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

8073

I N S E N A T E

June 10, 2016

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

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, 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, 2017, 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, 2018.

S 2. All past service 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 Legistlative Law Section 50:

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

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This bill would allow the city of Rochester to reopen the provisions of Section 384-d together with 384-e of the Retirement and Social Security Law for police officers David Blaho, MaryEllen Monahan-Kenny and Liza Dann.

If this bill is enacted during the 2016 legislative session, we anticipate that there will be an increase of approximately $21,700 in the annual contributions of the city of Rochester for the fiscal year ending March 31, 2017. In future years, this cost will vary as the billing rates and salaries of these officers change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $291,000, which would be borne by the city of Rochester as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2017. If the city of Rochester elects to amortize this cost over a 10 year period, the cost for the first year would be $38,700.

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, 2015 actuarial valuation. Distributions and other statistics can be found in the 2015 Report of the Actuary and the 2015 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 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, 2015 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 June 9, 2016, and intended for use only during the 2016 Legislative Session, is Fiscal Note No. 2016-101, prepared by the Actuary for the New York State and Local Retirement System.