

State of Maryland during the previous 12 months. Assets of the Accumulation Fund equal to this proportionate share shall be transferred to the Accumulation Fund of the pension system.]

[(h)] (D) All retirement allowances and all lump-sum death benefits on account of death in active service payable from contributions of the State shall be paid from the Accumulation Fund.

[(i)] (E) Should a beneficiary retired on account of disability be restored to membership, his annuity reserve shall be transferred to the Annuity Savings Fund and credited to his individual accounts therein.

[(j)] (F) The board of trustees may in its discretion for purposes of actuarial valuation adopt a generally accepted method for determining the value of the assets held by the retirement system, provided that for general ledger accounting and financial reporting the board of trustees will use generally accepted accounting principles.

[(k)] The board of trustees, on the recommendation of the actuary, may increase the normal or accrued liability rate when necessary to reflect experience deficiencies. If the accrued liability is increased by legislation, the accrued liability rate shall be increased to the extent required to liquidate the additional liability in a period not exceeding 40 years.]

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[(b) (1) Each year, on account of each of its members each municipal corporation shall pay into the Accumulation Fund an amount at least equal to a certain percentage of the annual earnable compensation of each member to be known as the "normal contribution", and an additional amount to be known as the "accrued liability contribution". These amounts shall be fixed on the basis of the liabilities of the retirement system by actuarial valuation.

(2) On the basis of interest and the mortality and service tables adopted by the board of trustees, immediately after making each actuarial valuation, the actuary shall determine the "normal contribution" on account of each member, net of employee contributions, on the basis of the accrued benefit actuarial cost method. The ratio of the sum of the normal contributions so determined to the total annual earnable compensation of all members shall be known as the "normal contribution" rate. Upon the recommendation of the actuary, the board may adjust the "normal contribution" rate for the municipal corporations. Such adjustments, also, shall provide for experience gains and losses, the effect of changes in actuarial assumptions, and the effect of legislation enacted subsequent to July 1, 1980.