

**Appomattox Town Council
Municipal Building, Council Chambers
210 Linden Street
Appomattox, VA 24522**

Monday, May 14, 2018

7:30 p.m. - Regular Council Meeting

(Location: Appomattox Municipal Building, 210 Linden Street, Appomattox, Virginia)

- I. Call to order and welcome to visitors**
- II. Prayer & Pledge of Allegiance to the Flag of the United States of America**
- III. Scheduled Public Appearances**
- IV. Mayor's Comments**
- V. Adoption of the Consent Agenda – May 14, 2018**

All matters listed under consent agenda are considered routine by the council and will be approved or received by one motion in the form listed. Items may be removed from the consent agenda for discussion under the regular agenda upon motion of any council member and duly seconded.
- VI. Unfinished Business**
- VII. New Business**
 - 1. Consideration of VRS Group Life Insurance Resolution
 - 2. Consideration of VRS Resolution to Elect the Alternate Rate
 - 3. Consideration of Commonwealth of Virginia 457 Deferred Compensation Plan Employer Adoption Agreement for All Employees
 - 4. Consideration of Commonwealth of Virginia 457 Deferred Compensation Plan Resolution
 - 5. Consideration of Resolution – Authorization to Pick up the Employees Contribution to VRS for Past Service Credit under §414(h) of the Internal Revenue Code.
- VIII. Council Standing Committee Reports**
- IX. Citizen Comment Period**
- X. Town Manager's Report**

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Appomattox, VA 24522**

XI. Council Concerns

XII. Closed Session

Closed Session, pursuant to Section 2.2-3711 (A) 1 of the Code of Virginia, 1950, as amended, for the purpose of performance and salaries of specific public employees of any public body, specifically Employees A and B.

XIII. Closed Session Certification

XIV. Adjournment

P. O. BOX 705
210 LINDEN STREET
APPOMATTOX, VA 24522

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Town of Appomattox



MAYOR
PAUL D. HARVEY

COUNCIL MEMBERS:
STEVEN T. CONNER
M. ERIN FINCH
TIMOTHY W. GARRETT
C. LEWIS MCDEARMON, JR.
CLAUDIA G. PUCKETTE
MARY LOU SPIGGLE

CLERK OF COUNCIL
ROXANNE W. CASTO, MMC

VRS GROUP LIFE INSURANCE RESOLUTION

BE IT RESOLVED that the Appomattox Town Council, a local political subdivision, of the Commonwealth of Virginia, acting by and through the Town of Appomattox, does hereby elect to have those of its employees who are regularly employed full time on a salaried basis and whose tenure is not restricted as to temporary or provisional appointment, become eligible to participate in the Group Life Insurance program as set out in Title 51.1, Chapter 5 of the Code of Virginia, as amended, effective July 1, 2018 and

BE IT FURTHER RESOLVED, the Town of Appomattox agrees to pay the required employer cost for its eligible employees and further, to deduct from employees' wages and to pay over in the manner prescribed the employees' portion to the extent that such employees' portion is not paid by the Town of Appomattox.

Now, therefore, Paul D. Harvey, Mayor and Roxanne W. Casto, Clerk, are hereby authorized and directed in the name of the Town of Appomattox to execute any required contract in order that employees of the Town of Appomattox may become eligible to participate in the Group Life Insurance program as provided in the aforementioned sections of the Code of Virginia. In execution of any contract which may be required the seal of the Town of Appomattox shall be affixed and attested by the Clerk, and said officers of the Town of Appomattox 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 Town of Appomattox and its employees for this purpose.

CERTIFICATE

I, _____, Clerk of the Town of Appomattox certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Appomattox Town Council held at the Appomattox Municipal Building, Appomattox, Virginia at 7:30 o'clock p.m. on May 14, 2018. Given under my hand and the seal of the Town of Appomattox this _____ day of _____, 20__.

