

NORTH CAROLINA GENERAL ASSEMBLY
1961 SESSION

CHAPTER 37
HOUSE BILL 28

AN ACT TO AUTHORIZE THE GOVERNING BODY OF THE TOWN OF
CANTON TO ESTABLISH BY ORDINANCE A RETIREMENT OR PENSION
FUND FOR EMPLOYEES.

The General Assembly of North Carolina do enact:

Section 1. The retirement or pension fund which may hereafter be established by the governing body of the Town of Canton under the provisions of this Act shall be known, and is hereafter referred to, as Canton Employees Retirement Fund.

Sec. 2. The governing body of the Town of Canton is hereby authorized and empowered to establish, by ordinance, a retirement fund which provides for the payment of benefits to employee members of the Canton Employees Retirement Fund, or to their beneficiaries, in the following cases

- (1) Retirement because of age,
- (2) Disability,
- (3) Death.

Membership shall include such officers and employees of the Town of Canton as shall be so designated in the ordinance. The Town of Canton shall contribute to the Canton Employees Retirement Fund in such amounts as shall be stated in the ordinance, in order to meet the liabilities accruing against such fund because of personal service rendered to said town by such members after the establishment of such fund: Provided, however, that the ordinance may provide benefits which are based, partly or entirely, upon personal services rendered to the Town of Canton prior to the establishment of said fund, and the municipality may contribute the entire cost of benefits based on any such prior service. The expense of administering the fund shall be paid as designated in the ordinance, and the governing body of said town shall provide and appropriate each year sufficient revenue to cover the expense of the administration.

Sec. 3. The Canton Employees Retirement Fund shall be maintained on a solvent actuarial reserve basis for all benefits beginning at the date of the inauguration of the fund, excepting the present value of benefits based on prior service.

Sec. 4. The contribution required to cover the cost of benefits based on prior service shall be sufficient to fund the liability for such prior service in not more than forty (40) years from the date of the establishment of such fund. The ordinance may provide for the appointment or election of a retirement board or board of trustees, and for the delegation to such board of such powers and duties as may be deemed necessary to carry out the intent and purpose for which said fund is established. If such retirement

board or board of trustees is provided for by ordinance, the said board shall consist of a member or members of the governing body of the Town of Canton, an employee or employees entitled to participate in said fund, and one or more citizens of the State of North Carolina not officially connected with the governing body of any municipality or entitled to participate in the benefits of said fund.

Sec. 5. The Town of Canton is authorized to provide for the payment of one or more of the benefits enumerated in Section 2 of this Act by contracting with the governing body of any other municipality or municipalities within the State, with the United States Government, or with State Departments or other competent agencies, or may contract with any insurance company, person or other corporation for the performance of any service in connection with the establishment of said fund, or for the investment, care or administration of said fund, or for any other service relating thereto. The Town of Canton, or any governing body, agency, insurance company, person or other corporation contracting with the Town of Canton for the investment, care or administration of said fund may invest and reinvest the funds constituting the said fund in one or more of the types of securities or other investments authorized by Section 58-79 of the General Statutes of North Carolina, as heretofore or hereafter amended, and by other State law, for the investment of assets of domestic life insurance companies.

Sec. 6. After the effective date of the ordinance which may hereafter be adopted under and by virtue of the authority of this Act, the Town of Canton shall not contribute to any pension or retirement fund except under the provisions contained in said ordinance, and in accordance therewith. Provided, however, nothing in this Act shall prohibit the Town of Canton from providing or continuing to provide Old Age and Survivors' Insurance coverage, or Social Security coverage, for its officers and employees as the same may be authorized by Federal and State laws.

Sec. 7. All laws and clauses of laws in conflict with the provisions of this Act are hereby repealed.

Sec. 8. This Act shall be in full force and effect from and after its ratification.

In the General Assembly read three times and ratified, this the 14th day of March, 1961.