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

Sec. 2. Transfers of Funds and Disbursements. Notwithstanding the provisions of G.S. 118-7, the Board of Trustees of the Local Firemen's Relief Fund of the City of Kings Mountain shall:

(1) leave monies on deposit as is and use the interest on the now existing Firemen's Relief Fund plus payment received annually for North Carolina Firemen's Relief Fund to form a Supplemental Retirement Fund;

(2) in each subsequent calendar year, and within 30 days after receipt from the North Carolina Insurance Commissioner of the annual funds paid to the Local Relief Fund by authority of G.S. 118-5, transfer to the Supplemental Retirement Fund these funds;

(3) at any time when the amount of funds in the Local Relief Fund is, by reason of disbursements authorized by G.S. 118-6, less than twenty thousand dollars ($20,000) transfer from the Supplemental Retirement Fund to the Local Relief Fund an amount sufficient to maintain in the Local Relief Fund, the sum of twenty thousand dollars ($20,000);

(4) beginning in July, 1979, and as soon as practical after the first day of each quarter, but in no event later than the fifteenth day of the first month in each quarter, beginning in October of 1979, disburse funds in the Supplemental Retirement Fund as supplemental retirement benefits in accordance with Section 3 of this act. Upon passage of this bill the last quarter interest for the fiscal year 1978-1979 received from
the Firemen's Relief Fund and funds received from the Commissioner of Insurance for fiscal year 1978-1979, will be transferred to the Supplemental Retirement Fund.

Sec. 3. Supplemental Retirement Receipts. (a) Each fireman of the city (regular or volunteer) who has retired, and all active firemen retiring after July 1, 1979, will receive retirement benefits subject to certain rules and regulations. Any fireman who has attained the age of 55 with 20 years of service will be entitled to and shall receive by the fifteenth of each month of each quarter of the calendar year (October, January, April, July) the following monthly supplemental retirement benefit: Full-time firemen will receive twenty-five dollars ($25.00) per month; volunteer firemen will receive twenty dollars ($20.00) per month. In the event a full-time fireman reaches the age of 62 or more and retires with less than 20 years of service, but having 15 years or more, he shall receive one dollar ($1.00) per year for each year of service per month; provided, that if, in any calendar quarter, funds in the Supplemental Retirement Fund are not available to pay a benefit equal to the amount set forth in this section, the Board of Trustees shall specify a lesser amount to be paid. After the fund has been in existence for two years and funds are available, the Board of Trustees may determine if a larger monthly retirement can be paid.

(b) Any former fireman of the city who has served 20 years or more as an active fireman, who is not otherwise entitled to supplemental retirement benefits under subsection (3) of this section, shall nevertheless be entitled to such benefits in any calendar year in which the Board of Trustees makes the following written findings of fact:

(1) that he initially retired from his position as fireman because of his inability, by reason of sickness or injury, to perform the normal duties of an active fireman; and

(2) that, within 30 days prior to or following his initial retirement as a fireman, at least two physicians licensed to practice medicine in North Carolina certified that he was at such time, unable by reason of sickness or injury, to perform the normal duties of an active fireman; and

(3) that, since the preceding January 1, at least one physician licensed to practice medicine in North Carolina certified that he remains unable, by reason of sickness or injury, to perform the normal duties of an active fireman.

Sec. 4. Investment of Funds. The Board of Trustees is hereby authorized to invest any funds of the Local Relief Fund in any investment named in or authorized by G.S. 159-30.

Sec. 4A. Board of Trustees for Supplemental Retirement Fund Created. A separate Board of Trustees will administer the Supplemental Retirement Fund. The board is to consist of the Chief of the Kings Mountain Fire Department, the Secretary and Treasurer of the Kings Mountain Local Firemen's Relief Fund, one regular fireman, one building and loan executive, and one city commissioner to be appointed to the board by the Chief of the Kings Mountain Fire Department.

Sec. 4B. Investment of Funds. The Board of Trustees is hereby authorized to invest any funds of the Supplemental Retirement Fund in any investment named in or authorized by G.S. 159-30.
Sec. 5. Acceptance of Gifts. The Board of Trustees is hereby authorized to accept any gift, grant, bequest or donation of money for the use of the Supplemental Retirement Fund.

Sec. 6. Bond of Treasurer. The Board of Trustees shall bond the treasurer of the Local Relief Fund with a good and sufficient bond, in an amount at least equal to the amount of funds in his control, payable to the Board of Trustees, and conditioned upon his faithful performance of his duties, such bond shall be in lieu of the bond required by G.S. 118-6. The Board of Trustees shall pay from the Supplemental Retirement Fund the premiums on the bond of the treasurer.

Sec. 7. If any provision of this act shall be declared invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions hereof which can be given effect without the invalid provision, and to this end the provisions of this act are declared to be severable.

Sec. 8. This act shall become effective July 1, 1979.

In the General Assembly read three times and ratified, this the 26th day of March, 1979.