Clerk



VIRGINIA RETIREMENT SYSTEM
P.O. Box 2500
Richmond, VA 23218-2500

Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Subdivisions
(In accordance with the 2018 Appropriation Act Item 474(I))

Resolution to Elect the Alternate Rate

WHEREAS, the 2018 Appropriation Act, Item 474(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 474(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 2018 Appropriation Act, then the employer must pass this resolution on or before July 1, 2018, to elect the Alternate Rate; and

WHEREAS, any local public school division that elects to pay the Alternate Rate must receive the concurrence of its local governing body, documented by a resolution of the governing body, on or before July 1, 2018;

NOW, THEREFORE, BE IT RESOLVED, that the [insert Locality, School Division, or Other Political Subdivision Name] Town of Appomattox ("the Employer") [insert employer code] 55358, does hereby elect to pay the Alternate Rate and acknowledges that its contribution rate effective July 1, 2018 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) one-hundred percent of the results of the June 30, 2017 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2018-20 biennium; and

BE IT FURTHER RESOLVED, that the Employer does hereby certify to the Virginia Retirement System Board of Trustees that it agrees to pay the Alternate Rate of [insert Alternate Rate provided in the attached cover letter] 6 % effective July 1, 2018; and

BE IT FURTHER RESOLVED, that the Employer does hereby acknowledge that, if it is a school division, this resolution shall not become effective unless the Virginia Retirement System receives the concurrence of its local governing body documented by a resolution of the local governing body dated on or before July 1, 2018; and

BE IT FURTHER RESOLVED, that the Employer 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 this resolution.

NOW, THEREFORE, the officers of the Employer are hereby authorized and directed in the name of the Employer to carry out the provisions of this resolution, and said officers of the Employer 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 Employer for this purpose.

Governing Body/School Division Chairman

CERTIFICATE

I, [insert name] _____, [insert title] _____ of the Employer, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Employer held at [insert county/city/town] _____, Virginia at [insert time] _____ on [insert date] _____, 2018. Given under my hand and seal of the Employer this _____ day of _____, 2018.

(signature)

**This resolution must be passed on or before July 1, 2018 and
mailed to VRS postmarked no later than July 5, 2018.**



Virginia
Retirement
System

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2500
Richmond, VA 23218-2500

Commonwealth of Virginia 457 Deferred Compensation Plan
Employer Adoption Agreement for All Employees

THIS AGREEMENT (the "Agreement"), executed this [insert date] ____ day of _____, 20____, is by and between [insert Locality, School Division, or Other Political Subdivision] _____ Town of Appomattox _____ (the "Employer") and the Virginia Retirement System (the "Plan Sponsor") (hereinafter collectively referred to as the "Parties").

WITNESSETH

WHEREAS, the Commonwealth of Virginia established the Commonwealth of Virginia 457 Deferred Compensation Plan (the "Plan") and the Master Trust for the Plan (the "Trust") pursuant to § 51.1-600 et seq. of the *Code of Virginia*, as amended, and Internal Revenue Code ("IRC") § 457(b), including both Roth and Traditional options; and

WHEREAS, pursuant to § 51.1-603.1 of the *Code of Virginia*, as amended, the Employer desires to enter into this Agreement with the Plan Sponsor to permit participation in the Plan by its eligible employees; and

WHEREAS, the Employer is an "eligible employer" within the meaning of IRC § 457(e)(1)(A); and

WHEREAS, pursuant to § 51.1-603.1(B) of the *Code of Virginia*, as amended, the Employer may establish and automatically enroll certain employees in the Plan upon hire; and

WHEREAS, the Employer, by a resolution of its governing body, has directed its responsible official to enter into this Agreement;

NOW, THEREFORE, in consideration of the premises herein, the Parties agree as follows:

- 1) The Plan Sponsor and the Employer represent and warrant that each shall comply with all applicable laws and policy.
- 2) The Plan Sponsor represents to the Employer that the Plan Sponsor shall provide sufficient services to administer the Plan.
- 3) The Employer acknowledges and agrees to the terms and conditions established in the Trust and the Plan.
- 4) For purposes of the Employer's participation in the Plan, "employees" shall mean all "employees" as defined in § 51.1-600 of the *Code of Virginia*.

