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

S. 6382 A. 9182

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

February 2, 2012

IN SENATE -- Introduced by Sen. LAVALLE -- 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. THIELE -- read once and referred to the Committee on Governmental Employees

AN ACT to amend chapter 365 of the laws of 2011, relating to authorizing the village of Southampton, in the county of Suffolk, to offer certain retirement options to police officer Theodore Raffel, Jr., in relation to specifying the time frame under which the village of Southampton shall pay the costs for implementing such retirement options

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

Section 1. Sections 1 and 2 of chapter 365 of the laws of 2011, relating to authorizing the village of Southampton, in the county of Suffolk, to offer certain retirement options to police officer Theodore Raffel, Jr., are amended to read as follows:

Section 1. Notwithstanding any other provision of law to the contrary, the village of Southampton, in the county of Suffolk, a participating employer in the New York state and local police and fire retirement system, which previously elected to offer the optional retirement plan established pursuant to section 384-d of the retirement and social security law to police officers employed by such village, is hereby authorized to make participation in such plan available to Theodore Raffel, Jr., registration number 0A779322, a police officer employed by the village of Southampton, who, on the effective date of this act is covered under the provisions of section 375-i of the retirement and social security law, and who, for reasons not ascribable to his own negligence failed to make a timely application to participate in such optional retirement plan. The village of Southampton may so elect by filing with the state comptroller, on or before December 31, [2011] 2012, a resolution of its legislative body together with certification that such police officer did not bar himself from participation in such retirement plan as a result of his own negligence. Thereafter, such

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

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police officer 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 June 30, [2012] 2013.

S 2. All past service costs associated with implementing the provisions of this act shall be borne by the village of Southampton AND SHALL BE PAYABLE OVER A PERIOD OF FIVE YEARS.

S 2. This act shall take effect immediately.

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

This bill amends chapter 365 of the laws of 2011 which allows the Village of Southampton to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for police officer Theodore Raffel if he files an election by December 31, 2011. This amendment will grant officer Raffel and the Village of Southampton an additional year to elect Section 384-d and permit the Village of Southampton to amortize the past service cost over a five year period.

If this bill is enacted, and officer Theodore Raffel becomes covered under Section 384-d, we anticipate that there will be an increase of approximately $11,100 in the annual contributions of the Village of Southampton 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 $185,000 which would be borne by the Village of Southampton as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2013. If this cost is amortized over a five year period, the cost for the first year, including interest would be approximately $42,400.

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 December 16, 2011 and intended for use only during the 2012 Legislative Session, is Fiscal Note No. 2012-36, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.