

RESOLUTION NO. _____

WHEREAS, the City of Alexandria 55200 employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the City of Alexandria 55200 employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the City of Alexandria 55200 may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2013, to each such employee in service on June 30, 2013, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the percentage increase in the member contribution paid by such pursuant to this resolution (For example, if the member contribution paid by the employee increases from two to three percent pursuant to this resolution, the employee must receive a one percent increase in creditable compensation.)

BE IT THEREFORE RESOLVED, that the City of Alexandria 55200 does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2013 (i.e., FY2014):

PLAN 1	Percent	PLAN 2	Percent
Employer Paid Member Contribution	3%	Employer Paid Member Contribution	0%
Employee Paid Member Contribution	2%	Employee Paid Member Contribution	5%
Total	5%	Total	5%

(NOTE: Each column must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the City of Alexandria 55200 in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick-up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the City of Alexandria 55200 under the pick-up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick-up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick-up contributions made by the City of Alexandria 55200 directly instead of having them paid to VRS;

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the City of Alexandria 55200 shall be reduced by the amount of member contributions picked up by the City of Alexandria on behalf of such employee pursuant to the foregoing resolutions; and

BE IT FURTHER RESOLVED, that in accordance with the Appropriation Act, no salary increases that were provided solely to offset the cost of required member contributions to the Virginia Retirement System under §51.1-144 of the Code of Virginia will be used to certify that the salary increases required by the Appropriation Act have been provided ; and

NOW, THEREFORE, the officers of City of Alexandria 55200 are hereby authorized and directed in the name of the City of Alexandria 55200 to carry out the provisions of this resolution, and said officers of the City of Alexandria 55200 are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City of Alexandria for this purpose.

ADOPTED _____ (date)

William D. Euille

Mayor

ATTEST:

Jackie M. Henderson, MMC, City Clerk

This resolution must be passed prior to July 1, 2013 and received by VRS no later than July 10, 2013.