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**MCM**  
METALCASTERS OF MINNESOTA

To promote the importance of metal casting in Minnesota and to be a strong advocate for our industry through effective lobbying on a local, state, and federal level.

TOGETHER, WE WIN

## Chairman's Letter

Bob Mars – Board Chair

Hello everyone. Great to be touching base with you again.

Hopefully your business is going well and you're looking forward to finishing the year strong. We're all very fortunate to be in an industrial region where there is a wide variety of prospects and a large number of healthy companies. We've also been spared from any of the devastating natural disasters that have hit other parts of the country ---- I'll take a blizzard or two any day.

I've been thinking about Nathan Smith's excellent article ("Together, We Win") from the last Metalcasters Newsletter. He was right on. The more Metalcasters, suppliers and advocates we can round up, the more influence we'll have when we need it.

At our upcoming Fall Luncheon on October 26 at Jax Café, we have another excellent speaker on the slate. Brenda Kyle has been a long time advocate of our industry having worked at a machine tool dealer and 11 years at the St. Paul Port Authority co-leading business development projects. She is currently the President of the Minnesota Precision Manufacturing Association and was just named the new President/CEO of the St. Paul Chamber of Commerce, a powerful advocate for business in the area.

B (her nickname) follows a long line of Metalcasters of MN speakers who are in a position of influence. Your association has intentionally built and nurtured these important relationships over the years. We have powerful friends who are accessible to us because we provided them a friendly platform, made the effort to get to know them, and most importantly because of the

part we play in providing good jobs and an economic boost to the area.

The MCM is on the move, which is fun to be part of. We had record attendance at our last luncheon and we've added a great new Board member, Aaron Astleford, owner and President of Minncast Inc. We're working more closely than ever with one of our industry's top suppliers, Xcel Energy, and are in talks to possibly add an Xcel'er to our Board. Circling back to Nathan Smith's article, this kind of outreach is a key component in MCM's mission to expand our influence.

Thank you for your support ---- ***we hope to see you and your colleagues on the 26<sup>th</sup>!!***

RSVP to Deb at IRB at 651-256-4696 or email her at [irb@irbinc.biz](mailto:irb@irbinc.biz).

Bob Mars, President/CEO  
Mars Supply



### Spring Luncheon

St. Paul Mayor visits with Nick Marx from Mars Supply at the Metalcasters Spring Luncheon.

Maria Hartigan presents Mayor Coleman with a bronze casting of the MN State Seal from The Metalcasters (made by St. Paul Foundry).



### Governmental and Environmental Update:

Governmental Liaison: Therese M Benkowski, Weather-Or-Not Consulting, Inc.

As MCM strengthens our relationship with the Minnesota Chamber, Minnesota Manufacturers Coalition and National AFS, we work toward being more at the forefront of legislative initiatives as they are created and to notify our membership so that you may respond to your legislative leaders in a more timely way. Some of the continuing issues that will be expected to arise at the legislature will include health care, uniform labor standards, environmental regulatory reform and energy. The MCM Board will review each of the proposed bills to make determinations as to how the outcome of each will affect our industry and support the most appropriate side of the issue. It is at these times that MCM will email to the membership requests for support.

We attended the Manufacturers Summit on October 6, 2017, presented by the Minnesota Chamber. One highlighted focus on manufacturing apprenticeships and programs through the Department of Labor and Industry partnering with local Community Colleges and local manufacturing businesses was presented. With our seasoned employees rapidly approaching retirement, it is a continuous need of

facilities to draw a new generation of skilled employees. The Department of Labor and Industry has funding to assist these businesses in offering apprenticeships. Many of our MCM members may also be aware of the internships also offered by Minnesota Technical Assistance Program (MNTAP) through the University of Minnesota. Both of these organizations assisting connecting potential new employees with industry. If a particular foundry is interested in working with any of these organizations or directly with the local technical colleges, it may be a valuable asset to set up training and apprenticeship programs. These are excellent directions to go for marketing the type of work we do and producing a more continuous skilled workforce.

One last side note, MCM and the MPCA continue to anticipate Beneficial Reuse Applications from our industry and welcomes any feedback on the process. We have heard for decades that this was a priority for our industry to have this ability and now that we do, it seems that we are still not seeing the response from the facilities to attempt the process. Any feedback as to why this is the case, would be welcomed by both the MPCA and myself. Please let me know what is preventing your facility from moving forward on this process.

MCM is an organization that is set up to support this industry and our members are important to us, please feel free to contact any of the Board members if your organization needs support from the industry as a whole to deal with an issue.

**Our Mission** *MCM's mission is to promote the importance of metal casting in Minnesota and to be a strong advocate for our industry through effective lobbying on a local, state, and federal level.*

### MCM Board of Directors

- Neil Ahlstrom, Smith Foundry
- Aaron Astleford, Minncast Inc.
- Therese Benkowski, Weather-Or-Not Consulting, Inc.
- Ken Damewood, Northern Iron & Machine
- Andy Fulton, ME Global
- Matt Grilz, Pier Foundry
- Bob Mars, Mars Supply Co.
- Tom Pulkrabek, IRB Inc.

