



47                                   **MUNICIPAL FIRE MEMBER COVERAGE PLAN 4**  
48                                   **AND AUTHORIZING 60% PICK UP OF MEMBER CONTRIBUTIONS**  
49

50           **WHEREAS**, the Public Employees Retirement Act, NMSA 1978, Sections 10-11-1, et  
51 seq. (2003), establishes the Public Employees Retirement Association and authorizes Municipal  
52 Fire Member Coverage Plan 4 (Section 10-11-104 through Section 10-11-109, NMSA 1978)  
53 which provides a plan for retirement of Municipal Fire members at three one-hundredths percent  
54 (3.0%) pension factor per year of service which would then provide for sixty percent (60%) of  
55 final average salary at 20 years of service with a maximum of eighty percent (80%) of final  
56 average salary at 26 years and 8 months of service under which the municipal employer  
57 contributes twenty one and twenty five one-hundredths percent (21.25%) and the member  
58 contributes twelve and eight one-hundredths percent (12.8%) of each member's salary to the state  
59 retirement fund; and  
60

61           **WHEREAS**, NMSA 1978, Section 10-11-104, requires that adoption of Municipal Fire  
62 Member Coverage Plan 4 be by election by a majority of the affected members.  
63

64           **WHEREAS**, NMSA 1978, Section 10-11-5 authorizes affiliated public employers to be  
65 responsible for making contributions of up to seventy-five percent of its employees' member  
66 contributions to PERA under certain conditions.  
67

68           **WHEREAS**, NMSA 1978, Section 10-11-5(A) requires such Resolution shall be  
69 irrevocable and shall apply to all Municipal Fire member employees of the Town of Bernalillo.  
70

71                                   **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
72 **TOWN OF BERNALILLO:**  
73

74           That an election shall be held on \_\_\_\_\_, 2009, upon the question of adoption of  
75 Municipal Fire Member Coverage Plan 4 pursuant to the requirements of NMSA 1978, Section  
76 10-11-104; and  
77

78           That the Town Clerk, or his or her designee be, and hereby is, designated as the  
79 representative of the Town of Bernalillo who is responsible for the conduct of the election and  
80 for the purpose of canvassing and verifying the results of such election and that he or she be, and  
81 hereby is, authorized to certify on behalf of the Town of Bernalillo the results of the election to  
82 the Public Employees Retirement Board immediately following the election.  
83

84  
85           That pursuant to NMSA 1978, Section 10-11-5, the Town of Bernalillo hereby elects to  
86 be responsible for picking up sixty percent (60%) of employee contributions if the Town of  
87 Bernalillo fire members elect to adopt Municipal Fire Member Coverage Plan 4. Employee

88 contributions would be five and twelve one-hundredths percent (5.12%) and employer  
89 contributions would be twenty eight and ninety three one-hundredths (28.93%) of each member's  
90 contributions in the Municipal Fire Member Coverage Plan 4.

91  
92 Mayor Chávez entertained a motion.

93  
94 Councilor Jaramillo made a motion to adopt Resolution 12/08/08 Authorizing an Election for  
95 Adoption of Municipal Fire Member Coverage Plan 4 and Authorizing 60% Pick up of Member  
96 Contributins. Councilor Torres seconded the motion and, it carried unanimously.

97  
98 **NEW BUSINESS: 8b) Discussion, Consideration, and Action on Adoption of**  
99 **Resolution 12/08/08A Authorizing Employee Pick Up of Member Contributions for**  
100 **Determining Tax Treatment Under the Internal Revenue Code. Presenter: Yolanda Mora**

101  
102 **RESOLUTION NO. 12/08/08A**

103  
104 **RESOLUTION AUTHORIZING EMPLOYER PICK UP**  
105 **OF MEMBER CONTRIBUTIONS FOR DETERMINING**  
106 **TAX TREATMENT UNDER THE INTERNAL REVENUE CODE**

107  
108  
109 WHEREAS, the employees of the Town of Bernalillo, with few exceptions, are members  
110 of the Public Employees Retirement Association of New Mexico; and

