

# CIVIL SERVICE PENSION FUND BOARD OF TRUSTEES MEETING

Minutes of A Called Meeting conducted on January 28, 2020

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A called meeting of the Civil Service Pension Fund Board of Trustees was held on Tuesday, January 28, 2020, at the hour of 5:00 p.m. local time, in the second floor conference room, Henderson Municipal Center, 222 First Street, Henderson, Kentucky.

There were present Mayor Steve Austin, presiding:

PRESENT:

Dawn Kelsey, City Attorney  
Robert Gunter, Treasurer  
Maree Collins, Secretary  
Commissioner X R. Royster  
Commissioner Austin Vowels  
Connie Galloway  
Cindy Bickwermert  
Gene Daniel

ABSENT:

Jason Buchanan

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APPROVAL OF MINUTES: May 14, 2019 Called Meeting

MOTION by Commissioner X R. Royster, seconded by Commissioner Austin Vowels to approve the minutes of the called Civil Service Pension Fund Board of Trustees meeting held on May 14, 2019, at 4:45 p.m. local time in the second floor conference room of the Henderson Municipal Center, 222 First Street, Henderson, Kentucky.

The vote was called. On roll call, the vote stood:

Commissioner Royster	Aye:	Mrs. Cindy Bickwermert	Aye:
Commissioner Vowels	Aye:	Mrs. Connie Galloway	Aye:
Mr. Jason Buchanan	Absent:	Mr. Gene Daniel	Aye:
Mayor Austin	Aye:		

WHEREUPON the motion carried and the minutes were approved, ratified, and confirmed

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COST OF LIVING ADJUSTMENT:

MR. ROBERT GUNTER, Treasurer, explained to the board members that the Governor's Office, Department for Local Government, determines the cost of living percentage and that the

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numbers have not been released for the upcoming year. Once that number has been made available it will be retroactively added to the pension benefit. He further explained that it was previously established that the cost of living increase applied to the supplemental health insurance benefit annually, to become effective July 1, 2020, will mirror the increase allowed and approved for the Police and Fire Pension Trust Fund.

DISCUSSION WAS HELD indicating that the current maximum supplemental health insurance benefit is \$275.00 per month and would increase to \$290.00 per month contingent on the Board of Commissioners approving the increase in the annual budget; that there are three retirees and one actively working employee in the plan; and that the plan has no assets and therefore all benefits are paid out of the City's General Fund on a just-in-time funding basis to cover the checks.

Mayor Austin suggested, without objection, that the percentage provided by the Department for Local Government be adopted retroactively to January 1, 2020 and the supplemental health insurance benefit be increased by \$15.00 to \$290.00 per month retroactive to July 1, 2020.

MOTION by Commissioner X R. Royster, seconded by Commissioner Austin Vowels, to approve the cost of living percentage for retirees as determined by the Department for Local Government and to mirror the Police and Fire Pension Trust Fund by adding the same cost of living increase to the supplemental health insurance of \$15.00, total to increase to \$290.00 per month. The increase on the pension fund would be retroactive to January 1, 2020 and the supplemental health insurance benefit will be effective July 1, 2020.

The vote was called. On roll call, the vote stood:

Commissioner Royster	Aye:	Mrs. Cindy Bickwermert	Aye:
Commissioner Vowels	Aye:	Mrs. Connie Galloway	Aye:
Mr. Jason Buchanan	Absent:	Mr. Gene Daniel	Aye:
Mayor Austin	Aye:		

WHEREUPON the motion carried and the COLA percentage to be determined by the Department of Local Government for retiree pension benefit and \$15.00 increase to the supplemental health insurance benefit was accepted and approved.

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## OTHER BUSINESS:

MR. ROBERT GUNTER, TREASURER, conducted a review and discussion of the Actuarial Valuation for the City of Henderson Civil Service Pension Fund at June 30, 2016. The report reflects that the Unfunded Past Service Liability has decreased from \$1,219,085 in 2016 to \$758,165 in 2019; Cash Assets of \$27.37, Income of \$76,382.54, Expenses of \$77,363.08 for a

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loss of \$980.54; projections for Unfunded Past Service Liability based on various COLA rates; and that the City consistently contributes the Actuarially Determined Contribution.

WITHOUT OBJECTION the Board of Trustees accepted the Actuarial Valuation of the City of Henderson Civil Service Pension Fund for July 1, 2019, produced by Newport Group and dated November 13, 2019 indicating that there were three (3) inactive members or beneficiaries receiving benefits; no inactive members entitled to future benefits; and one (1) active member in the Fund as of June 30, 2019. \_\_\_\_\_

## ADJOURNMENT:

MOTION by Commissioner X R. Royster, seconded by Commissioner Austin Vowels to adjourn the meeting.

The vote was called. On roll call, the vote stood:

Commissioner Royster	Aye:	Mrs. Cindy Bickwermert	Aye:
Commissioner Vowels	Aye:	Mrs. Connie Galloway	Aye:
Mr. Jason Buchanan	Absent:	Mr. Gene Daniel	Aye:
Mayor Austin	Aye:		

WITHOUT OBJECTION, Mayor Austin declared the meeting adjourned at approximately 5:15 p.m.

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Mayor Steve Austin

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TBD

Date

ATTEST:

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Maree Collins, Secretary