

# STATE OF NEW YORK

7521

2021-2022 Regular Sessions

## IN SENATE

November 15, 2021

Introduced by Sen. STEC -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general municipal law, in relation to establishing a retired employee health insurance premium reserve fund for the town of Saranac

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The general municipal law is amended by adding a new  
2 section 6-w to read as follows:

3 § 6-w. Retired employee health insurance premium reserve fund for the  
4 town of Saranac. 1. As used in this section:

5 a. "Governing board" means the governing board of the town of Saranac,  
6 county of Clinton.

7 b. "Reserve fund" means the retired employee health insurance premium  
8 reserve fund.

9 2. Notwithstanding any other provision of law to the contrary, the  
10 governing board of the town of Saranac, county of Clinton, may establish  
11 a retired employee health insurance premium reserve fund for the purpose  
12 of covering retired town employee health insurance premiums, stabilizing  
13 the tax rate, and ensuring transparency for the taxpayers and elected  
14 officials. There may be paid into such reserve fund:

15 a. such amounts as may be provided therefor by budgetary appropriation  
16 or raised by tax therefor;

17 b. such revenues as are not required by law to be paid into any other  
18 fund or account;

19 c. such other funds as may be legally appropriated; and

20 d. notwithstanding any law to the contrary, such amounts as may be  
21 transferred from a reserve fund established pursuant to section six-n,  
22 six-p, or six-r of this article comprised of moneys raised from the same  
23 tax base as the moneys in the reserve fund, provided, that any such  
24 transfer shall only be made by resolution of the governing board after a

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 public hearing held on at least fifteen days prior published notice in  
2 the official newspaper of the town of Saranac, if such town does not  
3 have an official newspaper, in at least one newspaper having general  
4 circulation in such town.

5 3. The moneys in the reserve fund shall be deposited and secured in  
6 the manner provided by section ten of this article. The governing board,  
7 or the chief fiscal officer thereof if the governing board shall dele-  
8 gate such duty to him or her, may invest the moneys in such fund in the  
9 manner provided by section eleven of this article. Any interest earned  
10 or capital gain realized on the money so deposited or invested shall  
11 accrue to and become part of such fund.

12 4. The governing board by resolution may authorize expenditures from  
13 the reserve fund. Except as otherwise provided by law, moneys in such  
14 reserve fund may only be expended to finance health insurance premiums  
15 for retired town employees.

16 5. The governing board by resolution may authorize the transfer of a  
17 portion of the moneys in the reserve fund to a reserve fund of the town  
18 of Saranac established pursuant to section six-n, six-p, or six-r of  
19 this article comprised of moneys raised from the same tax base as the  
20 moneys in the reserve fund, provided, that any such transfer shall only  
21 be made by resolution of the governing board adopted after a public  
22 hearing held on at least fifteen days prior published notice in the  
23 official newspaper of the town of Saranac, if such town does not have an  
24 official newspaper, in at least one newspaper having general circulation  
25 in such town.

26 6. The chief fiscal officer of the town of Saranac shall account for  
27 the reserve fund separate and apart from all other funds of such town.  
28 Such accounting shall show: the source, date and amount of each sum paid  
29 into the fund; the interest earned by such fund; capital gains or losses  
30 resulting from the sale of investments of this fund; the order, purpose  
31 thereof, date and amount of each payment from this fund; the assets of  
32 the fund, indicating cash balance and a schedule of investments. The  
33 chief fiscal officer, within sixty days of the end of each fiscal year,  
34 shall furnish a detailed report of the operation and condition of this  
35 fund to the governing board.

36 7. The members of the governing board are hereby declared trustees of  
37 the reserve fund and shall be subject to all the duties and responsibil-  
38 ities imposed by law on trustees, and such duties and responsibilities  
39 may be enforced by the town of Saranac, as the case may be, or by any  
40 board, commission, agency, officer or taxpayer thereof.

41 8. No member of the governing board shall:  
42 a. authorize a withdrawal from a retirement contribution reserve fund  
43 for any purpose except as provided in this section; or  
44 b. expend any money withdrawn from such fund for a purpose other than  
45 as provided in this section.

46 Any member of the governing board who violates the provisions of this  
47 subdivision shall be guilty of a misdemeanor.

48 9. The governing board by resolution may determine that the reserve  
49 fund is no longer needed and terminate such fund. Such resolution shall  
50 transfer any moneys remaining in such fund to one or more reserve funds  
51 of the town of Saranac established pursuant to section six-n, six-p, or  
52 six-r of this article comprised of moneys raised from the same tax base  
53 as the moneys in the reserve fund.

54 § 2. This act shall take effect immediately.