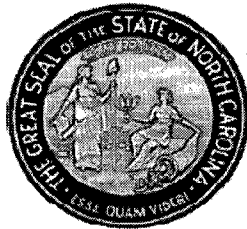


**2009**

**NC NATIONAL GUARD  
PENSION FUND STUDY  
COMMISSION**

**MINUTES**



**2008**

**North Carolina National Guard  
Pension Fund Study  
Commission**

Rep. Hugh Holliman, Chairman  
Senator Bob Atwater, Chairman

Carol Bowers, Committee Clerk

## North Carolina National Guard Pension Fund Study Commission

### Senate Members

Sen. Robert "Bob" Atwater, Co-Chair  
300 N. Salisbury Street, Room 312A  
Raleigh, NC 27603-5925  
(919) 715-3036  
[Boba@ncleg.net](mailto:Boba@ncleg.net)

Sen. W. Edward "Eddie" Goodall  
2132 Greenbrook Parkway  
Weddington, NC 28104  
(919) 733-7659  
[Eddieg@ncleg.net](mailto:Eddieg@ncleg.net)

Sen. Edward (Ed) W. Jones  
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[Edwardj@ncleg.net](mailto:Edwardj@ncleg.net)

Sen. Martin Nesbitt  
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Sen. Jean Preston  
P.O. Box 4640  
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[Jeanp@ncleg.net](mailto:Jeanp@ncleg.net)

### Public Member

Col. Thomas W. Harris  
JFHQ-NC-J5  
4105 Reedy Creek Road  
Raleigh, NC 27607

### Staff:

Karen Cochrane-Brown  
Stanley Moore

### House Members

Rep. Hugh Holliman, Co-Chair  
103 Sapona Road  
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Rep. George Cleveland  
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Rep. Ronnie Sutton  
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Rep. Cullie Tarleton  
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**PART XLV. LEGISLATIVE STUDY COMMISSION TO REVIEW THE BENEFITS PROVIDED THROUGH THE NORTH CAROLINA NATIONAL GUARD PENSION FUND (S.B. 888 – Atwater)**

**SECTION 45.1.** There is established the North Carolina National Guard Pension Fund Study Commission to examine the current status of the North Carolina National Guard Pension Fund authorized by Article 3 of Chapter 127A of the General Statutes. The Commission shall consider, but is not limited to, the following issues:

- (1) The actuarial condition of the Fund and measures that might be taken by the General Assembly to ensure the long-term solvency of the Fund.
- (2) Changes to the minimum and maximum monthly benefits that are paid from the Fund.
- (3) Changes to the eligibility requirements, including the minimum age for receiving benefits and minimum years of creditable military service.

**SECTION 45.2.** The Commission shall consist of 11 members appointed as follows:

- (1) Five members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Five members of the House appointed by the Speaker of the House of Representatives.
- (3) One member representing the national guard, recommended by the Governor and jointly appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

**SECTION 45.3.** Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives and Senate Directors of Legislative Assistants. The Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission. The Commission, while in discharge of official duties, may exercise all the powers provided under the provisions of G.S. 120-19 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them, and the power to subpoena witnesses. Members of the Commission shall receive per diem, subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

**SECTION 45.4.** The Commission shall report its findings and recommendations to the Joint Legislative Commission on Governmental Operations no later than March 1, 2009, at which time the Commission shall terminate.



## Minutes

### North Carolina National Guard Pension Fund Study Commission

January 15, 2009

The North Carolina National Guard Pension Fund Study Commission met at 1:00 pM on Thursday, January 15, 2009 in Room 1425 of the Legislative Building. The following members were in attendance: Chairmen: Representatives Holliman and Senator Atwater. Members: Representatives Cleveland, Sutton and Tarleton, Senators Goodall, Nesbitt, and Preston. Public Member Col. Thomas Harris. Staff: Karen Cochran-Brown and Stanley Moore.

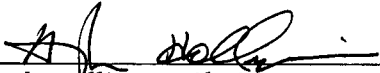
Chairman Atwater called the meeting to order. He introduced Sgt-of-Arms staff and welcomed the visitors. See Attachment I.

