

7478--B

2013-2014 Regular Sessions

I N A S S E M B L Y

May 22, 2013

Introduced by M. of A. SANTABARBARA -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to allow Joel Lochner to join the optional twenty year retirement plan, city of Amsterdam, county of Montgomery

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 the city of Amsterdam, in the county of Montgomery, a participating
3 employer in the New York state and local police and fire retirement
4 system, which previously elected to offer the optional twenty year
5 retirement plan, established pursuant to section 384-d of the retirement
6 and social security law, to police officers employed by such city, is
7 hereby authorized to make participation in such plan available to Joel
8 Lochner, a police officer employed by the city of Amsterdam, who, for
9 reasons not ascribable to his own negligence failed to make a timely
10 application to participate in such optional twenty year retirement plan.
11 The city of Amsterdam may so elect by filing with the state comptroller,
12 on or before December 31, 2014, a resolution of its governing body
13 together with certification that such police officer did not bar himself
14 from participation in such retirement plan. Thereafter, Joel Lochner,
15 may elect to be covered by the provisions of section 384-d of the
16 retirement and social security law as a Tier 5 member, and shall be
17 entitled to the full rights and benefits associated with coverage under
18 such section, by filing a request to that effect with the state comp-
19 troller on or before December 31, 2014.

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

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

4 S 3. This act shall take effect immediately.

FISCAL NOTE.--This bill will allow the city of Amsterdam to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for police officer Joel Lochner.

If this bill were enacted, we anticipate that there will be an increase of approximately \$3,900 in the annual contributions of the city of Amsterdam for the fiscal year ending March 31, 2015. In future years this cost will vary as the billing rates and salary of police officer Joel Lochner change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$14,300 which would be borne by the city of Amsterdam as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2015. If the past service cost is amortized over a period of five (5) years, the past service costs for the first year including interest, would be approximately \$3,300.

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 February 27, 2014 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-92, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.