

1 | **Appomattox Town Council**
Regular Council Meeting
May 14, 2018

The Appomattox Town Council held a Regular Council meeting on Monday, May 14, 2018 at 7:30 p.m. at the Appomattox Municipal Building, 210 Linden Street, Appomattox, Virginia with Mayor Harvey, presiding.

Members present: Timothy W. Garrett, C. Lewis McDearmon, Jr., Mary Lou Spiggle, M. Erin Finch, Steven T. Conner and Claudia G. Puckette.

Others present: Nathan Simpson, Mr. and Mrs. James Boyce, Carlton Duck and Derek Norfield, Alive Media TV; Kim Ray, Town Treasurer; Gary Shanaberger, Town Manager and Roxanne W. Casto, Clerk of Council.

Mayor Harvey called the meeting to order.

Rev. Carlton Duck led the prayer and Pledge of Allegiance to the Flag of the United States of America.

Scheduled Public Appearances:

None

Mayor's Comments:

None

Consent Agenda:

On a motion by Mr. Garrett, seconded by Ms. Finch, Council voted to approve the consent agenda for May 14, 2018 as presented. All members present voting aye. Motion carried.

Unfinished Business:

None

New Business:

On a motion by Ms. Spiggle, seconded by Mrs. Puckette, Council voted to adopt the following VRS Group Life Insurance:

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

All members present voting aye. Motion carried 6-0.

On a motion by Mr. McDearmon, seconded by Mrs. Puckette, Council voted to adopt the VRS Resolution to Elect the Alternate Rate:

NOTE: The language in this resolution has been approved by VRS Benefits Counsel and is not subject to modification.



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

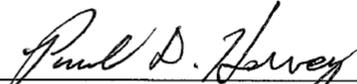
BE IT FURTHER RESOLVED, that the Employer does hereby acknowledge that, if it is a school division, this resolution shall not become effective unless the Virginia Retirement System receives the concurrence of its local governing body documented by a resolution of the local governing body dated on or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



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

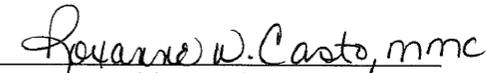
NOW, THEREFORE, the officers of the Employer are hereby authorized and directed in the name of the Employer to carry out the provisions of this resolution, and said officers of the Employer are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to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



Governing Body/School Division Chairman

CERTIFICATE

I, [insert name] Doranne W. Casto, [insert title] Clerk of Council
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] Appomattox, Virginia at [insert
time] 7:30pm on [insert date] May 14, 2018. Given under my hand and seal of the
Employer this 15 day of May, 2018.



(signature)

All members present voting aye. Motion carried 6-0.

On a motion by Mr. Conner, seconded by Ms. Spiggle, Council voted to adopt the Commonwealth of Virginia 457 Deferred Compensation Plan Employer Adoption Agreement for All Employees:

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

THIS AGREEMENT (the "Agreement"), executed this [insert date] _14th__ day of _____ May _____, 20_18__, 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] _____ July 2018 _____ 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

- 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__

All members present voting aye. Motion carried 6-0.

On a motion by Mr. Conner, seconded by Mr. Garrett, Council voted to adopt the Commonwealth of Virginia 457 Deferred Compensation Plan Resolution:

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

All members present voting aye. Motion carried 6-0.

On a motion by Ms. Spiggle, seconded by Ms. Puckette, Council voted to adopt the Authorization to Pick Up the Employees Contribution to VRS for Past Service Credit under §414(h) of the Internal Revenue Code:

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

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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

All members present voting aye. Motion carried 6-0.

Standing Committee Reports:

None

Citizen Comment Period:

None

Town Manager's Report:

Mr. Shanaberger reported on the following:

- Continues to update the contract with the Architect for the Train Depot.
- Jeff Garrett, Chairman, EDA and Mr. Shanaberger have begun visiting with Downtown Businesses and Property Owners regarding the Downtown Revitalization Grant. The business and property owners appear to be grateful for the Town EDA's willingness to help with a portion of the payment. On June 12, 2018 there will be a local business and property owners meeting – possibly at the Train Depot.
- Mr. Shanaberger thanked staff for assisting in getting information to Hurt & Proffitt for the Utility Rate Study.
- He attended the Artisan Festival held at the Courtland Festival Park last weekend.
- It will likely be a couple of more weeks before the bathrooms at the Kiddie Park are open.

Council Concerns:

Mr. Conner questioned if the Town has any AirBnB's? VML sent out something to members and he didn't know if we had any.

Closed Session:

On a motion by Council Member Spiggle, seconded by Council Member Finch, Council voted to convene in 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.

Vote:

Garrett – yes, McDearmon – yes, Spiggle – yes, Finch – yes, Conner – yes, Puckette – yes.

The meeting was re-opened to the public.

Council Member Garrett made the following motion:

WHEREAS, the Council of the Town of Appomattox has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by Town Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Appomattox Town Council hereby certifies that to the best of each members knowledge: (1) Only public business matters lawfully exempted from open meetings requirements by Virginia law were discussed in the closed meeting to which this certificate resolution applies, and (2) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by this council.

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The motion was seconded by Council Member Finch and Council by the following recorded vote adopted the motion:

Vote:

Garrett – yes, McDearmon – yes, Spiggle – yes, Finch – yes, Conner – yes, Puckette – yes.

Motion carried 6-0.

On a motion by Mr. Garrett, seconded by Mrs. Puckette, Council voted to rescind a motion made on April 24, 2018 to give Employees A & B a \$10,000 bonus each. All members present voting aye. Motion carried 6-0.

On a motion by Mr. Garrett, seconded by Mr. Conner, Council voted to give a \$5,000 bonus and a \$5,000 salary increase to Employees A & B. All members present voting aye. Motion carried.

On a motion by Mr. Conner, seconded by Mr. Garrett, Council adjourned at 8:20 p.m. All members present voting aye. Motion carried 6-0.

Roxanne W. Casto, MMC
Clerk of Council

Paul D. Harvey, Mayor