



STATE OF TENNESSEE  
TENNESSEE CONSOLIDATED RETIREMENT SYSTEM  
15<sup>th</sup> FLOOR ANDREW JACKSON BUILDING  
502 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-0201

DAVID H. LILLARD, JR.  
STATE TREASURER

JILL BACHUS  
DIRECTOR

March 7, 2017

Leah Crockett  
City of Crossville  
392 North Main Street  
Crossville, TN 38555

Dear Ms. Crockett:

I am writing in response to our series of emails to document the specifics of the relationship between the City of Crossville and the Tennessee Consolidated Retirement System (“TCRS”) specifically related to TCRS retirees from the City of Crossville. I have enclosed a copy of the original letter dated July 8, 2013 for which you requested clarification.

Section 2 of the letter allows employees with TCRS membership to continue to participate in TCRS. This remains in effect as long as the individual retains his membership in TCRS. The only way a person could lose membership is by refunding his TCRS account balance, or leaving when he is not vested and being gone from TCRS more than 7 years.

Section 4 prohibits future employees from participating in TCRS, which is for employees who have no connection with Crossville’s prior participation in TCRS.

Section 6 is specific to those TCRS participating employees who take a refund of their contributions after Crossville’s withdrawal. Once an employee refunds his account, he loses membership in TCRS and no longer has the ability to re-establish that service in TCRS.

As stated in Section 8 of the withdrawal approval letter sent to Crossville on July 8, 2013, “all employees participating in TCRS, including retired employees, shall be entitled to benefits according to the political subdivision’s retirement plan with TCRS as it exists on the date of withdrawal.”

The plan, as it existed on the date of withdrawal, requires a retiree to stop his TCRS benefit if returning to TCRS covered employment and allows the retiree the option to re-join TCRS as a participating employee.

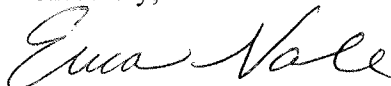
The ability to become a Crossville employee participating in TCRS is limited to only those employees and retirees who were members of TCRS on the date of Crossville’s withdrawal. If a

state employee, who is a member of TCRS, begins working for the City of Crossville today, the member would not be eligible to participate in TCRS while employed with Crossville because the member was not an employee or retiree of Crossville on the date of the City's withdrawal.

I sincerely apologize for the misinformation given by Treasury staff related to Mr. Stephen Hill. As a retiree of Crossville and member of TCRS, Mr. Hill and David Beaty are limited in how much they can work for Crossville and continue to receive a TCRS retirement benefit. Additionally, they have the choice to participate in TCRS as an employee, because they were an employee on the date of Crossville's withdrawal.

If you have any additional questions or need additional information, please do not hesitate to contact me at 615-253-3129.

Sincerely,

A handwritten signature in cursive script that reads "Erica Nale".

Erica Nale

Assistant Director, TCRS

TR-8650



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502 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-0201

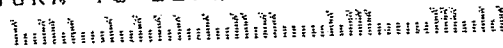
DAVID H. LILLARD, JR.  
STATE TREASURER

JILL BACHUS  
DIRECTOR

July 8, 2013

372 INFE 1260012CG007/12/13  
RETURN TO SENDER  
CITY OF CROSSVILLE  
397 N MAIN ST  
CROSSVILLE TN 38555-4232

RETURN TO SENDER



City of Crossville  
Attn: Sandra K. Gruber  
99 Municipal Avenue  
Crossville, TN 38555-4477

Dear Ms. Gruber:

This will acknowledge receipt and approval of the resolution to withdraw from the Tennessee Consolidated Retirement System. The resolution is in order and effective July 1, 2013 and applies to employees of The City of Crossville (83670).

The terms and conditions of the withdrawal are as follows:

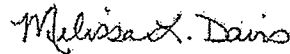
1. The withdrawal shall apply to all departments of the political subdivision.
2. Employees who are members of the TCRS on the effective date of the withdrawal shall continue membership until termination of employment. The political subdivision is liable for contribution and benefits as provided.
3. An employees who is not yet a TCRS member but is serving a probationary period pursuant to TCA 8-35-107 on the date of the withdrawal becomes effective shall have such probationary period waived and shall have thirty (30) days to elect to participate in TCRS with the political subdivision being liable for contributions as provided.
4. Employees who are hired by the political subdivision after the effective date of the withdrawal shall not be permitted to participate in TCRS.
5. Any employee participating in TCRS shall NOT be eligible to participate in any other retirement plan provided by the political subdivision as noted in TCA 8-35-111. An exception to this provision would be employer contributions to a defined benefit contribution plan that do not exceed three percent (3%) of the employee's salary.
6. Any employee who, upon termination of employment with the political subdivision, withdraws service rendered to such political subdivision shall not later be permitted to establish that service in TCRS, unless such political subdivision rejoins TCRS pursuant to TCA 8-35-218.
7. An employee of the withdrawing political subdivision shall not be permitted to retire, begin receiving a benefit, and continue working with the political subdivision.
8. All employees participating in TCRS, including retired employees, shall be entitled to benefits according to the political subdivision's retirement plan with TCRS as it exists on the date of withdrawal.
9. An actuarial evaluation shall be completed by TCRS actuary to determine the appropriate employer contributions to be made to the plan based on a level dollar contribution so as to amortize the unfunded accrued liability over a period of time established by the TCRS Board of Trustees, such period not to exceed a thirty (30)

year period. The TCRS Board of Trustees may, at its discretion, reestablish the amortization period at any time provided such reestablished period does not exceed thirty (30) years. The level dollar contribution amount shall be remitted monthly to TCRS. Pursuant to TCA 8-34-506, the biennial valuation shall continue to be performed.

9. Employer contributions may be adjusted as frequently as monthly should additional contributions be needed to fund the benefits.
10. Any liabilities resulting from this withdrawal shall be the liability of the political subdivision and not the State. Should any required employer costs become delinquent, the Tennessee Commissioner of Finance and Administration, at the direction of the TCRS Board of Trustees, is authorized to withhold such amount or part of such amount from any state shared taxes which are otherwise apportioned to such political subdivision, and any amounts so withheld shall come last from the state shared gasoline tax designated in TCA Title 54 and Chapter 4.
11. The political subdivision may elect at a later date to rejoin TCRS in accordance with TCA 8-35-201, provided that any such resolution to rejoin shall be irrevocable and the political subdivision shall not later be permitted to withdraw under the provision of TCA 8-35-218.

Should you have any questions regarding this information, please contact our office at 1-800-770-8277.

Sincerely,



Melissa L. Davis  
Field Services Division