

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 334
HOUSE BILL 785

AN ACT TO PROVIDE A SUPPLEMENTAL RETIREMENT FUND FOR FIREMEN
IN THE CITY OF CONOVER AND TO MODIFY THE APPLICATION OF G.S.
118-5, G.S. 118-6, AND G.S. 118-7 TO THE CITY OF CONOVER.

The General Assembly of North Carolina enacts:

Section 1. Supplemental retirement fund created. The Board of Trustees of the Local Firemen's Relief Fund of the City of Conover, as established in accordance with G.S. 118-6, hereinafter called the board of trustees, shall create and maintain a separate fund to be called the Conover Firemen's Supplemental Retirement Fund, hereinafter called the supplemental retirement fund, and shall maintain books of account for such fund separate from the books of account of the Firemen's Local Relief Fund of the City of Conover, hereinafter called the local relief fund. The board of trustees shall pay into the supplemental retirement fund the funds prescribed by this act.

Sec. 2. Transfers of funds and disbursements. Notwithstanding the provisions of G.S. 118-7, the Board of Trustees of the Local Firemen's Relief Fund of the City of Conover shall:

(a) prior to January 1, 1978, transfer to the supplemental retirement fund all funds, including earnings on investments, of the local relief fund in excess of twelve thousand dollars (\$12,000);

(b) in each subsequent calendar year, and within 30 days after receipt from the city treasurer of the annual funds paid to the local relief fund by authority of G.S. 118-5, transfer to the supplemental retirement fund such funds;

(c) at any time when the amount of funds in the local relief fund shall, by reason of disbursements authorized by G.S. 118-7, be less than twelve thousand dollars (\$12,000), transfer from the supplemental retirement fund to the local relief fund an amount sufficient to maintain in the local relief fund the sum of twelve thousand dollars (\$12,000);

(d) as soon as practicable after January 1 of each year, but in no event later than July 1, divide funds belonging to the supplemental retirement fund including the income earned in the preceding calendar year upon investment of funds belonging to the local relief fund, into equal shares and disburse the same as supplemental retirement benefits in accordance with Section 3 of this act.

Sec. 3. Supplemental retirement benefits. Each fireman of the city eligible for pensions, now or hereafter, under Chapter 118, Article 3, of the North Carolina General Statutes, providing for a North Carolina Firemens' Pension Fund, as amended or

superseded, shall be entitled to the following supplemental retirement benefits under this act: the total fund shall be allotted into the number of shares determined by each full year of service as a fireman of all participants, and each eligible fireman shall receive one (1) share for each full year of service. In no event shall any retired fireman receive, in any year, a benefit under this act in excess of six hundred dollars (\$600).

Sec. 4. Investment of funds. The board of trustees is hereby authorized to invest any funds, either of the local relief fund or of the supplemental retirement fund, in any investment named in or authorized by either G.S. 159-30 or G.S. 159-31, and is hereby directed to invest all of the funds of the supplemental retirement fund in one or more of such investments; provided, that investment in certificates of deposit or time deposit in any bank or trust company, or in shares of any building and loan or savings and loan association, shall not exceed the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, as the case may be, unless such deposits or investments in shares are secured in the manner provided by G.S. 159-30 or G.S. 159-31.

Sec. 5. Acceptance of gifts. The board of trustees is hereby authorized to accept any gift, grant, bequest, or donation of money for the use of the supplemental retirement fund.

Sec. 6. Bond of treasurer. The board of trustees shall bond the treasurer of the local relief fund with a good and sufficient bond, in an amount at least equal to the amount of funds in his control, payable to the board of trustees, and conditioned upon the faithful performance of his duties; such bond shall be in lieu of the bond required by G.S. 118-6. The board of trustees is hereby authorized to pay the premiums for the bond of the treasurer from the supplemental retirement fund.

Sec. 7. Intention. It is the intention of Section 3 of this act to authorize the disbursement as supplemental retirement benefits only the income derived in any calendar year from the investments of funds belonging to the supplemental retirement fund, the local relief fund and the funds received by the local relief fund in excess of twelve thousand dollars (\$12,000) as provided in Section 2(a) of the act. It is the intention of Section 2 of this act to require that the funds paid into the supplemental retirement fund pursuant to subsections (a) and (b) thereof shall be held in trust, and that no funds paid into the supplemental retirement fund pursuant to subsections (a) and (b) thereof or as a gift, grant, bequest, or donation to such fund shall ever be disbursed except as and when required, by subsection (c) thereof, and Section 3 of this act.

Sec. 8. If any provision of this act shall be declared invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions hereof which can be given effect without the invalid provision, and to this end the provisions of this act are declared to be severable.

Sec. 9. All laws and clauses of laws in conflict with this act are hereby repealed.

Sec. 10. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 9th day of May, 1977.