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

9582

I N  A S S E M B L Y

May 9, 2014

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

AN ACT to authorize the village of Alfred to offer an optional twenty year retirement plan to police officer Ryan McKee

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 village of Alfred, 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 village, is hereby authorized to make participation in such plan available to Ryan McKee, a police officer employed by the village of Alfred, who, for reasons not ascribable to his own negligence, failed to make a timely application to participate in such optional twenty year retirement plan. The village of Alfred may so elect by filing with the state comptroller, on or before December 31, 2014, a resolution of its local 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 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, 2015.

S 2. All employer past service costs associated with implementing the provisions of this act shall be borne by the village of Alfred and may be amortized over a ten year period.

S 3. This act shall take effect immediately.

FISCAL NOTE.--This bill will allow the Village of Alfred to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for police officer Ryan P. McKee.

If this bill is enacted and Officer McKee becomes covered under the provisions of Section 384-d, we anticipate that there will be an

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

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increase of approximately $4,300 in the annual contributions of the Village of Alfred for the fiscal year ending March 31, 2015. In future years, this cost will vary as the billing rates and salary of Officer McKee change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $3,670 which would be borne by the Village of Alfred as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2015. If the Village of Alfred so elects, this cost may be amortized over a period of ten (10) years. The cost for the first year, including interest, would be approximately $500.

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 December 19, 2013 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-43, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.