



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Ronald Yee
President

Membership Meeting

Gilbert J. Cox
Vice-President

February 12, 2019

Hugh S. Macdonald
Secretary Treasurer

The meeting was called to order at 1:20 PM by President Yee. The meeting was opened with the Pledge of Allegiance.

Mary Etta Kreklau
Recording Secretary

PRESENT: Cairgle, Kreklau, Macdonald, McCall, Noelke, Parker, Sockolosky, Wadlin, and Yee

Douglas Wadlin
Sergeant-At-Arms

EXCUSED: Cox and Smith

ABSENT: None

Richard Noelke
John McCall
James Sockolosky
Executive Board

ROLL CALL OF OFFICERS: Brother Macdonald made the motion, properly supported by Brother Wadlin, 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

1. MiARA January 2019 newsletter citing the swearing in of MiARA supporters at the state and federal level, discussion of the Trump Federal government shutdown, spotlighting MEA retiree Tom Bousamra and comments on the Los Angeles teachers' strike. The next membership meeting is February 28, 2019 starting at 11:00 AM at UAW Region 1, 27800 George Merrelli Drive, Warren, MI. Receive and File
2. WC Retiree Club January 2019 newsletter, Issue #22 advising Wayne County retiree issues and reminding members of the meeting schedule and dues renewal. Receive and File
3. WCERS Staff A thank you card for sponsoring the annual holiday lunch. Receive and File
4. MiARA Annual affiliation fee notice for 2019 of \$350.00 New Business

Motion by Brother Macdonald, properly supported by Brother Pendracki, to receive and file Items 1-3 and refer Item 4 to New Business. 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 8, 2019, leaving the record open to the end of the meeting for corrections, additions, or deletions and adopt as corrected. The motion carried.

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REPORT OF OFFICERS

PRESIDENT:

For those of you who receive the monthly stipend from TASC, you may have seen a slight increase in your check or your direct deposit. This is as a result of the terms of the settlement agreement which require an increase in the stipend amount equal to but not to exceed 2% of any increase granted to non-supervisory AFSCME members. This provided an increase of \$2.60 if you receive \$130 per month and \$2.70 if you received \$135 per month. There was also one month of back pay included in the February check. So for the remainder of 2019 the stipend payments will be \$132.60 or \$137.70.

Speaking of the stipend, we met with the county regarding the Health Reimbursement Account Plan Document to establish a document that is acceptable to both parties and can be provided to all covered retirees. We stated our issues with the current Plan document which included that the County could modify the agreement unilaterally and that any unused funds remaining at the time of death of the retiree would revert back to the County. We had previously provided our concerns in writing to the county, but they stated that they had not had the opportunity to review and discuss it so they were not in a position to comment on our issues. It is interesting that even though we scheduled this meeting over a month before the meeting, they said they would have to leave in an hour because they had another meeting to get to. We have another meeting scheduled for February 20th.

There was a news item last week that had legislators commenting that there are some issues with the repeal of state taxation of public employee pensions due to concerns on how to make up the lost revenue. Hopefully the Governor will stand behind her pledge to repeal this tax and work diligently with the legislature to get a bill to her desk. Let's see if she addresses this issue in her State of the State address tonight.

Ten of our members attended the Martin Luther King Dinner on Saturday at the Westin Southfield. Hopefully we can get someone from that group give us a short overview of the dinner and ceremony under New Business.

President Yee received a communication from Sister Julie Bauman regarding Oak Street Health. They are a health care provider that provides other services to the senior population regardless if you are a member or not. Sister Bauman is dealing with Kendra Walls and requested to know if Ms. Walls could come to a future meeting of Sub-Chapter 38 and give a presentation on services that Oak Street Health may be able to provide. A voice count indicated the membership was in favor of extending an invitation to Oak Street Health for a presentation at a future meeting.

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

VICE-PRESIDENT: None

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$118,289.98 in cash and investments as of January 31, 2019. There are 1,367 current members with 201 participating in the PEOPLE Plan and (24) members were 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.

Motion by Brother Macdonald, properly supported by Brother Len Barnard, to ratify the action of the Executive Board to authorize approval to execute and submit the 2018 990 EZ and AFSCME reports on behalf of Sub-Chapter 38. 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 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 required 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 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 prevailed. 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. Wayne County is resisting the scheduling of arbitration on the open matters and, as a result, hearings have not been scheduled.

RETIREE COALITION TO PROTECT PUBLIC SECTOR BENEFITS

The coalition is waiting for the newly elected governor to formulate her agenda and to monitor how the legislature reacts. Through are various lobbyists we hope to have legislation proposed to ease the onerous aspects of bills passed during the last administration. Unfortunately, it may take years and possible another election in two years to undo the damage done.

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. As a direct result of 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. Wayne County has filed an appeal with the Michigan Court of Appeals and the briefing period ended on May 30, 2018. **The Michigan Court of Appeals has scheduled oral arguments for Tuesday, March 5, 2019 at the Cadillac Center (former GM Building) starting at 11:00 am. This case is the twelfth on the calendar for that day. (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 February 1, 2019 pension payment finding that there are two account balances that are of interest to the Sub-Chapter that remain incorrect of which one (1) is an underpayment and one (1) is an overpayments. Our Grievance #6 remains unresolved although a settlement has been executed. Grievance #1 is not completely resolved since Wayne County continues to overpay one retiree. Grievance #3 is still open and addresses the many problems with TASC (formerly Genesis). The Sub-Chapter is attempting to gather information about the Medicare eligible stipend administrative process at TASC. It is becoming clear that the only resolution to Grievance #3 is a mutually acceptable Health Reimbursement Account (HRA) Plan so that every Medicare eligible class member will know their rights and responsibilities under the plan. The Sub-Chapter is demanding that every Medicare eligible retiree receive a copy of the mutually agreed upon HRA or at least a summary plan document. A meeting with Wayne County on this issue is scheduled for February 20, 2019. Our Grievance #7 is now settled with the payment by Wayne County of a two-percent increase in Medicare eligible class members' stipends retroactive to January 2019.

ANNOUNCEMENTS

There is a special election for an active member to the Retirement Board. Two petitions were certified with one petition being rejected since all the evidence indicated this person lived outside the County of Wayne, which is a requirement for serving on the Wayne County Employees' Retirement System Board.

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

COMMITTEE REPORTS: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

Motion by Brother Pendracki, supported by Brother Sockolosky, to approve Sub-Chapter 38's 2019 meeting calendar as submitted, which will be the 2nd Tuesday of each month as is the normal schedule. The motion carried.

Items referred from Correspondence:

Motion by Brother Pendracki, properly supported by Brother Noelke, to ratify the action of the Executive Board and authorize payment of the 2019 Affiliation fees to MiARA in the amount of \$350. The motion carried.

Sisters Cairgle and Hyde-Shelton gave a report on their attendance at the NAACP-MLK Dinner on February 10th. Ten representatives of Sub-Chapter attended the dinner. The food was good and they felt it was good to have the Sub-Chapter represented well. Many newly elected officials were in attendance. Brother Henry Lykes also gave a brief report on the dinner.

GOOD AND WELFARE:

There was a moment of silence for deceased members.

ATTENDANCE DRAWING:

There were 21 members in attendance.

Attendance Drawing:

- 1) \$20 - #14 – Paul Pendracki
- 2) \$10 - #7 – Mary Etta Kreklau
- 3) \$10 - #16 – Ernestine Cox

Motion by Brother Pendracki, supported by Brother Wadlin, to adjourn the meeting at 1:50 pm.