

RESOLUTION NO. 362

A RESOLUTION AUTHORIZING ADDITIONAL WAGES TO BE PAID TO CERTAIN EMPLOYEES WHO RETIRE PRIOR TO MAY 31, 2007

WHEREAS, adverse economic conditions, including, but not limited to the effective date of the "Streamlined Sales Tax" law, are contemplated for the next fiscal year; and,

WHEREAS, a significant part of the fixed costs of the operation of the Town are for labor; and,

WHEREAS, some employees of the Town are now age eligible for service retirement under the Tennessee Consolidated Retirement System (TCRS); and,

WHEREAS, because the Town did not participate in the Tennessee Consolidated Retirement System (TCRS) until 1988, those employees will not have thirty (30) years membership in TCRS at their normal retirement age; and,

WHEREAS, as a result of not having full term membership, their monthly benefit will be lessened for those employees when they retire; and,

WHEREAS, it being found advisable to have both a one-time reduction-in-force and to provide a financial incentive to those employees who may retire prior to establishing a budget for the next fiscal year in May 2007. Now therefore,

BE IT RESOLVED

THAT any employee who has twenty-five (25) or more years of employment with the Town; and, who is presently age fifty-five (55) or older; and, who retires within the next ninety (90) days shall be paid additional wages in an amount equal to their regular salary for two (2) months with their final paycheck; and,

BE IT FURTHER RESOLVED

THAT all eligible employees who elect to retire as aforesaid, shall be paid for their unused accumulated vacation as of the date of retirement. Such accumulated vacation time, less any vacation days previously taken, shall be paid on a *pro rata* basis up to the date of retirement, notwithstanding any reference to the employee's anniversary date set forth in Section 4.10 of the PERSONNEL POLICIES AND PROCEDURES relating to VACATION LEAVE to the contrary.

BE IT FURTHER RESOLVED

THAT the salary budget be amended in an appropriate amount charged to Fund Balance upon notice of retirement being given by any of the affected employees.

ADOPTED this 23rd day of January 2007.



Gary W. Lawson, Mayor

ATTEST:



Nancy Carter, Recorder