§ 16. Annual appropriation by state. a. Upon the basis of each annual actuarial valuation and appraisal provided for in this article, the comptroller, on or before the fifteenth day of October of each year, shall prepare and file with the director of the budget and the chairperson of the senate finance committee and the assembly ways and means committee an itemized estimate of the amounts necessary to be appropriated by the state to the pension accumulation fund and the New York state public employees group life insurance plan for the next fiscal year and an estimate of the payments required for the current fiscal year. Such amounts shall be sufficient to provide for payment in full for (i) the estimated obligations of the state to the retirement system for such respective fiscal years; and (ii) any actual obligations of the state to the retirement system remaining unpaid from the prior fiscal year, plus interest on such amount to be paid in the next fiscal year. If, the state overpaid its actual obligation to the retirement system for the prior fiscal year, the amount estimated in the filing required by this subdivision for the next fiscal year shall reflect the amount of such overpayment, plus interest on such amount, as a reduction in amounts that would otherwise be estimated to be due the retirement system from the state. The amount appropriated or so much thereof as may be required shall be paid from the state treasury on warrant of the comptroller into the pension accumulation fund and the New York state public employees group life insurance plan, as appropriate, on or before March first of each state fiscal year. The amount paid shall be based on an estimate provided by the comptroller which shall reflect the most recent data on annual salary and other related components, and be calculated in accordance with pension benefits authorized as of that time. Such estimate shall be provided by the comptroller within fifteen days of a request by the director of the budget. For the purposes of this section, "interest" shall mean the rate or rates of interest used in the actuarial valuations covering the period of time over which such interest is computed.

b. On or before the fifteenth day of October of each year the comptroller shall file with the director of the budget and the chairperson of the senate finance committee and the assembly ways and means committee an itemized estimate of the expenses of the retirement

system for the ensuing year. The director of the budget may revise and amend such estimate. After such revision and amendment, if any, such director shall approve the same for inclusion in the executive budget. No monies shall be paid out of the pension accumulation fund for such expenses unless expenditures therefor shall have been authorized by law.

c. Whenever the compensation of any member of the retirement system is paid from a special or administrative fund provided for by law, all contributions to the retirement system including a proportionate share of the administrative expense thereof, which otherwise would be chargeable to the general fund of the state, shall, with the approval of the director of the budget, be paid from such special or administrative fund.

d. Such estimated amounts provided in subdivision a of this section shall be revised to reflect updated information, including trends in salary growth and investment earnings through November thirtieth of the current fiscal year and resubmitted to the director of the budget and the chairperson of the senate finance committee and the assembly ways and means committee on or before December fifteenth of the current fiscal year. A revised actuarial estimate, including an explanation of any changes from the estimates submitted on October fifteenth of the current fiscal year, shall also accompany such resubmission.

e. By February seventh of the current fiscal year, the comptroller shall notify the director of the budget and the chaiperson of the senate finance committee and the assembly ways and means committee of his or her revised estimate of the state's contribution to the pension accumulation fund and the New York state public employees group life insurance plan for the current and next fiscal years based on updated information through January thirty-first of the current fiscal year. Such notification shall be accompanied by a revised actuarial estimate, including an explanation of any changes from the estimate submitted on December fifteenth of the current fiscal year.

f. After reviewing the estmates and submissions for the next fiscal year, the director of the budget, after consultation with the

comptroller's office, shall include the necessary item of appropriation for the next fiscal year payment in the next annual appropriation bill presented to the legislature. Such consultation shall include discussions regarding the reasons and assumptions used for any potential adjustments to prior estimates and submissions and, to the extent feasible or appropriate, reflect actual calculations provided by the comptroller's office. The director of the budget shall also include in such appropriation bill, if necessary, an appropriation equal to the amount of unpaid obligations of the state to the retirement system for the prior fiscal year.

g. Such estimates provided in subdivisions a, d and e of this section shall be accompanied by an actuarial report stating the assumptions used in calculating each of the estimates, including but not limited to:

1. projected growth in the billable salary base from the prior fiscal year, in total and by tier for the state and local governments for each retirement system;

2. composition of the portfolio;

3. return on common stock investments, expressed as a percentage;

4. calculation of the actuarial value of common stock;

5. return on investments other than common stock, expressed as a percentage; and

6. itemization of the change from the state's prior year contribution, either actual or estimated, due to legislative changes in benefits, tier shift, salary base growth, investment return, and any other factors deemed appropriate for explaining such change.

h. In addition to the above mentioned reporting requirements, the actuarial report shall also include the following information for each retirement system for the current fiscal year and estimated amounts for the next fiscal year:

1. the post-retirement supplemental payments and a description of the handling of such amounts in the valuation;

2. the group life insurance plan (GLIP) costs and assets allocated to GLIP;

3. the administrative expenses and a description of the handling of such amount in the valuation;

4. the market value and actuarial asset value of equities;

5. a state reconciliation of the amounts paid and the final amounts for the two prior fiscal years.