Assumptions:** The total pension liability was determined by an actuarial valuation as of June 30, 2014 using the following primary assumptions:

Inflation:	None
Cost of Living (COLA):	2%
Mortality:	RP-2000, projected to valuation date

**Discount Rate:** The discount rate used to measure the total pension liability was 5.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position 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 was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 5.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current rate:

	1%	Current	1%
	Decrease	Discount	Increase
	4.0%	5.0%	6.0%
City Net Pension Liability	\$1,600,235	\$1,471,751	\$1,361,664

GASB 67 requires that the Actuary use realistic assumptions, therefore, the 2014 Mortality Table was used and a 2% COLA was assumed on future benefit payments.

If you or your Board members have any questions, please contact me.

Sincerely,



Bob J. Bolin, FSA, EA  
Chief Actuary

BJB/mht

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**GASB 67 REPORT  
FOR  
THE CITY OF HENDERSON  
CIVIL SERVICE PENSION PLAN  
AS OF JUNE 30, 2014**



**City of Henderson Civil Service Pension Fund**

**FOR FISCAL YEAR ENDING June 30, 2014**

**Schedule of Changes in the Net Pension Liability and Related Ratios**

	<b>2014*</b>	<b>2013</b>
<b>Total Pension Liability</b>		
Service cost	\$5,277	\$4,030
Interest	62,596	71,715
Changes of benefit terms	0	0
Differences between expected and actual experience	22,478	(60,254)
Changes of assumptions*	227,405	0
Benefit Payments	<u>(187,307)</u>	<u>(210,938)</u>
<b>Net chane in total pension liability</b>	<b>130,449</b>	<b>(195,447)</b>
Total pension liability--beginning	1,340,300	1,535,747
Total pension liability--ending (a)	1,470,749	1,340,300
<b>Plan Fiduciary Net Position</b>		
Contributions---Employer	194,228	214,154
Contributions---Employee	2,228	2,153
Net investment income(c)	(2,181)	(9,336)
Benefit Payments	<u>(187,307)</u>	<u>(210,938)</u>
Administration expenses	0	0
Other	0	0
<b>Net change in plan fiduciary net position</b>	<b>6,968</b>	<b>(3,967)</b>
Plan fiduciary net position--beginning	(7,970)	(4,003)
Plan fiduciary net position--ending (b)	(1,002)	(7,970)
<b>Net Pension Liabillity (a) - (b)</b>	<b>1,471,751</b>	<b>1,348,270</b>
Plan fiduciary net position as a percentage of the total pension liability	<b>-0.07%</b>	<b>-0.59%</b>
Covered employee payroll	44,550	43,171
<b>Net Pension Liability as a percentage of covered employee payroll</b>	<b>Not Applicable</b>	<b>Not Applicable</b>

\* Mortality assumption updated in 2014 and a 2% COLA was assumed

**City of Henderson Civil Service Pension Fund**

**FOR FISCAL YEAR ENDING June 30, 2014**

<b>GASB67 Measurement</b>	<b>06/30/2014</b>	<b>06/30/2013</b>
<b>Input</b>		
<b>Interest Rate for liability</b>	<b>5%</b>	<b>5%</b>
<b>Contributions by employer</b>	<b>194,228</b>	<b>214,154</b>
<b>Employee contributions</b>	<b>2,228</b>	<b>2,153</b>
<b>Benefits paid</b>	<b>187,307</b>	<b>210,938</b>
<b>Plan expenses</b>	<b>0</b>	<b>0</b>
<b>Plan Assets at Fair Value EOY</b>	<b>(1,002)</b>	<b>(7,970)</b>
<b>Assets BOY</b>	<b>(7,970)</b>	<b>(4,003)</b>
<b>Interest cost</b>	<b>62,596</b>	<b>71,715</b>
<b>Service Cost (Normal Cost)</b>	<b>5,277</b>	<b>4,030</b>
<b>Total Pension Liability BOY</b>	<b>1,340,300</b>	<b>1,535,747</b>
<b>Total Pension Liability EOY</b>	<b>1,470,749</b>	<b>1,340,300</b>
<b>Change in assumptions</b>	<b>227,405</b>	
<b>Plan amendment</b>	<b>0</b>	
amortization future service	17.9685.	

Balance equation

**City of Henderson Civil Service Pension Fund**  
 Schedule of Contributions  
 Last 10 Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially Determined Contribution	\$ 116,630	\$ 127,460	\$ 116,436	\$ 112,188	\$ 99,171	\$ 111,784	\$ 116,421	\$ 122,033	\$ 126,446	\$ 96,105
Contribution in relation to the actuarially determined contribution	\$ 196,456	\$ 216,307	\$ 221,287	\$ 152,624	\$ 12,586	\$ 271,333	\$ 238,636	\$ 136,257	\$ 102,465	\$ 98,138
Contribution deficiency (excess)	\$ (79,826)	\$ (88,847)	\$ (104,851)	\$ (40,436)	\$ 86,585	\$ (159,549)	\$ (122,215)	\$ (14,224)	\$ 23,981	\$ (2,033)

Covered Payroll	\$ 44,550	\$ 43,171	\$ 42,867	\$ 36,899	\$ 36,005	\$ 35,277	\$ 41,424	\$ 29,702	\$ 25,702	\$ 114,920
Contribution as a percentage of covered employee payroll	440.98%	501.05%	516.22%	413.63%	34.96%	769.15%	576.08%	458.75%	398.67%	85.40%

**Notes:**

Methods and Assumptions:

- Actuarial Cost Method Entry Age
- Asset Valuation Method Market Value
- Withdrawal T-3
- Salary Increases 5.0%
- Investment Rate of Return 0
- Retirement Age 62
- Mortality In the 2014 actuarial valuation, the assumed life expectancies are according to the RP-2000 Mortality Table projected to 2014
- COLA 2%