

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Actuarial Note

RETIREMENT

BILL NUMBER: House Bill 1200 (First Edition)
SHORT TITLE: Winston-Salem Firefighters Retirement.
SPONSOR(S): Representative McGee

FUNDS AFFECTED: The Winston-Salem Firemen's Retirement Fund is financed by the transfer of funds from the Winston-Salem Firemen's Relief Fund and contributions from the firemen employed with the City of Winston-Salem Firemen.

SYSTEM OR PROGRAM AFFECTED: Winston-Salem Firemen's Retirement Fund Association

EFFECTIVE DATE: July 1, 2011

BILL SUMMARY: All full-time employees of the fire department are eligible for membership in the Fund after attaining age eighteen. Firemen who are age forty or older at employment are excluded from membership. The Funds pays a benefit of \$185 per month to those members who complete 30 continuous years of service. Members are eligible for reduced benefits after twenty-five years of service. This bill will allow the amount of the payroll deduction from each member's paycheck to the Association is to be determined by the Board of Trustees based on advice from the Association's actuary as of the first day of each payroll period. Also amends the Fund to add provisions regarding death benefits and differential wage payments so as to comply with the requirements of the Heroes Earnings Assistance and Relief Tax Act of 2008.

ESTIMATED IMPACT ON STATE: Both the actuary for the Fund, Stanley, Hunt, DuPree & Rhine, and the actuary for the General Assembly, Hartman and Associates, agree that this would not have a material impact on the Fund.

ASSUMPTIONS AND METHODOLOGY: Actuarial Valuation as of January 1, 2009 for the Winston-Salem Firemen's Retirement Fund Association

SOURCES OF DATA: Stanley, Hunt, DuPree & Rhine
Hartman and Associates

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910. The above information is provided in accordance with North Carolina General Statute 120-114 and applicable rules of the North Carolina Senate and House of Representatives.

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APPROVED BY: Mark Trogdon, Acting Director
Fiscal Research Division

DATE: June 11, 2012



Signed Copy Located in the NCGA Principal Clerk's Offices