



# CITY OF POQUOSON

FINANCE DEPARTMENT

500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996

May 9, 2016

**TO:** City Council

**FROM:** Theresa Owens, Finance Director

**THROUGH:** Randy Wheeler, City Manager

**SUBJECT:** Virginia Retirement System (VRS) Resolution

The Appropriation Act from prior years allowed Political subdivisions to elect either the employer contribution rate certified by the Virginia Retirement System (VRS) or pay an alternate rate. Included in the budget is the alternate rate and therefore the City is required to pass a resolution electing to use the alternate rate. Legislation requires the certifications to be passed by July 1, 2016.

Attached for consideration is the required resolution electing the alternate rate.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION CERTIFYING THE EMPLOYER CONTRIBUTION RATES  
FOR COUNTIES, CITIES, TOWN, SCHOOL DIVISIONS AND OTHER  
POLITICAL SUBDIVISIONS  
(In accordance with the 2016 Appropriation Act Item 475(I))**

**WHEREAS**, The City of Poquoson is a participant in the Virginia Retirement System (VRS); and

**WHEREAS**, each biennium the Board of Trustees of VRS establish an employer contribution rate; and

**WHEREAS**, the 2016 Appropriation Act Item 475(I)(1) requires that an employer pay the contribution rate certified by the VRS Board of Trustees ("Certified Rate"), unless the employer elects to pay an alternate rate as described in Item 475(I)(2) ("Alternate Rate"); and

**WHEREAS**, if an employer wishes to pay the Certified Rate, then the employer need not take action on this resolution; and

**WHEREAS**, if an employer wishes to pay the Alternate Rate established in the 2016 Appropriation Act, then the employer must pass this resolution on or before July 1, 2016, to elect the Alternate Rate; and

**WHEREAS**, any local public school division that elects to pay the Alternate Rate must receive a concurrence of its local governing body documented by a resolution of the governing body on or before July 1, 2016;

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the City of Poquoson, 55365, does hereby elect to pay the Alternate Rate and acknowledges that its contribution rate effective July 1, 2016 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) ninety percent of the results of the June 30, 2015 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2016-2018 biennium; and

**Section 2:** That the City of Poquoson, 55365, does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the Alternate Rate of 8.79% effective July 1, 2016.

**Section 3:** That the City of Poquoson, 55365, does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of their resolution.

**Section 4:** That the officers of the City of Poquoson, 55365, are hereby authorized and directed in the name of the City of Poquoson to carry out the provisions of this resolution, and said officers of the City of Poquoson 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 Poquoson for this purpose.

**Section 5:** That this resolution shall be in effect on July 1, 2016.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_

**City Clerk**