

CITY OF KNOXVILLE PENSION SYSTEM PENSION PROVISION SUMMARY PLAN A

This document was prepared on August 31, 1999 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.

Participation: Employees hired on and after January 16, 1963 and before January 1, 1997 in eligible positions with the City of Knoxville ("City") were required to participate in Plan A beginning on the first day of the month following the completion of six months of employment with the City. Any employee who did not elect to be covered by Plan G remains a member of Plan A.

Employees Contributions: 3% of first \$184.62 and 5% above \$184.62 of bi-weekly salary (does not include overtime); 5% of holiday pay; 5% of any bonus; 5% of any pay for unused vacation leave upon termination from the City

Employer's Contributions:

Defined Benefit Component: Determined actuarially to fully fund benefit

Credited Service: All service in a pension covered position (any permanent position) with the City; Transfer of unused sick days at termination to credited service 20 days = 1 month service

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.

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 \$4800)
	62 & less	.0075	.0150
	63	.0078	.0158
	64	.0083	.0166
	65 & later	.0088	.0176

Employees who terminate employment prior to completing five 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	.3439	54	.4810	58	.6853
51	.3734	55	.5245	59	.7513
52	.4059	56	.5726	60	.8250
53	.4416	57	.6260	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. Please contact the Pension Office at 215-1444 for additional details on these options and other information on Plan A.