Holiday Greetings to All:

As I'm sitting here drafting this letter to you and thinking about the upcoming holidays, it dawned on me that almost half of my year as serving you as President has elapsed. I guess what they say is true; time flies when you're enjoying yourself.

I want to thank the District Directors for their hard work and dedication to the League with the annual District Meetings in Middlebury and Nashville. Attendance for both was outstanding with great information from Charlie Pride, State Board of Accounts, and Dan Jones, Department of Local Government Finance. I would also like to thank Sue Beadle, City Clerk of Elkhart, for hosting the ILMCT breakfast during the IACT Conference. Great job!

In writing this article and thinking about the Annual Conference in French Lick, June 14-18, 2009, and my theme of "The Tradition Lives On," what better time to reflect than the upcoming holidays, when we all have our special traditions with family and friends?

Christmas is such a busy and hectic time, but let us not forget the birth of our Father's Son, and the salvation that He promised us all by following Him.

I wish you the warmest thoughts and best wishes for a wonderful holiday season and a very happy New Year.

Larry J. Breese, IAMC, MMC
President, ILMCT

As you go through the holiday hustle and bustle, I hope you take time to enjoy everyone a magical Christmas.

Laura Baker,
ILMCT Vice-president

Christmas is my favorite time of year. I think of crisp winter air, warm houses, cozy fireplaces, packages under Christmas trees, plentiful food, spiced cider, laughing families, and giggling children. Let us look forward to a Christmas as merry as it can be, and to an even better New Year. May God bless us all.

Dave Shafer,
ILMCT Secretary

Happy Holidays Everyone!

The Holiday season is a time for sharing special moments of laughter and love with family and friends. May each of you, my extended family and friends, have a wonderful, blessed holiday and enjoy those special moments.

I wish you all a very relaxing holiday with your family! It is a time to reflect on why we are here on this earth and to give thanks for our family and friends. I wish you a Merry Christmas and a very Happy New Year to you and yours, Retha
An open letter to Indiana's Clerk-Treasurers,

In our lifetimes local government officials have not seen the confluence of events that have lead to the chaos in today's economic markets. Uncertainty is everywhere. From the highest levels of America's greatest financial organizations, to the White House, Congress, and even to the bank at the end of the street, there is a general nervousness or fear as to what will be coming next.

Crisis always bring introspection and questioning. Those are good things. As the state's chief investment officer, I would like to respond to what I'm frequently hearing.

Q. Where can I put my money and know that it will be absolutely safe?
A. A well-sealed coffee can buried in a fenced back yard. The truth is, no institution is perfectly, absolutely safe. We live with risk every day, but only become aware of it in times like the present. The largest banks and your local community bank are all under intense pressure right now. From my dozens and dozens of discussions with local bankers of Indiana in the last few weeks, I can report that virtually all tell me "we're well capitalized, we're profitable, but liquidity is a bit of a problem." Liquidity or the availability of cash is what local banks need to fuel the local economy and thus, I'm encouraging all local officials to diversify their investments in as many local banks as practical.

Q. Isn't my primary responsibility in handling public money to get the highest yield possible?
A. No. Absolutely not! The three fundamental words of investing are: SAFETY, LIQUIDITY, YIELD......in that order. Your most important job is making sure that principal is safe.

Q. If my first responsibility is safety and no place is absolutely safe, what am I to do?
A. Two things: first, measure the overall risk. To do this, you do not need to have a PhD in finance or economics, but you do need to be informed. Talk with your local bankers and the regional banks that serve your area. Feel free to give me a call if you like. Second, diversify your investments, or in other words, put money in multiple banks. Far too often I'm told by a local official, "I diversify. I use six banks. I have $25,000 in Bank A, and $100,000 in Banks B - F". When I ask, "why so much money in one bank?" the answer is "because they pay me more yield". WRONG ANSWER! Again, SAFETY, LIQUIDITY, YIELD! Risk always corresponds to reward. The bank that pays you the higher rate is assuming more risk and they are doing it for a reason. You are far better to have money spread over various institutions offering competitive rates, than putting it in one institution just to earn a few more dollars.

Q. But don't I have to put my money in the bank that offers me the highest interest rate?
A. Only if you put CDs out to bid. You can open money market or NOW accounts in any registered Indiana depository (local bank) at any time. The interest rate might be a bit lower than a CD rate but these accounts meet the key goals of SAFETY, LIQUIDITY and YIELD, in that order (are you beginning to detect a theme here??

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Continued...

Q. But what if the nightmare happens and the local bank I have made investments in, closes its doors? A. Here is the best news of all: Indiana is unique among the fifty states in that we have something called the Public Deposit Insurance Fund. This fund was established in the 1930's as a result of the Great Depression to protect public funds held in local banks. For many years, all the banks contributed to the fund and today there is over $300,000,000 in the account. Should a bank close its doors, the PDIF offers coverage to local units of government for all deposits above the amount of coverage offered by the FDIC (in other words, FDIC covers the first $250,000 and the PDIF covers the rest).

Q. But, but, but... what if a whole bunch of banks go under and the PDIF limit is exceeded? A. The last time a bank failed in Indiana was in 1992. It is a very rare event. Subsequent to that bank's collapse, its assets were purchased and the PDIF was re-paid for 81% of the dollars it expended. The last bank failure prior to that one resulted in a reimbursement to the PDIF of 95%. Said differently, bank failures don't result in a 100% loss as virtually someone always steps forward to buy the assets and they end up repaying the bulk of the PDIF expenditure. PDIF thus "leverages" its funds so that the $300 million should result in coverage for more than two billion dollars of public funds.