- 5) The Employer shall permit the Plan Sponsor's third party administrator ("TPA") to conduct group and individual meetings on the Employer's premises for the purpose of explaining the Plan or enrolling employees.
- 6) The Employer shall permit the Plan Sponsor and the TPA to communicate directly with eligible employees about plan information and enrollment.
- 7) The Employer shall remit contributions under the Plan to the TPA in accordance with procedures promulgated by the Plan Sponsor or the TPA. The Employer shall correctly report and withhold employees' wages in accordance with applicable laws and policy.
- 8) The Employer shall make the appropriate contributions (including associated matching contributions to another plan, if applicable) required under Internal Revenue Service regulations and the Plan Sponsor procedures to correct any failure (i) to inform an employee of the opportunity to defer, (ii) to allow an employee to defer, or (iii) to implement automatic enrollment, reenrollment, or an election or election change by an employee.
- 9) Should the Employer offer its employees deferred compensation plans in addition to the Plan, then the Employer is responsible for monitoring all plans to ensure that no participants exceed the maximum deferral limits under IRC § 457.
- 10) If the Employer so desires, it may check the box below and sign the statement of acknowledgment to automatically enroll certain employees in the Plan in a manner prescribed by the Plan Sponsor, subject to an employee (i) commencing employment or reemployment on or after the first day of [insert month and year]_____, July 2018_____ but no sooner than the date established and confirmed by the Plan Sponsor, (ii) not participating in the Hybrid Retirement Plan described in § 51.1-169 of the *Code of Virginia*, and (iii) not having affirmatively elected to participate in the plan described in § 51.1-602 of the *Code of Virginia* or a 403(b) plan. If the Employer does not check the box and sign the statement of acknowledgment, then the Employer shall not automatically enroll its employees in the Plan.

☐ By checking this box and signing this statement of acknowledgment, the Employer agrees to automatically enroll in the Plan in a manner prescribed by the Plan Sponsor, all employees who (i) commence employment or reemployment on or after the first day of [insert month and year]_____ but no sooner than the date established and confirmed by the Plan Sponsor, (ii) do not participate in the Hybrid Retirement Plan described in § 51.1-169 of the *Code of Virginia*, and (iii) have not affirmatively elected to participate in the plan described in § 51.1-602 of the *Code of Virginia* or a 403(b) plan. _____

Signature

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- 11) If applicable, the Employer acknowledges it is solely the responsibility of the Employer to instruct the Plan Sponsor's TPA where to map assets from the Employer's existing plan to the available investments under the Plan. Neither the Plan Sponsor nor the Plan Sponsor's TPA will advise or recommend to the Employer how to map assets from the Employer's existing plan.
 - 12) The Employer acknowledges asset transfers from an existing plan with the Employer into the Plan may need to be made over more than one day depending upon the facts and circumstances of each case.
 - 13) The Employer acknowledges upon termination of this Agreement asset transfers out of the Plan may need to be made over more than one day depending upon the facts and circumstances of each case.
 - 14) This Agreement may be amended from time to time only by written agreement between the Plan Sponsor and the Employer.
 - 15) The term of this Agreement shall be for at least a three-year period beginning on the date of its execution and, thereafter, may be terminated by either party upon written notice to the other party, which termination shall become effective on a date established by the Plan Sponsor.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed, intending to be bound thereby.

Employer

Virginia Retirement System

By: _____

By: _____

Title: _____

Title: _____

Date: _____, 20__

Date: _____, 20__



Virginia
Retirement
System

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2500
Richmond, VA 23218-2500

Commonwealth of Virginia 457 Deferred Compensation Plan Resolution

WHEREAS, the [insert Locality, School Division, or Other Political Subdivision Name]
Town of Appomattox (the "Employer"), acting by and through [insert name of
governing body] the Appomattox Town Council, desires to adopt the Commonwealth of Virginia 457 Deferred Compensation Plan (the "Plan") for its employees as defined in the adoption agreement between the Employer and the Virginia Retirement System (the "VRS"); and