He introduced Mr. Michael Williamson, Director NC Retirement Systems to review the existing pension fund. He reported on membership, eligibility, and benefits. See Attachment II.

Chairman Holliman led the committee in a discussion of survivor benefits, eligibility of retirement with credible service, death benefits and premiums. It was suggested a formula be created to determine benefits paid out.

The committee recommended this study be reopened at a later date and due to the fact funding is not available to support this issue.

The meeting was adjourned at 2:00 pm

  
\_\_\_\_\_  
Hugh Holliman, Chairman

  
\_\_\_\_\_  
Carol Bowers, Committee Clerk

**North Carolina National Guard  
Pension Fund Study Commission**

**AGENDA**

**January 15, 2009  
1:00 PM  
Room 1425 LB**

**Rep. Hugh Holliman, Chairman  
Sen. Bob Atwater, Chairman**

- I. Introductions**
- II. Discussion of future plans for the study commission**
- III. Adjourn**

H

House Pages

NC National Guard Pension Study

Name Of Committee: \_\_\_\_\_ Date: 01-15-09

1. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

2. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

3. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

4. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

5. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: Frank Prevo

2. Name: James Worth

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

H

# VISITOR REGISTRATION SHEET

NC NATIONAL GUARD PENSION STUDY

1-15-08

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

*El Rego*

N.C. Retired Gov'tal Employees Assoc

David Starling

Retirement Systems Division

David Vanderweide

NC Dept of State Treasurer



ATT. III

Overview of NC National Guard Pension Fund for  
NC National Guard Pension Study Committee  
January 15, 2009

Membership

As of 12/31/2007, the fund had:

- 5,315 Active Members
- 3,130 Retired Members
- 4,582 Deferred Members

And was paying out \$5,511,786 per year in benefits.

Benefit Provisions

NC National Guard Pension Fund:

- Eligibility: Age 60 and 20 years of military service, including 15 with NCNG
- Monthly Benefit: \$95 with 20 years of service up to \$190 with 30 years
- Member Contributions: None
- Survivor Benefits: None

Federal Retirement Pay for Nonregular Service

- Eligibility: Age 60 and 20 years of military service
- Monthly Benefit: 2.5% x Adjusted Service x Final Average Monthly Pay Level
- Adjusted Service: partial years granted based on number of days served in each year
- Also receive medical benefits and other retirement perks

Benefits in Other States:

- GA: \$50 to \$100 per month at 60/20
- SC: \$50 to \$100 per month at 60/20 for those who joined prior to 7/1/93
- We could not find reference to benefit programs in VA or TN
- MI: \$50 per month at 55/19.5

Actuarial Valuation (12/31/2007)

- Actuarial Value of Assets: \$75 million
- Liability: \$109 million
- Funded Status: 68%
- Annual Required Contribution: \$5,681,538 (paid by state)



OFFICE OF THE HOUSE MAJORITY LEADER  
NORTH CAROLINA HOUSE OF REPRESENTATIVES  
STATE LEGISLATIVE BUILDING  
RALEIGH, NC 27601-1096

REPRESENTATIVE L. HUGH HOLLIMAN  
DAVIDSON COUNTY

HOME ADDRESS:  
103 SAPONA DRIVE  
LEXINGTON, NC 27295

COMMITTEES:  
INSURANCE, CHAIR  
FINANCE, VICE CHAIR  
APPROPRIATIONS SUBCOMMITTEE ON  
CAPITAL  
RULES, CALENDAR AND OPERATIONS  
OF THE HOUSE  
WAYS AND MEANS

December 18, 2008

**MEMORANDUM**

**TO:** North Carolina National Guard Pension Fund Study Commission

**FROM:** Representative Hugh Holliman, Chair  
Senator Bob Atwater, Chair

**SUBJECT:** Meeting Notice

The North Carolina National Guard Pension Fund Study Commission will meet on the following date:

DAY: Thursday  
DATE: January 15, 2009  
TIME: 1:00 pm  
LOCATION: Room 1425 Legislative Building

If you have any questions concerning this meeting, please reply to this email or contact Carol Bowers, Committee Clerk or Seth Palmer at 715-0873. If you cannot attend, please contact our office.