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

S. 7416 A. 10164

S E N A T E - A S S E M B L Y

May 10, 2012

IN SENATE -- Introduced by Sen. FARLEY -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

IN ASSEMBLY -- Introduced by M. of A. BUTLER -- read once and referred to the Committee on Governmental Employees

AN ACT to allow Thomas Mellis and Josh Frye to join the optional twenty year retirement plan, city of Gloversville, county of Fulton

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 to the contrary, the city of Gloversville, in the county of Fulton, a participating employer in the New York state and local police and fire retirement system, which previously elected to offer the optional twenty year retirement plan, established pursuant to section 384-d of the retirement and social security law, to firefighters employed by such city, is hereby authorized to make participation in such plan available to Thomas Mellis and Josh Frye, firefighters employed by the city of Gloversville, who, for reasons not ascribable to their own negligence failed to make a timely application to participate in such optional twenty year retirement plan. Thereafter, Thomas Mellis and Josh Frye, may elect to be covered by the provisions of section 384-d of the retirement and social security law, and shall be entitled to the full rights and benefits associated with coverage under such section, by filing a request to that effect with the state comptroller on or before December 31, 2012.

S 2. All past service costs associated with implementing the provisions of this act shall be borne by the city of Gloversville and may be amortized over a period of five years.

S 3. This act shall take effect immediately.

FISCAL NOTE.-- Pursuant to Legislative Law, Section 50:

This bill will allow the City of Gloversville to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for firefighters Thomas J. Mellis and Joshua T. Frye.

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

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If this bill is enacted, and both Mr. Mellis and Mr. Frye become covered under Section 384-d, we anticipate that there will be an increase of approximately $8,000 in the annual contributions of the City of Gloversville for the fiscal year ending March 31, 2013.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $26,800 which would be borne by the City of Gloversville as a one time payment. This estimate is based on the assumption that payment will be made on February 1, 2013. If the City elects to amortize this cost over a period of five (5) years, the cost for the first year would be approximately $6,160.

Summary of relevant resources:

Data: March 31, 2011 Actuarial Year End File with distributions of membership and other statistics displayed in the 2011 Report of the Actuary and 2011 Comprehensive Annual Financial Report.

Assumptions and Methods: 2010 and 2011 Annual Report to the Comptroller on Actuarial Assumptions, Codes Rules and Regulations of the State of New York: Audit and Control.

Market Assets and GASB Disclosures: March 31, 2011 New York State and Local Retirement System Financial Statements and Supplementary information.

Valuations of Benefit Liabilities and Actuarial Assets: summarized in the 2011 Actuarial Valuations report.

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 April 16, 2012 and intended for use only during the 2012 Legislative Session, is Fiscal Note No. 2012-130, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.