

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1991

CHAPTER 798
HOUSE BILL 1524

AN ACT TO REWRITE THE LAW ESTABLISHING THE SUPPLEMENTARY
PENSION FUND FOR FIREMEN IN THE CITY OF SANFORD.

The General Assembly of North Carolina enacts:

Section 1. Chapter 1155 of the 1971 Session Laws and Chapter 353 of the 1975 Session Laws are repealed.

Sec. 2. There is established a supplementary pension fund for the Fire Department of the City of Sanford, this fund to be known as the Sanford Firemen's Supplementary Pension Fund, and to be administered by a board of trustees, known as the trustees of the Firemen's Supplementary Pension Fund. The board of trustees of the fund shall be composed of five members, two of whom shall be elected by the members of the fire department. The remaining three shall be the City Manager, the City Finance Director, and the Chief of the Fire Department of the City of Sanford.

The members of the fire department shall hold an election on the first Tuesday of each July to elect their representatives to the board of trustees. On the first Tuesday in July, 1992, members of the fire department shall elect one member to serve for a term of two years and one member to serve for a term of one year. On that date in each year thereafter the fire department shall elect one member to serve for a term of two years.

The City Manager, the City Finance Director, and the Chief of the Sanford Fire Department shall serve ex officio.

The City Finance Director, as a member of the board of trustees, shall be treasurer and custodian of the fund and shall pay the beneficiaries in the manner prescribed by the provisions of this act. The treasurer of the board of trustees shall give a good and sufficient bond, in a sum equal to the amount of moneys at hand, to be approved by the board of trustees, for the faithful and proper discharge of the duties of his office.

Sec. 3. The Board of Trustees of the Firemen's Relief Fund of the City of Sanford shall, as of July 1, 1992, transfer all funds in excess of ten thousand dollars (\$10,000) to the Sanford Firemen's Supplementary Pension Fund, and any moneys coming into the Firemen's Relief Fund under the provisions of Chapter 58 of the General Statutes, that will increase the fund to an amount in excess of ten thousand dollars (\$10,000), shall be transferred immediately to the Supplementary Pension Fund so as to leave in the Firemen's Relief Fund an amount not to exceed ten thousand dollars (\$10,000) at any time. If, at any time, the amount of funds in the Firemen's Relief Fund is less than the sum of five thousand dollars (\$5,000), then the Board of Trustees of the

Sanford Firemen's Supplementary Pension Fund shall transfer, at any time, back to the Firemen's Relief Fund sums as are necessary to maintain within the Firemen's Relief Fund the sum of ten thousand dollars (\$10,000).

Sec. 4. Any person who has been a full-time paid member or a volunteer member of the Sanford Fire Department, as shown by the records of the City of Sanford, or any person who shall become such a full-time paid or volunteer member, shall be eligible for benefits from the Sanford Firemen's Supplementary Pension Fund. Provided, that no such person shall be eligible for benefits from the Sanford Firemen's Supplementary Pension Fund unless or until that person has been retired as a member of the Sanford Fire Department with at least 20 years of continuous service and unless that person has reached the age of 60. It is further provided that this act does not modify or alter in any way the Workers' Compensation Act.

Sec. 5. Any full-time paid or volunteer member of said fire department, who retires or is retired under the provisions of Section 3 of this act, shall receive an annuity to provide annually for the remainder of his life, with 10 years certain, from the Sanford Firemen's Supplementary Pension Fund an amount equal to the following:

<u>Years of Service</u>	<u>Annual Benefit</u>
20	\$ 1,000
25	\$ 1,250
30	\$ 1,500

In the event of death of the retiree, before receiving 10 years of benefits, the retiree's beneficiary will receive the remainder of the 10-year certain portion of the annuity.

Any retiree under this plan may choose to receive a lump sum payment at the time of retirement in lieu of the annuity. This lump sum will equal the amount required to purchase the annuity at the time of retirement.

Sec. 6. The Treasurer of the Sanford Firemen's Supplementary Pension Fund shall be custodian of the fund and shall purchase annuities for its beneficiaries upon their retirement, with annual payments to be made January 1st of each subsequent year. Necessary expenses, such as office supplies and the premium on the treasurer's bond, shall be paid out of the Supplementary Pension Fund.

Sec. 7. The Treasurer of the Sanford Firemen's Supplementary Pension Fund, subject to the approval of the board of trustees of the fund, shall invest all funds coming into the Treasurer's possession belonging to the fund, except so much as the board of trustees from time to time may determine is reasonably necessary for the prompt payment of claims and expenses, in securities as the board of trustees shall select; provided, that those securities shall be limited to the same conditions as enumerated by the General Statutes of North Carolina, as described in G.S. 159-30.

Sec. 8. The Board of Trustees of the Supplementary Pension Fund may, in its discretion, take and receive any gift, grant, bequest, or devise of any real or personal property or other things of value for, and as, the property of the Sanford Firemen's Supplementary Pension Fund and hold, disburse, and invest the same for the use of said fund in accordance with the purpose of this act and the conditions attached to any such gift, grant, bequest, or devise not inconsistent with the purposes of this act.

Sec. 9. The Board of Trustees of the Sanford Firemen's Supplementary Pension Fund shall revalue the fund at the end of each five-year period, and, if in the opinion of the board of trustees, the fund as increased to such an extent that its solvency will not be impaired, the board of trustees may pay supplemental benefits to those firemen retired under this act, and those who may retire in the future, the amount of supplemental benefits to be determined by the board of trustees.

Sec. 10. The provisions of Chapter 58 of the General Statutes creating a Firemen's Relief Fund are repealed as to the City of Sanford insofar and only so far as said provisions are inconsistent with and contradictory to the provisions of this act.

Sec. 11. None of the provisions of this act shall create an additional liability for the City of Sanford's Supplementary Pension Fund unless there are sufficient current assets available to pay fully for the liability.

Sec. 12. All laws and clauses of laws in conflict with this act are hereby repealed.

Sec. 13. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives