

## Executive Board Meeting

March 9, 2021

The meeting was called to order at 11:35 AM by President Yee via ZOOM and was opened with the Pledge of Allegiance.

**PRESENT:** Bauman, Cairgle, Cox, Kreklau, McCall, Noelke, Pendracki, Sockolosky, and Yee

**EXCUSED:** Smith and Wadlin

**ABSENT:** None

**GUEST:** Brother Hugh Macdonald, Sister O'Leary-MacGillis rep. GAA, and Bob Fetter, Miller-Cohen

**ROLL CALL OF OFFICERS:** Brother Pendracki made the motion, properly supported by Brother Sockolosky, 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 Pendracki, properly supported by Sister Bauman, to suspend the regular order of business at 11:37 am and allow Brother Bob Fetter, our representative with Miller-Cohen, to address the Board. The motion carried.

Mr. Fetter updated the Executive Board on the status of negotiations with Wayne County on the implementation of a new and acceptable Health Reimbursement Account for those Wayne County retirees covered by the Settlement Agreement between Wayne County and Sub-Chapter 38. Alternative solutions were presented and reviewed.

Mr. Fetter informed the Board that the County has presented an option to Sub-Chapter 38 that may be feasible however; there are a couple of items that would need to be worked out. One of the items is for the Sub-Chapter to adopt a policy on how to handle information from the County on the amount of individual stipends.

The US Department of Health and Human Services has a standard *BAA* available which Mr. Fetter will complete and submit.

Therefore, motion by Brother Pendracki, properly supported by Brother Sockolosky, to give authorization to President Yee to execute a Business Association Agreement between Sub-Chapter and the county of Wayne to receive and keep confidential information protected health information. The motion carried.

An Extension of the March 10<sup>th</sup> deadline will be necessary; it was decided to consider a 30-day extension from the March 10<sup>th</sup> date. It was agreed that a 30-day extension would be acceptable.

Motion by Brother Pendracki, properly supported by Brother McCall to return to the regular order of business at 12:06 pm. The motion carried.

## **CORRESPONDENCE**

1. MiARA      The February 2021 newsletter that included an article opposing the “TRUST” Act has may pave the way for congressional committees empowered to recommend changes to social Security and Medicare. Receive and File
2. Council 25      Notification of the AFSCME Council 25 Executive Board meeting for March 26, 2021, beginning at 2:00 PM by way of ZOOM Receive and File

Motion by Brother Pendracki, properly supported by Sister Bauman, to receive and file both correspondence items. The motion carried.

## **READING OF MINUTES**

Brother Pendracki made the motion, properly supported by Sister Cairgle, to waive the reading and approve the minutes of the Executive Board meeting of February 9, 2021, as amended 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:**

It looks like we will be moving over to the MERS HRS Account from the TASC HRA plan. The details and effective dates are still to be worked out. There are advantages to the retirees with this move.

The difference between A HRS and a HRA is that an HRA is owned by the employer and an HRS is owned by the participant (retiree). With the MERS Program, a retiree will receive interest on balances; there other benefits which at this time, the retirees do not have such as co-ownerships and beneficiaries. The Committee has vested authority to approve this move, but if the Executive Board would like, a motion could be made approving this action.

Motion by Sister Kreklau, properly supported by Brother Pendracki, to vest the authority to approve a move from the County of Wayne’s Health Reimbursement Account administered by TASC, to the Health Savings Account Program administered by MERS. The motion carried.

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

**VICE-PRESIDENT:** Nothing to report at this time.

**SECRETARY TREASURER:**

**Financial Report**

Brother Noelke reported that the Sub-Chapter has \$132,946.90 in cash and investments as of February 28, 2021. There are 1,416 current members with 174 participating in the PEOPLE Plan and (149) members have been lost this fiscal year.

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

**UPDATE ON CONTINUATION OF GRIEVANCES/ARBITRATION:**

Brother Macdonald gave an update on the following issues:

**One Pending Arbitration Case:** There were three (3) grievances filed by AFSCME and its Local Unions relating to pension issues of which one (1) survived various court hearings and was remanded for arbitration. It is:

**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. Briefs on this grievance have been submitted and arguments before the arbitrator completed in September 2020. The arbitrator has not yet issued a decision as of March 8, 2021.

