



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Ronald Yee
President

Membership Meeting

Gilbert J. Cox
Vice-President

March 12, 2019

Hugh S. Macdonald
Secretary Treasurer

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

Mary Etta Kreklau
Recording Secretary

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

Douglas Wadlin
Sergeant-At-Arms

EXCUSED: None

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.

Motion by Brother Macdonald, properly supported by Brother Moner to suspend the regular order of business to allow the guest speaker to address the membership. The motion carried.

President Yee introduced Kendra Walls of Oak Street Health. She described the services of Oak Street Health and issued an invitation to the Membership to visit their facilities in the Metro-Detroit area.

President Yee then welcomed Wayne County Commissioner Diane Webb who addressed the membership regarding her concerns of the lack of transparency in the Wayne County government and asked for support in her attempts to change the culture. She asked for support in her attempts to start televising meetings of the Wayne County Board of Commissioners and securing equipment to tape the meetings which at this time, are not being recorded at all.

Commissioner Webb's information is: E-mail dianew1965@gmail.com or 734-968-9081 (cell)

Motion by Brother Macdonald, properly supported by Brother Pendracki, at 1:52 pm to return to the regular order of business. The motion carried.

Motion by Brother Macdonald, properly supported by Brother Pendracki, to request President Yee send a letter from the Subchapter to all fifteen (15) Wayne County Commissioners specifically expressing the support of the transparency resolution Commissioner Web put forth. The motion carried.

CORRESPONDENCE

1. MiARA February 2019 newsletter commenting on MiARA influence in Lansing, the state level, a fraud alert with a special article on John Dingell. There was no announcement of the next membership meeting. Receive and File
2. WC Retiree Assoc. E-mail dated February 21, 2019, announcing that the Association had accomplished its goals and was in the dissolution process. Receive and File
3. Council 25 Announcing the Council 25 Executive Board meeting for March 2, 2019, at the Westin Hotel in Southfield. Receive and File
4. FTE Diane Webb Invitation to a fund raising event at Nemo's Bar and Grill on Wednesday, March 13, 2019, starting at 5 pm. Tickets \$50 per person to \$500 per person. Receive and File
5. Council 25 Announcement of Statewide Secretary-Treasurer training at the Westin Hotel, Southfield on Friday, May 10, 2019, starting at 9 am with a registration fee of \$20 per person Receive and File

Motion by Brother Macdonald, properly supported by Brother Moner, to receive and file Items 1-3 and refer Item 4 to New Business. The motion carried.

READING OF MINUTES

Brother Hubert made the motion, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Executive Board meeting of February 12, 2019, 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 Moner, to waive the reading and approve the minutes of the Executive Board meeting of February 12, 2019, 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:

I want to thank everyone who attended the Michigan Court of appeals hearing on Tuesday, March 5th, The matter before the Court was the County Executive's attempt to replace the current Retirement Board as defined under the Charter with his own board which he negotiated with most of the unions giving him control over the Retirement Board by adding (4) members

appointed by him and eliminating (1) active employee member and (1) retiree member. The courtroom was packed with standing room only and overflow in the hallway and conference room. There were speakers in the hall and conference room so everyone could hear what was going on in the courtroom. The (3) judge panel actually moved our case up because there were so many of us in the courtroom. The County's attorney made his oral arguments first and seemed to not be sure of all the issues with the Deputy County Executive consulting with him many times during his presentation. The main argument the County made was that PERA (Public Employees Relation Act) trumped the Charter and that since the majority of the Unions agreed to the change in their contracts, he could legally replace the Board. They also argued that a Federal Court ruling made clear that the retirees were not deprived of their due process rights as the make-up of the board was a mandatory subject of negotiations.

The Retirement board attorney and the County commission's attorney then made their arguments. They stated that they were not arguing for due process, but rather that this matter was really a two-part process. They argued that the Charter was very clear that it could only be amended by a vote of the People and then would require that the unions may have agreed with the changes, but it still has to go to the vote of the citizens of Wayne County to be finalized.

The Judges asked many questions of both sides and hopefully understood the issues before them. Our attorneys felt fairly confident that we should prevail, but you never know how the judges will rule. A decision may be issued in as little as (20) days, but may also go out to several months. We will notify everyone as soon as a decision is issued.

We were supposed to meet with the county on February 20th to start work on an acceptable Plan document for the Health Reimbursement Account. The county cancelled the meeting without explanation and requested dates in March for a new meeting. We supplied them with several dates about (2) weeks ago and have not heard back from them and some of the proposed dates have already passed. We are growing tired of the County's lack of communication and interest in resolving the issue and may have to look at other options to get this issue resolved.

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

VICE-PRESIDENT: None

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$120,658.24 in cash and investments as of February 28, 2019. There are 1,367 current members with 199 participating in the PEOPLE Plan and (24) members were lost this calendar year due either death or cancellation.

Motion by Brother Pendracki, properly supported by Sister Cox, 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 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 heard oral arguments on Tuesday, March 5th. Retirees were very well represented. When a decision is announced, it will be circulated by email almost immediately.**

PRESCRIPTION CO-PAY SETTLEMENT

This Sub-Chapter continues to reconcile stipends for the Non-Medicare eligible retirees. The latest reconciliation is through the March 1, 2019 pension payment finding that there is one account balance

that is of interest to the Sub-Chapter that remain incorrect and that is an overpayment. 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 evident that the only resolution to Grievance #3 is a mutually acceptable Health Reimbursement Account (HRA) Plan and that every Medicare eligible class member 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 was scheduled for February 20th and canceled by the County at the last minute. Wayne County has not responded to repeated requests for a new meeting.

ANNOUNCEMENTS –

Brother Ben Washburn addressed the Executive Board meeting today to discuss the need for (10) votes on the Wayne County Board of Commission for key issues such as the lack of transparency in the current administration. The pool of potential Commissioners needs to be broadened and we need to start now preparing for the next election.

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

Motion by Brother Bairnard, properly supported by Brother Pendracki to direct President Yee to submit a request to the Wayne County Board of Commissioners to increase the stipends for health care to Medicare eligible Wayne County retirees.

Motion by Brother Wadlin properly supported by Brother Noelke, to proceed to arbitration with the County of Wayne on the issue of development of the Health Retirement Account Plan document with instruction to our Counsel to address this issue aggressively. The motion carried.

COMMITTEE REPORTS: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

GOOD AND WELFARE:

Sister Wiktor thanked Brother Gil Cox for providing the luncheon for this meeting. She again asked for volunteers to take a month to provide the luncheon. The cost of the luncheon is reimbursed to the volunteer each month.

There was a moment of silence for deceased members.

ATTENDANCE DRAWING:

There were 46 members in attendance.

Attendance Drawing:

1) \$20 - #37 – Mike Bennett

2) \$10 - #2 – Mary Etta Kreklau

3) \$10 - #8 – Gil Cox

Drawing of Red Wing Tickets for this Thursday which have been donated by Brother Yee. There are (2) sets of (2) tickets with (1) parking pass.

Anthony Fuller (Includes parking pass)

Julie Bauman

Motion by Brother Pendracki, supported by Brother Wadlin, to adjourn the meeting at 2:20 pm.