

## RESOLUTION NO. 2675

**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 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 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, 2015, to each such employee in service on June 30, 2015, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the percentage increase of 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 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, 2015 (i.e., FY 2016):

PLAN 1	Percent
Employer Paid Member Contribution	1%
Employee Paid Member Contribution	4%
Total	5%

PLAN 2	Percent
Employer Paid Member Contribution	0%
Employee Paid Member Contribution	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 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 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 directly instead of having them paid to VRS; and

**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 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

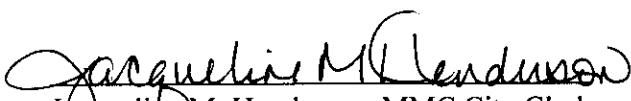
**BE IT FURTHER RESOLVED**, that no salary increases provided solely to offset the cost of required member contributions to the Virginia Retirement System under § 51.1-144 of the Code of Virginia will be used to certify that any salary increases required by the Appropriation Act have been provided.

**NOW, THEREFORE**, the officers of the City of Alexandria are hereby authorized and directed in the name of the City of Alexandria to carry out the provisions of this resolution, and said officers 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: May 12, 2015

  
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**WILLIAM D. EUILLE    MAYOR**

ATTEST:

  
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Jacqueline M. Henderson, MMC City Clerk