

SPECIAL MEETING OF THE COUNCIL  
OF THE  
CITY OF DEARBORN

March 24, 2009

The Council convened at 5:33 P.M., President Pro Tem of the Council Nancy A. Hubbard presiding. Present at roll call were Councilmembers Abraham, Darany, Thomas and President Pro Tem of the Council Hubbard. Absent: Councilmembers Sareini, Shooshanian and Tafelski. A quorum being present, the Council was declared in session.

DATE : March 12, 2009  
TO : City Clerk  
FROM : Mayor John B. O'Reilly, Jr.  
SUBJECT : Special Council Meeting

You are hereby requested to call a Special Meeting of the City Council to be held on Tuesday, March 24, 2009 at 5:30 P.M. in the Mayor's Conference Room of the City Hall for the following purposes:

1. To take action to adopt MERS; close Chapter 23; and to adopt ordinances amending the Defined Contribution Plan, and
2. To consider such other items of business that may properly come before the Council in relation to the above subject matters.

S/John B. O'Reilly, Jr.  
Mayor

By Hubbard supported by Thomas.

3-196-09. WHEREAS: The City Council of the City of Dearborn whose fiscal year is July 1 to June 30, desires to make available to its eligible employees (as defined below) benefits provided by the Municipal Employees' Retirement System of Michigan (MERS), as authorized by 1996 P.A. 220. Benefits available are those provided under the Plan Document of 1996; be it

RESOLVED: That pursuant to the Initial Actuarial Valuation dated January 1, 2009, by MERS' actuary, MERS benefits stated in Section 1 below are to be provided to the following employee division (e.g., general, police and fire, DPW, union, non-union): Police hired on or after July 1, 2005.

Please note: If no Initial Valuation has been done by MERS' actuary on the specific benefit program (or combination of programs) selected below; or the Initial Valuation is more than one (1) year old at the time MERS' coverage becomes effective as provided under Section 4 of this Resolution; then, per Retirement Board requirements, the Resolution will not be implemented until a current actuarial valuation is done by MERS' actuary and necessary supporting contribution rates certified.

1. Benefit programs/formulae (e.g., B-2 / DROP + / F 55 / V-8 / FAC 3 / E-2) selected are: B-4/F50/V-10/FAC3/D-2.
2. The required employee contribution is 5%. (May be any percentage in hundredths of a percent, not to exceed ten [10] percent, unless higher rate is established by collective bargaining agreement accompanying this Resolution).
- 3.1 Prior service credit with this municipality/court rendered previously by each covered employee in the division is subject to and shall be credited as provided under Section 2C(3) of the MERS Plan Document and Reinstated Initial Actuarial Valuation and Supplemental Valuation Procedure (Form 06) (as approved by the Retirement Board), whose respective terms are incorporated by reference.

Choose only one:

- A. \_\_\_ All prior service from date of hire
- B. \_\_\_ Portion of prior service (actual service up to \_\_\_ years; or \_\_\_%)
- C. \_\_\_ Prior service proportional to assets transferred.
- D. X No prior service (if D selected, go to Section 4).

- 3.1 B. NOTE: 100% EMPLOYEE PAID.
- 3.2 The Initial Valuation discloses the actuarial reduction in the employer's future contribution rate that will occur where assets of a preceding qualified plan (whether defined benefit or defined contribution plan) and/or other source are transferred to MERS.
- 3.3 In all asset transfers, the employer shall furnish MERS with all necessary and specific information required by MERS on the allocation of employer and employee contributions and investment earnings, along with taxable and nontaxable status on the employee contribution portion.
4. The effective date of this Resolution for making deductions for the employee contributions specified above, and for the payment of necessary employer contributions to MERS, as required in the Plan Document, shall be the same date that MERS' coverage begins, which is April 1, 2009.
5. For municipalities, Plan Section 41 requires adoption by affirmative vote of a majority of the governing body; for courts, see Plan Section 41A. A complete copy of the fully executed collective bargaining agreement (if applicable), and certified copy of the complete official minutes or other official authorizing action for the open meeting at which this resolution was adopted must be forwarded to MERS with this resolution.

The resolution was adopted as follows: Yeas:  
Abraham, Darany, Hubbard and Thomas (4). Nays: None.  
Absent: Sareini, Shooshanian and Tafelski (3).

By Hubbard supported by Thomas.

3-197-09. WHEREAS: The City of Dearborn is a participating municipality in the Municipal Employees' Retirement System of Michigan ("MERS"), and

WHEREAS: Pursuant to the Municipal Employees' Retirement Board requirements, effective January 1, 2004, monthly contribution payments will be required to be paid electronically, (eBill) and for those municipalities not doing so, an administrative fee will be assessed, and

WHEREAS: Pursuant to 2002 P.A. 738 authorizing electronic transactions of public funds, the governing body of a municipality must authorize electronic transactions, and

WHEREAS: The City of Dearborn wishes to be in compliance with the electronic payment of monthly contributions, and accordingly will initiate both the time and which invoices it intends to pay; now therefore be it

RESOLVED: That the governing body directs the electronic payment of future MERS invoices subject to initiation and timing of the payment as directed by this municipality's authorized official.

The resolution was adopted as follows: Yeas: Abraham, Darany, Hubbard and Thomas (4). Nays: None. Absent: Sareini, Shooshanian and Tafelski (3).

Councilmember Sareini entered the Mayor's Conference Room at 5:39 P.M.

Councilmember Darany introduced Ordinance No. 09-1220, entitled, "An Ordinance to Amend the City of Dearborn Police and Fire Revised Retirement System (Chapter 23).

The Clerk read the Ordinance by title.

The President Pro Tem of the Council announced that this was the first reading of the Ordinance.

By Abraham supported by Hubbard.

3-198-09 RESOLVED: That proposed Ordinance No. 09-1220 be laid on the table.

The resolution was adopted as follows: Yeas: Abraham, Darany, Hubbard, Sareini and Thomas (5). Nays: None. Absent: Shooshanian and Tafelski (2).

By Hubbard supported by Thomas.

3-199-09. WHEREAS: The City of Dearborn, Michigan (the "Employer") has previously established the City of Dearborn 401(a) Defined Contribution Plan (the "Plan"), which was adopted effective October 1, 2001, and

WHEREAS: The Employer has reserved the right to amend the Plan from time to time, and

WHEREAS: The Employer has negotiated a change to the contribution rates for Police and Fire members only; therefore, be it

RESOLVED: That Section 4.1 of the City of Dearborn 401(a) Defined Contribution Plan be and is hereby amended to add a new Subsection (c) to read as follows effective July 1, 2009:

- (c) The City of Dearborn DC Plan contribution table effective July 1, 2009 for Police and Fire only is as follows\*:

Employee	Employer
Mandatory 5%	5%
Matching 5%	5% (1% increments of matching)

\* Requires waiver of participation in social security.

be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was adopted as follows: Yeas: Abraham, Darany, Hubbard, Sareini and Thomas (5). Nays: None. Absent: Shooshanian and Tafelski (2).

Councilmember Shooshanian entered the Mayor's Conference Room at 5:42 P.M.

Councilmember Darany left the Mayor's Conference Room at 6:00 P.M.

Councilmember Sareini left the Mayor's Conference Room at 6:17 P.M.

There being no further business, upon a motion duly made, seconded, and adopted, the Council then adjourned at 6:30 P.M.

APPROVED:

THOMAS P. TAFELSKI  
President of the Council

ATTESTED:

KATHLEEN BUDA  
City Clerk