

NORTH CAROLINA GENERAL ASSEMBLY  
1969 SESSION

CHAPTER 702  
HOUSE BILL 1012

AN ACT TO AMEND THE CHARTER OF THE CITY OF EDEN, CHAPTER 967 OF  
THE SESSION LAWS OF 1967, TO AUTHORIZE A RETIREMENT SYSTEM  
FOR EMPLOYEES.

The General Assembly of North Carolina do enact:

**Section 1.** The Charter of the City of Eden, as enacted by Section 6 of Chapter 967 of the Session Laws of 1967, is hereby amended by inserting therein a new Article VIII to read as follows:

**"ARTICLE VIII. RETIREMENT SYSTEM**

"Sec. 8.1. Retirement System Authorized. The City Council is hereby authorized to establish by ordinance a retirement plan and fund for its employees which shall be known as the City of Eden Employees' Retirement System, hereinafter referred to as the Retirement System. The City Council may consolidate and merge into the Retirement System the retirement plans and funds covering employees of the former City of Leaksville and the former Town of Spray.

"Sec. 8.2. Benefits. The Retirement System shall provide for the payment of benefits to employee members at retirement because of age, and may, in the discretion of the City Council, provide additional benefits to employee members, or to their beneficiaries, on account of the member's disability or death. The ordinance may provide benefits which are based upon personal services rendered prior to the establishment of the Retirement System to the City of Eden, the Town of Draper, the City of Leaksville, the Town of Spray, the Meadow Greens Sanitary District, the Eden Metropolitan Sewerage District, and any other governmental units, and the City shall contribute the entire cost of benefits based on any such prior service.

"Sec. 8.3. Membership; Contributions. Membership shall include such officers and employees of the City as the ordinance shall designate. Employee members shall contribute to the Retirement System in such amounts as shall be stated in the ordinance, and any employee's contributions, upon his written election, may be deducted from the employee member's pay by payroll deduction. The City shall contribute to the Retirement System such amounts as shall be determined annually by qualified actuarial consultants in order to meet the liabilities accruing against the Retirement System because of personal service rendered to said City by employee members after the establishment of the Retirement System. The contribution required to cover the cost of benefits based on prior service, if any, shall be sufficient to fund the liability for such prior service in not more than thirty years from the date of the establishment of the Retirement System.

"Sec. 8.4. Actuarial Basis of System; Administrative Expenses. The Retirement System shall be maintained on a solvent actuarial reserve basis for all benefits beginning at the date of the inauguration of the Retirement System, excepting the present value of benefits based on prior service, and shall employ for this purpose qualified actuarial consultants. The expenses of administering the Retirement System shall be paid as designated in the ordinance, and the City Council shall appropriate each year sufficient funds to cover the expenses of administration.

"Sec. 8.5. Board of Trustees. The ordinance shall provide for the appointment of a Retirement System Board of Trustees, and for the delegation to such Board of such powers and duties as may be deemed necessary by the City Council to carry out the intent and purpose of the Retirement System. The Board of Trustees shall consist of a member of the City Council, an employee member of the Retirement System, an attorney licensed to practice law in North Carolina, a certified public accountant, and the City Manager.

"Sec. 8.6. Contracting Authority. The City Council may provide for the payment of one or more of the benefits enumerated in Sec. 8.2 by contracting with any other municipality or municipalities within the State of North Carolina, with the United States Government, with departments or other agencies of the State of North Carolina, with any insurance company licensed to conduct business in North Carolina, with any national or state banking corporation or association providing corporate retirement plan trust services, or with any other person or corporation, for the performance of any service in connection with the establishment of the Retirement System, or for the investment, care, or administration of funds contributed to the Retirement System or for any other service relating thereto.

"Sec. 8.7. Investments. The City Council, or the Retirement System Board of Trustees, or any governing body, department, agency, insurance company, or national or state banking corporation or association contracting with the City for the investment, care, or administration of funds contributed to the Retirement System may invest and reinvest the funds constituting the Retirement System in accordance with the investment powers specifically granted in the ordinance establishing the Retirement System, such powers being limited to those that are customarily granted to national or state banking corporations or associations serving as fiduciaries for private or public employee retirement funds.

"Sec. 8.8. Article Not to Limit Other Authority. Nothing in this Article shall be construed to prohibit the City 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, either separately or in addition to the Retirement System herein authorized, or from participating in or permitting its employees to participate in any other retirement or pension system, plan, or fund authorized by general or local law."

**Sec. 2.** All laws and clauses of laws in conflict with the provisions of this Act are hereby repealed.

**Sec. 3.** This Act shall be effective upon its ratification.

In the General Assembly read three times and ratified, this the 2nd day of June, 1969.