

Post Retirement Medical Plan & Trust (PRMT)

Informational Sessions
February 2012

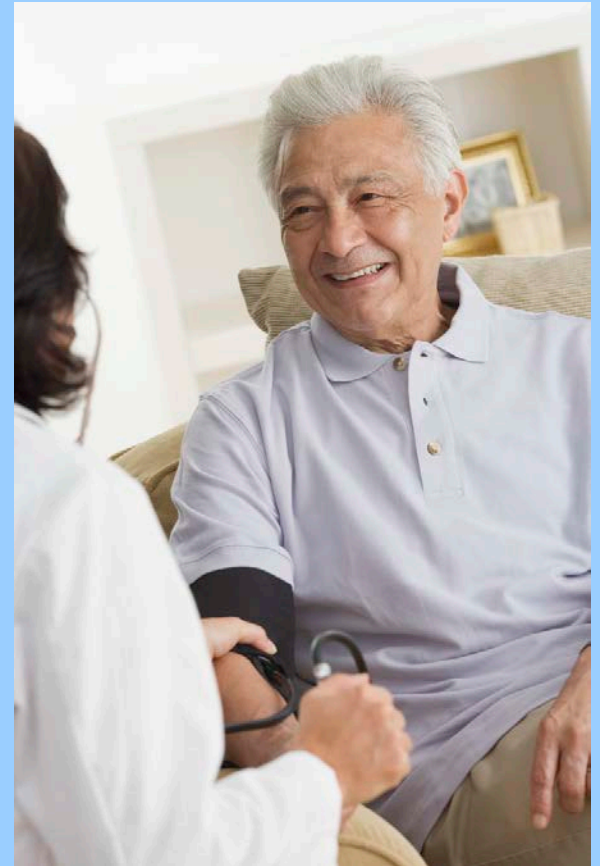
What are my Retirement Resources?



- * Public Employees Retirement System
- * Deferred Comp Plans
 - 401a
 - 457
- * Roth IRA
- * Other (401k, IRA, etc.)
- * PRMT

What is the PRMT?

The purpose of the Post Retirement Medical Plan & Trust is to provide participants a benefit to assist with the payment of premiums for post-retirement medical coverage and group life insurance coverage.



Eligibility for Trust Benefits

To be Eligible Employees Must:

- * Have attained age 55
- * Have a minimum of 10 years of service
- * Retire from TMWA and apply for benefits under the plan. Application for benefits may occur on or after retirement

Union Employee Eligibility

1. Transferred from Sierra Pacific on 06/11/2001
 - a) Retired from Sierra's pension plan & left PRM at Sierra
 - i. Require minimum 10 Years of TMWA Service to obtain benefits from TMWA PRMT
 - ii. Need to contact NV Energy for benefits & eligibility
 - b) Did not retire from Sierra
 - i. Years of service came with you and is added to TMWA years of service
2. Hired by TMWA – Years of Service at TMWA

Union Employee Benefit

* Per Title 22.2 page 43, of the CBA:

– Hired before 01/01/1998

- Percentage of premium is paid. Percentage paid is dependent upon age at retirement based years of credited service

– Hired on or after 01/01/1998

- Lifetime lump-sum credit--\$1,250 per year of Credited Service

* Life insurance 1 x annual salary at time of retirement

- Reduces by 50% at age 70
- Reduces to \$2,000 at age 75

MPAT Employee Eligibility

1. Transferred from Sierra Pacific on 06/11/2001
 - a) Retired from Sierra's pension plan
 - i. Left PRM at Sierra – Require minimum 10 years of TMWA service to obtain benefit from TMWA PRMT
 - b) Did not retire from Sierra
 - i. Years of service came with you and is added to TMWA years of service
2. Hired by TMWA – Years of Service at TMWA

MPAT Employee Benefit

- * Per Resolution #6 - Annual PRMT Benefit equals:
 - Pre-age 65 --\$234 x YOS (Up to 30 years)
 - Post –age 65 --\$105 x YOS (Up to 35 Years)
 - Employer contribution reduced by 5% per year for each year <62
- * Life insurance 1 x annual salary at time of retirement
 - Reduces by 50% at age 70
 - Reduces to \$2,000 at age 75

Special Circumstances

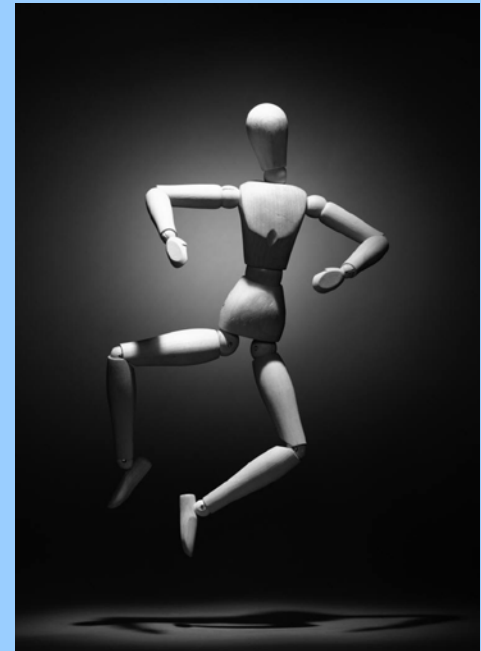
- * If you are an employee who has transferred between MPAT and Union status since becoming a TMWA employee, your PRMT benefit will be affected by the transfer.
- * If you changed status from full time to part time or vice versa, your years of service will be adjusted accordingly.

Responsibilities

- * TMWA responsible to pay any amount owed under PRMT benefit
- * Retiree responsible to enroll in medical coverage & pay their portion of premiums to ensure continuation of coverage

Do I Pay for this Benefit?

- * The PRMT is a FREE benefit for those retirees who meet the eligibility requirements.



Management of Trust

* PRMT Funding

- Trust assets as of November 30, 2011 was approximately \$5.8 million and sufficient to meet future benefits
- TMWA currently contributes \$200,000/year to the trust

* Voluntary Employee's Beneficiary Association (VEBA)

Document available upon request –trust document subject to change.

* Board of Administrative Trustees will Govern the VEBA

* Board is comprised of equal representation from IBEW and MPAT employees

* NRS 287 & IRS Regs guide administration of the trust & tax-exemption of the benefits respectively

Process at Retirement

- * Make application to the PRMT Board of Trustees
- * Trustees will review application & determine eligibility and benefit Level
- * Administrator of trust will disperse benefits
- * Recommend consultation with a personal financial planner to fully understand this benefit in relation to Medicare and any other potential benefits.

Questions...

