



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Executive Board Meeting

May 14, 2019

Ronald Yee
President

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

Gilbert J. Cox
Vice-President

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

Hugh S. Macdonald
Secretary Treasurer

EXCUSED: None

Mary Etta Kreklau
Recording Secretary

ABSENT: None

Douglas Wadlin
Sergeant-At-Arms

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

Richard Noelke
John McCall
James Sockolosky
Executive Board

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.

Faith Cairgle
Charles Parker
Jerry Smith
Trustees

CORRESPONDENCE

1. MiARA April 2019 newsletter commenting on the Social Security Trustees annual report showing funding improvements, the possibility of the US House increasing the minimum wage and a report that workers are forgoing retirement citing lack of affordability. There was no announcement of the next membership meeting. Receive and File
2. Metro-Det AFL-CIO Announcement of Metro Detroit AFL-CIO convention for May 15, 2019 at the Motor City Casino and Hotel starting at 2:00 PM. A registration fee of \$100.00 prior to April 24, 2019 or \$125.00 thereafter. New Business
3. Council 25 Announcing the Region 2 PEOPLE Committee meeting for April 18, 2019 at Michigan Council 25, Detroit starting at 5:00 PM. Receive and File
4. Secretary-Treasurer Forwarding the listing of Sub-Chapter 38 Committee appointments as authorized at the April 9, 2019 membership meeting. Receive and File

Motion by Brother Macdonald, properly supported by Brother Wadlin, to receive and file Items 1, 3, and 4 and refer Item 2 to New Business. The motion carried.

READING OF MINUTES

Brother Macdonald made the motion, properly supported by Brother Sockolosky, to waive the reading and approve the minutes of the Executive Board meeting of April 9, 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 Sockolosky, to waive the reading and approve the minutes of the Executive Board meeting of April 9, 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: President Yee updated the Board of the Michigan Appeal Court decision regarding the composition of the Wayne County Employees' Retirement System Board. The Court decision made it clear that while most of the County bargaining units had made this change in their contracts, the Wayne County Retirees and the taxpayers of Wayne County do not have a vote on union contracts and therefore, the composition of the Retirement Board can only be reconfigured by a vote of the taxpayers of the County of Wayne. It's not known whether the County will appeal this decision. Our attorneys do not feel the County will appeal this decision. Brother Macdonald commented that there may be legal reasons why the County will not be able to appeal this decision.

Dearborn Heights is providing support for those community members who have experienced flooding in the recent weeks. Many firefighters and community associations are providing support in the way of clean-up assistance; food and shelter. Dearborn Hgts. residents are encouraged to contact their local government for information.

President Yee and Brother Macdonald met with Commissioner Elona Varga, who is the new Chair of the Ways and Means Committee of the Wayne County Board of Commissioners; we discussed an appearance before the Ways and Means Committee regarding an increase in the stipends for Medicare eligible retirees. The Commissioners are concerned about increasing the unfunded liabilities which may affect the bond rating for the County. We are still hopeful that something will be considered for the budget year 2019-2020. We have commitments from a number of Commissioners to give us something. The "mirrored" employees will get nothing since they are covered by their bargaining unit contracts and to do something outside the contract would result in an unfair labor practice. The Committee did request a meeting with the County Executive and were informed that we would be meeting with his staff. We have provided them with a number of dates for the meeting but have not heard anything back.

The AFSCME PEOPLE Committee meeting in April did not have a quorum. The meeting has not been rescheduled.

Chapter 255 has a new Treasurer and he has requested to meet with President Yee. No budget has been submitted as yet so no dues payment can be made.

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

VICE-PRESIDENT: The Labor Coalition meeting is scheduled for Wednesday, May 22, 2019, at noon, 600 W. Lafayette, Detroit, and please note the change the Wayne County Employees Retirement System Board meeting is moved to FRIDAY, May 31, 2019, at 9:15 am, 28 W. Adams, Detroit, MI.

Motion by Brother Parker, 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 \$125,090.15 in cash and investments as of April 30, 2019. There are 1,350 current members with 194 participating in the PEOPLE Plan and (45) members were lost this calendar year due either death or cancellation.

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

Secretary-Treasurer Report, Comments and Announcements

Three (3) Retiree Grievances

There were three (3) grievances filed by AFSCME and its Local Unions relating to pension issues of which two (2) survived various court hearings. . The two (2) surviving grievances deal with the following issues:

1. **Elimination of 13th Check:** The second grievance dealt with the changes Evans and the County Commission 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.
2. **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.

The scheduling of arbitration on both grievances is nearly completed. The grievances will be arbitrated separately. Sub-Chapter 38 is committed to assisting counsel during the arbitration processes.

RETIREE COALITION TO PROTECT PUBLIC SECTOR BENEFITS

The coalition is still waiting for the newly elected governor to formulate her agenda and is monitoring how the legislature reacts. Through our 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 2020 to undo the damage done. The retirement of the Michigan Council 25 lobbyist, Nick Ciarimatero, has interrupted the flow of information from

the Legislature. The coalition urges every retiree to contact their legislators urging passage of the legislation to rescind the income 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. Wayne County Circuit Judge Leslie Kim Smith issued an opinion on July 31, 2017 denying Evans the ability to seat his WCERS Board. Wayne County filed an appeal with the Michigan Court of Appeals (Case No. 339714) and an appellate court decision, dated May 9, 2019, confirmed the ruling of Judge Smith. Wayne County has until June 13, 2019 to appeal to the Michigan Supreme Court.

PRESCRIPTION CO-PAY SETTLEMENT

This Sub-Chapter continues to reconcile stipends for the Non-Medicare eligible retirees. The latest reconciliation is through the May 1, 2019 pension payment finding that since the only accounts that do not reconcile are overpayments the Sub-Chapter is not pursuing any corrections. Of the eight (8) grievances filed by the Sub-Chapter only Grievance #3 and Grievance #8 remain unresolved. Those grievances concern the many problems with the Health Reimbursement Accounts at TASC (formerly Genesis). It is evident that the only resolution to those grievances is a mutually acceptable Health Reimbursement Account (HRA) Plan and that every Medicare eligible class member know their rights and responsibilities under the plan. A meeting with Wayne County of April 16, 2019 showed a limited willingness by Wayne County to address our issues. The Sub-Chapter is also demanding that every Medicare eligible retiree receive a copy of the mutually agreed upon HRA plan or at least a summary plan document.

During a meeting with the Chairman of the Wayne County Committee on Ways and Means it appears that the Sub-Chapter may get some relief for Medicare eligible stipend recipients below the poverty level. A recent discussion with other commissioners reinforces that impression. We wait for further developments. A meeting with representative of CEO Evans on that topic is in the scheduling process.

ANNOUNCEMENTS

None.

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

COMMITTEE REPORTS: None

UNFINISHED BUSINESS: Chapter 255 - Brother McCall gave an update on the current state of Chapter 255. Sister Faith Cairgle is now a Trustee with Chapter 255 and Nick Ciarimatero is the new Vice-

President. The new Treasurer of Chapter 255 has informed Brother McCall that this Sub-Chapter will not be allowed to see a new budget.

NEW BUSINESS: The correspondence from Metro AFL-CIO referred to New Business should be held over to the Membership meeting for information from Sister Julie Bauman.

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 12:22 pm. The motion carried.