WARRICK COUNTY BOARD OF FINANCE ANNUAL MEETING

COMMISSIONERS MEETING ROOM
107 W. Locust Street, Suite 303
Boonville, Indiana
January 23, 2017
1:00 PM

The Warrick County Board of Finance met in regular session with Commissioner Bob Johnson, Commissioner Dan Saylor, and Judy Beem, Warrick County Treasurer. Commissioner Dan Saylor called the meeting to order at 1:00 PM.

Auditor Debbie Stevens; Chief Deputy BJ Farrell, and Secretary Kristine Georges attended the meeting and recorded the meeting.

Dan Saylor: Alright. We will call the meeting to order. The Board of Finance of Warrick County, January 23rd, 1:01 (PM). So we'll ask Judy to take roll.

Judy Beem: I'm Judy Beem, for most of you, I think know me, but I'm new to this Board so I will introduce myself anyway. I'm the new Warrick County Treasurer. Okay, the Roll Call:

ROLL CALL

Judy Beem: Marlin Weisheit?

Marlin Weisheit: (Commissioner Weisheit was not present for this meeting).

Judy Beem: Not here. Dan Saylor?

Dan Saylor: Here.

Judy Beem: Bob Johnson?

Bob Johnson: Here.

INTRODUCTION OF BANKS AND BANK REPRESENTATIVES

Judy Beem: Now we'd like for the banking representatives to come to the podium please and introduce yourselves and note your bank. If you have business cards on you, that would be great so that we can get the correct spelling of the names. Okay, you're in the first row.

Dan Saylor: Guys, when you introduce yourselves just spell your last name so, that way we have it on recording.

Steve Bennett: Steve Bennett, B-e-n-n-e-t-t, Peoples Trust and Savings Bank.

Brad Pemberton: Brad Pemberton, LNB Community Bank, and it's P-e-m-b-e-r-t-o-n.

Steve Smith: Steve Smith, that's S-m-i-t-h, at Old National Bank.

Travis Genet: Travis Genet, G-e-n-e-t, with First Federal Savings Bank.

Greg Frasier: Greg Frasier, F-r-a-s-i-e-r, First Security Bank.

Jared Voellinger: Jared Voellinger, First Security Bank, V-o-e-l-l-i-n-g-e-r.

Chris Rutledge: I'm Chris Rutledge with Banterra Bank. Rutledge is R-u-t-l-e-d-g-e.

Kyle Dodd: I was hoping he'd introduce me. Kyle Dodd, Banterra Bank, D-o-d-d.

Chris Rhodaback: Chris Rhodaback with United Fidelity Bank. R-h-o-d-a-b-a-c-k.

Dan Saylor: Alright. Anybody else? That it? Okay.

APPROVAL OF MINUTES

Dan Saylor: Now we'll ask for the Approval of the Minutes from the January 11, 2016 Meeting.

Bob Johnson: I read something about where we, why don't we just table that? Because, you know, how we can't...

Dan Saylor: (Inaudible).

Bob Johnson: We can't approve last year's Commissioner's Meeting, so Todd came up with, all we have to do is file it.

Dan Saylor: Okay.

Bob Johnson: We might be able to do the same thing here.

Dan Saylor: Alright, so we'll table that. Okay, so we will table the Approval of the Minutes. Next item on the agenda, review of the 2016 Financial Investments.

Kristine Georges: Gentlemen, you need to vote on the tabling.

Dan Saylor: We need to vote on it?

Kristine Georges: Yes, because it is on the Agenda.

Dan Saylor: Okay.

Bob Johnson: I make a motion to table last year's Financial Report, Minutes.

Dan Saylor: Second. All in favor?

Bob Johnson: Aye.

Dan Saylor: Aye. Two, zero (2-0). Okay.

REVIEW OF THE 2016 FINANCIAL INVESTMENTS, BANKS, AND INTEREST REPORT

Dan Saylor: The next item on the agenda is Review of the 2016 Financial Investments, Banks, and Interest Report.

Judy Beem: Okay, if you go to, I have included that in the packet that I presented, 2016 Interest, one hundred eighty-one thousand eight hundred eighty-two dollars and thirty-three cents ($181,882.33) on the general investments. That is considerably more than was received last year for 2015. That was, I've also included a copy of that in your packets so you can see that was one hundred and ten thousand ($110,000.00). So this office has been doing a good job of, of contacting our banking community, asking them to quote on the rates that we're

receiving on the various funds that we have. So we're thankful that we can keep this money in this area in our own community instead of investing it in, outside the State. I've also included in here a listing of the State approved depositories. And each one (1) of the banks that we hold funds in has been highlighted, so you can see that we are keeping that within this community. And we will continue to move monies around as needed so that we can get the highest rate of interest. And again, I appreciate being able to meet with all these gentlemen that are in the audience so that we can just keep getting competitive rates. And I will always just say, give us your best rate, cause that's what we're trying to do is get the best rates for the County.

