



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Ronald Yee
President

Gilbert J. Cox
Vice-President

Hugh S. Macdonald
Secretary Treasurer

Mary Etta Kreklau
Recording Secretary

Douglas Wadlin
Sergeant-At-Arms

Richard Noelke
John McCall
James Sockolosky
Executive Board

Faith Cairgle
Charles Parker
Jerry Smith
Trustees

Membership Meeting

February 13, 2018

The meeting was called to order at 1:00 PM by Vice-President Cox. The meeting was opened with the Pledge of Allegiance.

PRESENT: Cairgle, Cox, Kreklau, Macdonald, McCall, Parker, Sockolosky and Smith

EXCUSED: Noelke and Yee

ABSENT: None

ROLL CALL OF OFFICERS: Brother Pendracki made the motion, properly supported by Brother Macdonald, to accept the roll call of officers. The motion carried.

Sub-Chapter 38 minutes for the Executive and Membership meetings are recorded to help the Recording Secretary to produce minutes for each meeting. Pursuant to the previous direction of the membership these recordings shall be disposed of as soon as reasonably possible after the Sub-Chapter 38 membership has approved the minutes. The minutes are not or intended to be an actual verbatim record of the proceedings but are summarized notes of the agenda items, motions maker of the motion, votes and lengthy discussions.

CORRESPONDENCE

1 Michigan Alliance for Retired Americans - January 2018 newsletter highlighting 2017 accomplishments, Dr. Wendell Anthony press statement denouncing Donald Trump, the Women's' March and urging members to run for precinct delegate. There was no date or location provided for the next membership meeting. Receive and File

2. Secretary-Treasurer - Letter to Michigan Council 25, Region 2 PEOPLE announcing the Sub-Chapter Representatives to the Region 2 PEOPLE Committee. Receive and File

3. Secretary-Treasurer - Letter to Michigan State AFL-CIO and Metro Detroit AFL-CIO announcing the Sub-Chapter representative to those organizations. Receive and File
4. AFSCME International Copy of the financial statements for the period ending September 30, 2017. These reports show a financially healthy union. Receive and File
5. Blue Cross/Blue Shield - Announcing the designation of Mr. Jason Turner as the Senior Market Relations Representative – Labor Relations. Receive and File
6. Michigan AFSCME - Announcement of a Statewide PEOPLE Conference on Saturday, March 10, 2018 at the Westin Hotel, Southfield, Michigan from 10:00 AM to 2:00 PM – Refer to PEOPLE Comm.

Motion by Brother Macdonald, properly supported by Sister Cairgle to receive and file Items 1-5 referring Item 6 to the PEOPLE Committee. Motion carried.

READING OF MINUTES

Brother Macdonald made the motion, properly supported by Brother Pendracki, to waive the reading and approve the minutes of the Executive Board meeting of January 9, 2018, leaving the record open to the end of the meeting for corrections, additions, or deletions and adopt as corrected. The motion carried.

Brother Macdonald made the motion, properly supported by Brother Pendracki, to waive the reading and approve the minutes of the Membership meeting of January 9, 2018, leaving the record open to the end of the meeting for corrections, additions, or deletions and adopt as corrected. The motion carried.

REPORT OF OFFICERS

PRESIDENT: No report this month.

VICE-PRESIDENT:

The Labor Coalition meeting for the month of February is Wednesday, February 28, 2018, noon at Council 25 offices. The WCERS meeting is Monday, February 26th, at 9:15, 28 W. Adams.

Motion by Brother Macdonald, properly supported by Brother Pendracki, to accept the Vice-President's report. The motion carried.

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$116,723.33 in cash and investments as of January 31, 2018. There are 1455 current members with 215 participating in the PEOPLE Plan and (5) members lost this calendar year due either death or cancellation.

Motion by Brother Macdonald, properly supported by Brother Pendracki, to accept the Treasurer report as presented. The motion carried.

