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

7430

I N S E N A T E

May 15, 2012

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

AN ACT to authorize the city of Rochester, in the county of Monroe, to offer a certain retirement plan to certain police officers

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 Rochester, in the county of Monroe, 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 police officers employed by such city, is hereby authorized to make participation in such plan available to David Blaho, Kevin Powers, Lourdes Baez, Carol McDermott, MaryEllen Monahan-Kenny, and Liza Dann, police officers employed by the city of Rochester, who, for reasons not ascribable to their own negligence, failed to make a timely application to participate in such optional twenty-year retirement plan. The city of Rochester may so elect by filing with the comptroller, on or before December 31, 2012, a resolution of its city council together with certification that such police officers did not bar themselves from participation in such retirement plan as a result of their own negligence. Thereafter, such police officers 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, including eligibility for participation in the plan established pursuant to section 384-e of the retirement and social security law, by filing a request to that effect with the state comptroller on or before June 30, 2013.

S 2. All employer costs associated with implementing the provisions of this act shall be borne by the city of Rochester, and may be amortized over a ten-year period.

S 3. This act shall take effect immediately.

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

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

LBD15405-02-2

This bill will allow the City of Rochester to reopen section 384-d together with section 384-e of the Retirement and Social Security Law for police officers David Blaho, Kevin Powers, Lourdes Baez, Carol McDermott, MaryEllen Monahan-Kenny and Liza Dann.

If this bill is enacted during the 2012 legislative session and these police officers become covered under the provisions of section 384-d together with 384-e, we anticipate that there will be an increase of approximately $33,800 in the annual contributions of the City of Rochester 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 $772,000 which would be borne by the City of Rochester. This estimate is based on the assumption that payment will be made on February 1, 2013. If this cost is amortized over a ten year period, the cost for the first year, including interest would be approximately $105,000.

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 May 2, 2012 and intended for use only during the 2012 Legislative Session, is Fiscal Note No. 2012-142, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.