

RETIREMENT

The City pays for all employee costs associated with the Tennessee Consolidated Retirement System (TCRS) as of October 1995.

ELIGIBILITY: Completion of six (6) month of Full-Time employment.

VESTING: 5 years

BENEFITS: This is a defined benefit plan. This means that expected benefits are based on a set formula and not how well any particular investments performed.

TCRS SELF-SERVICE

We encourage all newly-hired employees to go to the TCRS Self Service portal on their website to establish an online account. Your personal information and account maintenance will be available and handled through this website. This is also where you can designate a Beneficiary for your account.

FORMULA

In its simplest form, the formula for yearly retirement benefits is: Years of service times average final salary times a factor of .015.

Example: Your average final annual salary is \$30,000. You have 20 years' service credit. Your annual retirement benefit will be \$9,000.

There are enhancements which will increase this figure. For example, the City authorized a 5% one-time increase and there is a complicated formula involving social security integration levels which may increase benefits also.

There is a special provision for certain military service counting as service credits and certain applicable retiring employees are allowed to count one-half of their unused sick leave balances towards retirement credits. Twenty (20) days equals one month.

In addition, there are disability provisions which will provide income according to your projected retirement income.

ELIGIBILITY TO RECEIVE RETIREMENT BENEFITS

Vested and either 30 years of TCRS service or age 60.

There are provisions for early retirement at a reduced level of benefits. For instance, an individual who has 10 years of service at age 55 or 25 years of service can retire at a benefit level of 76% of the full retirement. There is a 0.4% reduction for each month of early retirement.

RETIREE'S MEDICAL COVERAGE CONTINUATION

The City currently has contract provisions with Medical, Dental, and Vision carriers which allow employees eligible for retirement the privilege of remaining covered under the City's plan until they are eligible to receive Medicare. The benefits of this arrangement are that employees can receive coverage at group rates.

Employees hired ***July 1, 2008 or later*** must pay the full cost of the coverage for each month they wish to continue the plan through the City.

Employees hired ***June 30, 2008 or before*** and who are either age 60 or have 30 years of service with the City of Hendersonville and who are vested in TCRS are eligible to receive a City-paid portion of their Medical insurance if the employee elects to continue on the plan.

The portion of the premium paid will be the dollar amount the City pays for the individual employee coverage multiplied by the applicable amount percentage as shown:

<i>Retirement age</i>	<i>City Years of Service</i>	<i>Multiplier</i>
Any age	30 or more	100%
60 and over	30 or more	100%
60 and over	25-29	75%
60 and over	20-24	50%
60 and over	15-19	25%