



CHAPTER 120
ARTICLE 1A - LEGISLATIVE RETIREMENT SYSTEM

N.C.G.S. § 120-4.20.

Contributions by the State.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT c. 761, s. 238 — first act in the lineage	RETRIEVED 21 September 2026, 05:11 UTC	SOURCE FINGERPRINT dbb914570a4dcd47b1afb937 - c2758fa22517170a85411285 - 692b6d46e026ccfc
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- § 120-4.20(a)

Effective upon convening of the 1985 Regular Session of the General Assembly, the State shall contribute annually an amount equal to the sum of the "normal contribution" and the "accrued liability contribution."
- § 120-4.20(b)

The normal contribution for any period shall be determined as a percentage, equal to the normal contribution rate, of the total compensation of the members for the period. The normal contribution rate shall be determined as the percentage represented by the ratio of (i) the annual normal cost to provide the benefits of the Retirement System, computed in accordance with recognized actuarial principles on the basis of methods and assumptions approved by the Board of Trustees, in excess of the part thereof provided by the members' contributions, to (ii) the total annual compensation of the members of the Retirement System.
- § 120-4.20(c)

The accrued liability contribution for any period shall be determined as a percentage, equal to the accrued liability contribution rate, of the total compensation of the members for the period. The accrued liability contribution rate shall be determined as the percentage represented by the ratio of (i) the level annual contribution necessary to amortize the unfunded accrued liability over a period of 15 years, computed in accordance with recognized actuarial principles on the basis of methods and assumptions approved by the Board of Trustees, to (ii) the total annual compensation of the members of the Retirement System.
- § 120-4.20(d)

The unfunded accrued liability as of any date shall be determined, in accordance with recognized actuarial principles on the basis of methods and assumptions approved

by the Board of Trustees, as the excess of (i) the then present value of the benefits to be provided under the Retirement System in the future over (ii) the sum of the assets of the Retirement System then currently on hand in the Annuity Savings Fund and the Pension Accumulation Fund, plus the then present value of the stipulated contributions to be made in the future by the members, plus the then present value of the normal contributions expected to be made in the future by the State.

§ 120-4.20(e) The normal contribution rate and the accrued liability contribution rate shall be determined after each annual valuation of the Retirement System and shall remain in effect until a new valuation is made.

§ 120-4.20(f) The annual contributions by the State for any year shall be at least sufficient, when combined with the amount held in the Pension Accumulation Fund at the start of the year, to provide the retirement allowances and other benefits payable out of the fund during the current year.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
1 ACT

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1983			1984		
TICK HEIGHT = ACTS IN THAT YEAR			DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT		CHARACTER	
01	1983	c. 761, s. 238		ENACTED	

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 120-4.20 (1983).

PINPOINT

N.C. Gen. Stat. § 120-4.20(a) (1983).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1983, c. 761, s. 238.)

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

