

MINUTES OF THE UNEMPLOYMENT INSURANCE BOARD MEETING
OCTOBER 19, 2011
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE – CONFERENCE ROOM 19
INDIANAPOLIS, IN 46204

Members present were Paula Presnoples, President; Kevin Tully, Vice President; Dave Collins (via phone); Joe Evans; Kent Tolliver and Randy Maxwell. Also in attendance from the Indiana Department of Workforce Development were Randy Gillespie, Chief Financial Officer; Scott Sanders, Deputy Commissioner Systems Information and Analysis; Nancy Manley, Director of Budget; Joe Frank, Manager of Communications.

Ms. Presnoples welcomed guests Brad Nemeth, Common Cause, and Francesca Jarvos, Indiana Business Journal.

Ms. Presnoples called the meeting to order at 10am and recognized a quorum was present.

COMMISSIONER'S REPORT

Mr. Sanders gave the Commissioner's Report in Commissioner Everson's absence. He stated the Commissioner was in Ft. Wayne attending a subcommittee hearing for the House Committee on Veterans' Affairs regarding Veterans' Employment Issues.

Mr. Sanders stated the economy is holding steady and we should begin to see construction lay-offs as we approach the winter season. He also stated we might see a surge in retail jobs for the holidays and the upcoming super bowl, and then see a decline.

OLD BUSINESS

Ms. Presnoples asked the members to review the minutes from the September 21, 2011 meeting. She addressed one correction in the minutes. Joe Evans motioned for approval of the amended minutes, Randy Maxwell seconded the motion, and the motion was unanimously approved.

OPERATIONAL UPDATE

Mr. Sanders began by stating the unemployment rate for September will be released on Friday and he is hopeful the rate will stay at or below the national average. He pointed out the southwest portion of the United States have experienced high unemployment rates of 12% or more. He addressed the initial claims chart stating that Indiana is back at levels last seen in 2007. He believed the agency will see the typical increase in claims due to layoffs and shutdowns in December. He also stated that Tier 4 of Emergency Unemployment Compensation was turned back on last Sunday.

Mr. Gillespie reviewed some new charts covering unemployment benefits paid with the Board and discussed the difference between the numbers from 2009 to present. In 2009, Indiana paid out \$3.4 billion in state and federal UI benefits, and the 2011 forecast is to pay out \$2.0 billion.

He directed the Board's attention to a new chart showing the trust fund forecast out to 2020 which shows Indiana with a positive \$4 million balance by 2020. He made other comments regarding trust fund issues: Indiana's interest payment was made on September 30th and have accrued \$2.7 million since then, and the trust fund has a negative \$1.9 billion balance; He then directed the Board's attention to the Penalty and Interest fund where old resolutions were reverted back to the fund. The balance available for resolutions after the change is \$4.8 million.

NEW BUSINESS:

Ms. Presnoples addressed the issue of holding quarterly meetings instead of monthly. There was some discussion among the members. Mr. Gillespie stated there will still be a packet of information sent out every month but the meetings would only be held quarterly. Ms. Presnoples entertained a motioned for approval for the meetings to be moved to quarterly, Kevin Tully motioned for approval and Kent Tolliver seconded the motion. The motion was approved.

PUBLIC COMMENT

Brad Nemeth with Common Cause signed up for public comment. He addressed the board with issues from past meetings. He agreed to send a written report via email.

PRIVILEGE OF THE FLOOR:

The next board meeting will be January 2012.

ADJOURNMENT:

The meeting was adjourned at 10:30am.