



Legislative Coordinating Commission

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COMPENSATION COUNCIL Meeting Minutes Monday, February 14, 2005 1:30 p.m. in Room 5, State Office Building Convener: Tom Swain

Present: Rep. Fran Bradley
Stan Durda
Rep. Sondra Erickson
Ezell Jones
Paula Laidig
Sen. Keith Langseth
Kathleen Meyerle
Sen. Julianne Ortman
Sen. Linda Scheid
Jon Staebler
John Stanoch
Craig Shaver
Tom Swain

Excused: Michael Christenson
Joseph Leek
Rep. Tom Rukavina

Convener Tom Swain called the meeting to order at 1:30 p.m. Members and staff introduced themselves.

Mr. Swain opened up nominations for the position of council chair. Kathleen Meyerle nominated Tom Swain. Seconded. There being no other nominations, nominations were closed and Mr. Swain was elected.

Sandy Keene, Legislative Coordinating Commission, reviewed administrative matters regarding reimbursement forms for council members.

Tom Bottern, Senate Counsel & Research, presented the statutory duties of the council assigned by Minnesota Statutes 15A.082. He reviewed a memo outlining previous councils' frequently asked questions. Mr. Bottern also reviewed a memo summarizing the total compensation packages for constitutional officers, legislators, and judges.

Peter Wattson, Senate Counsel & Research, presented a memo on how the Legislature has responded to the past recommendations of the council.

Greg Hubinger, Legislative Coordinating Commission, reviewed a spreadsheet showing the salary history for elected officials.

Mr. Hubinger presented a memo and handout prepared by Mark Shepard, House Research, regarding the process for establishing agency head salaries and the current system of grouping salary ranges. He also explained how various public officials' salaries are affected by salaries within the jurisdiction of the compensation council.

Mr. Hubinger reviewed a spreadsheet showing current groupings of state agency heads and the maximum salaries for each group. He also discussed the role of the LCC Subcommittee on Employee Relations (SER). He explained that the SER had established a working group last year to research the 95% salary cap and submit a report to the Legislature by January 15, 2005. Discussion ensued about how the 95% salary cap came to be.

The Compensation Council then heard public testimony.

Cal Ludeman, Commissioner of the Department of Employee Relations (DOER), thanked the council for the opportunity to testify. Commissioner Ludeman pointed out that throughout the last year of contract negotiations, there have been no across-the-board increases for the last two fiscal years. He stated that the position of DOER and the governor is to demonstrate fiscal restraint and not recommend any increases to salaries for agency heads and constitutional officers until spending is under control. The administration plans to hold the line on tax increases. Commissioner Ludeman stated that there has not been a problem with recruitment and retention for elected or appointed positions. Commissioner Ludeman stood for questions. Discussion ensued.

Mr. Swain advised the council that any action they recommend would not take effect for two years as there must be an election after their recommendations are adopted by the Legislature. Discussion ensued regarding total compensation, per diem, and the possibility of comparing salaries to other states. Mr. Hubinger will gather information from the Council on State Governments for the next meeting. The council will also hear judicial testimony at the next meeting. Another issue Jon Staebler mentioned that could be researched by the council is if the governor's salary was, for example, increased by \$10,000, what would the budget impact be due to other salaries tied to the governor's salary?

Mr. Swain informed the council that their tasks need to be concluded by April 1, so that would allow the council to meet one or two more times. It was decided that the next meeting would be Monday, March 7, 2005, at 1:30.

There being no further business, the meeting was adjourned at 3:20 p.m.

Tom Swain, Chair