

**AMENDED AMORTIZATION POLICY FOR CLOSED
DIVISIONS WITHIN OPEN MUNICIPALITIES**

Approved by the Retirement Board February 12, 2003,
as amended May 8, 2007, May 14, 2008 and March 11, 2009

WHEREAS, some TGRS-MERS divisions will have no new employees entering the TGRS-MERS defined benefit plan; and,

WHEREAS, it is appropriate to finance the unfunded accrued liability of such divisions over a shorter period than the standard amortization period; and,

WHEREAS, it is desirable to avoid abrupt increases in employer contribution requirements for such divisions; and,

WHEREAS, the TGRS-MERS actuary has recommended the following funding method for such divisions;

NOW, THEREFORE, BE IT RESOLVED, that for closed divisions within municipalities that are still actively participating in TGRS-MERS, the maximum amortization period for positive unfunded accrued liabilities shall begin at:

- standard TGRS-MERS-wide amortization is 29 years for the December 31, 2006 valuation, 28 years for the December 31, 2007, 2008 and 2009 valuations, then declining one year each subsequent valuation year, until 20 year amortization is attained in the 2017 valuation (Plan Section 43C(4), as amended March 11, 2009), with the resulting period further reduced by
- 2 years in each subsequent annual actuarial valuation, compared to the preceding valuation, with a minimum amortization period of 5 years.

NOW, THEREFORE, BE IT FINALLY RESOLVED, that this Policy shall not apply (or shall cease to apply) to any division in which the TGRS-MERS Hybrid Benefit Program is adopted and remains open, or where a DB division is closed and a new DB division for the same employee classification is adopted and remains open.

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