

RESOLUTION NO. 2024-68

A RESOLUTION TO AUTHORIZE EMPLOYEES OF A PARTICIPATING POLITICAL SUBDIVISION WHO ARE MEMBERS OF THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM (“TCRS”) TO ESTABLISH RETIREMENT CREDIT IN TCRS FOR EXPANDED ARMED CONFLICT MILITARY SERVICE CREDIT PURSUANT TO TENNESSEE CODE ANNOTATED, SECTION 8-34-605.

WHEREAS, Tennessee Code Annotated, Section 8-34-605 allows an active TCRS member who is employed by a political subdivision that participates in TCRS to establish retirement credit in TCRS for the time in which the member performed active duty military service in the armed forces of the United States during a period of armed conflict as defined below, provided the following conditions are met:

- (1) The service credit will be calculated on the basis of one day of creditable service for each day of military service rendered;
- (2) The member must make a lump sum payment of employee contributions for the service claimed based on a contribution rate of nine percent, which rate shall be applied to the member's earnable compensation at the time of the claim;
- (3) The member was honorably discharged from such military service;
- (4) The member cannot establish the military service in any other retirement system;
- (5) The military service credit cannot be used in determining any rights under TCRS prior to the member becoming vested;
- (6) In no case shall the total amount of retirement credit granted for military service under Tennessee Code Annotated, Section 8-34-605(b) – (e) exceed four (4) years;
- (7) The chief governing body of the political subdivision passes a resolution authorizing the service credit and pays the estimated increased pension liability in a lump sum, through an increase in the political subdivision's contribution rate for the next fiscal year (July 1 – June 30) following the adoption of the resolution, or through amortizing the liability over a period of time not to exceed ten (10) years from the date of the adoption of the resolution;
- (8) The political subdivision has a funded status in the retirement system of seventy percent (70%) or more after implementation of the benefit improvement; and
- (9) If the political subdivision selects funding option 1 or 2 below, the member shall not be entitled to establish the service credit until the estimated increased pension liability has been completely funded by the political subdivision. If the political subdivision selects funding option 3 below, the member shall be entitled to establish the service credit at the commencement of the amortization period.

WHEREAS, for purposes of this resolution, a period of armed conflict means:

Multinational Force in Lebanon	08/21/82 – 02/26/84
Invasion of Grenada/Operation Urgent Fury	10/25/83 – 12/15/83
Invasion of Panama/Operation Just Cause	12/20/89 – 01/31/90
Persian Gulf War	08/02/90 – 04/06/91
Operation Enduring Freedom	10/07/01 – 12/28/14
Operation Iraqi Freedom	03/19/03 – 08/31/10

WHEREAS, the estimated increased pension liability created by this resolution is that the City of Franklin
(Name of Political Subdivision)

would owe \$197,006 in a lump sum to TCRS, or if the liability is paid through an increase in the Political Subdivision's employer contribution rate for the next fiscal year (July 1 – June 30), the Political Subdivision's employer contribution rate would increase by 0.95 %, for a total revised employer contribution rate of 8.57 % for the next July 1 – June 30, or if the liability is paid through amortizing the liability, the Political Subdivision would owe \$2,237 each month during the amortization period.

NOW THEREFORE, BE IT RESOLVED, that having reviewed the costs of granting the service credit, the

Board of Mayor and Aldermen (the "Governing Body") of the Political Subdivision hereby
(Name of Governing Body)

authorizes the establishment of the service credit in accordance with this resolution and Tennessee Code Annotated, Section 8-34-605.

BE IT FURTHER RESOLVED, the Governing Body hereby elects to fund the estimated increased pension liability created by this resolution by (CHECK BOX 1, 2 or 32):

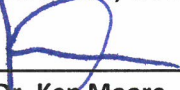
- (1) Paying the amount in a lump sum; or
- (2) Paying the amount through an increase in the Political Subdivision's employer contribution rate for the next July 1 – June 30.
- (3) Amortizing the amount over a 10-year period from the date of the adoption of this resolution.

IT IS SO RESOLVED AND DONE on this 8th day of October, 2024

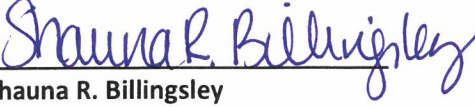
ATTEST:

By: 
Angie Skarp
City Recorder

CITY OF FRANKLIN, TENNESSEE:

By: 
Dr. Ken Moore
Mayor

Approved as to Form:

By: 
Shauna R. Billingsley
City Attorney