



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

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

Membership Meeting

October 8, 2019

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

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

EXCUSED: Yee

ABSENT: None

ROLL CALL OF OFFICERS: Brother Macdonald made the motion, properly supported by Sister Bauman, 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.

Motion by Brother Macdonald, properly supported by Brother Douglas Wadlin, to suspend the regular order of business at 1:04 pm to allow Paul Sizeland, Senior Benefits Group, as guest speaker to address the membership. The motion carried.

Brother Cox introduced Paul Sizeland of Senior Benefits Group, who is here to explain changes in the Medicare Program that taking place and answer questions. He is set up in the adjacent room to answer questions for members individually.

Motion by Brother Wadlin, properly supported by Brother Pendracki, to return to the regular order of business at 1:18 pm. The motion carried.

CORRESPONDENCE

1. MiARA September 2019 reporting on the Labor Day celebrations, the GM strike and Democratic proposal in the US House of Representatives that would lower drug prices (H. R. 3).
Receive and File
2. WCERS The August 2019 newsletter to active members discussing the change in deferred compensation record keeper to Prudential
Receive and File

3. Trustees Trustee report on the Sub-Chapter 38 financial records through September 30, 2019. New business
4. President Yee- Memo discussing Chapter 255 dues situation. New business

Motion by Brother Macdonald, properly supported by Sister Bauman, to receive and file Items 1-2 and refer Item #3 and #4 to New Business. The 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 September 10, 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 Pendracki, to waive the reading and approve the minutes of the Membership meeting of September 10, 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 next meeting of the Wayne County Employees Retirement System Board is October 28, 2019, at 9:15 am, 28 W. Adams. Parking is currently an issue there. There is no Labor Coalition meeting scheduled at this time. Sister Wiktor has asked Brother Cox to announce that no one has signed up for the November luncheon so if no one signs up today, the plan will be for pizza.

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

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$135,324.10 in cash and investments as of September 30, 2019. There are 1,300 current members with 187 participating in the PEOPLE Plan and (136) members were lost this calendar year.

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 Pendracki, to adopt the Subchapter 38 - 2020 budget as presented based on a proposed membership of 1,225. The motion carried.

Secretary-Treasurer Report, Comments and Announcements

Two Pending Arbitration Cases: There were three (3) grievances filed by AFSCME and its Local Unions relating to pension issues of which two (2) survived various court hearings and were remanded for arbitration. They are:

1. **Elimination of 13th Check:** The 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 Sub-Chapter has been assisting legal counsel in preparation for arbitration. Considering the previous lengthy legal battles on these issues Legal counsel have agreed not to have evidentiary hearings on these grievances with all of the factual data stipulated by both sides. Should the parties not agree on the proposed stipulations, the arbitrator may rule on what stipulations to accept or order evidentiary hearings. Sub-Chapter 38 remains committed to assisting legal counsel during the arbitration processes. The stipulation process has not yet been completed.

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 filed an application to appeal to the Michigan Supreme Court. WCERS and the Commission have filed arguments opposing the application for appeal. Wayne County had until October 4, 2019 to file a response brief.

PRESCRIPTION CO-PAY SETTLEMENT

Payments by Wayne County of both Medicare eligible and Non-Medicare stipends appear to be consistent with the settlement agreement. The Sub-Chapter continues to pursue a grievance on the issue of the many problems with the Health Reimbursement Accounts at TASC (formerly Genesis). As a partial response the Sub-Chapter received a list from Wayne County of 996 HRA accounts at TASC with balances of more than \$3,000.00 totaling over \$3.5 million. 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. The Sub-Chapter is seeking a mutually agreed upon HRA plan or that at least a summary plan document be provided to every current and future Medicare eligible retiree. The primary problem is communication with affected retirees. Wayne County and the Sub-Chapter are both working on developing a communication plan. Since our meeting with Wayne County in July the county has not responded to inquiries about how to resolve our issues. As a result the Sub-Chapter is demanding arbitration in the hope of resolving those issues.

