

(5) "NONCONTRIBUTORY SYSTEM FUNDING RATIO" MEANS THE RATIO DETERMINED BY THE ACTUARY AS PROVIDED UNDER SUBSECTION (E) OF THIS SECTION.

(6) "PARTICIPANT FUNDING RATIO" MEANS THE RATIO DETERMINED UNDER SUBSECTION (D) OF THIS SECTION.

[(5)](7) "Transition amount" means the amount determined by the actuary as provided under subsection [(g)] (I) of this section.

(b) This section applies only to a participating governmental unit that ON OR AFTER JULY 1, 2001, elects to withdraw from participation in the employees' systems and transfer to a local pension system all employees of the participating governmental unit who consent to the withdrawal.

(c) (1) On and after the date of a participating governmental unit's withdrawal from the employees' systems under § 31-302(a)(1) of this article, the participating governmental unit and its employees are not required to make any further contributions to the employees' systems for those employees who elect to withdraw from the employees' systems.

(2) As of the effective date of withdrawal, the participating governmental unit shall continue to make any contributions required under § 21-305(b)(1) and (2) of this subtitle on behalf of those employees who do not elect to withdraw from the employees' systems.

(3) As of the effective date of withdrawal of a participating governmental unit, the Board of Trustees shall transfer to the administrative board of the local pension system the assets that are allocable to the employees of the participating governmental unit who elect to withdraw from the employees' systems as determined under EITHER subsection [(e)] (F) OR (G) of this section.

(d) (1) THIS SUBSECTION APPLIES TO A PARTICIPATING GOVERNMENTAL UNIT THAT ELECTED TO PROVIDE ITS EMPLOYEES WITH THE CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23 OF THIS ARTICLE AS PROVIDED IN § 31-116 OF THIS ARTICLE.

[(1)](2) As of June 30 of each fiscal year, the actuary shall determine the [active] participant funding ratio for the participating governmental units as provided in this [section] SUBSECTION.

[(2)](3) The [active] participant funding ratio shall be a fraction[, not to exceed 1,] that has:

(i) as its numerator, the assets to the credit of the participating governmental units in the accumulation fund and the annuity savings fund of the employees' systems as adjusted under paragraph [(3)](4) of this subsection[, decreased by the sum of the actuarial liabilities allocable to:

1. retirees of the employees' systems who retired from the service of the participating governmental units and the designated beneficiaries of those retirees;