



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Executive Board Meeting

Ronald Yee
President

October 9, 2018

Gilbert J. Cox
Vice-President

The meeting was called to order at 11:30 AM by Vice-President Cox, and was opened with the Pledge of Allegiance. (President Yee and Brother Noelke attending Board of Commissioners' meeting in Detroit)

Hugh S. Macdonald
Secretary Treasurer

PRESENT: Cairgle, Cox, Kreklau, Macdonald, McCall (11:41), Noelke (11:53), Parker, Smith, Sockolosky, Smith, Wadlin and Yee (11:53)

Mary Etta Kreklau
Recording Secretary

EXCUSED: None

Douglas Wadlin
Sergeant-At-Arms

ABSENT: None

Richard Noelke
John McCall
James Sockolosky
Executive Board

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

Faith Cairgle
Charles Parker
Jerry Smith
Trustees

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

Subchapter 38 Annual newsletter dated September 18, 2018, announcing the constitutionally mandated election of a Trustee for the term ending with the October 2021 Membership meeting, plus current news and benefit information

Receive and File

Subchapter 38 Letter to Larry Roehrig, President, Council 25, AFSCME, dated September 28, 2018, expressing frustration over Council 25 political endorsement not originating from the regional PEOPLE Committee(s).

Receive and File

MiARA September 2018 newsletter including the MiARA Statewide ballot proposal recommendations and statewide candidate endorsements, plus a discussion of the Trump administration's position on privatization of the U.S. Postal Service.

Receive and File

Motion by Brother Macdonald, properly supported by Brother Wadlin, to receive and file all items. Motion carried.

READING OF MINUTES

Brother Macdonald made the motion, properly supported by Sister Cairgle, to waive the reading and approve the minutes of the Executive Board meeting of September 18, 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 Sockolosky, to waive the reading and approve the minutes of the Executive Board meeting of September 18, 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

VICE-PRESIDENT: The Labor Coalition meeting will be held on Friday, October 24th at noon in the Council 25 offices in Detroit. The WC Employee Retirement System Board meeting will be held on Friday, October 29th, at 9:15 am, 28 W. Adams, Detroit, MI. The post office box has been cleared as of this morning.

Motion by Sister Cairgle, properly supported by Brother Sockolosky, to accept the Vice-President's report. The motion carried.

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$123,249.66 in cash and investments as of September 30, 2018. There are 1,397 current members with 204 participating in the PEOPLE Plan and (75) members lost this calendar year due either death or cancellation. Brother Macdonald noted that no Chapter 255 dues had been paid since no Budget has been adopted and provided to Sub-Chapter 38 by Chapter 255.

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

2019 Proposed Budget

Brother Macdonald reviewed the proposed budget which is based on a membership of 1,375. The proposed budget is based on Receipts of \$32,776 and Disbursements of \$26,709. The proposed budget anticipates one sponsored meeting (October 2019) and provides for one (1) delegate to any convention at Sub-Chapter expense.

Motion Brother Macdonald, properly supported by Sister Cairgle, to approve the proposed budget as presented. The motion passed. (Secretary-Treasurer Report suspended to allow President's Report)

PRESIDENT

President Yee apologized for being late to the meeting but he and Brother Noelke were attending a meeting of the Ways and Means Committee of the Wayne County Board of Commissioners. On the agenda was a recommendation for a ten percent annual (10%) increase for elected officials

(excluding the Board of Commissioners). There was some support for tie-barring this increase to the stipend increase for the Retirees. The Committee decided to forward the recommendation to the full Board of Commissioners without a recommendation. However, it does appear there may not be enough votes to over-ride the CEO's veto of the stipend increase.

Motion by Brother Macdonald, properly supported by Sister Cairgle, to accept the President's report. The motion carried. (Business returned to the second half of the Secretary-Treasurer Report.)

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 September 20, 2018 the Michigan Court of Appeals issued a decision ruling that the Pension Funding issue was not subject to arbitration, affirmed that the Disability Retiree Health Care Benefits issue had previously been ruled as subject to arbitration and lastly that the elimination of the 13th Check was subject to arbitration. As of this report Wayne County has not appealed this ruling to the Michigan Supreme Court. Arbitration on the open matters has not been scheduled.

RETIREE COALITION TO PROTECT PUBLIC SECTOR BENEFITS

Sub-Chapter along with the other Wayne County retiree organizations has loosely organized many public employees groups, including police and fire, into a coalition for the purpose of protecting public employees' benefits and pensions. The Sub-Chapter has been alerted by some state legislators that some seriously anti-public sector employee/retiree legislation is being drafted for introduction during the "lame duck" session of the legislature following the general election. That coalition will be mobilizing in the near future to protect our interests. Rest assured that this membership will be asked to be involved by letter writing, telephone calls and possibly rallies.