The 2019-2020 Wayne County budget included an appropriation of approximately \$450,000 for a Medicare eligible stipend enhancement for retirees with a pension of less than \$25,750. The CEO letter to the Commission that accompanied the appropriation included several pre-conditions. As of today the

Sub-Chapter has not received any commiseration from the county concerning those pre-conditions. The Sub-Chapter is attempting to resolve the pre-conditions. An early estimate was that the enhancements would amount to approximately \$13.50 per month in twelve (12) installments for each eligible retiree class member.

ANNOUNCEMENTS

Health Insurance Services, the contractor that interfaces between Wayne County and TASC, has requested and been granted the opportunity to address the membership at the November 12, 2019 membership meeting about the group Health Care coverage plans available for 2020. The group plans are through AmWins.

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

Motion by Brother Noelke, properly supported by Sockolosky, to continue this year to provide a thank you luncheon in December 2019 for the Wayne County Employee Retirement System office staff. The motion carried. Brother Macdonald will contact the appropriate person to make the arrangements.

COMMITTEE REPORT(S):

Election Committee:

Sister Ernestine Cox and Sister Janet Wiktor addressed the membership. Sister Wiktor informed the membership that two (2) positions of Trustee were to be filled by today's election. A full term ending October 2022 which is currently filled by Sister Faith Cairgle; and a partial term ending October 2021 which was vacated by the resignation of Brother Charles Parker.

Nominations were made at the August 2019 membership meeting of Sister Faith Cairgle for the Trustee position ending October 2022; and Sister Julie Bauman for the Trustee position ending October 2021. Both nominees have accepted the nominations. No further nominations were made at the September 2019 membership meeting.

Sister Wiktor asked for additional nominations from the floor for the Trustee position term ending October 2022. She called for additional nominations (3) times; no further nominations were made. Sister Faith Cairgle was declared elected to the Trustee position with a term ending October 2022.

Sister Wiktor asked for additional nominations from the floor for the Trustee position term ending October 2021. She called for additional nominations (3) times; no further nominations were made. Sister Julie Bauman was declared elected to the Trustee position with a term ending October 2021.

UNFINISHED BUSINESS: None

NEW BUSINESS:

Trustee: *Item 3 referred from Correspondence:*

The Trustees' of Wayne County, Michigan, Retiree Sub-Chapter 38, AFSCME, presented a report dated October 2, 2019, of an audit of the financial records of the Sub-Chapter 38 through September 30, 2019.

Motion by brother Pendracki, properly supported by Sister Bauman, to accept the Sub-Chapter 38 Trustee report through September 30, 2019.

Item 4 referred from Correspondence:

Brother Cox read President Yee's memorandum of October 3, 2019, to the membership, in which he outlined the issues with Chapter 255 and gave a review of meetings and verbal agreements and the resulting refusal of the Executive Board of Chapter 255 to accept a resolution settlement of the retro-active dues, he is, therefore, recommending the Executive Board and Membership agree to pay Chapter 255 retro-active dues to 2018. Brother Henry Lykes, President of Chapter 255, addressed the membership and said he felt the situation with Chapter 255 will be getting better.

Motion by Sister O'Leary-MacGillis properly supported by Brother Moner, to ratify the decision of the Executive Board to pay Chapter 255 dues for 2018 and 2019 and to adjust the Sub-Chapter 38 budget accordingly to reflect the new payments. The motion carried.

GOOD AND WELFARE:

Request from Sister O'Leary-MacGillis that the membership wait until the meeting is over before going through the food line to fill take home containers.

Sister Janet Wiktor addressed the membership requesting members consider signing up to provide the luncheon in November and also beginning in January of 2020. Someone has already volunteered for the month of December.

There was a moment of silence for deceased members. Brother Cox informed the members that Warren Brasher of the Bridge Division had passed and his services were this morning.

ATTENDANCE DRAWING:

There were 49 members in attendance.

Attendance Drawing:

- 1) \$20- #29 – Sandy O'Leary-MacGillis
- 2) \$10- #40 – Don Lechvar
- 3) \$10-#5 – Jerry Smith

ADJOURNMENT

Motion by Brother Pendracki, supported by Brother Wadlin, to adjourn the meeting at 2:01 pm.