



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Executive Board Meeting

February 11, 2020

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

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, Smith, Sockolosky, Wadlin, and Yee

EXCUSED: None

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 January 2020 Newsletter discussing the 2020 Michigan Presidential Primary election on March 10, 2020; a recap of 2019 headlines; spotlight on Earl Colbert, a Detroit retiree; an opinion piece on "Equal Justice" and report on Trump efforts to cut Social Security, Medicare, and Medicaid. Receive and File
2. Arbitrator VanDaggens- Opinion and award by arbitrator on Sub-Chapter Grievance #8. 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 Brother Cox, to waive the reading and approve the minutes of the Executive Board meeting of January 14, 2020, 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 January 14, 2020, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.

REPORT OF OFFICERS

PRESIDENT:

The Sub-Chapter has won the arbitration dealing with the Health Reimbursement Accounts. Brother Macdonald will cover this in his report.

Commissioner Diane Webb has resigned from the County and has accepted a position with Redford Township. David Knezek, Jr. has been appointed to replace her as Wayne County Commissioner, District #8. He is a former State Representative.

We received a communication there have been problems with excessive tax withholding from the payroll checks of active employees which the unions are looking into. I haven't heard any problems from any retirees' about a similar problem, but if there has been, please let us know.

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

VICE-PRESIDENT:

The Wayne County Employees' Retirement System Board meeting will be February 24, 2020, at 9:15, Retirement offices. The Wayne County Labor Coalition meeting will be February 26, 2020, at noon, at 7770 Second Street, Detroit MI, which is the Wellness Building at the corner of Pallister at noon. The PO Box was cleared today.

Motion by Brother Macdonald, 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 \$124,447.37 in cash and investments as of January 31, 2020. There are 1,294 current members with 184 participating in the PEOPLE Plan and (11) members were lost this calendar year.

Motion by Brother Macdonald, properly supported by Brother Cox, to accept the Treasurer report as presented. The motion carried.

Motion by Sister Cairgle, properly supported by Brother Sockolosky, to destroy membership cards of deceased members and cancelled memberships. The motion carried.

Motion by Brother Cox, properly supported by Sister Bauman, to authorize the President and Secretary-Treasurer to sign the 2019 Income Tax Return along with the AFSCME reports. 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 was held on December 16, 2019 and the award is pending. The disability retiree health care issue arbitration has yet to be scheduled. 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 no 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 and the inclusion of an enhancement for those below the Federal poverty level. A new problem has arisen. Wayne County has apparently decided not to pay the December 1, 2019 pre-Medicare stipends to retirees where either the retiree or spouse is entitled to a Medicare eligible stipend. Wayne County did, however, pay the January 2, 2020 and February 1, 2020 pre-Medicare stipends to most of those retirees but did not pay the tem the December 1, 20019 stipend. There appear to be forty-nine (49) class members affected by this violation of the settlement agreement plus some additional problems. The Sub-Chapter is working with legal counsel to resolve this issue. It appears that some non-Class retirees were also impacted by these same issues. Wayne County has also made noises about retirees owing the county significant amounts for “stipend overpayments”.

ARBITRATION SETTLEMENT:

The arbitration hearing was last Friday. Brother Wadlin and Brother Macdonald sat through the hearing. Brother Macdonald read the award of the Arbitrator to the Executive Board. The Arbitrator ordered the County to meet with the Sub-Chapter on a “regular and meaningful basis to develop a stipend plan that conforms to the settlement agreement and all applicable state and federal regulations; Wayne County will provide all eligible class members with an agreed upon summary plan document prior to the agreed upon date for implementation of the new stipend plan; Upon implementation of the new stipend plan on March 10, 2021, whichever is earlier, the unilaterally implemented HRA plan will be dissolved unless the parties agree to retain the current plan; and Wayne County will compensate all Medicare-eligible class members that were harmed by the unilaterally implemented plan.”

It means that there’s a lot of work to be done in the next year.

ANNOUNCEMENTS - None

Motion by Brother Cox, properly supported by Brother Wadlin, to accept the Secretary-Treasurer report as presented. The motion carried.

Motion by Brother Wadlin, properly supported by Sister Bauman, to authorize payment of Sub-Chapter 38’s half of the arbitration bill for the above arbitration which is \$1,111.40. The motion carried.

COMMITTEE REPORT(S):

Chapter 255: Brother McCall gave an update on Chapter 255. The quarterly Board meeting for Chapter 255 will be held Wednesday, April 8, 2020, with a luncheon immediately following the meeting from 12:30 to 2 pm, UAW 182 Hall, 35603 Plymouth Road, Livonia, MI. There will be guest speakers on Medicare and Social Security. There will be a cost of \$10 per person for the luncheon. Flyers will be available. Brother McCall would like Sub-Chapter to have a good showing since he and Sister Cairgle are planning the meeting.

Motion by Brother Macdonald, properly supported by Sister Bauman, to accept Brother McCall’s report. The motion carried.

Motion by Brother Macdonald, properly supported by Sister Bauman, to purchase ten (10) tickets at \$10.00 each for the April 8, 2020, Chapter 255 Executive Board Meeting luncheon, subject to distribution by President Yee. The motion carried.

UNFINISHED BUSINESS:

As a follow-up to the January 2020 meeting, Motion by Brother Sockolosky, properly supported by Sister Bauman, to pay Sub-chapter 38's 2020 Affiliation dues to Michigan Alliance of Retired Americans. The motion carried.

NEW BUSINESS:

None

GOOD AND WELFARE:

There was a moment of silence for deceased members.

ADJOURNMENT

Motion by Brother Macdonald, properly supported by Brother Cox to adjourn the meeting at 12:17 pm. The motion carried.