

STATEWIDE SUBCOMMITTEE MEETING  
September 3, 1970 - 1:30 pm - Room 107

PRESENT: Mel Hansen, Helen McMillan, Cal Larson, J. A. Josefson

MINUTES of the 7/17/70 meeting approved.

Highway Patrol Legislative Requests: Deferred to the next LRSC meeting.

It was decided to hear the request from Floyd Cartwright, Exec. Sec. of the 1915 teacher group, for a hearing before the full Commission.

DULUTH TRANSIT AUTHORITY MEMO (Blair Testin)

John Sweeney, Duluth Transit Authority Board:

- 1) Everything in the union contract was approved by the transit authority board. The ultimate authority rests with the transit authority.
- 2) Board (Transit) selection: Mayor appoints each member - 5 from Duluth and one ex officio from Superior.
- 3) All acquired are employees of the management firm.
- 4) Management firm have a 2 year contract, starting 2/1/70. Authority makes all policy decisions, including renewal of contract.
- 5) All are employees of the management firm. When and if the management firm ceases, they would become employees of the authority; not employees of the authority as such, now.
- 6) The management firm makes payments to the State of Minnesota, on unemployment comp, etc.
- 7) 111 union employees and 13 non-union personnel.
- 8) All salaries are paid from revenue from the bus company.
- 9) Millage and company money are kept separate.
- 10) Name of management firm - ATE Management and Service Company, Inc. of Duluth.
- 11) Employer pension contribution committed to a 3 year period:
  - \$8.00 per week per employee for 1st year;
  - 9.00 per week for 2nd year;
  - 10.00 per week per employee for 3rd year.

Benefit: \$300 per month for first 5 years of retirement and \$110 thereafter  
Retirement age - 57 with 20 years service in the Teamsters Union for everyone, starting last December.

- 12) Does not know about deficit payment.
- 13) All teamsters get Social Security in addition to teamsters pension.
- 14) Portability of pension as long as he has 20 years and as long as there is a teamster union job.
- 15) Union contract is re-negotiable every 2 years.

Sen. Mel Hansen advised that it was possible to request an attorney general's opinion; that they probably should not proceed to set up a separate pension fund for the administrative employees until the opinion was received.

Mr. Sweeney will advise the subcommittee of the attorney general's opinion.

CROOKSTON FIRE RELIEF MEMO (Blair Testin) Memo was read and discussed.

Some conclusions:

If paid firemen are not members of the relief association through choice or exclusion they would automatically be members of PERA. This should be included in the bylaws and the membership made aware of this.

The state aid funds, including that derived from the nonprofit corporation, to to the firemen's relief association special fund.

Sen. Hansen feels that they should get another resolution in for the amended form of the bill. They will get an actuarial survey after the passage of the bill.

Would like Crookston to submit the new bill before the Session so it could pass without any problems.

[Crookston will be mailed a copy of the Commission memo approving the bill]

NEW HOPE VOLUNTEER FIREMEN'S RELIEF ASSOCIATION (Blair Testin)  
New Hope will rework its bill and will submit a copy for Commission approval.

The New Hope Council has approved the bill and the cost which is included in the actuarial survey.

TRA - Harvey Schmidt

Harvey Schmidt reviewed the problems in collecting Social Security Tax and presented pertinent figures. He presented a bill which he explained was the same as the one offered in the last Session - bring state payments on a current basis.

Cal Larson moved that this bill be referred to the main commission, which includes the provision to have the state pay the Social Security tax directly. CARRIED.

Additional Housekeeping Items

Mr. Schmidt discussed a problem which referred only to people who do not get retroactive Social Security. Motion passed to approve this concept of No. 17 of the housekeeping items and passed on to the main commission.

Cal Larson moved that Sen. Hansen and staff get together and draft housekeeping bill and present to the full commission as soon as possible. CARRIED.

PERA POLICE & FIRE - Decisions (Blair Testin)

No decisions were made. It was suggested that this matter be discussed at an executive committee meeting on September 25th. (Average salary scale for these people is \$693).