



P.O. Box 12164  
RICHMOND, VA 23241  
804/649-8471



1207 E. MAIN STREET  
SUITE 300  
RICHMOND, VA 23219  
804/788-6652

March 31, 2010

Honorable Robert F. McDonnell  
Governor  
Commonwealth of Virginia  
P.O. Box 1475  
Richmond, Virginia 23218

Dear Governor McDonnell:

In the next few months local councils and boards of supervisors will adopt balanced budgets based on reductions in state funding, declining local revenues and increased service requirements.

It is imperative that local officials have the necessary flexibility to reconcile scarce resources with the public's demand for services.

We support the language in HB 30 that authorizes local governments to require that current employees pay a share of the five percent employee contribution to the Virginia Retirement System. We hope that you will not seek to amend or veto this language.

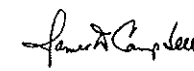
Currently, most local governments make these payments on behalf of their employees. But, retaining the flexibility to have employees pay a portion of the employee contribution to VRS is an option. It is an option that local officials will have to weigh against other options, including layoffs, furloughs, salary reductions, tax increases, and service reductions.

Local councils, boards of supervisors and school boards are in the best position to determine which options are most appropriate for their communities and their taxpayers. These will not be easy decisions, but having a range of options to consider will allow for better decisions to emerge.

We appreciate your consideration of our request, and are available to provide you with any information you need.

Sincerely,

  
Executive Director, VML

  
Executive Director, VACo

Cc: Eric Finkbeiner, Senior Advisor for Policy