

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 501
HOUSE BILL 330

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

The General Assembly of North Carolina enacts:

Section 1. Supplemental Retirement Fund created. The Board of Trustees of the Valdese Firemen's Relief Fund, hereinafter called the Board of Trustees, as established in accordance with G.S. 118-6, shall create and maintain a separate fund to be called the Valdese Firemen's Supplemental Retirement Fund, hereinafter called the Fund, and shall maintain books of account for the Fund, separate from the books of account of the 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 January 1 of each calendar year, transfer to the Supplemental Retirement Fund all earnings on investments and interest of the Firemen's Relief Fund;

(b) If at any time the amount of funds in the Firemen's Relief Fund be less than twenty-five thousand dollars (\$25,000), cease retirement payments from the Supplemental Retirement Fund until a balance of twenty-five thousand dollars (\$25,000) 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 January 1 of each year, but in no event later than July 1, divide an amount equal to the total income and interest earned in the preceding year on investments of funds belonging to the 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. The following classes of firemen are eligible for Supplemental Retirement Fund benefits:

(1) Each retired fireman of the Town of Valdese, whether volunteer or paid, who retires from the Valdese Fire Department after having served 20 years or more having reached the age of 55 years. He is entitled to benefits equal to one share for each year of active service and shall receive the benefits in the calendar year following the calendar year in which he retires and in each calendar year thereafter. No single yearly payment shall exceed six hundred dollars (\$600.00).

(2) Each fireman of the Town of Valdese, whether volunteer or paid, 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 30 days prior to or following his retirement by two physicians licensed to practice in North Carolina.

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.

These benefits are to be disbursed by the Treasurer of the Board of Trustees and the Chief of the Valdese 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 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 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 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 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 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 Valdese 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 Valdese Fire Department.

Sec. 9. This act shall apply only to the Town of Valdese.

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

Sec. 11. None of the provisions of this act shall create a liability for the Valdese Supplemental Retirement System unless sufficient current assets are available in the System to pay fully for the liability.

Sec. 12. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 13th day of June, 1983.