

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 286
HOUSE BILL 240

AN ACT TO PROVIDE A SUPPLEMENTAL RETIREMENT FUND FOR FIREMEN
IN THE TOWN OF EDENTON.

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 Town of Edenton, 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 Edenton Firemen's Supplemental Retirement Fund, hereinafter called the Supplemental Retirement Fund, and shall maintain books of account for the fund, separate from the books of account of the Local Firemen's Relief Fund. The Board of Trustees shall pay into the Supplemental Retirement Fund all funds prescribed by this act.

Sec. 2. Transfers and Disbursement of Fund. Notwithstanding the provisions of G.S. 118-7, the Board of Trustees shall:

(a) prior to September 1, 1982, and prior to September 1 of each fiscal year thereafter, transfer to the Supplemental Retirement Fund all earnings on investments and interest of the Local Relief Fund;

(b) if at any time the amount of funds in the Local Firemen's Relief Fund be less than thirty-five thousand dollars (\$35,000), transfer funds from the Supplemental Retirement Fund to the Local Firemen's Relief Fund in an amount sufficient to maintain a balance of thirty-five thousand dollars (\$35,000). If no funds are available in the Supplemental Retirement Fund, the Board of Trustees may cease retirement payments until a balance of thirty-five thousand dollars (\$35,000) is reached in the Local Firemen's Relief Fund. At this time, the Supplemental Retirement Fund will become active again.

(c) as soon as practical after September 1 of each year, but in no event later than December 1, divide an amount equal to the total income and interest earned in the preceding year on investments of funds belonging to the Local Firemen's Relief Fund into equal shares and disburse the same as Supplemental Retirement Fund benefits in accordance with Section 3 of this act.

Sec. 3. Supplemental Retirement Fund benefits. (a) The following classes of firemen are eligible for Supplemental Retirement Fund benefits:

(1) each retired fireman of the Town of Edenton, whether full-time or volunteer, who retires from the Edenton Fire Department after having served 25 years or more and who has reached the age of 55 years. He is entitled to benefits equal to one point for each year of active service. No single payment shall exceed six hundred

dollars (\$600.00). Any fireman who has retired before the effective date of this act is entitled to full benefits prescribed by subdivision (1) of subsection (a) of this act.

(2) each retired fireman of the Town of Edenton, whether full-time or voluntary, who retires from the Edenton Fire Department after having served at least 20 years but less than 25. He is entitled to benefits equal to 1/2 point for each year of active service. No single payment shall exceed one hundred fifty dollars (\$150.00). Payments commence when the retired fireman reaches age 55.

(3) each fireman of the Town of Edenton, whether full-time or voluntary, who becomes permanently and totally disabled to perform the normal duties of an active fireman because of illness or injury received while in the line of duty and who is so certified within the fiscal retirement year of July 1 through June 30 by a physician licensed to practice in North Carolina. He is entitled to benefits equal to 25 points regardless of how many years he has actually served if he has served less than 25 years. If he has served 25 years or more, he is entitled to benefits equal to one point for each year of active service. No single payment shall exceed six hundred dollars (\$600.00).

(4) each fireman of the Town of Edenton, whether full-time or voluntary, who becomes permanently and totally disabled to perform the normal duties of an active fireman because of illness or injury incurred elsewhere than in the line of duty and is so certified within the fiscal retirement year of July 1 through June 30 by a physician licensed to practice in North Carolina, who has served as a fireman for the Town of Edenton for a period of ten years or more. He is entitled to benefits equal to one point for each year of active service.

(b) Funds shall be divided and distributed by the point system in one annual payment to each eligible retired fireman as defined in Section 3(a) of this act. The amount of each point shall be determined by dividing the total number of years served by all eligible retired firemen into the total amount set aside by the Board of Trustees to be disbursed for the year. All eligible firemen must have made application pursuant to Section 7 of this act before receiving any payment.

(c) In the event of an eligible fireman's death during the last quarter of the fiscal year, the beneficiary will receive the next annual payment. At this time payments will cease.

(d) These benefits are to be disbursed by the Treasurer of the Board of Trustees and the Chief of the Edenton Fire Department.

Sec. 4. Disbursement and Investment of Funds. This act authorizes the disbursement as Supplemental Retirement Fund benefits only of the income and interest derived in any fiscal year from the investments of funds belonging to the Firemen's Local Relief Fund. Funds paid into the Supplemental Retirement Fund shall be held in trust and no funds paid into the fund as a gift, grant, bequest or donation to the fund shall be disbursed except as required by this act.

The Board of Trustees may invest any funds, either of the Local Firemen's 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 shall invest all of the funds belonging to the Local Firemen's Relief Fund or the Supplemental Retirement Fund, in one or more investments. No investment in certificates of deposit or time deposits in

any bank or trust company, or savings and loan associations, may exceed the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, as the case may be, unless the 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 authorized to accept any gift, grant, bequest or donation of money or instruments of value for the use of the Supplemental Retirement Fund.

Sec. 6. Bond of Treasurer. The Board of Trustees shall bond the Treasurer of the Local Firemen's Relief Fund and the Supplemental Retirement Fund in an amount equal to the amount of the funds in his care and control, payable to the Board of Trustees and conditional upon the faithful performance of his duties. This bond shall be in lieu of the bond required by G.S. 118-6 for the Local Firemen's Relief Fund. The Board of Trustees may authorize payment of the premiums on the bond from the Supplemental Retirement Fund.

Sec. 7. Application Forms. (a) An application form must be properly filled out and approved by the Board of Trustees before any Supplemental Retirement funds may be paid.

(b) In order to arrive at an equitable disbursement for each year, applications shall be submitted to the Chief of the Edenton Fire Department by July 1 of the retirement year and shall note the month of the intended retirement.

(c) If an application is not submitted by time stated in subsection (b) of this section, it will be reviewed by the Board of Trustees at its next annual meeting.

Sec. 8. The provisions of this act may be changed only by three-fourths majority vote of the members of the Edenton Fire Department.

Sec. 9. Severability. If any provision of this act is declared invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions which can be given effect without the invalid provision. The provisions of this act are declared to be severable.

Sec. 10. Repealer. All laws and clauses of laws in conflict with this act are repealed.

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 1st day of May, 1981.