Secretary-Treasurer Report, Comments and Announcements

Three (3) Retiree Grievances

There are three (3) grievances filed by AFSCME and its Local Unions relating to pension issues. The three (3) grievances deal with the following issues:

1. **Pension Funding:** AFSCME takes the position that the retirement ordinance is incorporated into the various CBAs and that the Union has a right to arbitrate the fact that Wayne County has not funded the pension plan.
2. **Elimination of 13th Check:** The second grievance dealt with the changes Evans and the County Commission made when he first came into office to eliminate the funding of the 13th check, taking that money (\$32+ million) away from retirees and using the thirty-two + million dollars, in the “13th check account, as a County contribution to the pension system.
3. **Medical Insurance for Disability Retirees:** For (30) years, the County had a practice which was supported by the various CBAs and by the pension ordinance which provided that people who retired on a duty or non-duty disability pension were entitled to medical insurance as part of their retirement. In 2010, CEO Ficano eliminated this program and the Union filed an unfair labor practice and won. The County then filed a challenge in the Michigan Court of Appeals and the Court of Appeals ruled that the matter must be resolved by way of grievance arbitration.

On March 27, 2107 Judge Susan Hubbard, Wayne County Circuit Court, issued an Opinion and Order that (1) denied arbitration on the matter of **Pension Funding**, (2) granted the AFSCME motion mandating arbitration on the matter of **“Elimination of 13th Check”**, and (3) denied arbitration on the matter of **“Medical Insurance for Disability Retirees”** stating that the proper forum was a separate lawsuit to enforce the Michigan Court of Appeals ruling. Judge Hubbard’s Opinion and Order has been appealed by both parties. The appeals are waiting to be placed on the Michigan Court of Appeals calendar (Case No. 337964). No change since our January 2018 meeting.

FOUR (4) UNFAIR LABOR PRACTICES CHARGES V. WAYNE COUNTY

There are four (4) Unfair Labor Practice charges filed by AFSCME and its local 3317 some of which relate to pension issues. These (4) Unfair Labor Practices deal with the following issues:

1. **Surface Bargaining:** AFSCME charges that Wayne County refused to bargain claiming the Wayne County deficit elimination Plan was all that could be offered.
2. **Regressive Economic Offer:** In 2015 the Ficano administration tendered its economic offer. The Evans Administration withdrew the its economic proposal and replaced it with a reduced economic proposal while Deputy CEO Kaufman reported to the Wayne County Commission that administration had purposely withheld information from the bargaining process that over \$60 million was on deposit at the Wayne County Treasurer in the Delinquent Tax Revolving Fund(s).
3. **Imposition of a Labor Contract:** CEO Evans imposed a labor contract on Local 3317 claiming that the Emergency Manager Statute (EMS) gave him that ability. The EMS does provide the CEO the ability to impose wages, hours and certain other terms and conditions but only after 30 days of **good faith** bargaining and only after any existing contract expires. The Local 3317 labor contract was on an open ended extension that precluded bargaining on retirement issues until 2020. Local 3317 also contend that Wayne County did **not** bargain in

good faith during the 30 day period and that retirement issues are among those terms that the EMS statute provides cannot be imposed.

4. **Failure to Bargain:** Following the release of Wayne County from the EMS consent agreement by the State Treasurer, Local 3317 sought immediate contract bargaining pursuant to ACT 312. Wayne County refused to accept any dates for the required arbitration and retaliated by imposing “draconian” new working conditions.

The hearings are now complete and the recommended decision by the ALJ is pending.

RETIREE COALITION TO PROTECT PUBLIC SECTOR BENEFITS

As previously reported this Sub-Chapter along with the other Wayne County retiree organizations has hosted two (2) gatherings of public service retiree groups from throughout Michigan during which a strategy for defending retirees from anticipated attacks on their pensions and benefits was formulated. The Leadership Committee had monitored the group organized by Snyder called “Responsible Retirement Reform for Local Government Task Force”. The published report reflects the efforts of labor and retiree representatives approach to a realistic and reasonable response to the problems. The Republican caucus introduced legislation that goes well beyond the report in destroying public service retirees’ pension and benefits and including an Emergency Manager Type group with powers to attack retirees as never before seen. The leadership Committee, with Nick Ciarimatero of AFSCME, leading the way with legislators resulted in legislation adopted the task force recommendations. It is anticipated that the Republican caucus will attempt to pass legislation that re-instates the original bills from 2017. Make no mistake, this battle is not over and we cannot afford to lose. We have to continue to monitor this legislature.

