



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Executive Board Meeting

December 10, 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
Trustee
Jerry Smith
Trustees

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

PRESENT: Bauman, Cairgle, Cox, Kreklau, Macdonald, McCall, Sockolosky, Wadlin, and Yee

EXCUSED: Smith

ABSENT: None

ROLL CALL OF OFFICERS: Brother Macdonald made the motion, properly supported by Sister Cairgle, 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 November 2019 newsletter reporting on the October General Membership meeting, a remembrance for John Conyers, recognition of Mark Lewis of the United Steel Workers and a report that FedEx has ended pensions for new hires. Receive and File
2. Lentine Group An invitation to the Executive Board for a "I'll Be Home For Christmas" Celebration at the Detroit Golf Club, December 13, 2019 starting at 11:30 AM. The invitation requires an RSVP. Receive and File
3. Chapter 255- The 2020 schedule of Chapter 255 Executive Board meetings with time and location to be announced. Receive and File
4. Council 25 Announcing that the Detroit Office of Michigan AFSCME Council 25 has moved to 7700 Second Avenue, Suite 314, Detroit, Michigan 48202. The telephone number has not changes (313) 964-1711. Receive and File

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

READING OF MINUTES

Brother Macdonald made the motion, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Executive Board meeting of November 12, 2019, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.



Brother Macdonald made the motion, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Membership meeting of November 12, 2019, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.

REPORT OF OFFICERS

PRESIDENT:

Not too much new information this month. The Full Board of Commissioners did approve a small increase – for the calendar year 2020 only beginning with the January pension payment and for those non-mirrored / Medicare eligible retirees receiving \$25,750 or less annually in pension benefits. The increase is approximately \$13.75 per month in the stipend payment and is for the calendar year 2020 only. It would need to be reapproved in the next budget year to be continued.

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

VICE-PRESIDENT:

None

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the Sub-Chapter has \$121,336.91 in cash and investments as of November 30, 2019. There are 1,298 current members with 186 participating in the PEOPLE Plan and (88) members were lost this calendar year.

Motion by Brother Macdonald, properly supported by Sister Kreklau, to accept the Treasurer report as presented. 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.

Arbitration on the 13th check matter is scheduled for December 16, 2019 with the disability retiree health care issue arbitration schedule pending. The Sub-Chapter has been assisting legal counsel in preparation both arbitrations.

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. Briefs on behalf of all parties have been entered and we now await the "pleasure" of the court. There is now way to estimate when the court will issue a decision on the application to appeal.

PRESCRIPTION CO-PAY SETTLEMENT

Payments by Wayne County of Medicare eligible stipends appear to be consistent with the settlement agreement. A new problem has arisen. Wayne County has apparently decided not to pay pre-Medicare stipends to retirees where either the retiree or spouse is entitled to a Medicare eligible stipend. The Sub-Chapter is gathering information on as many of these situations as possible but has already requested legal counsel to address this problem. 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. Since no progress has been made in over six (6) months, the Sub-Chapter has demanded arbitration and Wayne County has delayed the process with false excuses. Finally, arbitration scheduled for February 7, 2020.

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. An early estimate was that the stipend enhancements would amount to approximately \$13.75 per month in twelve (12) installments for each eligible retiree class member. The Wayne County Chief Financial Officer has stated that the stipend enhancements will begin in January 2020. .

ANNOUNCEMENTS

The annual lunch for the WCERS staff has been scheduled for December 12, 2019 at 12:00 PM.

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

COMMITTEE REPORT(S): None

UNFINISHED BUSINESS: None

NEW BUSINESS: None

GOOD AND WELFARE:

There was a moment of silence for deceased members.

ADJOURNMENT

Motion by Brother Cox, properly supported by Brother Wadlin to adjourn the meeting at 11:50 am.

The motion carried.