**PRESCRIPTION CO-PAY SETTLEMENT**

Payments by Wayne County of Medicare eligible stipends appear to be consistent with the settlement agreement. This Sub-Chapter has identified a number of incorrect or omitted pre-Medicare stipend payments. The February 2021 reconciliation found a number of overpayments. Legal counsel and your representatives assigned the task of monitoring the stipend programs are communicating with Wayne County to resolve these overpayments. Wayne County has advised that a review of the stipend program is "almost" complete but has not provided a copy to the Sub-Chapter for review and comment.

The Sub-Chapter filed Grievance #8 on April 15, 2020, about the many problems with the Health Reimbursement Accounts (HRA) at TASC (formerly Genesis). Arbitration was held on February 7, 2020, with the arbitrator granting the grievance and ordering Wayne County to (1) meet with us "on a regular and meaningful basis to develop a stipend plan", (2) Wayne County will provide all eligible with an agreed upon summary plan document" (3) "upon implementation of the new stipend plan on or before March 10, 2021" "the unilateral HRA plan will be dissolved" and (4) Wayne County will compensate all Medicare-eligible class members that were harmed by the unilateral implemented plan". Legal counsel and your representatives assigned the task of monitoring the stipend programs have been participating in video

conferences with Wayne County with the express purpose of resolving the inconsistencies of the current process with the settlement agreement. The Wayne County representatives have stalled on every issue. They go so far as to state that Wayne County **MUST** has the right to amend or terminate the plan unilaterally because it is too cumbersome to negotiate with the Sub-Chapter. Without committing to continuing the HRA type of arrangements for the stipends, the Sub-Chapter representatives have proposed alternative solutions and Wayne County has proposed the Municipal Employees Retirement System (MERS) as an alternative that would maintain tax-free status for the stipends. Wayne County has provided copies of the standard MERS HSA agreement. Wayne County asserts that a direct pay program has draconian tax consequences on the recipients. The Sub-Chapter is exploring the retention of a tax attorney to advice on those issues. In the meantime, the sub-Chapter representatives are scheduled led to have a conference call with MERS to obtain additional information and ask questions.

Motion by Brother Pendracki, properly supported by Sister Cairgle, to accept the report. The motion carried.

**COMMITTEE REPORT(S):**

**From the PEOPLE Committee:** Sister Bauman reported that there will be a March 18, 2021, Zoom meeting screening candidates for the Wyandotte City Council.

Motion by Brother Pendracki, properly supported by Sister Cairgle, to accept the PEOPLE Committee report as presented. The motion carried.

**From the Chapter 255 Committee:** Brother McCall asked to correct the location for the Biennial Convention scheduled for October 2021 to the Laborer's Local 1191. Brother McCall emphasized the importance of making sure Sub-Chapter had representatives on all the various Committees at the Convention and when and where these committees will be meeting.

The Committee is asking for support of ads to pay for the Convention. Brother McCall informed the Board that Brother Nic Ciaramitaro has been appointed to a position with the State of Michigan so he has left the Board, President Lykes has appointed someone else as Vice President of Chapter 255.

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

Sister Cairgle asked Brother Noelke that the Trustee Report is due and where and when the Committee should meet. It was set for April 6<sup>th</sup> at Brother Macdonald's house. Sister Cairgle will send an e-mail to Brother Smith

**UNFINISHED BUSINESS:**

Motion by Brother McCall, properly supported by Sister Bauman, to tentatively schedule a Zoom Membership meeting for May 2021, for the Sub-Chapter. The motion carried.

Motion by Brother Pendracki, properly supported by Sister Cairgle, to ratify the email vote for submission of the Sub-Chapter 38 audit and submission of the required IRS Report. The motion carried.

**NEW BUSINESS:**

Motion by Brother Pendracki, properly supported by Sister Bauman, to adopt the 2021 calendar of meetings for the Executive Board as presented. The motion carried.

**GOOD AND WELFARE:**

Brother McCall recommended that members check to see if their hospital insurance including Medicare would pay for gym memberships rather than paying for one. Blue Cross/Blue Shield now offers Silver Sneakers on all their policies.

There was a moment of silence for deceased members. Brother Noelke informed the Board that Mary Ann George died last week.

**ADJOURNMENT**

Motion by Brother Pendracki, properly supported by Sister Bauman, to adjourn the meeting at 12:28 pm. The motion carried.