



# WAYNE COUNTY RETIREE SUB-CHAPTER 38

## WE MAKE MICHIGAN HAPPEN

June 9, 2024

**Ronald Yee**  
*President*

### EXECUTIVE BOARD MEETING

**Douglas Wadlin**  
*Vice-President*

The meeting was called to order at 12:00 Noon by President Yee and was opened with the Pledge of Allegiance.

**Richard Noelke**  
*Secretary Treasurer*

**PRESENT:** Bauman, Cairgle (12:15), Grysko, Kreklau, McCall, Noelke, Pendracki, Sockolosky, Wadlin, and Yee

**Mary Etta Kreklau**  
*Recording Secretary*

**EXCUSED:** None

**ABSENT:** Hyde-Shelton

**Faith Cairgle**  
*Sergeant-At-Arms*

**GUESTS:** Macdonald

**John McCall**  
**James Sockolosky**  
**Julie Bauman**  
*Executive Board*

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

**Pamela Hyde-Shelton**  
**Paul Pendracki**  
**Gerard Grysko**  
*Trustees*

**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, makers of the motion, votes, and lengthy discussions.**

**CORRESPONDENCE:** None

### READING OF MINUTES:

Motion by Brother Pendracki, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Executive Board meeting of May 14, 2024, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.

Motion by Brother Pendracki, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Membership meeting of May 14, 2024, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.

### REPORT OF OFFICERS:

#### President:

President Yee reported that he is still trying to set-up a meeting with the County Executive's representative to discuss a continuation of the Medicare Eligible stipend for non-mirrored retirees. AFSCME recently had a screening for County Commissioners and other elected officials and they were asked their position on supporting a continuation of the stipend. Sister Bauman will report on this as part of the PEOPLE Committee report.

The WCERS Board received the Actuarial Valuation for fiscal year 2023 which covers October 1, 2022, through September 31, 2023, for both the County and the Airport Authority. The market value rate of return for the period was

10.3%. The County DB Plan is 66% funded while the Airport Authority DB Plan is 79% funded. The Retirement System's assumed rate of return is 6.75% and if the fund continues to earn that rate over the next 11 years, the County and Airport Authority DB Plans should be 100% funded.

There are 4,138 retirees in the County plan and 326 in the Airport Authority Plan. The County's active members have 4 members in Plan 1, 8 members in Plans 5 & 6; 1,798 members in the October 1, 2015 Plan, for a total of 1,810 members and 887 in the Defined Contribution Plan. The Airport Authority's active members have 4 members in Plan 2; 190 members in Hybrid Plan 5 for a total of 194 and 416 in the Defined Contribution Plan.

The average age of County retirees is 74.5; the average age at retirement was 54.7; average service was 24.1 years and average pension benefit was \$28,388. For the Airport Authority, the average age is 67.8; average age at retirement was 57.8; average service was 26 years and average pension benefit \$37,770. The County plan has 241 retirees age 90-94; 95 retirees age 95-99 and 18 retirees 100 or over. The Airport Authority has 14 retirees age 80-84; 3 retirees age 85-89 and 1 retiree age 95-99.

The assets of the system as of the valuation date was \$1,027,941,207 and the system pays out approximately \$11,000,000 per month; \$132,000,000 per year.

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

**VICE-PRESIDENT:** None

**SECRETARY-TREASURER:**

**Financial Report:**

Brother Noelke reported that the Sub-Chapter has \$247,666.67 in cash and investments as of May 31, 2024. There are 1,168 current members with 170 participating in the PEOPLE Plan and (34) members lost this year.

Motion by Brother Pendracki, properly supported by Brother Wadlin, to accept the Treasurer report for June 2024 as presented. The motion carried.

**REPORT, COMMENTS AND ANNOUNCEMENTS: (Presented by Brother Macdonald)**

**Medical Insurance for Disability Retirees**

Council 25 won the 2010 arbitration case contesting the Wayne County discontinuance of health care insurance coverage for disability with an award stating that **"The County violated the collective bargaining agreement when it made changes to healthcare benefits for newly approved duty and nonduty disability retirees. The County must rescind Administrative Personnel Order 1-2010 and make whole the duty or nonduty disability retiree who was improperly denied healthcare benefits after 2010 by virtue of the fact that they did not meet the age and service requirements for "normal" retirement."** The award only applies to AFSCME disability retirees who retired after the personnel order was issued.

Since the arbitration award, Wayne County has contested the award in Wayne County Circuit Court and lost, refused to enter into meaningful settlement discussions by disputing the retirees subject to the award plus the implementation process, and appealing the case to the Michigan Court of Appeals. The Circuit Court has directed the parties to seek clarification of the contentious portions of the award from the Arbitrator, which is scheduled for June 13, 2024.

The Wayne County appeal to the arbitrator's original award is scheduled for oral arguments before the Michigan Court of Appeals hearing of July 10, 2024. Sub-Chapter 38 and Council 25 are assisting legal counsel for both hearings.

**HEALTH CARE INSURANCE SETTLEMENT (STIPENDS)  
Prescription Co-Pay Settlement**

The payments by Wayne County of non-Medicare eligible stipends appear to be consistent with the settlement agreement through the payment due June 1, 2024. Wayne County is providing monthly reports of stipend amounts transferred to MERS/Alerus.

The Sub-Chapter has three (3) open files each with unique questions concerning retiree stipends. All of these files are in the preliminary stages of investigation and, hopefully, will be resolved without a grievance being filed.

Motion by Brother Pendracki, properly supported by Brother Wadlin, to accept Brother Macdonald's report. The motion carried.

**COMMITTEE REPORTS:**

PEOPLE Committee:

Sister Bauman reported that there were screenings in May for (7) Wayne County Commissioners. Commissioner Al Haidous is retiring so there are candidates for his vacant seat. Two of the candidates will be at the Membership meeting today. Letters regarding the endorsements will be sent out next week.

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

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:**

The AFSCME 46<sup>th</sup> convention is being held in Los Angeles California August 12<sup>th</sup> through 16<sup>th</sup>. Chapter 255 is sending a delegate, Sister Pam Hyde-Shelton. As a delegate, she will be able to vote on issues.

Motion by Brother Pendracki, properly supported by Brother Noelke, to send a representative to the AFSCME International Convention from August 12<sup>th</sup> through 16<sup>th</sup>, with a per diem rate of \$74 per day with arrangements to be made through AFSCME International for hotel and air fare. The motion carried.

Motion by Brother McCall, properly supported by Sister Cairgle, to send Sister Cairgle to the AFSCME International Convention as a representative. The motion carried.

**GOOD AND WELFARE:**

There was a moment of silence for deceased members.

**ADJOURNMENT:**

Motion by Brother Pendracki properly supported by Brother Noelke, to adjourn the meeting at 12:21 p.m. The motion carried.