Bob Johnson: Good job.

Dan Saylor: Okay. Do we need to...? That's just a review so we don't need a motion on that or anything? No? For an approval?

REVIEW BY AUDITOR OF MAY AND NOVEMBER 2016 TAX DISTRIBUTIONS

Dan Saylor: Okay, Review by the Auditor of the May and November 2016 Tax Distributions by Debbie?

Debbie Stevens: I didn't bring the Review of the Settlement. All of the figures that you have, the balances as of 12-31 (December 31, 2016). Reported are all post Settlement and so it's probably at the, one (1) of the lowest levels that you'll see throughout the year. Because as soon as we begin May collections, all the balances will go up. The investments will go up and that's where we earn our greatest interest is from about the April through the end of June period. And then the same thing in the fall. Collections, of course, are much higher in the spring collections. So I'm, I'm not really sure why that's on here other than to show that we fluctuate the greatest on our funds that we maintain during the Settlement periods.

Dan Saylor: Okay.

Debbie Stevens: So, but collectively, all the monies, what I'll comment on here, are taxes, but of course everything in, in terms of revenue that's collected by the Treasurer and then she then invests the money as much as possible and tries to keep it as liquid as possible as well so that we can at Settlement time begin to move those monies around in order to meet Settlement.

Dan Saylor: So the only investments in CDs are listed down here...

Debbie Stevens: Correct.

Dan Saylor: In the bottom?

Debbie Stevens: Yeah, which is just your German American and a small CD with Peoples.

Dan Saylor: So that balance of five million ($5,000,000.00) and some change there, is that, is that one (1) CD or is that a conglomerate of several?

Debbie Stevens: It's one (1), it's one (1) CD.

Dan Saylor: One (1) CD?

Debbie Stevens: It's a one (1) year.

Judy Beem: Once a year.

Dan Saylor: Huh.

Judy Beem: There is a Redevelopment Bond that's listed in that first group.

Dan Saylor: So that five million dollars ($5,000,000.00), is that money that'll be used in, in the future, near future? Or is that something that, in other words, like what's the term on that CD?

Judy Beem: It's a year.

Dan Saylor: So that money won't be used within a year, I didn't know if...? So do you ever look at laddering those CDs or anything? You know, one (1) year, two (2) years, three (3) years, dividing them up, or can you do that?

Judy Beem: Um, I guess it depends upon the purpose of what that money is earmarked for...

Dan Saylor: Used for?

Judy Beem: And I'll be honest, I don't know what that is at this point. I do know that the past two (2) years it's be a one (1) year CD.

Dan Saylor: I know these guys love long term money. They pay a lot more for that long term money.

MOTIONS TO ACCEPT THE REPORTS

Dan Saylor: Alright. Do I have a motion to accept the reports as stated?

Bob Johnson: I make a motion to accept the reports as stated.

Dan Saylor: Second. Any discussion? All in favor?

Bob Johnson and Dan Saylor: Aye.

Dan Saylor: Two, zero (Motion carried 2-0).

ELECTION OF 2017 OFFICERS

Dan Saylor: Item number seven (7), Election of 2017 Officers.

Bob Johnson: We need a President and a Vice President.

Debbie Stevens: One (1) of you (inaudible) to serve as President.

Bob Johnson: I'll do it.

Dan Saylor: Thank you, Bob.

Bob Johnson: We meet once a year.

Judy Beem: I think that was a comment on the previous minutes.

Dan Saylor: Okay, so Bob will serve as President.

Bob Johnson: I think you have to go through the motions with it.

Dan Saylor: Um, do I have a motion, I guess I'll make the motion for Bob to serve as President. Is there a second?

Bob Johnson: I, I glad, I humbly accept that.

Dan Saylor: All in favor? Aye.

Bob Johnson: Aye.

Dan Saylor: Motion carries two, zero (2-0). This is tough with only two (2) people. So now do we need to make a...?

Kristine Georges: Another set of motions, yes, for your Vice President.

Bob Johnson: We need a Vice President.

Dan Saylor: Do I?

Bob Johnson: I say we go with Marlin.

Dan Saylor: So there's a motion on the floor for Marlin for Vice President. I second that motion. All in favor?

