



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Henry Lykes
President

Gil Cox
Vice-President

Hugh S. Macdonald
Secretary Treasurer

Mary Etta Kreklau
Recording Secretary

Walter Beard
Sergeant-At-Arms

Julie Bauman
Ronald Yee
James Sockolosky
Executive Board

Faith Cairgle
John M. McCall
Jerry Smith
Trustees

Membership Meeting

April 14, 2015

PRESENT: Beard, Cairgle, Cox, Kreklau, Lykes, Macdonald, Sockolosky, McCall, and Smith

EXCUSED: Bauman and Yee

ABSENT: None

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

Guest: Denis Martin, AFSCME Region 2 Vice-President, President, AFSCME, Local 1862, Wayne County Employees' Retirement System Representative, active employees

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: The following correspondence was received from:

Michigan Alliance for Retired Americans - MiARA March 2015 Newsletter reporting on the March membership meeting, facts about Social Security, Medicare, and Medicaid. There was also a report on Michigan 2016 Presidential primary election plus an announcement of the Annual Coalition for Secure Retirement – Michigan "Lobby Day" on April 14, 2015, in the Mackinac Room of the Anderson House Office Building, 124 North Capital Avenue, Lansing, Michigan with a registration form.

Secretary-Treasurer – Financial Report –Schedule of legal fees incurred and payments made to Miller Cohen for the prescription co-pay lawsuit. Fees through February 2015 totaling \$909,947.31 with payments to date of \$198,999.98 for a balance of \$710,947.33.

Brother Macdonald made the motion, and properly seconded by Brother Pendracki, to receive and file all correspondence. The motion carried.

READING OF MINUTES

Brother Macdonald made the motion, properly seconded by Sister Cairgle, to waive the reading and approve the minutes of the Executive Board meeting of March 10, 2015, leaving the record open to the end of the meeting for corrections, additions, or deletions and adopt as submitted. The motion carried.

Brother Macdonald made the motion, properly seconded by Brother Pendracki, to waive the reading and approve the minutes of the Membership meeting of March 10, 2015, leaving the record open to the end of the meeting for corrections, additions, or deletions and adopt as submitted. The motion carried.

REPORT OF OFFICERS

PRESIDENT

President Lykes reported that the Annual Coalition for Secure Retirement meeting on March 19th in Flint, while not well attended, did provide a speaker, Jane Carter from AFSCME, who did a presentation on the Koch Brothers. Her e-mail is jcarter@afscme.org. Her presentation is available on-line and is well worth the read.

Proposal 1 "Road Fix" will be discussed more in detail later on. Council 25 is supporting it.

Council 25

It is status quo with the leadership of the Council. Al Garrett will continue as President with Larry Roehrig, Secretary-Treasurer. President Garrett will serve out his term which ends in 2016.

Upcoming Conferences and Conventions

The Alliance for Retired Americans (ARA) convention will be held in Washington DC July 7 – 10, 2015. The AFSCME Retiree Council will meet following this convention in Washington DC from July 10 through July 12, 2015. President Lykes submitted the AFSCME Retiree Bulletin with information regarding the agenda for the annual council meeting. He also gave a review of what these two groups do on behalf of retired Americans. The national AFL-CIO convention will be held late summer. AFSCME Council 25 will have a convention this fall. A convention call will be sent out

Brother Pendracki made a motion to accept the President's report, supported by Brother Cox. The motion carried.

VICE-PRESIDENT

The Wayne County Labor Coalition will meet April 29, 2015, Wednesday, Noon at Council 25 offices in Detroit. This date is different than that reported at the Executive Board meeting. The Wayne County Retirement Board will meet Monday, April 27, 2015, 9:15 am at 28 W. Adams, Detroit, MI. The AFSCME PEOPLE Committee will meet at 5 pm on Thursday, April 23rd also at Council 25 offices.

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

SECRETARY TREASURER

Financial Report

Brother Macdonald reported that the subchapter has \$73,468.75 in cash and investments as of March 30, 2015. There are 1,515 current members with 182 participating in the PEOPLE Plan.

Motion by Brother Macdonald to accept the financial portion of the report, supported by Brother Pendracki. The motion carried.

An article (letter to the Editor) from the Detroit News was brought in today written by a retired Detroit Red Wing player dealing with head injuries. The point of the letter was that the NHL has a responsibility to its retirees. What Brother Macdonald finds interesting is that neither the Detroit News nor Detroit Free Press will publish anything from County retirees about the County's responsibility to them, but they will publish it about hockey. The County has had as many as five (5) employees killed on the job in one year, which hasn't happened in hockey.

Lawsuits

13th Check – The Michigan Supreme Court remanded the case to the trial court for further proceedings. The Board of Trustees from the retirement system filed a motion in Wayne County Circuit Court to reinstate the case that was successful. In the meantime, the county has shown some interest in settling the case. However, the county has changed outside counsel on the case a number of times and while they say they need to settle the case. No court dates or other progress has taken place. County of Wayne documents are indicating a deficit at the end of fiscal year 2013 of \$155 million. The deficit at the end of fiscal year 2014 was \$75 million. Mr. Evans is going to the various Wayne County Community College campuses to spread his message using the media to negotiate.

