

Early Retirement Incentives Survey Results (revised 1/30/2014)

1. Is your organization a member of the TN Consolidate Retirement System (TCRS)?

City	Yes/No
Bristol	Yes
Memphis (MDHA)	Yes
Bartlett	No
Columbia	No
Farragut	No
Metro Knoxville Airport Authority	No
Springfield	Yes
Sevierville	Yes
Athens	No
Franklin	No
Alcoa	Yes
Oak Ridge	Yes
MDHA (Nashville)	No
Jackson	Yes
Centerville	Yes
Lexington	No
Elizabethton	Yes

2. Do you have a formal early retirement incentive program in place?

City	Yes/No
Bristol	No
Memphis (MDHA)	No
Bartlett	No
Columbia	No
Farragut	No
Metro Knoxville Airport Authority	No
Springfield	No
Sevierville	No
Athens	No
Franklin	No
Alcoa	No
Oak Ridge	No
MDHA (Nashville)	No
Jackson	No
Centerville	No
Lexington	No
Elizabethton	No

3. Does your organization provide an early retirement option other than what is normally provided under TCRS guidelines?

City	Yes/No	Description
Bristol	No	
Memphis (MDHA)	No	
Bartlett	Yes	15 years of service and age 55. Benefit is reduced 50 %.
Farragut	No	
Metro Knoxville Airport Authority	No	
Springfield	No	
Sevierville	No	
Athens	Yes	option to retire at age 55 with 25 years of service and an option to retire at 62 with 15 years of service.
Franklin	No	
Alcoa	No	
Oak Ridge	No	
MDHA (Nashville)	No	
Jackson	No	
Centerville	No	
Lexington	No	
Elizabethton	No	

4. Has your organization done an Early Retirement incentive program as a **one-time** only program rather than a set plan?

City	Yes/No	How was it structured?
Bristol	No	
Memphis (MDHA)	No	
Bartlett	No	
Farragut	No	
Metro Knoxville Airport Authority	No	
Springfield	No	
Sevierville	No	
Athens	No	
Franklin	Yes	The rule of 65.
Alcoa	No	
Oak Ridge	yes	The City of Oak Ridge tried an incentive program in FY1996 that was applicable to employees eligible to retire with different monetary amounts for those with 15 to 20 years' service.
MDHA (Nashville)	No	not in over 7 years

Jackson	Yes	We have a Terminal Leave Bank where sick leave hours are credited beyond the 600 hours in the sick leave bank. When an employee retires, they receive payment for 1/2 of the Terminal Leave hours. Employees may use all of the Terminal Leave hours toward service retirement. Example: if an employee has 29 years of service and has 2080 hours in the Terminal Leave Bank, he/she could use this time to effect a 30-year retirement. He/she would not receive any compensation for this time. Presently, we are offering one (1) month's salary as a retirement incentive. This is in addition to the Terminal Leave payout.
Centerville	No	
Lexington	Yes	Too complicated to explain here.
Elizabethton	Yes	In an employee met the TCRS requirement for Early Retirement, the City offered to pay the Early Retiree's Health Insurance until age 65 or Medicare eligibility (an option that is only available to Full Service Retirees normally) + the city offered a 6 month salary bonus at retirement or purchase of a Medicare Supplement after age 65 for life.

5. How does your organization determine the advantages of early retirement incentives? please describe (i.e. estimate participation, actuarial study, etc):

City	Determination of Advantages
Memphis (MDHA)	N/A
Bartlett	We do not have early retirement incentive.
Metro Knoxville Airport Authority	MKAA has not initiated a proposed concept for early retirement
Franklin	we no longer offer early retirement
Oak Ridge	Based on data at the time, it was believed that there would be significant cost savings - new employee at bottom of pay plan vs, retiring employee near top of pay plan.
Jackson	Advantages of the former plan - employees are able to leave service earlier = less of an impact on the salary line; there is no additional expenditure for the

	City, no lump sum distribution; it is only beneficial for those who are within a couple of years of retirement and have planned for retirement.
Lexington	Only reason to use was to reduce workforce, used actuarial study for feasibility

6. What do you perceive to be the advantage/disadvantage for your workforce?

City	Advantages/Disadvantages for workforce
Bristol	We looked several years ago at a possible early retirement incentive, but we didn't get beyond initial discussions. We may have this discussion again as part of our budget.
Memphis (MDHA)	The retirement benefit would not be sufficient income for the employees. Most of the current employees are not close to retirement age and do not have the years of service. It would be a disadvantage for our workforce. they would have to obtain additional employment to supplement the pension income.
Columbia	We have several long term employees who would love to be offered early retirement. Since we have our own retirement plan, the board feels it would cost them more. However, the fact that these employees are just putting in their time, waiting till they can retire, has a cost associated with it.
Metro Knoxville Airport Authority	We have employees who would take an early retirement if presented an option
Oak Ridge	Only two employees took advantage of the program and they had planned to retire any way. Employees did not feel that the monetary incentive was enough to justify retiring.
MDHA (Nashville)	None
Jackson	The advantage of the latter is just a 'goodwill' gesture.
Lexington	Don't understand question, advantage should be to management (City)

General Comments:

City	General Comments
Columbia	Would love to be able to offer some kind of option, can't wait for the results.
Farragut	The Town of Farragut recently joined the Social Security system and implemented a matching 401k

	program. Early retirement is generally not an option for our employees.
Metro Knoxville Airport Authority	would appreciate a sample plan (One Time)
Springfield	Springfield has not officially tackled the subject of early retirement.
Athens	This plan was frozen as of 07/01/2010 and new employees are covered under a 401(a) plan
Oak Ridge	Some employees were very upset that their names were on a list of potential retirees when we did the program that one year. They perceived it as a way of getting rid of them in violation of applicable laws on age discrimination.
Lexington	City used to reduce workforce and make plan stronger with younger participants.
Elizabethton	This Incentive Plan did not prove successful for the City because most of the eligible employees electing the Incentive were Department or Division Heads and those positions could not be frozen or eliminated. For this to have been successful, more staff employee would have elected the retirement incentive.

Contact Information

City	# of Employees	Contact Person	Contact Number
Bristol	337 FT	Belva Hale	423.989.5525
Memphis (MDHA)	91	Dale Jackson	(901) 544-1316
Bartlett	500	Peter Voss	901.385.6430
Columbia	386	Connie Etzkin	931.560.1565
Farragut	50	Janet Curry	865.966.7957
Metro Knoxville Airport Authority	160	Alan Jones	865.342.3062
Springfield	252	Gina Holt	615.382.2200
Sevierville	275 FT	Kristi Inman	865.453.5504
Athens		Rita Brown	
Franklin	665	Shirley Harmon	615.791.3216
Alcoa	258	Melissa Thompson	865.380.4753
Oak Ridge	395	Penny Sissom	865.425.3563
MDHA (Nashville)	300	Steve Adams	615.252.8551
Jackson	671	Lynn Henning	731.425.8252
Centerville	55	Tammy Smith	931.729.4246X106
Lexington	128	Sue Wood	731.998.6657
Elizabethton	250	Angie Lyons	423.547.6248

Thanks for taking the time to respond to this survey.