



## ALBUQUERQUE HOUSING AUTHORITY

*“Empowering people in our community through affordable housing and self-sufficiency opportunities.”*

BOARD OF HOUSING COMMISSIONERS  
RESOLUTION NO. 2014-10

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

**WHEREAS**, the employees of the Albuquerque Housing Authority (AHA), with few exceptions, are members of the Public Employees Retirement Association (PERA) of New Mexico (NM); and

**WHEREAS**, members of PERA 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 (IRC) of the United States provides for the exclusion of such contributions from current taxable income if the contributions are picked up by the members' employer; and

**WHEREAS**, the AHA Board of Housing Commissioners, the Governing Body of the Albuquerque Housing Authority, has the legal authority to establish the compensation plan(s) for employees of the Albuquerque Housing Authority;

**NOW, THEREFORE, BE IT RESOLVED** by the State of New Mexico, acting by and through the Public Employees Retirement Association (PERA), that the Albuquerque Housing Authority, as employer, shall pick-up the member contributions required of all PERA of NM 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.

The Albuquerque Housing Authority 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.

The Albuquerque Housing Authority will ensure that either that it maintains or has access to resources with the expertise and equipment to implement the change in payroll records and the preparation of Internal Revenue Service (IRS) W-2 forms at the end of each calendar year.





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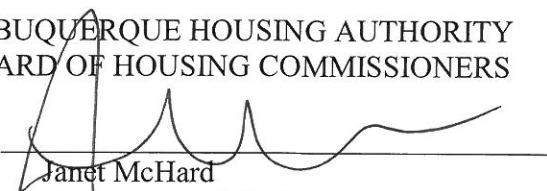
Adoption of this resolution is applicable to, and incorporates by reference, Albuquerque Housing Authority Resolution 2013-16 – “Authorization to apply to the PERA of NM to be an Affiliated Public Employer”, whereby the AHA Board determined to irrevocably include AHA employees and retirees under the coverage of the Public Employee Retirement Act. See section 2 on page 2 of AHA R-2013-16 under which AHA applied for membership in PERA, as a component unit of the City of Albuquerque, by the following Coverage Plan: Municipal General Member Coverage Plan 3 of PERA of NM, the current Pension Plan for existing employees of the City of Albuquerque.

PASSED AND ADOPTED this 16<sup>th</sup> day of April, 2014  
BY A VOTE OF 4 FOR, AND 0 AGAINST.

Members Absent: 1

Members voting against: 0

ALBUQUERQUE HOUSING AUTHORITY  
BOARD OF HOUSING COMMISSIONERS


By:   
Janet McHard  
Chairperson of the Board

ATTEST:

  
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Linda Bridge, Secretary to the Board and Executive Director

APPROVED AS TO FORM:

  
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Brian A. Eagan, Assistant City Attorney