MERC is drafting an order in response to the Wayne County appeal related to the 13th check. Wayne County has appealed it over a year and one-half ago. MERC has still not issued a written order.

The Prescription Co-Pay lawsuit –A Facilitation meeting has been held with the county representative, Richard Kaufman. Brother Macdonald is limited on how much he can discuss with the membership and Board at this time. Another Facilitation meeting has been scheduled for next Tuesday (April 21, 2015). The 13th check lawsuit and this lawsuit are connected because they are listed as footnotes in the County's financial plan.

Recruitment Drive

We have generated 200 new memberships which have all been processed.

Lawsuit against Wayne County Employees Retirement System

This lawsuit has been filed by a few Wayne County retirees against some of the trustees of the Wayne County Employees' Retirement System. This lawsuit is still bouncing between judges may be merged with another lawsuit against the actuaries of the retirement systems for the County of Wayne and City of Detroit both.

Chapter Status

Brother Macdonald reviewed the history of this subject. To date, the promised draft of the revised constitution, which was promised by Ann Widger, AFSCME, in October, has still not been received. The March 2015 meeting has still not been scheduled

Brother Macdonald requested Denis Martin to address the members.

County of Wayne

Brother Macdonald brought up the recent Board of Commissioners agenda which includes proposed contract adjustments which includes cost of living adjustments for (3) contract firms and additional funding for lawsuits.

Brother Martin said he has talked to a few Commissioners regarding this is hoping to get this referred back to Committee. These contracts are for a Federal Grant that the employees must be paid at a certain level which is part of this agreement, but this contract does not require the payment of cost of living.

Motion by Brother Pendracki, supported by Sister Banks, to accept the report of the Secretary-Treasurer as presented. The motion carried.

Proposal #1 – Increase in State of Michigan Sales Tax

If Proposal #1 passes, nine other bills which are tied to the passage of this bill will go into effect. Brother Macdonald has secured a copy of the House Fiscal Agency's review of the proposal and potential effects. It is a ten page summary reviewing the bill and the nine other bills that are tie-barred to the proposal. This combination of ten bills will give extra money to schools and local governments. The first two years of this proposal, would not give any additional to roads, but would be used to pay off bonds for work already done on roads – bonds the State is currently liable for. The Secretary of State, State Police and other state agencies would also continue to receive money from from the Motor Vehicle Highway Fund prior to the distribution of funds to local governments including counties with this proposal. Money currently earmarked for bridge repair would be diverted. With it on the ballot in May 2015, voters will not remember in November 2016 when the next election is held.

Sister Burrell also spoke on this issue. A number of democratic representatives are also supporting this bill.

Brother Macdonald reminded the membership that Council 25 is supporting this proposal mostly due to the funding of schools and local governments. AFSCME represents a number of employees in those areas.

Brother Lykes spoke regarding the proposal. The proposal needs to be analyzed completely and a decision made as to whether there are enough positives in the bill to offset the negatives.

The Executive Board has referred this item to the membership for a decision.

Motion by Brother Pendracki, supported by Sister Like, not to support Proposal 1. Following discussion, the motion carried.

Unfinished Business

None

New Business

President Lykes announced a new AFSCME Retiree Council representative, who is assigned to the Midwest area. The new representative has not yet contacted the Subchapter.

Committee Reports

Sister Cairgle gave the report for the Trustees. An audit of the financial records of Subchapter 38 was completed on February 28, 2015, as required. The financial records were found to be in

order. Motion by Brother Pendracki, supported by Brother Cox, to accept the Trustee Report as presented. The motion carried.

Brother Cox gave a report on the Constitution Committee. Copies of the constitution are not available this month, but will be provided next month. The Committee will continue to meet and anyone with recommendations is asked to comment. Motion by Brother Pendracki, to accept the report of the Constitution Committee, and supported by Brother Hubert. The motion carried.

President Lykes announced the results of the balloting for the Wayne County Employees' Retirement System Trustee for active employees (remainder of the term of Andrea Hutting). Henry Wilson, Wayne County Sheriff's Department, received 297 votes, Frank Simone, Wayne County Prosecutor's Office, received 279. Eight (8) votes were void. Congratulations are in order for Mr. Wilson. There are 3400 active members and less than 600 voted.

Good and Welfare

Sister Wiktor thanked Sister Lambros Niforos for bringing the luncheon this month. She has recruited volunteers for the next two months (May and June) but will need volunteers for the four months following that.

Brother McCall thanked Brother Walter Beard for returning following his illness. Brother McCall also announced that Brother Charlie Hall also died last week.

Moment of silence for deceased members.

Attendance Drawing:

43 members attended the meeting

Attendance Drawing Winners:

#29 – Cynthia Thompson #10 – Faith Cairgle #10 – Tom Popek