



SOUTH CENTRAL REGIONAL TRANSIT DISTRICT BOARD OF
DIRECTORS

**Special Board Meeting
AGENDA**

Wednesday, July 18, 2018, 1:30 PM

The following is the agenda for a special meeting of the Board of Directors of the South Central Regional Transit District to be held by phone on Wednesday, July 18, 2018 at 1:30 PM or in person at the Mesilla Valley Intermodal Transit Terminal (MVITT) located at 300 W. Lohman Avenue.

Digital recordings and/or minutes will be made and will be available on request.

The SCRTD does not discriminate based on race, religion, sex, sexual orientation, gender identity, color, ancestry, serious medical condition, national origin, age, or disability in the provision of services.

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Call to Order

1. Roll Call
2. Changes to the Agenda
3. Public Input
4. Action items:
 - a. A Resolution of the State of New Mexico PERA Addressing the Tax Treatment Under the Internal Revenue Code
5. Board Comment
6. Adjourn

#4 Action Items:

- a. A Resolution of the State of New Mexico PERA Addressing the Tax Treatment Under the Internal Revenue Code

RESOLUTION NO. 19-03

**RESOLUTION AUTHORIZING EMPLOYER PICK-UP OF MEMBER
CONTRIBUTIONS FOR DETERMINING
TAX TREATMENT UNDER THE INTERNAL REVENUE CODE**

WHEREAS, the employees of South Central Regional Transit District, with few exceptions, are members of the Public Employees Retirement Association of New Mexico; and

WHEREAS, members have mandatory PERA contributions deducted from their compensation and paid to PERA; and

WHEREAS, members must pay federal income tax on the mandatory PERA contributions deducted from their compensation; and

WHEREAS, Section 414(h) of the Internal Revenue Code provides for the exclusion of such contributions from current income if the contributions are picked-up by the members' employer; and

WHEREAS, the Governing Body of South Central Regional Transit District has the authority to establish the compensation plan(s) for employees of the South Central Regional Transit District;

NOW, THEREFORE, BE IT RESOLVED by the State of New Mexico, acting by and through the Public Employees Retirement Association, that the South Central Regional Transit District, as employer, shall pick-up the member contributions required of all PERA members in its employ. The picked-up member contributions shall be treated as employer contributions for the purpose of determining tax treatment under the Internal Revenue Code. Member contributions picked-up shall not be included in the employee's gross income for tax purposes until such time as the picked-up contributions are distributed by refund or annuity payments.

South Central Regional Transit District shall pick-up the member contributions from funds established and available in the payroll account, which funds would otherwise have been designated as member contributions, deducted from the member's salary and paid to PERA. Member contributions picked-up pursuant to this resolution shall be treated for all other purposes the same as member contributions made prior to the effective date of this resolution.

South Central Regional Transit District will ensure that it has the expertise and equipment to implement the change in payroll records and the preparation of W-2 forms at the end of each calendar year.

Adoption of this resolution is applicable to, and incorporates by reference, South Central Regional Transit District resolution that adopted the following Coverage Plan: PERA General Plan 1.

PASSED, APPROVED AND ADOPTED BY THE GOVERNING BODY OF THE SCRTD ON THIS 18TH DAY OF JULY 2018.

SCRTD

By: Javier Perea, Chair & Mayor, Sunland Park

ATTEST:

David Armijo, Executive Director