Bob Johnson: Aye.

Dan Saylor: Aye. That motion carries two, zero (2-0).

Bob Johnson: Is that it?

DISCUSSION ON RATES

Debbie Stevens: Judy, did you want to take it from here? I think traditionally if the bankers want to speak to the Commissioners, if you have anything you'd like to say to them, or anything you would like to share as investments go? I don't want to speak for Judy but I know all of you have been very competitive. We've appreciated that. To your comment about the CD, I believe the rates you're getting for your CDs as well as the savings accounts, of, they're matched. They're equal where in the past in order to get the best rate to, to do more long term investments in CDs. So, thus, you don't see the CDs like you used to have.

Judy Beem: Most recently the German American was put out for bid. All of you probably recall seeing that email. So I believe what we have done in the past was to, you know, ask somebody from the financial community to give us a forecast of what we could expect going in to 2017 as far as rates. Any volunteers?

Dan Saylor: Alright bankers. Come on now. Is there, are there, is there upward pressure on interest rates?

Brad Pemberton: Yes. I think you're going to see a couple more moves (inaudible).

Debbie Stevens: Brad, do you mind to come up to...

Brad Pemberton: I knew...

Debbie Stevens: You don't have to, but if you'd like to...

Brad Pemberton: I'd have to come up to be recorded.

Kristine Georges: Just to repeat what you said, actually.

Brad Pemberton: I do believe there's some upward pressure on the rates this year. We're expecting a couple moves in interest rates this year which would be good for the County. Speaking towards long term CDs, I would, my guess is in my twenty-five (25) years, I've never seen it be able to go out longer than one (1) year.

Judy Beem: Right.

Brad Pemberton: I don't know if there's rules against it. I just don't believe we've ever bid out longer term CDs as a general rule.

Judy Beem: There is a limit on it because of the liquidity factor. And I wanna say it's under two (2) years.

Brad Pemberton: Okay. I just don't recall it and I've been watching it a long time. I didn't think there were, but, no I believe the forecast. Everybody's very optimistic this year, I believe, about the economy's doing and as it strengthens. Yeah, we're not back to what I'd consider a normal interest rate environment, although there's a lot of national debt now so that will maybe restrain rates from going up as high as they have in the past. But I believe the general consensus among the experts, which I don't claim to be one, is that rates will continue up a couple more times this year. We've got a pretty big movement at the end of last year already at some of the longer term treasuries, so they might not move as much as short term rates over the next year. But there will be continued pressure up, I believe, as long as the economy is looking as strong as it is right now.

Judy Beem: Okay, thank you.

Brad Pemberton: (Inaudible).

Dan Saylor: Thank you. Anybody else?

Judy Beem: How about the local rates? Anything different that, for the local community, that we can anticipate?

Jared Voellinger: (Inaudible) say something? I guess I would add, I don't particularly focus on CDs as much as I do in commercial lending, but I've noticed over the past year or so that I've seen public fund-like CDs that we're discussing here, I've seen the rates just continue to go higher and higher. I mean they're, you know, we're bidding for one (1) year CDs well over one percent (1%) now. And I believe that's, you know, kind of something close to what won the five million dollar ($5,000,000.00) account that you're discussing. But you know, there was six (6) months ago, years ago, those were well below one percent (1%). So I think that at least we're continuing to see a climb in, in at least what we are paying and what we're having to offer, at least, to be competitive. And so I just wanted to add that I feel that we're, you know, working as hard as we can to keep the money here, locally.

Dan Saylor: Jared, state your name.

Jared Voellinger: Sure, Jared Voellinger.

Kristine Georges: I'm going to enjoy that in the next couple of days, thank you.

Dan Saylor: Thank you, Jared. Alright, you may…at least he didn't grab ahold of it. Alright. Anything else? Okay.

Kristine Georges: Just a motion to adjourn.

Bob Johnson: I make a motion to adjourn, please.

Dan Saylor: Second. All in favor? Three (3), zero (0).

Bob Johnson: Aye.

Dan Saylor: Two, zero (Motion carried 2-0).

Meeting Adjourned at 1:16 PM.

WARRICK COUNTY BOARD OF FINANCE

PRESIDENT, ROBERT H. JOHNSON

VICE PRESIDENT, MARLIN WEISHEIT

MEMBER, DAN SAYLOR

TREASURER, JUDY BEEM

ATTEST:

AUDITOR, DEBBIE STEVENS
WARRICK COUNTY INDIANA

This page
left intentionally
blank.

K Georges.