

**CITY OF KNOXVILLE PENSION SYSTEM
PENSION PROVISION SUMMARY
PLAN A – Employees (Except Education)**

This document was prepared on February 6, 2015 and all information is believed to be correct as of this date. All information on pension system provisions contained in this document are subject to the City of Knoxville Charter provisions on pensions (title XIII). Actual benefits payable must be in accordance with such provisions. Plan A is a closed plan.

Participation: Plan A was created in 1962. Employees hired on or after 1/16/1963 were required to participate in Plan A (exception for “Exempt” employees hired by the Mayor). Current employees participating in either Plan F or Plan B were given the option to transfer to Plan A.

Employees Contributions: Employees contributed 3% of base salary (first \$4,800 per annum) and 5% above of excess salary (all salary over \$4,800 per annum).

Employer's Contributions: Determined actuarially to fully fund benefit

Credited Service: All service in a pension covered position with the City during which member participates and makes required employee contributions.

Final Average Monthly Salary: Determined by the two (do not have to be consecutive) twelve month (must be consecutive months) periods when divided by 24 yields the highest monthly average for employees terminated after January 2, 1999.

Normal Retirement Benefit: Monthly benefit payable at age 62 determined by multiplying the Final Average monthly salary by the retirement factors shown in Table A and then multiplying this result by the total years and total completed months of credited service.

Table A:	Age	Base Salary (First \$4,800)	Excess Salary (above \$4,800)
	62 & less	.0075	.0150
	63	.0078	.0158
	64	.0083	.0166
	65 & later	.0088	.0176

Employees who terminate employment prior to completing ten years of service are entitled to a return of their employee contributions plus 4% simple interest computed on each beginning calendar year balance.

Significant Dates:

5th year of creditable service: Employees vests for a lifetime monthly benefit beginning at age 62. Survivor benefits are payable if member were to die while in service with the City. Employee should file a pre-retirement optional benefit form to direct any benefits which may be payable with the Pension Board.

15th year of creditable service: Active Employee with at least 15 years of service who is determined to be disabled by the pension board is entitled to a not in line of duty disability benefit.

25th year of creditable service: Employees are eligible for early retirement. Member may apply for a benefit to begin upon termination of employment prior to age 62. Benefit will be calculated as described above and then reduced by the factor in Table C.

Table C:

AGE	Factor	Age	Factor	Age	Factor
50	.3459	54	.4824	58	.6859
51	.3753	55	.5257	59	.7517
52	.4077	56	.5737	60	.8252
53	.4432	57	.6268	61	.9075

Members at retirement have several alternate retirement options in lieu of the Normal Retirement Benefit. There are Joint and Survivor options (50, 75, 100%), period certain options (5, 10, 15 years) and a cash refund option.

Post Retirement (COLA) Adjustments:

Increase Amount: Payees less than age 62 on January 1st of each year will receive a 3% post retirement adjustment. Payees age 62 or older on January 1st of each year will receive a 3% plus one-half of Consumer Price Index ("CPI") above 3% with a maximum of 4%.

Benefit Adjustment Base: Monthly benefit amount as of the immediately preceding December for all payees

Please contact the Pension Office at 215-1444 for additional details on these options and other information on Plan A.