

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1524

Short Title: Sanford Supp. Fire Fund.

(Local)

Sponsors: Representative Wicker.

Referred to: Pensions and Retirement.

June 3, 1992

A BILL TO BE ENTITLED

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 Chapter 1155 of the 1971 Session Laws and Chapter 353 of the 1975 Session Laws are repealed.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

1 a good and sufficient bond, in a sum equal to the amount of moneys at hand, to be
2 approved by the board of trustees, for the faithful and proper discharge of the duties of
3 his office.

4 Sec. 3. The Board of Trustees of the Firemen's Relief Fund of the City of
5 Sanford shall, as of July 1, 1992, transfer all funds in excess of ten thousand dollars
6 (\$10,000) to the Sanford Firemen's Supplementary Pension Fund, and any moneys
7 coming into the Firemen's Relief Fund under the provisions of Chapter 58 of the
8 General Statutes, that will increase the fund to an amount in excess of ten thousand
9 dollars (\$10,000), shall be transferred immediately to the Supplementary Pension Fund
10 so as to leave in the Firemen's Relief Fund an amount not to exceed ten thousand dollars
11 (\$10,000) at any time. If, at any time, the amount of funds in the Firemen's Relief Fund
12 is less than the sum of five thousand dollars (\$5,000), then the Board of Trustees of the
13 Sanford Firemen's Supplementary Pension Fund shall transfer, at any time, back to the
14 Firemen's Relief Fund sums as are necessary to maintain within the Firemen's Relief
15 Fund the sum of ten thousand dollars (\$10,000).

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

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

<u>Years of Service</u>	<u>Annual Benefit</u>
29 20	\$ 1,000
30 25	\$ 1,250
31 30	\$ 1,500

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

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

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

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

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

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

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

23 Sec. 11. Some of the provisions of this act shall create an additional liability
24 for the City of Sanford's Supplementary Pension Fund unless there are sufficient current
25 assets available to pay fully for the liability.

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

28 Sec. 13. This act is effective upon ratification.