



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Executive Board Meeting

April 9, 2019

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

The meeting was called to order at 11:30 AM by Vice-President Cox, and was opened with the Pledge of Allegiance.

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

EXCUSED: Yee

ABSENT: None

ROLL CALL OF OFFICERS: Brother Macdonald made the motion, properly supported by Brother Wadlin, 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. MiARA March 2019 newsletter commenting on MiARA February 2019 membership meeting, the introduction of bills to eliminate the pension income tax, congressional legislation to protect Social Security. There was no announcement of the next membership meeting.
Receive and File
2. President Yee Letter to each Wayne County Commissioner urging the Commission to become transparent and encourage public participation/interaction with Wayne County elected officials.
Receive and File
3. President Yee Letter to each County Commissioner renewing the Sub-Chapter's request for the Medicare eligible stipends be increased to \$150 per month and that "Mirror" retirees receive a \$1,000 per year special payment in the pending 2019-20 Wayne County Budget.
Receive and File
4. Council 25 Announcing that Council 25 will start a search for office space to replace 600 West Lafayette office space in the first week of April and will communicate any progress.
Receive and File
5. Metro-Det. AFL-CIO Announcing a delegate body meeting to be held at the IBEW 58 Hall, 1358 Abbot Street, Detroit, on March 20, 2019, starting at 5:30 PM.
Receive and File
6. Chapter 255 A copy of the Constitution for Michigan Retirees' United Retiree Chapter 255 as approved and signed by AFSCME International President Lee Saunders.
Receive and File



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

READING OF MINUTES

Brother Macdonald made the motion, properly supported by Brother Noelke, to waive the reading and approve the minutes of the Executive Board meeting of March 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 Noelke, to waive the reading and approve the minutes of the Executive Board meeting of March 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: None

VICE-PRESIDENT: The Labor Coalition meeting is scheduled for April 24, 2019, at noon, 600 W. Lafayette, Detroit, and the Wayne County Employees Retirement System Board meeting is scheduled for April 29, 2019, at 9:15 am, 28 W. Adams, Detroit, MI. The Post Office Box was cleared this morning.

Motion by Brother McCall, 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 \$123,004.23 in cash and investments as of March 31, 2019. There are 1,360 current members with 193 participating in the PEOPLE Plan and (24) members were lost this calendar year due either death or cancellation.

Motion by Sister Cairgle, properly supported by Brother Noelke, to accept the Treasurer report as presented. The motion carried.

Motion by Brother Noelke, properly supported by Brother Sockolosky, to adopt a budget adjustment moving \$5,440 from the Wayne County Retirees Association (which was disbanded) to Legal. 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. The arbitrators have now been selected with a separate arbitrator for each grievance. We have not been informed of any dates for the hearings.

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. Legislation has been introduced to eliminate the tax on pensions.

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 April 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 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. Another meeting has been scheduled for April 16, 2019. If progress is not made at this meeting, the Sub-chapter will consider demanding arbitration.

ANNOUNCEMENTS – None.

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

COMMITTEE REPORTS:

Trustee Report:

Sister Cairgle presented the Trustee Report dated March 25, 2019, for the period through February 28, 2019.

Motion by Brother Macdonald, properly supported by Brother Wadlin, to accept the Trustee Report dated March 25, 2019. The motion carried.

Chapter 255:

Brother McCall, Region 2 Representative to AFSCME Chapter 255, brought the Board up to date with issues with Chapter 255. He attended a Retiree Academy Training presented through AFSCME International. A number of officers of Chapter 255 have now resigned.

Motion by Brother Macdonald, properly supported by Brother Wadlin, to accept Brother McCall's report on Chapter 255. The motion carried.

UNFINISHED BUSINESS: None

NEW BUSINESS:

Motion by Brother Macdonald, properly supported by Brother Sockolosky, to reappoint all current Committees. The motion carried.

GOOD AND WELFARE:

There was a moment of silence for deceased members.

ADJOURNMENT

Motion by Brother Macdonald, properly supported by Sister Cairgle to adjourn the meeting at 12:23 pm. The motion carried.