

UNEMPLOYMENT INSURANCE BOARD MEETING
DECEMBER 16, 2015
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE
INDIANAPOLIS, INDIANA 46204

Members present were Dave Collins, President; Kevin Tully, Vice President; Paula Presnoples; Pete Bitar; and Otto Prow. Also in attendance from the Indiana Department of Workforce Development were Bill Nonte, Chief of Staff and Chief Financial Officer; Josh Richardson, Deputy Commissioner; Jeff Gill, General Counsel and Joe Frank, Deputy Commissioner of Public Affairs.

Mr. Collins called the meeting to order at 10:15 am and recognized a quorum was present.

OLD BUSINESS

Mr. Collins asked if members had reviewed the minutes from the October 28, 2015 meeting. Mr. Bitar made motion to approve the minutes, and Mr. Prow seconded, the motion was approved.

OPERATIONAL UPDATE

Mr. Richardson reviewed the slide on the “unemployment rate by state” showing Indiana’s rate at 4.4% in October.

Mr. Richardson reviewed the “initial unemployment claims” which continues to trend lower, which has effect on the funding we receive.

Mr. Richardson reviewed the chart on “weekly claims for unemployment insurance” which shows the winter peaks have not been completely eliminated but continue to see them go down.

Mr. Richardson reviewed the chart on “quality” which shows no new updated information from the last meeting.

Mr. Richardson reviewed the chart on “fraud rate” which looks the same showing year to date number. DOL reports this so we have to wait on them to post new information. Indiana has the number one program in the country with the lowest fraud rate.

Mr. Richardson reviewed the chart on “improper payments” which is also the same because there is a lag time so we will update as we get new information.

Mr. Richardson reviewed the chart on “timeliness” showing 1 year against the others of how many received first payment and on what day it was paid to determine how many were paid within 14 days. There was some discussion.

Mr. Nonte reviewed the “unemployment trust fund solvency map” showing there are 3 states plus the Virgin Islands left that owe the trust fund as of December 1 and Indiana is not one of them.

Mr. Nonte reviewed the “UI trust fund actual and projected balances” chart showing the trust fund loan pay off at end of October of \$250M. 2015 projections are to be at a zero balance at the end of the year. There was some discussion.

Mr. Nonte reviewed a new slide showing the Schedule A (Form 940) for 2015 which shows the FUTA tax rate for Indiana, which last year was 1.5% but with November balance being zero, now Indiana is .000%. There will be no payment to the federal government this year which helps Indiana employers. This shows the 3 states plus the Virgin Islands still have to pay this tax. We will be watching to be sure we have that zero balance on December 31, 2015 which will make our FUTA credit penalty start at .3%.

Mr. Nonte closed with the review of the penalty and interest fund showing an available balance as of November 30, 2015 of \$8.5M. There was some discussion. A copy of above mentioned charts is attached.

NEW BUSINESS

Mr. Collins recognized Paula Presnoples for her time as president with a resolution which was adopted at the October 28, 2015 meeting.

Mr. Collins asked for approval of the 2016 meeting dates on a bi-monthly basis, which discussion ensued resulting in a motion made by Mr. Bitar to move to quarterly board meetings, motion was seconded by Mr. Tully, motion was approved. Cindy George to send out new quarterly meeting dates for 2016 to board members.

PRIVILEGE OF THE FLOOR

Mr. Collins opened privilege of the floor and Mr. Bitar thanked the board and Ms. Presnoples for his time on the board. Mr. Collins made a motion for a resolution to thank Mr. Bitar for his service which will be done at the next board meeting.

Mr. Collins asked the DWD representatives if the automated system is still being used for claimants that have left the state to try and find work but when they call one of our WorkOne offices they get the automated system and cannot speak with an individual. There was some discussion.

ADJOURNMENT

Meeting adjourned at 11:55 AM.

These minutes have been approved by Steven J. Braun, Commissioner of the Indiana Department of Workforce Development.