S T A T E O F N E W Y O R K

5351--A

2013-2014 Regular Sessions

I N S E N A T E

May 16, 2013

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to authorize Chester S. Kasprzyk to apply for retroactive membership and service credit in the New York state and local employees' retirement system

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Notwithstanding any other provision of law, Chester S. Kasprzyk, a member of the New York state and local employees' retirement system employed by the county of Erie, who was employed by the sewer department of the town of Cheektowaga from July 1, 1975 to 1978, and who, for reasons not ascribable to his own negligence, failed to become a member of the New York state and local employees' retirement system while so employed by the town of Cheektowaga, shall be deemed to have joined the New York state and local employees' retirement system on July 1, 1975 and receive service credit in such retirement system for such employment by the town of Cheektowaga, if on or before December 31, 2014 he shall file an application therefor with the state comptroller. Upon the receipt of such application, Chester S. Kasprzyk shall be granted Tier II status in the New York state and local employees' retirement system and be eligible for all the rights and benefits thereof.

S 2. No contributions made to the New York state and local employees' retirement system by Chester S. Kasprzyk shall be returned to him pursuant to this act.

S 3. All past service costs of implementing the provisions of this act shall be borne by the town of Cheektowaga.

S 4. This act shall take effect immediately.

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

LBD11040-04-4

FISCAL NOTE.--This bill will deem Chester S. Kasprzyk, currently an employee of Erie County and a Tier 3 member of the New York State and Local Employees' Retirement System, to have first become a member of the Retirement System on July 1, 1975, thereby making him a Tier 2 member. There will be no refund of Tier 3 member contributions.

If this bill is enacted, we anticipate that there will be an increase of approximately $5,100 in the annual contributions of Erie County for the fiscal year ending March 31, 2015. In future years, this cost will vary as the billing rates and salary of Chester S. Kasprzyk change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $67,400 which would be borne by the town of Cheektowaga as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2015.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2013 actuarial valuation. Distributions and other statistics can be found in the 2013 Report of the Actuary and the 2013 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2010, 2011, 2012 and 2013 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes Rules and Regulations of the State of New York: Audit and Control.

The Market Assets and GASB Disclosures are found in the March 31, 2013 New York State and Local Retirement System Financial Statements and Supplementary Information.

I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

This estimate, dated May 30, 2014 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-141, prepared by the Actuary for the New York State and Local Employees' Retirement System.