# MCM

METALCASTERS OF MINNESOTA

*You're invited.....*

**TO:** Metalcasters of Minnesota Fall Luncheon  
**DATE:** Thursday, October 26<sup>th</sup>  
**WHERE:** Jax Café, 1928 University Avenue NE, Minneapolis, MN 55418  
*(easy parking available across the street)*  
*Directions:* <http://jaxcafe.com/?act=contactus>

Metalcasters of Minnesota is pleased to announce Brenda "B" Kyle, the new President/CEO of the St. Paul Area Chamber of Commerce, as our fall speaker for the upcoming MCM meeting.

*As President/CEO of the Saint Paul Area Chamber of Commerce, B represents over 1,200 Twin Cities companies of all sizes and industries, as well as non-profit and government organizations. Within the community, B is a Midway Chamber of Commerce board member. She also is the 2015-17 President of the Minnesota Precision Manufacturing Association (MPMA), and is editor-in-chief of its bi-monthly trade journal, Precision Manufacturing.*

*B graduated from the College of Saint Benedict and is a veteran of the U.S. Army. Prior to her work at the Chamber, she spent 11 years at the Saint Paul Port Authority, ultimately co-leading its development work in Saint Paul on projects such as the Treasure Island Center, CHS Field, the Saint Paul Police Department's Public Safety Training Facility, and Major League Soccer.*



**11:30 AM:** Registration  
**12:00 PM:** Luncheon  
**12:30 PM:** Keynote Speaker – Brenda "B" Kyle  
**COST:** \$50/person  
**RSVP:** Email Deb at [irb@irbinc.biz](mailto:irb@irbinc.biz) by October 23<sup>rd</sup>  
**PAYMENT:** Checks only - Payable to *Metalcasters of MN*  
Please bring the check with you on the 26<sup>th</sup>

## Are workers' compensation costs keeping you up at night?

Sally Smith is a great employee for ABC Manufacturing. She is dependable, energetic, and hard working – a true rock star. One morning, Sally arrives at work before most of her coworkers to get an early start on her to-do list. Upon arriving, Sally realizes that she needs to move a few large boxes in order to complete her tasks. She knows the boxes are heavy but doesn't want to wait for someone else to arrive to assist her. She picks up the first box and moves it to its new location without issue. As she is carrying the second box, however, Sally trips over a cord and drops the box on her foot, causing her to fall to the floor.

When you, Harry Human Resources, arrive at work, you find Sally sitting on the floor holding her foot. You get her the medical attention she needs and

start recording and reporting the injury as necessary.

The next day, Sally calls to inform you that she needs surgery on her foot, and she will be out of work for a minimum of eight weeks. After eight weeks, she should be able to return to a light duty position.

How much is this going to cost ABC Manufacturing – surgery and a minimum of eight weeks of lost wages? Oh wait, we have workers' compensation insurance, so it won't cost us anything – right? WRONG!

### **How your mod can become a substantial liability**

Worker's compensation premiums are determined based on your experience modifier, referred to as your mod. An employer's mod is based on the cost of its workers' compensation claims over the previous three-year period as compared to similar business types

within its state. If an employer's mod is 1.0, then the employer will pay the industry's average premium rate. If its mod is .8, however, it will pay 20% less than the industry rate. On the other hand, if your mod is 1.2, you will pay 20% more than the industry rate.

As you can see, Sally's surgery and lost wages will likely have an impact on ABC Manufacturing's mod. If there are other workplace injuries giving rise to workers' compensation claims, an employer's mod can quickly increase and become a substantial liability for the company. Given the impact that each claim has on your future premiums, it is to your benefit to identify the ways that you can minimize injuries in your workplace.

If you'd like more information on the concepts in this article, or have questions with insurance in general, we'd be happy to visit with you at your convenience.



**Michael Nicolas, Business Insurance Consultant**

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Minnetonka, MN 55434  
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## Tax Competitiveness

### **Our Goals**

We support a pro-growth tax system that improves competitiveness, reduces complexity, improves predictability and stability, and increases accountability. Minnesota's state and local tax system should be changed to ensure they cultivate innovation, attract investment and foster job growth and retention.

### **2017 Legislative Results**

#### **We delivered biggest tax relief for all Minnesotans since 2001**

- **Statewide property tax:** \$292 million in business tax relief over next three years by eliminating automatic annual inflator and exempting first \$100,000 of property's market value from state levy.
- **Research-and-development credit:** Tax credit increased for second-tier percent from 2.5% to 4% (for R&D over \$2 million) to encourage innovation and retaining important R&D jobs.
- **Estate tax:** State threshold increased from \$2 million to \$3 million by 2020 which moves us closer to federal estate tax threshold of \$5.49 million.
- **Residency factors:** Individual's use of Minnesota financial advisers, accountants, etc., no longer will be used to determine residency for tax purposes.

