

## RESOLUTION 2013-06

A RESOLUTION FOR THE CITY OF BELLE MEADE, A POLITICAL SUBDIVISION, TO VOLUNTARILY WITHDRAW FROM PARTICIPATING IN THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM IN ACCORDANCE WITH TENNESSEE CODE ANNOTATED, TITLE 8, CHAPTERS 34 – 37.

BE IT RESOLVED BY THE CITY OF BELLE MEADE, as follows:

WHEREAS, Tennessee Code Annotated, Section 8-35-218 provides that a political subdivision may terminate its participation in Tennessee Consolidated Retirement System (“TCRS”) under the following terms and conditions:

1. The chief legislative body of the political subdivision passes a resolution to withdraw from TCRS, which is legally adopted and approved by two-thirds (2/3) of the membership of the chief legislative body;
2. The resolution shall be submitted to TCRS at least (*CHECK BOX 1 or BOX 2, whichever is applicable*):
  - (A)  Six (6) months in advance of the political subdivision’s effective date of withdrawal, which effective date must be the first day of any quarter following the minimum six (6) months’ period. (*This provision may only be selected if the political subdivision has elected to participate in the State’s deferred compensation plan pursuant to Tennessee Code Annotated, Section 8-25-111*); OR
  - (B)  Twelve (12) months in advance of the political subdivision’s effective date of the withdrawal, which effective date must be on July 1 of the calendar year following the end of the minimum twelve (12) months’ period.
2. The withdrawal shall apply to all departments of the political subdivision; and
3. Such resolution to withdraw may be rescinded and withdrawn by a resolution legally adopted and approved by the chief legislative body of the political subdivision at any time prior to the expiration of the applicable time period set forth in Item 2 above; and

WHEREAS, the employee rights to participate in TCRS after the effective date of the withdrawal shall be governed by the following terms and conditions:

1. Employees who are members of TCRS on the date such withdrawal resolution becomes effective shall continue membership in TCRS until termination of employment, with the political subdivision being liable for contributions and benefits as provided herein;
2. An employee who is not yet a TCRS member but is serving a probationary period pursuant to Tennessee Code Annotated, Section 8-35-107 on the date 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 herein provided;
3. Employees who are hired by the political subdivision after the effective date of the withdrawal shall not be permitted to participate in TCRS;
4. Any employee participating in TCRS shall not be eligible to participate in any other retirement plan provided by the political subdivision, as noted in Tennessee Code Annotated, Section 8-35-111. An exception to this provision would be employer contributions to a defined contribution plan that do not exceed three percent (3%) of the employee’s salary;
5. 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 Tennessee Code Annotated, Section 8-35-218;

6. An employee of the withdrawing political subdivision shall not be permitted to retire, begin receiving a benefit, and continue working with the political subdivision;
7. 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; and

WHEREAS, the political subdivision's responsibilities and liabilities following withdrawal are as follows:

1. 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 Tennessee Code Annotated, Section 8-34-506, the biennial valuation shall continue to be performed;
2. Employer contributions may be adjusted as frequently as monthly should such additional contributions be needed to fund the benefits;
3. 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 Tennessee Code Annotated, Title 54, Chapter 4; and
4. The political subdivision may elect at a later date to rejoin TCRS in accordance with Tennessee Code Annotated, Section 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 provisions of Tennessee Code Annotated, Section 8-35-218.

WHEREAS, This Resolution shall become effective upon its passage.

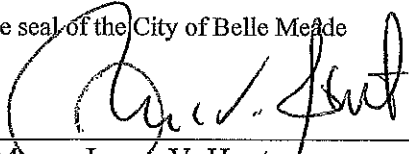
NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Belle Meade hereby gives notice to the TCRS Board of Trustees of its intention to withdraw from TCRS effective JULY 1, 2014, pursuant to Tennessee Code Annotated, Section 8-35-218 (*if the six-months' notice provision is selected above, the date must be the first day of any quarter following the six-month period, or if the twelve-months' notice provision is selected above, the date must be on July 1 of the calendar year following the end of the twelve-month period*).

STATE OF TENNESSEE  
COUNTY OF DAVIDSON

I, Linda Berner, Recorder for the Board of Commissioners of the City of Belle Meade, Davidson County, Tennessee do hereby certify that this is a true and exact copy of the resolution that was approved and adopted by at least two-thirds (2/3) of the membership of the chief governing body at a meeting held on the 18<sup>th</sup> day of December, 2013, the original of which is on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand, and the seal of the City of Belle Meade

DATE OF ADOPTION:  
**December 18, 2013**

  
\_\_\_\_\_  
Mayor James V. Hunt

  
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City Recorder Linda A. Berner

SEAL