

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.