WHEREAS, the Plan, which includes both Roth and Traditional options, is authorized by the *Code of Virginia* § 51.1-600 et seq. and Internal Revenue Code § 457(b), and political subdivisions are authorized to participate in such Plan by the *Code of Virginia* § 51.1-603.1; and

NOW, THEREFORE, BE IT RESOLVED, that the Employer hereby approves the adoption of the Plan for its employees in accordance with applicable law and policy; and

BE IT FURTHER RESOLVED, that the Employer's staff is hereby directed to implement the Plan effective the first day of [insert month and year] July 2018 but no sooner than the date established and confirmed by VRS.

NOW, THEREFORE, the officers of the Employer are hereby authorized and directed in the name of the Employer to carry out the provisions of this resolution, enter an adoption agreement with VRS, and pay such sums as are due to be paid by the Employer for this purpose.

Governing Body Chair

CERTIFICATE

I, [insert name], [insert title] of the Employer, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Employer held at [insert county/city/town], Virginia at [insert time] on [insert date], 20__. Given under my hand and seal of the Employer this ____ day of ____, 20__.

Signature

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Town of Appomattox



MAYOR
PAUL D. HARVEY

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CLAUDIA G. PUCKETTE
MARY LOU SPIGGLE

CLERK OF COUNCIL
ROXANNE W. CASTO, MMC

RESOLUTION

Authorization to Pick up the Employees Contribution to VRS for Past Service Credit under § 414(h) of the Internal Revenue Code

WHEREAS, the _Appomattox Town Council___ desires to provide its employees with tax deferral pursuant to § 414 (h) Internal Revenue Code (IRC) with respect to their member contributions to the Virginia Retirement System, the State Police Officers' Retirement System (collectively referred to as VRS) for the permissible purchase of past service credit by picking up member contributions to the VRS; and

WHEREAS, the pick up is authorized under § 51.1-142.2 of the Code of Virginia, as amended from time to time; and

WHEREAS, the VRS keeps track of such picked up member contributions, and is prepared to treat such contributions as employee contributions for all purposes of VRS;

NOW, THEREFORE, IT IS HEREBY RESOLVED that effective the first pay day on or after the later of ___July 1, 2018___ or the date the member executes a binding and irrevocable salary reduction election relating to the past service permitted to be purchased, the ___Town of Appomattox___ shall pick up all or a portion of the member contributions of its employees to VRS based on the terms of the salary reduction election, and such contributions shall be treated as employer contributions in determining tax treatment under the IRC; and it is further

RESOLVED, the binding salary reduction election to be executed by the member shall include the following: (1) the beginning and ending date of the election, (2) the amount of the salary reduction on a pay period basis, (3) the total amount of contribution expected to be involved, (4) a statement that the member may not receive the contributed amounts instead of having them paid by the ___Town of Appomattox___ to the VRS, and (5) an agreement that the member will not purchase the service credit through a lump sum payment during the period in which the salary reduction election is in effect; and it is further

RESOLVED, the member may revoke the salary reduction election only in the event of an unforeseeable emergency as that phrase is used and defined in IRC § 457 and applicable Treasury Regulation and if such a revocation is made, the member may not make a new salary reduction election during his period of employment; and it is further

RESOLVED, that such contributions, although designated as member contributions, are to be made by the ____Town of Appomattox ____ in lieu of member contributions; and it is 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 it is further

RESOLVED, that member contribution made by the ____Town of Appomattox____ 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 it is further

RESOLVED, that nothing herein shall be construed as to permit or extend an option to VRS members to receive the pick up contributions made by the ____Town of Appomattox____ directly instead of having them paid to VRS; and it is further

RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the ____Town of Appomattox____ shall be reduced by the amount of member contributions picked up by the ____Town of Appomattox____ on behalf of such employee pursuant to the foregoing resolutions.

Adopted in _____, Virginia this _____ day of _____, _____.

Printed Authorized Signature Title

Authorized Signature Title