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 briefing period ended on May 30, 2018. We now must wait on the court to schedule oral arguments which we do expect before the New Year. (Case No. 339714).

PRESCRIPTION CO-PAY SETTLEMENT

This Sub-Chapter continues to reconcile stipends for the Non-Medicare eligible retirees. The latest reconciliation is through the October 1, 2018 pension payment finding that nine (9) account balances remain incorrect of which three (3) are apparent underpayments and six (6) are overpayments. Since December 12, 2017 six (6) grievances have been filed with Wayne County demanding resolution of some Non-Medicare stipend issues. Two (2) of the above underpayments and one (1) overpayment are part of Grievance #1. Grievances #3 and a new Grievance #6 remain open pending additional information from Wayne County. Grievances #2, #4 and #5 have been withdrawn due to retiree ineligibility or lack of cooperation from the retiree. The group representing this Sub-Chapter continues to demand that Wayne County fulfill its obligations under the settlement agreement.

Sub-Chapter 38 is also attempting to gather information about the Medicare eligible stipend administrative process at Genesis Employee Benefits. It is becoming clear that the only resolution to Grievance #3 is a mutually acceptable Health Reimbursement Account Plan so that every Medicare eligible call member will know their rights and responsibilities under the plan. Please be aware that Medicare eligible must file a new "RECURRING INDIVIDUAL PREMIUM REIMBURSEMENT REQUEST" with Genesis Employee Benefits to receive reimbursements during 2019. The ridiculous thing is that the Genesis website has been changed to <https://mybenefitsportal.tasconline.com/Mvc/Home/Index> without any notice to participants. Also, the form and that website for reimbursement, dated 2015, have incorrect contact information. The Sub-Chapter has a MEETING SCHEDULED FOR September 12, 2018 with Wayne County and TASC during which we hope to start resolving our issues with this program.

MEDICARE AND MIRROR RETIREE STIPEND ENHANCEMENT

President Yee made an impassioned presentation to the Wayne County Committee on Ways and Means and later to the Committee of the Whole seeking an enhancement to Medicare eligible stipends and mirror retiree benefits. The result was that the Wayne County Commission included an increase to the Medicare eligible stipend to \$150.00 per month for those retirees receiving a pension of \$28,000 (the federal poverty level) or less with eleven votes for the increase. The Wayne County CEO Evans almost immediately vetoed the increase. We are waiting on the Commission process of addressing the veto override. Your attendance at Wayne County Commission session concerning the veto override is absolutely necessary. Alerts about commission sessions will be forthcoming and will have a very short notice window.

ANNOUNCEMENTS

None

Motion by Sister Cairgle, properly supported by Brother Sockolosky, to accept the Secretary's Report. The motion carried.

Brother Macdonald asked the Executive Board for direction on the usual thank-you luncheon for the staff of the Wayne County Employees' Retirement System office and the Executive Board Holiday dinner. Brother Macdonald would like to make reservations as soon as possible for both these usual events.

Motion by Brother Cox, properly supported by Sister Cairgle, to authorize Brother Macdonald to propose the date of December 5, 2018, for the WCERS Office Staff Luncheon. The motion carried.

After discussion, a motion was made by Brother Sockolosky, properly supported by Brother Wadlin, to approve the Executive Board Dinner to be held at Antonio's Dearborn Heights location the week of December 3rd. The motion carried.

COMMITTEE REPORTS:

TRUSTEE Report: Brother Charlie Parker, Sister Faith Cairgle, and Brother Jerry Smith, gave the report of the Trustee Committee dated October 3, 2018. Motion by Brother Cox, properly supported by Brother Wadlin to accept the Trustee report as presented. The motion carried.

Chapter 255: Brother McCall gave a brief report on Chapter 255. He announced that the next Executive Board meeting will be held on December 4, 2018, at Council 25 headquarters.

It was brought to Brother Macdonald's attention that there are a number of corrections to be made to the new Committees listing. Brother Macdonald will make the corrections and bring back to the Executive Board in November.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

GOOD AND WELFARE

Sister Cairgle informed the Board that Sister Dorothy Burrell had contacted her regarding the death of Sister Burrell's husband.

There was a moment of silence for deceased members.

ADJOURNMENT

Motion by Brother Macdonald, properly supported by Brother Wadlin to adjourn the meeting at 12:19 pm. The motion carried.