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:

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

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

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

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

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

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

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

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

d. notwithstanding any law to the contrary, such amounts as may be transferred from a reserve fund established pursuant to section six-n, six-p, or six-r of this article comprised of moneys raised from the same tax base as the moneys in the reserve fund, provided, that any such 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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public hearing held on at least fifteen days prior published notice in the official newspaper of the town of Saranac, if such town does not have an official newspaper, in at least one newspaper having general circulation in such town.

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

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

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

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

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

8. No member of the governing board shall:

a. authorize a withdrawal from a retirement contribution reserve fund for any purpose except as provided in this section; or

b. expend any money withdrawn from such fund for a purpose other than as provided in this section.

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

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

§ 2. This act shall take effect immediately.