111  
112 WHEREAS, members have mandatory PERA contributions deducted from their  
113 compensation and paid to PERA; and

114  
115 WHEREAS, members must pay federal income tax on the mandatory PERA  
116 contributions deducted from their compensation; and

117  
118 WHEREAS, Section 414(h) of the Internal Revenue Code provides for the exclusion of  
119 such contributions from current income if the contributions are picked up by the members'  
120 employer; and

121  
122 WHEREAS, the Governing Body of Town of Bernalillo has the authority to establish the  
123 compensation plan(s) for employees of the Town of Bernalillo;

124  
125 NOW, THEREFORE, BE IT RESOLVED by the State of New Mexico, acting by and  
126 through the Public Employees Retirement Association, that the Town of Bernalillo, as employer,  
127 shall pick-up the member contributions required of all PERA members in its employ. The  
128 picked-up member contributions shall be treated as employer contributions for the purpose of

129 determining tax treatment under the Internal Revenue Code. Member contributions picked up  
130 shall not be included in the employee's gross income for tax purposes until such time as the  
131 picked-up contributions are distributed by refund or annuity payments.  
132

133 The Town of Bernalillo shall pick up the member contributions from funds established  
134 and available in the payroll account, which funds would otherwise have been designated as  
135 member contributions, deducted from the member's salary and paid to PERA. Member  
136 contributions picked up pursuant to this resolution shall be treated for all other purposes the same  
137 as member contributions made prior to the effective date of this resolution.  
138

139 The Town of Bernalillo will ensure that it has the expertise and equipment to implement  
140 the change in payroll records and the preparation of W-2 forms at the end of each calendar year.  
141

142 Adoption of this resolution is applicable to, and incorporates by reference, the Town of  
143 Bernalillo resolution that adopted the following Coverage Plan: Municipal General Member  
144 Coverage Plan 4; Municipal Police Member Coverage Plan 4 and Municipal Fire Member  
145 Coverage Plan 1.  
146

147 Mayor Chávez entertained a motion.  
148

149 Councilor Jaramillo made a motion to approve Resolution 12/08/08 Authorizing Employee Pick  
150 Up of Member Contributions for Determining Tax Treatment Under the Internal Revenue Code.  
151 Councilor Sisneros seconded the motion and carried unanimously.  
152

153 **EXECUTIVE SESSION: 9a)10-15-1(H) 8 Discussion of Acquisition of Real**  
154 **Property. Presenter: Stephen Jerge**  
155

156 A motion was made to go into executive session under section 10-15-1 (H) 8 meeting for the  
157 discussion of Acquisition of Real Property.  
158

159 Councilor Torres moved to go into executive session at 6:55P.M. The motion was seconded by  
160 Councilor Montoya and carried unanimously.  
161

162 Councilor Jaramillo moved to go back into regular session at 7:09 P.M. The motion was  
163 seconded by Councilor Sisneros and carried unanimously.  
164

165 Mayor Chávez stated that no action was taken in executive session.  
166

167 **Discussion of Acquisition of Real Property. Presenter: Stephen Jerge**

168 Stephen Jerge presented the purchase of Lot 2 commercial property at Veranda Plaza 1.022 acres.  
169 Councilor Jaramillo moved to purchase commercial property Lot 2 at Veranda Plaza. The motion

170 was seconded by Councilor Sisneros and carried unanimously.

171 **FINANCIAL SECTION: 10a) Approval of Account Payable List.**

172 Councilor Jaramillo moved to approve the Accounts Payable List totaling \$230,746.26 as  
173 presented. The motion was seconded by Councilor Montoya and carried unanimously.

174

175 There being no further business the meeting was adjourned at 7:25P.M.

176

177 Done this 08th day of December 2008.

178

179

180 ATTEST:

181

182

183 \_\_\_\_\_  
184 Ida Fierro, Town Clerk

(seal)

\_\_\_\_\_  
Patricia A. Chávez, Mayor