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I N A S S E M B L Y

June 6, 2014

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Katz) -- read once and referred to the Committee on Governmental Employees

AN ACT to authorize the town of Carmel, in the county of Putnam, to offer an optional twenty year retirement plan to police officers Robert Behan and James Evans

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 town of Carmel, in the county of Putnam, 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 town, is hereby authorized to make participation in such plan available to Robert Behan, a police sergeant, and James Evans, a police officer, employed by the town of Carmel, 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 town of Carmel may so elect by filing with the state comptroller, on or before December 31, 2014, a resolution of the town board 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 while so employed, by filing a request to that effect with the state comptroller on or before June 30, 2015.

S 2. All past service costs associated with implementing the provisions of this act shall be borne by the town of Carmel.

S 3. This act shall take effect immediately.

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

This bill will allow the Town of Carmel to reopen the provisions of Section 384-d of the Retirement and Social Security Law for police officers Robert Behan and James Evans.

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

LBD14889-02-4

If this legislation is enacted during the 2014 legislative session, and officers Behan and Evans become covered by the provisions of Section 384-d of the Retirement and Social Security Law, we anticipate that there will be an increase of approximately $20,100 in the annual contributions of the Town of Carmel for the fiscal year ending March 31, 2015. In future years, this cost will vary as the billing rates and salary of Robert Behan and James Evans change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $67,900, which will be borne by the Town of Carmel as a one-time payment, assuming a payment date of February 1, 2015.

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 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 May 12, 2014 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-129, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.