WAYNE COUNTY LAWSUIT TO SEAT EVAN’S BOARD

Wayne County CEO Evans filed a lawsuit against the Wayne County Employees’ Retirement System Commissioners (WCERS) demanding the ability to seat his handpicked WCERS Board by expanding the Board to ten (10) members while eliminating one (1) active employee Commissioner and one (1) retired member Commissioner. Following an intense lobbying effort by your Retiree leadership the Wayne County Commission intervened on our behalf. Judge Leslie Kim Smith issued an opinion on July 31, 2017 denying Evans the ability to seat his WCERS Board. Not surprisingly Wayne County has filed an appeal with the Michigan Court of Appeals. The appeal is waiting to be placed on the Michigan Court of Appeals calendar (Case No. 339714).

The Wayne County Commission Committee on Government Operation considered and denied a request from Evans, dated August 3, 2017, to increase the contract for the Fink law firm from \$35,000 to \$70,000. The Fink law firm represents Evans in this lawsuit with the Commission as a defendant. The County Commission on November 16, 2017 considered the Committee action and denied the Evan’s request. An incorrect transcript of the last court hearing was delivered and the attorneys are attempting to agree on the necessary correction. As a result the briefing period has not begun.

PRESCRIPTION CO-PAY SETTLEMENT

This Sub-Chapter continues to reconcile stipends for the Non-Medicare eligible retirees. The latest reconciliation is through the February 1, 2018 pension payment. As of February 1, 2018, approximately ten (10) accounts of which seven (7) are apparent underpayments and three (3) are overpayments based upon the calculations made by this Sub-Chapter. Sub-Chapter 38 is also attempting to gather information about the Medicare eligible stipend administration at Genesis Employee Benefits. On December 12, 2017 three (3) grievances were sent to Wayne County demanding resolution of some of these issues. The grievance process is included in the settlement agreement and includes an expedited arbitration process. Wayne County responded to the grievances on January 12, 2018 agreeing to the underpayments cited in the grievances and clarifying the retiree status to our satisfaction for the rest leaving one disability retiree situation unclear. Notwithstanding agreeing to the underpayments Wayne County did not process the underpayment on February 1, 2017. A fourth grievance was filed on January 9, 2018 concerning another disability retirement situation and we still waiting on a county response. An inquiry made to Wayne County received the response, on February 12 2018, indicating they were still researching the Sub-Chapter objections to the County response grievance and Grievance #4. The Sub-Chapter plans to file another grievance since two (2) new underpayment situations have been encountered.

Wayne County has also been out on notice that should Wayne County attempt to impose any unilateral change to settlement class member pension or benefit status, the Sub-Chapter will see them in court the next day.

ANNOUNCEMENTS

None.

Motion by Brother Lykes, properly supported by Brother Pendracki, to accept the Secretary's report. The motion carried.

Brother Pendracki made a motion, properly supported by Sister Cairgle, to ratify the action of the Executive Board this date to reappoint all standing committees with their existing committee members for Subchapter 38. The motion carried.

COMMITTEE REPORTS-

Chapter 255 – Brother Henry Lykes, President, Chapter 255, was present and gave an update on current issues with the Chapter. AFSCME International has not forwarded any monies to the new Chapter as they have indicated they would. The Chapter has complied with everything the International has requested in order to receive funding, but nothing has happened so far. PEOPLE Committee: The first meeting will be held in Lansing with the second meeting scheduled in our area; hopefully, here at the UAW 182 Hall. So far, the meetings have been accomplished by conference calls due to the distance delegates need to drive.

