§ 58-84-35. Disbursement of funds by trustees.

(a) The board of trustees shall have entire control of the funds derived from the provisions of this Article, and shall disburse the funds only for the following purposes:

(1) To safeguard any firefighter in active service from financial loss, occasioned by sickness contracted or injury received while in the performance of his duties as a firefighter.

(2) To provide a reasonable support for those actually dependent upon the services of any firefighter who may lose his life in the fire service of his town, city, or State, either by accident or from disease contracted or injury received by reason of such service. The amount is to be determined according to the earning capacity of the deceased.

(2a) To provide assistance, upon approval by the Executive Director of the North Carolina State Firefighters' Association, to a destitute member firefighter who has served or is serving honorably with a certified fire department. The determination of destitute shall be based on the inability of the firefighters, through no fault of their own, to provide basic provisions to themselves or their families. Such basic provisions include, but are not limited to, assistance with housing, vehicle or commuting expenses, food, clothing, utilities, medical care, and funeral expenses.

(3) Repealed by Session Laws 1985, c. 666, s. 61.

(4) To provide for the payment of any firefighter's assessment in the Firemen's Fraternal Insurance Fund of the State of North Carolina if the board of trustees finds as a fact that said firefighter is unable to pay the said assessment by reason of disability.

(5) To provide for benefits of (i) supplemental retirement, including payment of firefighters' monthly assessments for the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund, (ii) workers compensation, including the payment of premiums to the Workers' Compensation Fund established under G.S. 58-87-10, and (iii) other insurance and pension protection for firefighters otherwise qualifying for benefits from the Firefighters' Relief Fund as set forth in Article 85 of this Chapter.

(6) To provide for educational benefits to firefighters and their dependents who otherwise qualify for benefits from the Firefighters' Relief Fund as set forth in Article 85 of this Chapter.

(7) To provide for annual physicals that are required for firefighter positions by the Department of Labor or are recommended by the National Fire Protection Association.

(8) To cover necessary management and investment costs that are reasonable and appropriate in relation to the assets, purpose, and financial security of the local Firefighters' Relief Fund.

(b) Notwithstanding any other provisions of law, no expenditures shall be made pursuant to subdivision (5), (6), or (7) of subsection (a) of this section unless the North Carolina State Firefighters' Association has certified that such expenditures will not render the Fund financially unsound for the purposes of providing the benefits set forth in subdivisions (1), (2), and (4) of subsection (a) of this section. If, for any reason, funds made available for subdivision (5), (6), or (7) shall be insufficient to pay in full any benefits, the benefits pursuant to subdivisions (5) and (6) shall be reduced pro rata for as long as the amount of insufficient funds exists, after first eliminating the benefits pursuant to subdivision (7). No claim shall accrue with respect to any amount by which a benefit under subdivisions (5) and (6) shall have been reduced.
(c) As used in subsection (b) of this section, the term "financially unsound" means that a local fund could not sustain a requested expenditure or could not make similar payments for five years without the local fund's balance falling below the greater of the following:
   (1) Five hundred dollars ($500.00) multiplied by the number of eligible firefighters in the local department.
   (2) Twenty thousand dollars ($20,000).

(d) A local board of trustees shall not be restricted to making disbursements solely from the interest earned on the local board's relief fund. (1907, c. 831, s. 6; 1919, c. 180; C.S., s. 6069; Ex. Sess. 1921, c. 55; 1923, c. 22; 1925, c. 41; 1945, c. 74, s. 2; 1985, c. 666, s. 61; 1987, c. 174, ss. 2, 3; 1997-456, s. 27; 2007-246, s. 4; 2008-187, s. 13; 2014-64, s. 1(a); 2016-51, ss. 5, 6; 2017-99, s. 1.)