Q. But what if there are more than two billion dollars of claims? A. (heavy sigh of exasperation) We do not live in a risk free world. We must be able to accept some level of risk. If we lose so many banks that two billion dollars of claims on public funds are made, well, the world will be so dramatically different that I suspect that will be the least of our worries.

Final thought: Be confident! Holding elected office means that you are by definition, a community leader! A trait of great leadership is that in difficult times, leaders inspire the confidence of others. Those who wish to grab a headline for a moment may talk doom and gloom and try to scare people into believing the end is near, but it is not. We live in a great state that is a part of the greatest nation on earth. We should be proud of that and remember that just as our parents and grandparents pulled through really, really tough times, we can and will do the same. It's part of our legacy. Not long ago a new president coming into office at a time of an economic slowdown and double digit rates of interest and inflation said in his inaugural address: "We have every right to dream great dreams. After all, we are Americans." Be inspired by those words as I am and know that the dream of a healthy economy is achievable and the part we play in helping our local economies is vital. I count it a privilege to have that responsibility and I know each of you do too.

I hope this has been helpful to all of you and never hesitate to call me if you have any questions.

Richard Mourdock

From Suzy Bass

Taxing of clothing or uniforms are excluded from wages of an employee, if they meet BOTH of the following: (1) Specifically required as a condition of employment, and (2) Not worn or adaptable to general usage as ordinary clothing.

If it is adaptable to street wear... ie... jeans, polo shirts, t-shirts, etc, then it is taxable. This is regardless of whether the uniforms are rented or bought and regardless of your policy manual stating that it is part of the employee's uniform.
Education Notes

By Janet Jaros,
Education Co-chair

How many of you feel you know everything there is to know about the job we were elected to perform? The majority of us would never even imagine that we know it all. Do you remember when you were in high school or college and couldn’t wait to get done, so you didn’t have to go to classes anymore? Most of us were that way. Now, as adults, we have the opportunity to go to school to learn how to do our jobs more efficiently. We are the only elected officials in the State with an organized education certification. Education is important and really does help us become more efficient with our daily duties. Please mark your calendar for next year’s Institute/Academy classes that will be held in Muncie on March 8-12th. We will be meeting at Ball State Alumni Center for most of the week. There will also be two days of computer classes on campus. The classes and instructors are being finalized for this week by H. R. Unlimited. Hotel information is being finalized as well. That information will be forthcoming around the first of the year. Scholarships are available for these education classes. Please contact Linda Bajzatt, Wolcott Clerk-Treasurer, 219-279-2216 or wolownt@ffmi.com for applications. If you were not able to attend this year, please consider coming in March. The classes are very good, but the friends you make are priceless. We have some colleagues that chose not to pursue their MMC. They are still required to take classes to maintain their CMC certification. We have some that have lost that certification because they have not kept up the required education hours. If you are one of those, now is a good time to file a new application and work towards the 30 recertification points. There are many obstacles that are placed in front of us while performing our job. Our classes will help you to realize your personal growth. This will help you when dealing with people, the public and other elected officials, so you can handle these obstacles in a professional way.

Ask Charlie

If a city or town provides health insurance to their employees, can the city or town exclude the Clerk-Treasurer from coverage?

No. IC 5-10-8-2.6 (b) states that a public employer may provide programs of group insurance for its employees and retired employees. The public employer may, however, exclude part-time employees and persons who provide services to the unit under contract from any group insurance coverage that the public employer provides to the employer’s full-time employees. IC 5-10-8-1 defines an employee to mean: (A) An elected or appointed officer or official, or a full-time employee; (B) If the individual is employed by a school corporation, a full-time or part-time employee; (C) For a local unit public employer, a full-time or part-time employee or a person who provides personal services to the unit under contract during the contract period; or (D) A senior judge appointed under IC 33-24-3-7, whose services have continued without interruption at least thirty (30) days.

Congratulations to Diana Cordray for winning the Financial Management Award at the Indiana Association of Cities and Towns Annual Conference in October. Diana has served as the Clerk-Treasurer for Carmel since 1996.
The Tradition Lives On!

MARK YOUR CALENDARS for June 14-19!

The Indiana League of Municipal Clerks and Treasurers will be gathering in French Lick, Indiana, to celebrate the 73rd Annual Conference. Our President, Larry Breese, Conference Chairs: Jeannine Myers, Greenwood, and myself, Janet Jaros of Noblesville want to WELCOME all of you. We will also be welcomed by the French Lick Resort and Casino. The entire Hotel and Conference Center has undergone a complete renovation. It is beautiful! There will be opportunities for education, making new friends and yes, having fun. On Monday we start the conference with Institute and Academy classes. Monday evening will be the welcome party, with a cookout and entertainment. Tuesday morning State Board of Accounts will start their school. The Opening session in the afternoon will provide you with the history of our wonderful League, as well as the history of French Lick. On Wednesday we will continue with State Board of Accounts. (These are called meetings). Wednesday night we will have a banquet and dancing. Closing session will be Thursday morning. Final details are being worked out but we can't wait to welcome you to French Lick.
What would the Holidays be without our Families and Friends ... with the League, we have both! Have a very Merry Christmas and Happy New Year!