The Michigan ARA Elections are coming up. He indicated that he needs information from Brother Macdonald for upcoming newsletters.

Motion by Sister Cairgle to accept Brother Lykes report, properly supported by Sister Hyde-Shelton. The motion carried.

PEOPLE Committee: Sister Julie Bauman announced that she had attended the Michigan AFL-CIO 2018 Legislative Convention in January 2018. She gave an overview of the meeting. She recommends that for anyone that can attend, they should attempt to attend at least one forum where the various candidates for governor are available. Different democratic clubs along with the AFL-CIO are hosting these forums.

Upcoming events in our area are tonight Gretchen Whitmer, candidate for Governor, will hold a meet and greet at the Allen Park Wheat and Rye at 7 pm. Precinct Delegates are invited but space is limited. Saturday, February 17th at 1 pm there is an event for Dr. Abdul El-Sayaaad, candidate for Governor, at 1 pm Anchor Bay, 450 W. Fort St, Detroit regarding the Detroit agenda.

The United Precinct Delegates are holding a meeting on Thursday, March 8th from 5 to 7 pm at the Hamtramck Public Library Auditorium, 2350 Caniff, Hamtramck.

AFSCME and ten other unions are holding a Working Person's Day of Action, Saturday, February 24th from 10:30 am to 1:30 pm at the Northwestern Activity Center, 18100 Meyers, Detroit, MI. The subject of this Day of Action is "Unrigging the System".

The Michigan AFSCME Council 25 Statewide PEOPLE Conference is Saturday, March 10, 2018 from 10 am to 2 pm at the Westin Hotel, Southfield, MI.

The 2018 Michigan Democratic Party Endorsement Convention is April 15 at COBO Hall. You must be a member of the Democratic Party for at least 30 days prior to the convention (March 16, 2018). AFSCME strongly recommends members consider becoming a Precinct Delegate.

We have also received in our Correspondence a notice of the MiARA Biennial Convention to be held on April 18, 2018 at UAW Region 1, 27800 George Merrelli Drive, Warren, MI. Registration begins at 9 am and the convention will convene at 10 am. Sister Bauman would recommend that the Sub-Chapter continue its affiliation with this organization at this time.

Motion by Brother Pendracki, properly supported by Sister Cairgle, to accept the PEOPLE Committee Report.

Motion by Brother Macdonald, properly supported by Brother Pendracki, to approve the \$350 annual affiliation costs for the MiARA. The motion carried.

Motion by Brother Macdonald, properly supported by Brother Pendracki, to approve reimbursement for any member attending the PEOPLE Conference on March 10, 2018. The motion carried.

UNFINISHED BUSINESS-None

NEW BUSINESS-Reminder to attendees – this is a UAW facility and as such, no foreign cars are allowed on the grounds.

What is the situation with new membership cards? Brother Lykes indicated that nothing is getting done now.

Brother Wadlin brought the Membership up to date regarding the current attempt to increase stipends for Medicare eligible retirees (non-mirror) and to give stipends to the mirror retirees' equivalent to the amount received by current employees.

GOOD AND WELFARE

Brother Cox issued a big "Thank You" to Brother Gary Rotter for providing the wonderful lunch today. There is also a big "Thank you" to Brother Patrick Meaker for remembering "Fat Tuesday" with Paczki's.

The Voters' Not Politicians Campaign is still looking for campaign workers to help make sure this ballot initiative is approved.

Brother Macdonald would like the membership to read the 18 panels on the wall in the back of the room which should be required reading for everyone.

There was a moment of silence for deceased members.

ADJOURNMENT:

Attendance Drawing:

Forty-six (46) members were in attendance.

The attendance drawing was follows:

\$20 - #43 – Delphine Fairbanks

\$10 - #29 – Barbara

\$10 - #36 – Henry Lykes

Motion by Brother Macdonald, supported by Brother Pendracki, to adjourn the meeting at 1:55 pm.